Elecnor, S.A. and its subsidiaries

Audit report,
Consolidated Annual Accounts and
Consolidated Directors' Report
for the year ended 31 December 2024

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent auditor's report on the consolidated annual accounts

To the shareholders of Elecnor, S.A.

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of Elecnor, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, and the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2024, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Key audit matters

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

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Key audit matters	How our audit addressed the key audit matters
Revenue recognition on a percentage of completion basis	
The Group recognises revenues from the execution of projects and provision of services using the inputs method or the percentage of completion method, based on the costs incurred with respect to total expected costs. When applying the percentage of completion method, the Group uses significant estimates using relevant judgements relating to the total costs required to perform the contract. The Group has processes and controls in place to ensure that contracts are appropriately accounted for and supervised. Information on revenues from the execution of projects and the provision of services is included in notes 3.s and 23 to the notes to the accompanying consolidated annual accounts for 2024. Given the quantitative importance and the relevance of the estimates used in recognising these revenues, this has been considered a key audit matter.	Our audit work was based on understanding the design and controls underpinning revenue recognition. We carried out procedures which consist of, inter alia, testing the design, implementation and operational efficiency of certain relevant controls that mitigate the risks associated with the process for recognising revenues from contracts. On the other hand, we selected a sample of projects taking into account quantitative and qualitative factors, with respect to either the total selling price of the contract or the amount of revenue or margins recognised in the year, among other factors. For other projects, we carried out a selection based on unpredictability. For the projects selected, we obtained the contacts and read them and gained an understanding of the most relevant clauses, and their implications, as well as the budgets and project completion monitoring reports. Additionally, we carried out the following procedures focused on the principal matters: • Analysis of the evolution of project margins with respect to changes in the selling price and costs. • Evaluation of the consistency of the estimates made by management in the previous year with real contract data in 2024. • Recalculation of the level of completion of the projects and comparison with the calculations performed by the Group. • Obtaining documentary evidence of the costs incurred, agreements for settlement and final project closure or other agreements affecting the project cost or selling price.

Key audit matters	How our audit addressed the key audit matters
	• Similarly, we obtained external evidence of invoicing to certain significant customers and circularised others due to unpredictability. The results of the procedures performed have enabled the audit objectives for which they were designed to be reasonably attained.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2024 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the consolidated statement of non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2024 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the directors and the audit commission for the consolidated annual accounts

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group'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 aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent company's audit commission is responsible for overseeing the process of preparation and presentation of the consolidated annual accounts.

Auditor’s responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated 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 legislation governing the audit practice 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 consolidated annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.

- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's audit commission 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 Parent company's audit commission with a statement that we have complied with ethical requirements relating to independence and we communicate with the aforementioned those matters that may reasonably be considered to threaten our independence and, where applicable, the safeguards adopted to eliminate or reduce such threat.

From the matters communicated with the Parent company's audit commission, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and 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 files of the European single electronic format (ESEF) of Elecnor, S.A. and its subsidiaries for the 2024 financial year that comprise an XHTML file which includes the consolidated annual accounts for the financial year and XBRL files with tagging performed by the entity, which will form part of the annual financial report.

The directors of Elecnor, S.A. are responsible for presenting the annual financial report for the 2024 financial year in accordance with the formatting and markup requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation).

Our responsibility is to examine the digital files prepared by the Parent company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the consolidated annual accounts included in the aforementioned digital files completely agrees with that of the consolidated annual accounts that we have audited, and whether the format and markup of these accounts and of the aforementioned files has been effected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined completely agree with the audited consolidated annual accounts, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit commission of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the audit commission of the Parent company dated 25 February 2025.

Appointment period

The General Ordinary Shareholders' Meeting held on 18 May 2022 appointed us as auditors of the Group for a period of 3 years, as from the year ended 31 December 2023.

Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 29 to the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Goretty Álvarez González

27 February 2025

Elecnor, S.A. and Subsidiaries

Consolidated annual accounts at 31 December 2024

Consolidated Director's Report for 2024

(With Independent Auditor’s Report Thereon)

Prepared in accordance with International Financial Reporting Standards as adopted by the European Union

Elecnor, S.A. and Subsidiaries

Consolidated Balance Sheet at 31 December 2024

(Thousands of Euros)

Assets	31 December 2024	31 December 2023
Non-current assets:		
Property, plant and equipment (Note 10)	**268,789**	**248,474**
Right-of-use assets (Note 11)	**42,853**	**46,685**
Intangible assets-		
Goodwill (Note 8)	16,341	17,242
Other intangible assets (Note 9)	22,349	18,332
	38,690	**35,574**
Equity-accounted investees (Note 12)	**571,279**	**598,925**
Non-current financial assets (Note 13)		
Other financial assets	318,270	12,459
Derivative financial instruments (Note 17)	1,818	170
	320,088	**12,629**
Deferred tax assets (Note 20)	**94,959**	**84,673**
Total non-current assets	**1,336,658**	**1,026,960**
Current assets:		
Inventories (Note 3.n)	**11,065**	**8,648**
Customer contract assets (Note 23)	**532,742**	**464,143**
Trade and other receivables (Note 14.a)	**963,101**	**990,567**
Trade receivables from related companies (Note 28)	**19,382**	**23,113**
Public entities, receivable	**40,560**	**46,836**
Current income tax assets (Note 21)	**198,698**	**21,030**
Other receivables	**60,415**	**37,343**
Current investments in related companies (Note 28)	**11,518**	**318**
Other current financial investments	**11,580**	**19,531**
Derivative financial instruments (Note 17)	**2,735**	**2,136**
Other current assets	**11,339**	**12,155**
Cash and cash equivalents (Note 14.b)	**405,911**	**317,019**
Non-current assets held for sale (Note 7)	**241**	**1,105,994**
Total current assets	**2,269,287**	**3,048,833**
Total assets	**3,605,945**	**4,075,793**

The accompanying notes form an integral part of the Consolidated Annual Accounts.

Elecnor, S.A. and Subsidiaries

Consolidated Balance Sheet at 31 December 2024

(Thousands of Euros)

Equity and Liabilities	31 December 2024	31 December 2023
Equity		
Equity attributable to equity holders of the Parent-		
Capital	8,700	8,700
Own shares (Note 15)	(27,991)	(23,422)
Reserves (Note 15)	1,143,016	1,067,823
Translation differences (Note 15)	(124,103)	(249,111)
Valuation adjustments to equity (Note 15)	1,795	(1,878)
Profit/loss for the year attributable to the Parent	705,200	110,058
Interim dividend paid in the year (Note 5)	(540,000)	(5,718)
	1,166,617	**906,452**
Non-controlling interests (Note 15)	**111**	**19,107**
Total equity	**1,166,728**	**925,559**
Non-current liabilities:		
Official grants (Note 3.p)	**-**	**2,015**
Provisions for liabilities and charges (Note 18)	**123,805**	**66,977**
Financial liabilities for the issuance of bonds and other marketable securities (Note 16)	**-**	**29,672**
Financial liabilities on bank borrowings (Note 16)	**88,801**	**315,184**
Lease liabilities (Note 11)	**30,218**	**33,946**
Other non-current liabilities	**664**	**1,703**
Deferred tax liabilities (Note 20)	**25,562**	**30,069**
Total non-current liabilities	**269,050**	**479,566**
Current liabilities:		
Provisions for liabilities and charges (Note 18)	**140,815**	**86,269**
Financial liabilities for the issuance of bonds and other marketable securities (Note 16)	**107,525**	**238,818**
Financial liabilities on bank borrowings (Note 16)	**17,193**	**35,642**
Financial liabilities with Group companies (Note 28)	**11,508**	**-**
Derivative financial instruments (Notes 16 and 17)	**69**	**646**
Lease liabilities (Note 11)	**15,066**	**15,174**
Trade payables to associates and related companies (Note 28)	**-**	**38**
Trade and other payables-		
Trade payables for purchases or services	760,619	763,352
Advances from customers (Note 19)	213,862	205,903
	974,481	**969,255**
Customer contract liabilities (Note 23)	**550,542**	**412,803**
Current income tax liabilities	**87,268**	**48,894**
Other payables-		
Public entities, payable	117,818	66,985
Other current liabilities (Notes 10 and 23)	147,882	91,280
	265,700	**158,265**
Non-current liabilities held for sale (Note 7)	**-**	**704,864**
Total current liabilities	**2,170,167**	**2,670,668**
Total liabilities and equity	**3,605,945**	**4,075,793**

The accompanying notes form an integral part of the Consolidated Annual Accounts.

Elecnor, S.A. and Subsidiaries

Consolidated Income Statement for the year ended 31 December 2024

(Thousands of Euros)

	2024	2023
Continuing operations:		
Net turnover (Note 23)	3,810,102	3,792,906
Changes in inventories of finished goods and work in progress (Note 3.n)	66	(428)
Self-constructed assets (Note 3.g)	19,796	89,303
Materials consumed (Note 23)	(1,957,248)	(2,132,882)
Other operating income (Notes 3.p and 23)	122,614	57,584
Personnel expenses (Note 23)	(1,234,176)	(1,046,083)
Other operating expenses (Note 23)	(621,577)	(601,147)
Expense for amortisation, depreciation, impairment and charges to provisions (Note	(202,055)	(83,717)
Net profit/loss on the sale of non-current assets and subsidiaries (Notes 2.f and 10)	4,392	29,090
Profit/loss from equity-accounted investees (Note 12)	12,186	16,519
Operating income	**(45,900)**	**121,145**
Finance income (Note 23)	41,887	11,902
Finance expenses (Note 23)	(26,942)	(27,732)
Translation differences (Note 15)	(31,358)	(7,554)
Change in fair value of financial instruments (Note 17)	3,611	-
Profit/loss before taxes	**(58,702)**	**97,761**
Income tax (Note 21)	(59,438)	(27,284)
Profit/loss from continuing operations	**(118,140)**	**70,477**
Profit/loss from discontinued operations (Note 7)	**828,467**	**47,349**
Profit/loss for the year	**710,327**	**117,826**
Profit/loss from continuing operations attributable to non-controlling interests	(30)	(4)
Profit/loss from discontinued operations attributable to non-controlling interests	5,157	7,772
Profit/loss attributable to non-controlling interests	**5,127**	**7,768**
Profit/loss from continuing operations attributable to shareholders of the Parent	(118,110)	70,481
Profit/loss from discontinued operations attributable to shareholders of the Parent (Note 7)	823,310	39,577
Profit/loss for the year attributable to the shareholders of the Parent	**705,200**	**110,058**
Earnings per share from continuing operations (in Euros) (Note 30)		
Basic	*(1.39)*	*0.83*
Diluted	*(1.39)*	*0.83*
Earnings per share (in Euros) (Note 30)		
Basic	*8.33*	*1.30*
Diluted	*8.33*	*1.30*

The accompanying notes form an integral part of the Consolidated Annual Accounts.

Elecnor, S.A. and Subsidiaries

Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

(Thousands of Euros)

	Notes to Annual	2024	2023
CONSOLIDATED PROFIT/LOSS OF THE INCOME STATEMENT		**710,327**	**117,826**
Other comprehensive income:			
Items that will not be reclassified to profit or loss		-	-
Items to be reclassified to profit or loss			
- Cash flow hedges	**15.b**	2,838	37,585
- Translation differences of financial statements for businesses abroad	**15.f**	172,321	4,992
- Share of other comprehensive income of equity-accounted investees	**12**	(46,012)	(5,498)
- Tax effect	**15.b**	(1,124)	(9,730)
Other comprehensive income for the year, net of tax		**128,023**	**27,349**
Total comprehensive income attributable to:		**838,350**	**145,175**
a) Equity holders of the Parent		**833,881**	**136,439**
Continuing operations		(131,556)	59,378
Discontinued operations		965,437	77,061
b) Non-controlling interests		**4,469**	**8,736**

The accompanying notes form an integral part of the Consolidated Annual Accounts.

Elecnor, S.A. and Subsidiaries

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

(Thousands of Euros)

	Capital	Reserves	Own shares	Interim dividend paid in the year	Valuation adjustments to equity	Translation differences	Profit/loss for the year	Non-controlling interests	Total Equity
Balances at 01 January 2023	**8,700**	**993,509**	**(22,430)**	**(5,446)**	**(17,783)**	**(251,254)**	**102,813**	**26,046**	**834,155**
Total recognised income and expense for 2023	-	-	-	-	15,905	10,476	110,058	8,736	145,175
Distribution of profit/loss:									
Reserves	-	66,001	-	-	-	-	(66,001)	-	-
Supplementary dividend (Note 5)	-	-	-	-	-	-	(31,366)	(4,978)	(36,344)
2022 interim dividend	-	-	-	5,446	-	-	(5,446)	-	-
Transactions with own shares (Note 15)	-	1,366	(992)	-	-	-	-	-	374
Interim dividend paid in the year 2023 (Note 5)	-	-	-	(5,718)	-	-	-	-	(5,718)
Return of funds	-	-	-	-	-	-	-	(2,299)	(2,299)
Changes in the consolidation scope (Note 2.f)	-	6,845	-	-	-	(8,333)	-	(8,396)	(9,884)
Other	-	102	-	-	-	-	-	(2)	100
Balances at 31 December 2023	**8,700**	**1,067,823**	**(23,422)**	**(5,718)**	**(1,878)**	**(249,111)**	**110,058**	**19,107**	**925,559**
Total recognised income and expense for 2024	-	-	-	-	3,673	125,008	705,200	4,469	838,350
Distribution of profit/loss:									
Reserves	-	70,650	-	-	-	-	(70,650)	-	-
Supplementary dividend (Note 5)	-	-	-	-	-	-	(33,690)	-	(33,690)
2023 interim dividend	-	-	-	5,718	-	-	(5,718)	-	-
Transactions with own shares (Note 15)	-	4,401	(4,569)	-	-	-	-	-	(168)
Interim dividend paid in the year 2024 (Note 5)	-	-	-	(540,000)	-	-	-	-	(540,000)
Return of funds	-	-	-	-	-	-	-	(1,568)	(1,568)
Changes in the consolidation scope (Note 2.f)	-	-	-	-	-	-	-	(21,897)	(21,897)
Other	-	142	-	-	-	-	-	-	142
Balances at 31 December 2024	**8,700**	**1,143,016**	**(27,991)**	**(540,000)**	**1,795**	**(124,103)**	**705,200**	**111**	**1,166,728**

	2024	2023
Cash flows from operating activities:		
Consolidated profit/loss for the year from continuing and discontinued operations	710,327	117,826
Adjustments for:		
Depreciation (Note 23)	76,256	70,942
Impairment and net profit/loss from disposals of property, plant and equipment and intangible assets	921	(1,668)
Changes in provisions for risks and charges and other provisions (Note 23)	123,799	12,760
Capital grants taken to income	(146)	(231)
Share in (profit)/loss for the year of equity-accounted investees (Note 12)	(12,186)	(16,519)
Impairment and net profit/loss from disposals of financial instruments and other fixed assets (Note 2.f)	(3,313)	(27,385)
Finance income and expenses (Note 23)	(14,945)	15,830
Translation differences	31,358	7,553
Change in fair value of financial instruments	(3,611)	-
Other income and expenses	(3,582)	3,004
Corporate Income Tax	59,438	27,284
Profit/loss from discontinued operations	(828,467)	(47,349)
Funds generated from continuing operations	**135,849**	**162,047**
Changes in working capital:		
Trade and other receivables	(82,528)	(241,818)
Inventories	(2,418)	1,660
Trade and other payables	224,707	231,817
Changes in other current assets and liabilities	53,106	(11,933)
Income tax paid	(259,299)	(53,280)
Cash generated by operating activities of discontinued operations (Note 7)	**25,031**	**117,510**
Net cash flows from (used in) operating activities (I)	**94,448**	**206,003**
Cash flows from (used in) investment activities:		
Payments for acquisition of Group companies (Note 8)	(4,921)	(2,107)
Payments for acquisition of intangible assets (Note 9)	(12,643)	(8,987)
Payments for acquisition of financial assets (Note 13)	(314,803)	(9,856)
Payments for acquisition of property, plant and equipment (Note 10)	(84,235)	(85,506)
Payments for contributions to associates (Note 12)	-	(1,027)
Interest received	41,887	11,901
Proceeds from disposal of Group companies, associates and jointly-controlled entities (Notes 2.f)	1,456,833	79,595
Proceeds from the sale of intangible assets and property, plant and equipment (Notes 9 and 10)	5,458	2,967
Proceeds from disposal of financial assets, net	247	-
Cash generated by investment activities of discontinued operations (Note 7)	(124,509)	(255,039)
Net cash flows from (used in) investment activities (II)	**963,314**	**(268,059)**
Cash flows from (used in) financing activities:		
Cash inflows from financial debt and other non-current borrowings (Note 16)	987,044	1,494,251
Interest paid	(21,498)	(24,139)
Repayment of financial debt and other non-current borrowings (Note 16)	(1,394,652)	(1,384,559)
Payments from lease liabilities (Note 11)	(16,232)	(18,574)
Dividends paid (Note 5)	(573,690)	(37,084)
Cash inflows due to disposal of own shares (Note 15)	10,923	4,260
Cash outflows due to purchase of own shares (Note 15)	(11,091)	(3,886)
Cash generated by financing activities of discontinued operations (Note 7)	(16,826)	43,433
Net cash flows from (used in) financing activities (III)	**(1,036,022)**	**73,702**
Net increase in cash and cash equivalents (I+II+III)	**21,740**	**11,646**
Cash and cash equivalents at beginning of year	317,019	372,525
Cash and cash equivalents at year end	405,911	317,019
Cash and cash equivalents classified as Discontinued Operations at beginning of year (Note 7)	67,152	-
Cash and cash equivalents classified as Discontinued Operations at year end (Note 7)	-	67,152

The accompanying notes form an integral part of the Consolidated Annual Accounts.

1. Nature, Activities and Composition of the Group

Elecnor, S.A. (hereinafter, the Parent), was incorporated for an indefinite period in Spain on 6 June 1958 and its registered office and domicile for tax purposes is located at Calle Marqués de Mondéjar 33, Madrid (28028).

The Parent's statutory activity, according to its bylaws, is:

- Wide-ranging commercial activity in connection with the engineering, design, construction, erection, repair, maintenance and upkeep of all manner of construction projects and installation work in the broadest sense, i.e. the entire execution thereof with or without the supply of materials, on its own account or through third parties, on an exclusive basis or through associations of any kind.
- The making, marketing, construction of the associated works and sale of reinforced concrete and pre-stressed prefabricated items and products made of compound materials, as well as any construction and industry-related products.
- The provision of public and private services in relation to the collection of all types of waste; sweeping and cleaning of streets; transfer and transport of waste to the place of end disposal; the end disposal of such waste, recycling, treatment and deposit of public, private, industrial, hospital and pathological waste; cleaning, maintenance and upkeep of sewers; and, in general, urban water treatment services and all other ancillary services related directly or indirectly to the aforementioned services in their broadest sense.
- The design, research, development, construction, operation, maintenance and marketing of waste treatment, recovery and elimination facilities, and the purchase and sale of the by-products originating from these treatments.
- The design, research, development, construction, operation, maintenance and marketing of plants and facilities for the treatment of water, wastewater and waste, the recovery and elimination of waste, and the purchase and sale of the by-products originating from these treatments.
- The use, transformation and marketing of water of all types.

The aforementioned business activities can also be fully or partially carried out indirectly by the Parent through investments in other companies with a similar statutory activity. In this regard, the management of the business group formed by stakes held in the share capital that go to make up the said group also constitutes part of the Company corporate purpose, as does the provision of assistance and support services to investee companies, to which end it may provide them with the guarantees and bonds that are considered appropriate. The Elecnor Group may not carry out any business activity for which specific conditions or limitations are imposed by law, unless it fully meets such conditions.

The subsidiaries basically engage in business activities comprising the aforementioned statutory activity, and in the operation of wind energy generation facilities, the provision of aeronautical and aerospace software research, advisory and development services and the manufacture and distribution of solar panels and solar PV plants.

The General Shareholders' Meeting of 23 June 2021 approved the spin-off of the Services and Projects Business by the Parent Elecnor, S.A. to Elecnor Servicios y Proyectos, S.A.U., taking effect for accounting purposes from 1 January 2021. This transaction was described in the 2021 Annual Accounts of Elecnor, S.A. and had no impact on the consolidated financial statements of the Elecnor Group for 2021.

The Parent's bylaws and other related public information may be viewed on the Group's corporate website www.elecnor.com/home-en and at its registered office.

Shares in Elecnor, S.A. are traded in the Madrid and Bilbao stock exchanges.

Elecnor, S.A. is the Parent of a Group comprising subsidiaries that focus on a range of activities and which, together with it, form the Elecnor Group (hereinafter, "the Group" or "the Elecnor Group"). Moreover, the Group has investments in associates and joint ventures and takes part in joint ventures with other operators.

Appendix I includes information on equity-accounted subsidiaries, associates and jointly-controlled entities included in the Elecnor Group's consolidation scope.

2. Basis of presentation

a) Basis of presentation and regulatory financial reporting framework applicable to the Group

The accompanying Consolidated Annual Accounts have been prepared on the basis of the accounting records of Elecnor, S.A. and of the investees. The Consolidated Annual Accounts for 2024 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), and other applicable provisions in the financial reporting framework, to give a true and fair view of the consolidated equity and consolidated financial position of Elecnor, S.A. and subsidiaries at 31 December 2024 and consolidated results of operations and changes in consolidated equity and cash flows of the Group for the year then ended.

The Group adopted IFRS-EU on 1 January 2004 and applied IFRS 1, "First-time adoption of International Financial Reporting Standards".

The Directors of the Parent consider that the Consolidated Annual Accounts for 2024, authorised for issue on 26 February 2025, will be approved with no changes by the General Shareholders' Meeting.

The Elecnor Group's Consolidated Annual Accounts for 2023 were authorised for issue by the General Shareholders' Meeting of Elecnor, S.A. at their annual general meeting held on 22 May 2024.

These Consolidated Annual Accounts have been prepared on a going concern basis using the historical cost principle, except for financial assets and liabilities (including derivatives) at fair value through changes in profit and loss and assets held for sale (measured at fair value less costs of disposal).

Note that the balances from the Group's Argentine and Venezuelan companies were expressed at current cost before inclusion in the Consolidated Annual Accounts of the Elecnor Group, as per IAS 29 "Financial Reporting in Hyperinflationary Economies", as these countries' economies are considered to be hyperinflationary (see section g).

The preparation of the consolidated annual accounts in accordance with IFRS-EU imposes certain requirements on the process of applying the Group's accounting policies. Areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the consolidated annual accounts are disclosed in section d) of this Note.

b) Adoption of International Financial Reporting Standards (IFRS)

Standards applied for the first time

In 2024, the following standards and interpretations, which have already been adopted by the European Union and, where applicable, have been used by the Group to prepare the consolidated annual accounts, have come into force and are mandatory for application in 2024:

IFRS 16 (Amendment) "Lease Liability in a Sale and Leaseback": IFRS 16 includes requirements on how to account for a sale and leaseback on the date the transaction takes place.

However, it did not specify how to record the transaction after that date. This amendment explains how an entity should account for a sale and leaseback after the date of the transaction.

The effective date of this amendment is 1 January 2024.

This amendment has had no material impact on the Group's consolidated annual accounts.

IAS 1 (Amendment) "Classification of liabilities as current or non-current" and IAS 1 (Amendment) "Non-Current Liabilities with Covenants": These amendments, which were adopted simultaneously by the European Union, clarify that liabilities are classified as current or non-current depending on the rights that exist at the end of the reporting period. Classification is not affected by the entity's expectations or events after the reporting date (for example, receipt of a waiver or breach of agreement). The amendment also clarifies what IAS 1 means when it refers to the "settlement" of a liability.

In addition, the amendment aims to improve disclosures when an entity’s right to defer payment of a liability is subject to the fulfilment of conditions ("covenants") within twelve months after the reporting period.

This amendment is effective for periods beginning on or after 1 January 2024 and is applied retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

This amendment has had no material impact on the Group's consolidated annual accounts.

IAS 7 (Amendment) and IFRS 7 (Amendment) "Supplier Finance Arrangements (reverse factoring)": The IASB has amended IAS 7 and IFRS 7 to improve disclosures on supplier finance arrangements ("reverse factoring") and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The amendment responds to investor concerns that some companies' supplier finance arrangements are not sufficiently visible.

The amendment is effective for annual periods commencing on or after 1 January 2024.

This amendment has had no material impact on the Group's consolidated annual accounts.

Standards, amendments and interpretations issued and not yet in force that allow for early adoption

IAS 21 (Amendment) "Lack of Exchangeability": The IASB has amended IAS 21 to add requirements so as to help entities determine whether a currency is exchangeable for another currency and the spot exchange rate to use when it is not. When a currency cannot be exchanged for another currency, it is necessary to estimate the spot exchange rate on a valuation date in order to determine the rate at which an orderly exchange transaction would take place on that date between market participants under the prevailing economic conditions.

When an entity first applies the new requirements, it is not permitted to restate comparative information. Instead, the affected amounts are to be translated at spot exchange rates estimated at the date of initial application of the amendment, with an adjustment against reserves.

The amendment is effective for years beginning on or after 1 January 2025, although early application is permitted.

These amendments are not expected to have any effect on the Group's consolidated annual accounts in the future.

Existing standards, amendments and interpretations that may not be adopted early or have not been adopted by the European Union

At the date on which these Consolidated Annual Accounts were authorised for issue, the IASB and IFRS Interpretations Committee had published the standards, amendments and interpretations listed below, that are pending adoption by the European Union:

IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture": These amendments clarify the accounting treatment of sales and contributions of assets between an investor and its associates and joint ventures, which will depend on whether the non-cash assets sold or contributed to an associate or joint venture constitute a "business". The investor must recognise the entire gain or loss when the non-monetary assets constitute a "business". If the assets do not qualify as a business, the investor recognises the gain or loss only to the extent of unrelated investors' interests. The amendments only apply when an investor sells or contributes assets to its associate or joint venture.

Originally, these amendments to IFRS 10 and IAS 28 were prospective and effective for annual periods beginning on or after 1 January 2016. However, at the end of 2015, the IASB decided to postpone their effective date (without setting a new specific date), as it is planning a broader review that may ultimately simplify the way these transactions are accounted for, along with other aspects of accounting for associates and joint ventures.

These amendments are not expected to have any effect on the Group's consolidated annual accounts in the future.

IFRS 18 "Presentation and Disclosure in Financial Statements": The IASB has issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1 "Presentation of Financial Statements". Many of the principles set out in IAS 1 are maintained; however, the key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit and loss (income statement), requiring the presentation of specific totals and subtotals and requiring the classification of items in the income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations;
- Required disclosures in the financial statements for certain performance measures reported in the financial statements (i.e., performance measures defined by management); and
- Enhanced principles on aggregation and disaggregation that apply to the main financial statements and notes in general.

IFRS 18 does not modify the recognition or measurement of items in the financial statements, but it may change what an entity reports as its "operating profit or loss".

This new standard is effective for financial years beginning on or after 1 January 2027, including interim financial statements, and retrospective application is required. Early adoption is allowed, but the standard is pending approval by the European Union.

The Group is analysing the possible effects on the Group's consolidated annual accounts in the future.

IFRS 19 "Subsidiaries without Public Accountability: Disclosures": This new standard has been developed to allow non-publicly accountable subsidiaries with a parent that applies IFRS standards in its consolidated financial statements to apply IFRS standards with reduced disclosure requirements. IFRS 19 is a voluntary standard that eligible subsidiaries may apply in preparing their own consolidated, separate or individual financial statements, where permitted by applicable regulatory legislation. These subsidiaries will continue to apply the recognition, measurement and presentation criteria of other IFRS, but may replace the disclosure requirements of those standards with reduced disclosure requirements.

The new standard is effective for annual periods commencing on or after 1 January 2027. Early adoption is allowed, but the standard is pending approval by the European Union.

These amendments are not expected to have any effect on the Group's consolidated annual accounts in the future.

Amendments to IFRS 9 and IFRS 7 "Amendments to Classification and Measurement of Financial Instruments": These amendments to IFRS 9 and IFRS 7 are for:

a) Clarifying the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) Clarifying and providing additional guidance for assessing whether a financial asset meets the "solely payments of principal and interest" criterion;

c) Incorporating new disclosure requirements for certain instruments with contractual terms that may change cash flows (such as some instruments with features linked to the achievement of environmental, social and governance (ESG) objectives); and

d) Updating the disclosures on equity instruments at fair value through other comprehensive income.

The amendments in (b) are more relevant for financial institutions, although the amendments in (a), (c) and (d) are relevant for all institutions.

These amendments are effective for annual periods commencing on or after 1 January 2026. Early adoption is allowed, but the standard is pending approval by the European Union.

These amendments are not expected to have any effect on the Group's consolidated annual accounts in the future.

Annual Improvements to IFRS® Accounting Standard. Volume 11: The amendments are effective for annual periods commencing on or after 1 January 2026. The purpose of the amendments is to avoid possible confusion arising from drafting inconsistencies in the regulations by addressing changes to the following standards:

- IFRS 1 "First-time Adoption of IFRS";
- IFRS 7 "Financial instruments" Disclosures";
- IFRS 9 "Financial instruments";
- IFRS 10 "Consolidated Financial Statements"; and
- IAS 7 "Statement of cash flows".

These amendments are not expected to have any effect on the Group's consolidated annual accounts in the future.

Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity": Nature-dependent electricity contracts help companies secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts may vary depending on uncontrollable factors such as weather conditions. The amendments help companies to better reflect these contracts in the financial statements and consist of:

- A clarification of the application of the "own use" requirements;
- The possibility of applying hedge accounting if these contracts are used as hedging instruments; and
- The addition of new disclosure requirements to enable an understanding of the effect of these contracts on the company's financial reporting.

These amendments are effective for annual periods commencing on or after 1 January 2026. Early adoption is allowed, but the amendments are pending approval by the European Union.

These amendments are not expected to have any significant effect on the Group's Consolidated Annual Accounts in the future.

c) Functional currency and presentation currency

The figures disclosed in the Consolidated Annual Accounts are expressed in thousands of Euros, rounded to the nearest thousand, the Parent’s functional and presentation currency.

d) Material accounting estimates and significant assumptions and judgements in applying accounting policies

The information in these consolidated annual accounts is the responsibility of the Board of Directors of Elecnor, S.A.

The preparation of Consolidated Annual Accounts in accordance with IFRS-EU requires the application of significant accounting estimates and making judgements, estimates and assumptions in the process of applying the Group's accounting policies. In this connection, there follows a detailed summary of the aspects that have involved the greatest degree of judgement, complexity or in which the assumptions and estimates are not significant for preparing the Consolidated Annual Accounts.

Significant accounting estimates and assumptions

- The impairment analysis of receivables deriving from third party transactions includes the estimate of future receivables arising from the situation of each customer, each country and the economy in general (Note 14).
- The Group performs a significant portion of its activities in construction contracts with customers. This method is based on performing estimates in relation to the stage of completion of projects. Depending on the method used to determine project progress, significant estimates correspond to costs pending incurring in each contract. Furthermore, the Group recognises provisions for negative margins when the estimate of total costs exceeds estimated income from contracts. These estimates are subject to changes based on new information regarding the stages of completion.
- The calculation of provisions for litigation and inspections is subject to considerable uncertainty. If it is likely that there will be an obligation at the end of the year that will imply an outflow of resources, a provision is recognised if the amount can be reliably estimated. Legal processes usually imply complex legal matters and are subject to considerable uncertainty. The Group relies on third-party advice to estimate the probability of the outcome of litigation and inspections.

Moreover, although the estimates performed by the Parent's Directors were calculated based on the best information available at 31 December 2024, it is possible that future events might oblige their modification in the next few years. The effect on the Consolidated Annual Accounts of modifications that, in the event, may derive from adjustments over the next few years would be recognised prospectively.

Significant judgements in applying accounting policies

Since 17 December 2019, the Elecnor Group has, along with the investment fund APG, jointly controlled the subgroup Celeo Concesiones e Inversiones, and since that date it has held a 51% shareholding, compared with a previous shareholding of 100%.

The material judgements that led to the Elecnor Group's conclusion regarding the loss of the controlling interest it hitherto held in Celeo Concesiones e Inversiones, S.L., and which are upheld on the date on which these Consolidated Annual Accounts were authorised for issue, are as follows:

- The equitable composition of the Board of Directors and the General Shareholders' Meeting with homogeneous rights.
- The decisions adopted by the General Shareholders' Meeting must be approved by a reinforced majority of at least 75%, with only the following matters requiring a simple majority:
  - Modification of the Corporate Bylaws when such modification is required by law, provided such modification does not contravene the provisions of the shareholders' agreement.
  - Appropriation of profit/loss in order to build the Legal Reserve required by law.

- The control and functional dependence of the management of Celeo Concesiones e Inversiones, S.L., which handles the material aspects of the business and which ceases to depend on the Elecnor Group to instead report directly to the Board of Directors of Celeo Concesiones e Inversiones, S.L.
- The existence of a neutral arbitration system in the event of a dispute. In the event of any dispute between the two shareholders, a mediator will be called in to resolve it, and if this were not sufficient an arbitration process will take place, involving three arbitrators, with the shareholders each appointing one arbitrator and a third appointed by agreement of the other two arbitrators.

e) Comparative information

In the Consolidated Annual Accounts for 2024, we present, for comparative purposes, along with each item of the consolidated statements of financial position, Consolidated Income Statement, comprehensive income, changes in equity, cash flows and notes to the Consolidated Annual Accounts, in addition to the figures for 2024, those corresponding to the previous year, approved by the Ordinary Annual General Shareholders' Meeting of the Parent on 22 May 2024.

f) Changes to the consolidation scope

The most significant changes in the consolidation scope in 2024 were as follows:

- On 23 May 2024, once all the conditions stipulated in the contract signed with Statkraft European Wind and Solar Holding AS had been fulfilled, the public deed of sale of all the shares of Enerfín was signed, effective on the same date, for a final price of Euros 1.560 billion. The transaction resulted in a capital gain of Euros 805,349 thousand, recognised under "Profit/loss from discontinued operations attributable to shareholders of the Parent" in the consolidated income statement for 2024 (Note 7).
- On 31 October 2024, the Elecnor Group formalised the sale of the subsidiaries Deimos Space, S.L.U., Deimos Engenharia, S.A., Elecnor Infrastrutture Aerospaziale, S.R.L., Deimos Engineering and Systems, S.L.U., Deimos Space UK Limited, and S.C. Deimos Space, S.R.L. for a sales price of Euros 19,000 thousand recognising the associated capital gain in the amount of Euros 3,470 thousand under "Net profit/loss on the sale of non-current assets and subsidiaries" in the consolidated income statement for 2024.
- The Group decided to permanently cease operations in Venezuela in 2024.

The most significant changes in the consolidation scope in 2023 were:

- In 2023, the most significant corporate transaction is the disposal of the 50% stake in the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V. in a joint sale with Enagas, owner of the remaining 50%. The transaction resulted in a capital gain of Euros 21,519 thousand, recognised under "Net profit/loss on the sale of non-current assets and subsidiaries" in the Consolidated Income Statement for the year 2023 (see Note 12).
- Also in 2023, the Group increased by 10% its stake in the subsidiaries Parques Eólicos Palmares, S.A., Ventos dos Índios Energia, S.A., Ventos da Lagoa, S.A., and Ventos do Litoral Energia, S.A., for a total amount of Euros 9.9 million. This led to a decrease by the same amount under various consolidated equity headings. The Group's ownership interest in these subsidiaries thus increased from 80% to 90% at 31 December 2023.
- On 28 September 2023 the Elecnor Group formalised the sale of the subsidiary Eresma Solar, S.L.U., recorded at 31 December 2022 as non-current assets held for sale under the agreement entered into in 2020. The Group completed the transaction for a sale value of Euros 9,055 thousand, recording the associated gain under "Net profit/loss on the sale of non-current assets and subsidiaries" in the Consolidated Income Statement for 2023 (Note 7).

g) Entities located in countries with high rates of inflation

In light of the economic situation in Argentina, and according to the definition of a hyperinflationary economy laid down by IAS 29, this country has been considered as hyperinflationary since 2018, a situation that persists at the end of 2024. The Elecnor Group holds one investment in Argentina, with outstanding balances at 31 December 2024 and 2023, and the volume of transactions during 2024 and 2023 is non-material.

The Group also held an investment in Venezuela, which became a hyperinflationary economy in 2009, until the permanent cessation of its operations in 2009, with outstanding balances and transactions in 2023 being insignificant (Note 2.f).

In 2024 and 2023, the Group has recognised the relevant impact considering the hyperinflationary economic situation in both countries, which has been non-material for the purposes of the Elecnor Group.

The rest of the functional currencies of the consolidated companies and associates located abroad are not those of a highly inflationary economy as defined by IFRS. Accordingly, at the end of 2024 and 2023 it was not necessary to adjust the financial statements of any other consolidated entity or associate in order to correct for the effects of inflation.

3. Accounting principles

a) Subsidiaries

Subsidiaries are entities over which the Company exercises control, either directly or indirectly through subsidiaries. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company has power over a subsidiary when it has existing substantive rights that give it the ability to direct the relevant activities. The Company is exposed, or has rights, to variable returns from its involvement with the subsidiary when its returns from its involvement have the potential to vary as a result of the subsidiary's performance.

The income, expenses and cash flows of subsidiaries are included in the Consolidated Annual Accounts from their acquisition date, which is the date control commences. Subsidiaries are excluded from the consolidated Group from the date on which this control is lost.

Transactions and balances with Group companies and unrealised profit or loss were eliminated in the consolidation process. However, unrealised losses were considered to be an indicator of the impairment of the assets transferred.

The accounting policies of subsidiaries were adapted to the Group's accounting policies, for transactions and other events that are similar and took place in comparable circumstances.

The Annual Accounts or financial statements of subsidiaries used in the consolidation process refer to the same presentation date and the same period as those of the Parent.

Non-controlling interests in the net assets of subsidiaries are recognised in equity separately from the Parent's equity. Non-controlling interests' share in consolidated profit or loss for the year (and in consolidated total comprehensive income for the year) is disclosed separately in the Consolidated Income Statement.

Changes in the ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions, i.e. any difference is recognised directly in equity.

In the reduction of the shareholding in a subsidiary that implies a loss of control thereof, the Group recognises profit/loss due to the difference between the consideration received plus the fair value of any investment retained in the company plus the carrying amount of the non-controlling interests and the carrying amount of the consolidated net assets. Other comprehensive income relating to the subsidiary is reclassified to profit/loss or reserves depending on its nature. Consolidated net assets include goodwill inasmuch as the divested entity constitutes a business. If the divested entity constitutes a business which belonged to a cash-generating unit or a group of cash-generating units to which goodwill had been assigned, then the goodwill is assigned to the part divested and the part maintained in accordance with the fair value and recoverable amount, respectively.

The fair value of the investment maintained constitutes the acquisition cost for the purposes of subsequent measurement in accordance with its classification.

The financial statements used in the consolidation process are, in all cases, those for the yearly period ending on 31 December of each year. A breakdown of the identification details of the subsidiaries is given in Appendix I attached herein.

Changes in ownership interests in subsidiaries without change of control

The Group accounts for transactions with non-controlling interests that do not result in a loss of control as transactions with the Group's equity owners. On purchase of non-controlling interests, the difference between the fair value of the consideration paid and the corresponding proportion acquired of the carrying amount of the subsidiary's net assets is recognised in equity. Gains or losses on disposal of non-controlling interests are also recognised in equity.

b) Associates

Associates are entities over which the Company, either directly or indirectly through subsidiaries, exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The existence of potential voting rights that are exercisable or convertible at the end of each reporting period, including potential voting rights held by the Group or other entities, are considered when assessing whether an entity has significant influence.

Investments in associates are accounted for using the equity method from the date that significant influence commences until the date that significant influence ceases. However, if on the acquisition date all or part of the investment fulfils the conditions to be classified as non-current assets or disposal groups of items held for sale, it is recognised at fair value, less the costs of divestment or disposal by another means.

Investments in associates are initially recognised at acquisition cost, also including any cost directly attributable to the acquisition and any contingent asset or liability consideration that depends on future events or the failure to fulfil certain conditions.

The excess between the cost of the investment and the percentage corresponding to the Group in fair values of identifiable net assets is registered as goodwill and included in the carrying amount of the investment. Any shortfall, having measured the amounts of the cost of the investment and the identification and measurement of the net assets of the associate, is recognised as income when determining the investors interest in the associate's profit and loss in the year in which it is acquired.

If the investment is the result of a loss of control of a subsidiary that did not constitute a business, the cost of the investment is the fair value, net of the derecognitions deriving from the loss of control.

The accounting policies of associates were harmonised in time and valuation terms in line with those used at subsidiaries.

The Group's share of the profit or loss of an associate from the date of acquisition is recognised as an increase or decrease in the value of the investments, with a credit or debit to "Profit/loss from equity-accounted investees" in the Consolidated Income Statement. The Group's share of other comprehensive income of associates from the date of acquisition is recognised as an increase or decrease in the value of the investments in associates with a balancing entry, based on the nature of the investment, in other comprehensive income in the consolidated statement of comprehensive income. The distribution of dividends is recognised as a decrease in the value of the investment. The Group's share of profit or loss, including impairment losses recognised by the associates, is calculated based on income and expenses arising from application of the acquisition method.

The Group's share in the profit and loss of associates and in changes to net equity is determined based on the ownership interest at the end of each year, not taking into account the potential exercise or conversion of potential voting rights. Nevertheless, the Group's interest is determined considering the eventual exercise of potential voting rights and other derivative financial instruments which substantially provide current access to the economic benefits associated with the ownership interests, in other words, the right to participate in future dividends and changes in the value of associates.

Losses of an associate attributable to the Group are limited to the extent of its net investment, except where the Group has legal or constructive obligations or when payments have been made on behalf of the associate. For the purpose of recognising impairment losses in associates, net investments are considered as the carrying amount of the investment after applying the equity method plus any other item which in substance forms part of the investment in the associate. The excess of the losses over the equity instrument investment is applied to the remaining items in reverse order of settlement. Subsequent profits obtained by associates for which impairment losses are limited to the value of the investment are recognised to the extent that they exceed previously unrecognised losses.

If the Group's share of losses in an associate equals or exceeds its investment in the associate, it does not recognise its share of any further losses. The investment in the associate is the carrying amount of the investment determined using the equity method, plus any other non-current portion that, in substance, forms part of the Group's net investment in the associate.

Profit and loss not realised in transactions between the Group and associates are only recognised insofar as they correspond to the holdings of other unrelated investors. The exception in the application of this criterion is the recognition of unrealised losses that constitute evidence of the impairment of the transferred asset. Nevertheless, profit and loss deriving from transactions between the Group and associates involving net assets that constitute a business are recognised in their entirety.

In the reduction of a shareholding in an associate that does not imply a significant loss of influence or when the Group loses the joint control of a joint venture and maintains a significant influence, the Group recognises the result as the difference between the consideration received and the proportionate part of the carrying amount of the divested shareholding. Other comprehensive income corresponding to the proportionate part of the divested associate is reclassified to profit/loss or reserves as though the associate had directly sold the assets and liabilities linked to it. If the transaction implies a loss, the Group tests the impairment in the residual value maintained.

Impairment

Once the equity method has been applied, the Group assesses whether or not there is objective evidence of an impairment in the net investment in the associate.

Calculation of impairment is determined as a result of the comparison between the carrying amount linked to the net investment in the associate and its recoverable amount, understood as the higher between value in use and fair value less the costs to sell or otherwise dispose of the item. In this connection, value in use is calculated as a function of the Group's interest in the current value of estimated cash flows in ordinary activities and the amounts potentially resulting from the final disposal of the associate.

The recoverable amount of the investment in an associate is assessed in relation to each associate, unless it does not constitute a cash-generating unit (CGU).

c) Joint arrangements

Joint arrangements are those in which there is a contractual agreement to share the control over an economic activity, in such a way that decisions about the relevant activities require the unanimous consent of the Group and the remaining venturers or operators. The existence of joint control is assessed considering the definition of control over subsidiaries.

- Joint ventures: investments in joint ventures are accounted for using the equity method described in the letter above.
- Joint operations: for joint operations, the Group recognises the assets, including its share of any assets held jointly, the liabilities, including its share of any liabilities incurred jointly with the other operators, the revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and the expenses, including its share of any expenses incurred jointly, in the Consolidated Annual Accounts.

The Group has joint control in various Temporary Business Associations since it has contractual agreements that require the consent of the shareholders to make decisions on important activities. The Group has classified the investments as joint operations since the shareholders have rights on the assets and obligations on the liabilities. Said right are principal and not subsidiary. In addition, the Group includes in this category certain foreign entities considered to be a similar vehicle to a UTE (various kinds of joint ventures), through which it carries out part of its business activities.

d) Foreign currency transactions and balances

Foreign currency transactions, balances and cash flows

Transactions in foreign currency are translated into the functional currency at the spot exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies have been translated into Euros at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate prevailing at the transaction date. Non-monetary assets measured at fair value have been translated into Euros at the exchange rate at the date that the fair value was determined.

Translation of foreign operations

The Group has applied the exemption permitted by IFRS 1, First-time Adoption of International Financial Reporting Standards, relating to accumulated translation differences. Consequently, translation differences recognised in the Consolidated Annual Accounts generated prior to 1 January 2004 are recognised in retained earnings. As of that date, foreign operations whose functional currency is not the currency of a hyperinflationary economy have been translated into Euros as follows:

- Assets and liabilities, including goodwill and net asset adjustments derived from the acquisition of the operations, including comparative amounts, are translated at the closing rate at the reporting date.
- Income and expenses, including comparative amounts, are translated at the exchange rates prevailing at each transaction date.
- All resulting translation differences are recognised as translation differences in other comprehensive income.

These criteria are also applicable to the translation of the financial statements of equity-accounted companies, with translation differences attributable to the Group recognised in other comprehensive income.

The translation differences recognised in other comprehensive income are recognised as an adjustment in profit/loss on the sale, based on the criteria set forth in the sections on subsidiaries and associates.

Foreign operations in hyperinflationary economies

The financial statements of Group companies whose functional currency is the currency of a hyperinflationary economy are restated in terms of the measuring unit at the reporting date.

The results and financial position of the Group's foreign operations whose functional currency is the currency of a hyperinflationary economy are translated into Euros as follows:

- Assets and liabilities, including goodwill and net asset adjustments derived from the acquisition of the operations, equity items, income and expenses, and cash flows are translated at the closing exchange rate at the most recent reporting date.
- Comparative amounts are those that were included in the prior year Consolidated Annual Accounts and are not adjusted for subsequent changes in the price level or in exchange rates. The effect of the adjustment on the prior year's balances is recognised in reserves in consolidated net equity.

None of the functional currencies of the consolidated companies and associates located abroad are those of a hyperinflationary economy as defined by IFRS, except in the cases of Venezuela and Argentina (see section g of Note 2).

e) Non-current assets (or disposal groups) held for sale and discontinued operations

A discontinued operation is a component of the Group that has been disposed of or classified as held for sale and represents a separate line of business or geographical area. The profit/loss from discontinued operations are presented separately in the Income Statement.

Non-current assets or disposal groups whose carrying amount will be recovered primarily through a sale transaction, rather than through continuing use, are classified as non-current assets held for sale. To classify non-current assets or disposal groups as held for sale, they must be available in their current state for disposal, subject only to the usual and widely accepted terms of sale transactions, and the transaction must also be considered to be highly probable.

Non-current assets or disposal groups classified as held for sale are measured at the lower of the carrying amount and fair value less the costs of disposal and are not amortised or depreciated.

The Group classifies on the acquisition date a non-current asset or disposal group of items, including subsidiaries, and all or part of the investment in associates or joint ventures acquired solely for the purpose of their subsequent disposal or exchange, as held for sale, if the planned transaction is expected to take place in the following year and the sale fulfils the requirements to be considered highly probable within a short period after the acquisition. At the time of the initial recognition of this kind of assets, their initial measurement is determined by the value that would have been recognised if they had not been classified as available for sale and their fair value less costs to sell or otherwise dispose of the assets.

The Company measures non-current assets that cease to be classified as held-for-sale or that cease to be part of a disposable group of items, at the lower of their carrying amount prior to classification, less amortisation, depreciation or revaluation that would have been recognised had they not been classified as such and the recoverable value on the reclassification date. The valuation adjustments deriving from this reclassification are recognised in profit/loss from continuing activities or other comprehensive income. For these purposes, the Group deems a change in the plan that involves selling rather than distributing to shareholders or vice versa to be a continuation of the original plan, and recognises the impact of the valuation change in consolidated profit/loss.

The Group restates Consolidated Annual Accounts for prior periods from the date of classification of a subsidiary, associate or joint venture as a disposal group or non-current asset held for sale as if it had never been classified as such. As a result, the assets and liabilities of subsidiaries are stated by nature and, where applicable, the Group recognises any depreciation or revaluation that would have been recognised had they not been classified as disposal groups held for sale. Associates or joint ventures are measured retrospectively using the equity method.

f) Intangible assets

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's interest in the identifiable net assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition. Goodwill related to acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment loss based on the criteria set out in section h) and is carried at cost less accumulated impairment losses, which may not be reversed in the future. Gains and losses on the sale of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, the goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill is allocated represents the lowest level within the entity at which goodwill is controlled for internal management purposes.

Goodwill impairment reviews are performed annually or more frequently if events or changes in circumstances indicate a potential impairment loss. The carrying amount of the generating unit containing the goodwill is compared with the recoverable amount, which is the higher of value in use or fair value less costs to sell. Any impairment loss is recognised immediately as an expense.

Other intangible assets

Intangible assets are presented in the consolidated balance sheet at cost less amortisation and cumulative impairment losses.

Intangible assets are amortised on a straight-line basis over their useful lives.

Impairment

The Group measures and determines the intangible asset's impairment losses and reversals in accordance with the criteria set forth in section h).

g) Property, plant and equipment

Initial recognition

Property, plant and equipment is measured at cost, less cumulative depreciation and, in the event, cumulative impairment losses. However, prior to 1 January 2004, the Elecnor Group revalued certain items of property, plant and equipment as permitted by applicable legislation. In accordance with IFRS, the Elecnor Group treated the amount of these revaluations as part of the cost of these assets because it considered that the revaluations reflected the effect of inflation.

The cost of property, plant and equipment includes the estimated decommissioning or removal costs, as well as the cost of restoring the location, provided these are obligations incurred as a consequence of its use and for purposes other than the production of inventories.

Capitalised costs include finance expenses on external financing accrued during the construction period on construction work exceeding one year.

Self-constructed property, plant and equipment is recognised at accumulated cost; i.e. external costs plus in-house costs, determined on the basis of warehouse materials consumed, and manufacturing costs calculated using hourly absorption rates similar to those used for the measurement of inventories. In 2024, Euros 19,796 thousand was recognised for this item (Euros 89,303 thousand in 2023), booked under "Self-constructed assets" in the Consolidated Income Statement, mainly relating to wind farms and photovoltaic plants under construction.

Subsequent costs

Subsequent to the initial recognition of the asset, only those costs that will generate future economic benefits that may reasonably be described as probable, and whose amount can be measured reliably, are capitalised. In this connection, the costs deriving from the daily upkeep of property, plant and equipment are recognised as they are incurred.

The replacement of items of property, plant and equipment that may potentially be capitalised implies reducing the carrying amount of the items replaced. In those cases in which the cost of the replaced items has not been independently depreciated and it is not feasible to determine their carrying amount, the replacement cost is used to indicate the cost of the items at the time of their acquisition or construction.

Depreciation and amortisation

Property, plant and equipment is depreciated by distributing the depreciable amount using the straight-line method over its useful life.

Depreciation of property, plant and equipment is determined by applying the following criteria:

	Years of useful life	
	2024	2023
Buildings	33-50	33-50
Technical installations and machinery	20-30	20-30
Hand and machine tools	3-10	3-10
Furniture and fixtures	3-10	3-10
Information technology equipment	3-5	3-5
Motor vehicles	2-10	2-10
Other property, plant and equipment	3-10	3-10

The Group reviews the residual value, useful life and depreciation method of property, plant and equipment at the end of each financial year. Any changes to the initially established criteria are recognised as a change in estimate.

Impairment

The Group measures and determines the property, plant and equipment's impairment losses and reversals in accordance with the criteria set forth in section h).

h) Impairment of non-financial assets carried at amortised or depreciated cost

The Group evaluates whether there are indications of possible impairment losses on non-financial assets subject to amortisation or depreciation to verify whether the carrying amount of these assets exceeds the recoverable amount.

Likewise, regardless of the existence of any indication of impairment, the Group reviews, at least once a year, the potential impairment that might affect goodwill and intangible assets with an indefinite useful life.

The recoverable amount of the assets is the higher amount between fair value less costs to sell and value in use.

The asset's value in use is calculated as a function of the estimated future cash flows deriving from the use of the asset, the expectation about possible changes in timing of those cash flows, the time value of money, the price for bearing the uncertainty inherent in the asset and other factors that market venturers would reflect in pricing the future cash flows expected to derive from the asset.

Where the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised for the difference with a charge to "Amortisation and depreciation, impairment and charges to provisions" in the accompanying Consolidated Income Statement.

At each closing date, the Group tests for any signs that the impairment loss recognised in previous years no longer exists or may have diminished. Impairment losses corresponding to goodwill are not reversible. Impairment losses from the rest of assets are only reversed if there has been a change in the estimates used to determine the asset's recoverable amount.

i) Leases

Identification of a lease

At inception of a contract, the Group assesses whether the contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The period in which a Group uses an asset includes consecutive and non-consecutive periods. The Group only reassesses the conditions when there is a modification to the contract.

Lessee accounting

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group considers all components as a single lease component.

The Group has opted not to apply the accounting policies shown below for short-term leases and those whose underlying asset has a value of less than Euros 5 thousand, which correspond primarily to machinery leases for use in construction works, since the estimated duration of the leases is less than or around one year, as such machinery tends to be leased for the duration of the project for which it has been leased. On 31 December 2024, the heading Right-of-use assets corresponds mainly to leases of premises. In 2023 and following the classification of the Enerfín subgroup as a non-current asset held for sale, it corresponded mainly to leases of premises.

The Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

At the lease commencement date the Group recognises a right-of-use asset and a lease liability. The right-of-use asset comprises the amount of the lease liability, any lease payment made at or before the commencement date, less any lease incentives received, any initial direct costs incurred and an estimate of the decommissioning or restoration costs to be incurred, as indicated in the accounting policy on provisions.

The Group measures the lease liability at the current value of the lease payments that are pending payment at the commencement date. The Group discounts lease payments at the appropriate incremental borrowing rate, unless it can readily determine the lessor's implicit interest rate. In this regard, for the initial measurement of the lease liability the incremental borrowing rate was used, representing the interest rate that a lessee would have to pay for borrowing over a similar period, with a similar guarantee, the necessary funds to obtain an asset of a value similar to that of the right-of-use asset in a similar economic context. The Group uses different discount rates for each country and depending upon the remaining lease terms, with the applied discount rates being between 2.70% and 14.5% depending on the country and the duration of the contracts, as this is where the leases subject to this standard are located.

The Group measures right-of-use assets at cost, less any accumulated depreciation and impairment, adjusted for any re-measurement of the lease liability.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the Group depreciates the right-of-use asset as indicated in the property, plant and equipment section from the commencement date to the end of the useful life of the underlying asset.

Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group measures lease liabilities by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount to reflect any lease modifications or to reflect revised in-substance lease payments.

The Group recognises the amount of remeasurement of the liability, where applicable, as an adjustment to the right-of-use asset until this is reduced to zero and subsequently in profit or loss.

The Group remeasures lease liabilities by discounting the lease payments using a revised discount rate, if there is a change in the lease term or a change in assessment of a purchase option of the underlying asset.

The Group remeasures lease liabilities if there is a change in the estimated amounts payable of a residual value guarantee or a change in the index or rate used to determine the payments, including a change to reflect variations in market rental rates once there has been a review thereof.

j) Financial instruments

Recognition and classification of financial instruments

Financial instruments are classified on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument in IAS 32 "Financial Instruments: Presentation".

The Group recognises financial instruments when it becomes a party to the contract or legal transaction, in accordance with the terms set out therein.

For measurement purposes, the Group classifies financial instruments in the categories of financial assets and liabilities at fair value through profit or loss, separating those initially designated from those held for trading or that measured at fair value through profit or loss, financial assets and liabilities at amortised cost and financial assets at fair value through other comprehensive income, separating equity instruments designated as such from the rest of financial assets. The Group classifies financial assets designated at fair value through profit or loss and equity instruments designated at fair value through other comprehensive income in accordance with the business model and nature of the contractual flows. The Group classifies financial liabilities as measured at amortised cost, except those designated at fair value through profit or loss and those held for trading.

The Group classifies a financial asset at amortised cost if it is held within the framework of a business model aimed at holding financial assets in order to obtain contractual cash flows and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the unpaid principal.

The Group classifies a financial asset at fair value through other comprehensive income if it is held within the framework of a business model aimed at obtaining contractual cash flows and selling financial assets and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the unpaid principal.

The business model is determined by key staff at the Group at a level reflecting the manner in which groups of assets are managed jointly to achieve the aim of a specific business. The Group's business model represents the manner in which it manages its financial assets to generate cash flows.

The financial assets within the framework of a business model aimed at holding assets to receive contractual cash flows are managed to generate cash flows in the form of contractual receipts during the life of the instruments. The Group manages the assets held on the portfolio so as to receive these specific contractual cash flows. To determine whether the cash flows are obtained by receiving contractual cash flows from the financial assets, the Group considers the frequency, value and calendar of sales in previous years, the reasons for those sales and the expectations in relation to the future sales activity. Nevertheless, sales do not, of themselves, determine the business model and, accordingly, cannot be considered on their own. Instead, it is information on past sales and expectations of future sales that offers an indication of the way to achieve the Group's stated goal with regard to the management of financial assets and, more specifically, how the cash flows are obtained. The Group considers information on past sales in the context of the reasons for those sales and the conditions at that time as compared to current conditions. To this end, the Group considers that trade and other receivables that will be assigned to third parties and will not be derecognised are maintained in this business model.

Although the goal of the Group's business model is to hold financial assets in order to receive contractual cash flows, this does not mean that the Group holds all the instruments to maturity. Consequently, the Group's business model is to hold financial assets to receive contractual cash flows even when there have been or there are expected to be sales of these assets. The Group understands that this requirement is fulfilled provided the sales take place due to an increase in the credit risk of the financial assets. In the rest of cases, in individual and aggregate terms, sales may not be significant even if they are frequent or must be infrequent where they are significant.

The contractual cash flows that are solely payments of principal and interest on the unpaid principal are consistent with a basic loan agreement. In a basic loan agreement, the main items of interest are generally the consideration for the time value of money (TVM) and credit risk. Nevertheless, in an agreement of this kind, interest also includes consideration for other risks, such as liquidity and costs, like the administrative risks of a basic loan associated with maintaining the financial asset for a certain period. Moreover, interest may include a profit margin consistent with a basic loan agreement.

The Group designates a financial liability initially at fair value through profit or loss, if by doing so it eliminates or significantly reduces any inconsistency in the measurement or recognition that would otherwise emerge, if the measurement of the assets or liabilities or recognition of the profit/loss thereof were performed on different bases or a group of financial liabilities or of financial assets and financial liabilities is managed, and its performance assessed, on a fair value basis, in accordance with a documented investment strategy or risk management strategy, and information is provided internally concerning said group on the same basis to key staff from the Group's management.

The Group classifies the rest of financial liabilities, except financial guarantee contracts, commitments to grant a loan at a lower-than-market rate and financial liabilities resulting from a transfer of assets not fulfilling the requirements for derecognition from accounts or accounted for using the ongoing involvement approach, as financial liabilities at amortised cost.

Financial instruments at fair value

An analysis of financial instruments measured at fair value at 31 December 2024 and 2023 subsequent to their initial recognition, classified into levels 1 to 3 based on the fair value measurement method, is as follows:

- Level 1: their fair value is obtained from directly observable quoted prices in active markets for an identical asset or liability.
- Level 2: their fair value is determined using market inputs, other than the quoted prices included in level 1, that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

  The fair value of financial instruments that are not quoted in an active market is determined using measurement techniques. The Elecnor Group uses a variety of methods such as estimated discounted cash flows and makes assumptions based on the market conditions existing at each balance sheet date. If all key figures required to calculate the fair value of an instrument are observable, the instrument is included in Level 2.

  The instruments included in Level 2 correspond to derivative financial instruments (Note 17).

- Level 3: their fair value is determined using measurement techniques that include inputs for the assets and liabilities that are not directly observable market data.

	Fair value at 31 December 2024			
	Thousands of Euros			
	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Derivative financial instruments (Note 17)	-	1,818	-	1,818
Current financial assets				
Derivative financial instruments (Note 17)	-	2,735	-	2,735
Non-current financial liabilities				
Derivative financial instruments (Note 17)	-	-	-	-
Current financial liabilities				
Derivative financial instruments (Note 17)	-	(69)	-	(69)
	-	**4,484**	-	**4,484**

Following the discontinuation of the energy business, the Elecnor Group has derivative financial instruments of assets and liabilities classified under non-current assets and liabilities held for sale (see Note 7). All of them belong to Level 2.

	Fair value at 31 December 2023			
	Thousands of Euros			
	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Derivative financial instruments (Note 17)	-	170	-	170
Current financial assets				
Derivative financial instruments (Note 17)	-	2,136	-	2,136
Non-current financial liabilities				
Derivative financial instruments (Note 17)	-	-	-	-
Current financial liabilities				
Derivative financial instruments (Note 17)	-	(646)	-	(646)
	-	**1,660**	-	**1,660**

There have been no transfers between levels during the 2024 and 2023 financial years.

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, plus or minus transaction costs incurred, and are subsequently measured at amortised cost using the effective interest rate method.

Impairment

The management of the Elecnor Group applies the simplified approach permitted by IFRS 9, which requires expected losses to be recognised from the initial recognition of financial assets at risk (trade receivables and customer contract assets), irrespective of their maturity, and assesses whether there is a significant increase in credit risk.

When assessing whether there is a significant increase in credit risk, the Group considers all the reasonable and supportable prospective information, specifically:

- Internal and external credit risk ratings;
- Current or expected adverse changes in the business, financial or economic conditions that might trigger a significant change in the borrower's ability to meet its obligations;
- Current or expected significant changes in the borrower's operating income;
- Significant increases in credit risk in other financial instruments of the same borrower;
- Significant changes in the value of the guarantee securing the obligation or as third-party guarantees or credit enhancements;

Similarly, to estimate the expected credit loss on these financial assets, the impairment percentage recorded in the Income Statement for the last five years of sales for each financial year is taken into account.

Interest and dividends

Interest is recognised by the Group using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of a financial instrument to the net carrying amount of that financial instrument based on the contractual terms of the instrument and not considering expected credit losses, except for financial assets acquired or originated with losses incurred.

Dividends from investments in equity instruments are recognised in profit or loss when the Group is entitled to receive them, it is likely to receive the economic benefits and the amount can be reliably estimated.

Derecognitions and modifications of financial liabilities

The Group derecognises a financial liability or a portion thereof when it has fulfilled the obligation contained in the liability or when it is legally released from the principal responsibility contained in the liability either pursuant to judicial proceedings or by the creditor.

The exchange of debt instruments between the Group and the counterparty or substantial modifications to initially recognised liabilities are recognised as an extinguishment of the original financial liability and recognition of a new financial liability, provided the instruments have substantially different terms.

The Group considers that the terms are substantially different if the current value of the cash flow discounted under the new terms, including any fees paid net of any fees received, and using for the purpose of the discount the original effective interest rate, differs by at least 10 per cent from the current discounted value of the remaining cash flows of the original financial liability. Furthermore, the Group conducts a qualitative analysis in order to assess whether the conditions are substantially different.

If the exchange is recognised as the extinguishment of the original financial liability, the costs or fees are recognised in profit/loss. Otherwise, the modified flows are discounted at the original effective interest rate, recognising any difference with the previous carrying amount in profit and loss. Moreover, the costs or fees adjust the financial liability's carrying amount and are amortised using the amortised cost method during the remaining life of the modified liability.

The Group recognises the difference of the carrying amount of the financial liability or a part thereof cancelled or assigned to a third party and the consideration paid, including any assigned asset other than the cash or liability assumed in profit or loss.

The Group has arranged reverse factoring lines with various financial institutions to manage supplier payments. Since this transaction does not involve any type of financing for the Group, which pays on the date established with the supplier, liabilities whose settlement is managed by financial institutions are considered to be of a commercial nature and are therefore shown under the heading "Trade and other payables" in the consolidated balance sheet until they are settled, cancelled or expire.

At 31 December 2024 and 2023, the amount of outstanding reverse factoring transactions that have been fully recognised as trade payables amounts to Euros 254,435 thousand and Euros 232,053 thousand, respectively. At 31 December 2024, of this reverse factoring balance, suppliers anticipated the collection of Euros 163,061 thousand.

k) Hedge accounting

Derivative financial instruments are initially recognised based on the criteria set forth above for financial assets and liabilities. Derivative financial instruments that do not meet the hedge accounting criteria below are classified and measured as financial assets or liabilities at fair value through profit or loss. Derivative financial instruments that meet the criteria for hedge accounting are initially recognised at fair value, plus, in the event, the transaction costs that are directly attributable to their contracting, or less, in the event, the transaction costs that are directly attributable to their issuance. Notwithstanding transaction costs, they are subsequently recognised in profit or loss, to the extent that they do not form a part of the effective change in hedging.

At the inception of the hedge the Group formally designates and documents the hedging relationships and the objective and strategy for undertaking the hedges. The documentation includes the identification of the hedging instrument, the item hedged, the nature of the hedged risk and the manner in which the Group measures the effectiveness of the hedge.

Accounting for hedge operations is only applicable when there is an economic relationship between the hedged item and the hedging instrument, credit risk does not exert a dominant effect on the value adjustments resulting from this economic relationship and the coverage ratio of the hedge relation is the same as the one resulting from the amount of the hedged item the Group actually uses to cover said amount of the hedged item. Nevertheless, that designation must not reflect an imbalance between the weightings of the hedged item and the hedging instrument such that a hedging ineffectiveness is generated, regardless of whether or not it is recognised, that might give rise to an accounting result contrary to the purpose of hedge accounting.

For cash flow hedges of forecast transactions or a component thereof, the Group assesses whether these transactions are highly probable and if they present an exposure to variations in cash flows that could ultimately affect profit/loss.

At the start of the hedge relation and continuously the Group assesses whether the relationship prospectively fulfils the effectiveness requirements. The Group assesses effectiveness at each balance sheet date or when there are significant changes that affect effectiveness requirements.

The Group performs a qualitative assessment of effectiveness, provided the fundamental conditions of the instrument and the hedged item coincide. When the fundamental conditions do not coincide fully, the Group uses a hypothetical derivative with fundamental conditions equivalent to the hedged item to assess and measure ineffectiveness.

The Group only designates as hedged items assets, liabilities, firm commitments and highly probable planned transactions. The hedged item may be an individual item or a group of items.

The Group designates derivative financial instruments, essentially foreign currency forward contracts and options and interest rate swaps to hedge against the various risks.

Cash flow hedges

The Group recognises in other comprehensive income the gains or losses from fair value measurement of the hedge instrument corresponding to the part identified as effective hedge. The part of the hedge considered to be ineffective, and the part of the gain or loss or cash flow relating to the hedging instrument excluded from the assessment of hedge effectiveness are recognised as a charge or credit to finance expense or income.

In hedges of planned transactions that give rise to the recognition of a financial asset or liability, the associated gains or losses that were recognised in other comprehensive income are reclassified to profit and loss in the same year or years during which the asset acquired or liability assumed affects profit and loss and under the same heading of the Consolidated Income Statement.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When the hedged item is an unrecognised firm commitment or a component thereof, the cumulative change in the fair value of the hedged item subsequent to its designation is recognised as an asset or a liability, and the corresponding gain or loss is reflected in the Income Statement.

Changes in the carrying amount of hedged items that are measured at amortised cost result in an adjustment to the effective interest rate of the instrument, either at the time of the change or subsequently when hedge accounting ceases.

Discontinuation of hedge accounting

If the hedge relation ceases to fulfil the effectiveness requirements linked to the coverage ratio, but the risk management goal remains the same for said relationship, the Group adjusts the coverage ratio so as to continue to fulfil the hedge relation criteria (rebalancing). Rebalancing refers to the adjustments made to the amounts designated of the hedged item or the hedging instrument of an existing relationship in order to maintain the coverage ratio that fulfils the hedge effectiveness requirements. The Group accounts for rebalancing as a continuation of the hedge relation. On the rebalancing date, the Group determines the ineffectiveness of the relation and recognises any ineffectiveness in profit and loss.

The Group discontinues the hedge relation prospectively only when all or part of the hedge relation ceases to fulfil the eligibility requirements. This includes situations in which the hedge instrument expires or is sold, finalised or exercised. In this connection, the replacement or renewal of a hedge instrument is not an expiry or finalisation, provided that the operation is consistent with the Group’s documented risk management goal.

In cash flow hedges, the cumulative amount in other comprehensive income is not taken to profit and loss until the planned transaction takes place. Notwithstanding the foregoing, the cumulative amounts in other comprehensive income are classified as finance income or expense as soon as the Group no longer expects the planned transaction to take place.

l) Issuance and acquisition of equity instruments and recognition of dividends

The acquisition by the Group of equity instruments of the Parent is presented at acquisition cost separately as a reduction in equity in the consolidated balance sheet, regardless of the reason for the acquisition. No profit or loss was recognised in transactions with own equity instruments.

The subsequent amortisation of the Parent's instruments leads to a capital reduction in the nominal value of said shares and the positive or negative difference between the acquisition price and the nominal share price is charged or credited to reserves.

Dividends, whether in cash or in kind, are recognised as a reduction in net equity when they are approved by the General Shareholders’ Meeting.

m) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to Elecnor, S.A. by the weighted average number of ordinary shares outstanding in the year, excluding the average number of Elecnor, S.A. shares held.

Diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding in the year, adjusted by the weighted average number of ordinary shares that would be issued on the conversion of all of the potential ordinary shares into ordinary shares of the company.

At 31 December 2024 and 2023, basic earnings per share are the same as diluted earnings per share, since there were no potential shares outstanding during the years then ended.

n) Inventories

This item of the consolidated balance sheet reflects the assets that the Elecnor Group:

- Has under production, construction or development for this purpose, except for construction in progress for which revenue is recognised as indicated in section s.1); or
- Expects to consume in the production process or in the rendering of services.

Inventories are measured at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Details of the Elecnor Group's inventories for 2024 and 2023 are as follows:

	Thousands of Euros	
	31/12/2024	31/12/2023
Raw materials and other materials consumed	8,905	4,995
Goods for resale	1,659	3,227
Semi-finished and finished goods	501	426
	11,065	**8,648**

o) Cash and cash equivalents

Cash and cash equivalents include cash on hand and sight bank deposits placed with credit institutions. This heading also includes other highly liquid short-term investments which can be readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Accordingly, this heading includes investments that are due within less than three months from their acquisition date.

The Group classifies cash flows corresponding to interest received and paid and dividends received and paid as financing and investment activities.

p) Official grants from Public entities

Official grants from Public entities are recognised when there is reasonable certainty of compliance with the conditions associated with their being awarded and received.

Capital grants

Capital grants awarded in the form of monetary assets are recognised as a credit entry under "Non-current liabilities – Official grants", in the consolidated balance sheet and are allocated to other income as the related financial assets are amortised.

At 31 December 2024, the Elecnor Group has no capital grants received and pending recognition in profit or loss (Euros 2,015 thousand in 2023). Government capital grants recognised in 2024 amount to approximately Euros 146 thousand (Euros 231 thousand in 2023) and are recognised as other operating income in the accompanying Consolidated Income Statement.

Operating grants

Operating grants are allocated to income in the year in which the related expenses are incurred, with a credit to the heading "Other operating income".

Other operating income in the Consolidated Income Statements for 2024 and 2023 includes approximately Euros 3,152 thousand and Euros 4,117 thousand, respectively. Most operating grants received by the Elecnor Group in 2024 and 2023 related to the costs borne by Elecnor Servicios y Proyectos, S.L.U. and by Deimos Space, S.L.U. and its subsidiaries in carrying out their activities.

q) Provisions

The Group recognises provisions for the estimated amount required to settle its liabilities, whether legal or constructive, probable or certain, associated with contingencies, ongoing litigation or obligations, when such liabilities arise as a result of past events, and when it is probable that an outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. Provisions are recognised when the liability or obligation arises (Note 18), with a charge to the relevant heading of the Income Statement based on the nature of the obligation, and for the present value thereof, when the effect of discounting the obligation is material.

The amounts recognised in the consolidated balance sheet correspond to the best estimate at year-end of the disbursements necessary to extinguish the present obligation, having taken into account the risks and uncertainties linked to the provision.

Provisions are reversed against profit and loss when it is not likely to be an outflow of resources to extinguish the obligation.

Contingent liabilities relating to possible obligations (dependent on the occurrence or non-occurrence of uncertain future events) or to present obligations that do not qualify for the recognition of a provision (because they are not probable or they cannot be measured reliably) are not recognised (see Notes 18 and 22).

Decommissioning provisions

The provisions to which this section refers are recognised based on the general criteria for recognising provisions and are booked as higher cost value of the items of property, plant and equipment to which they relate (see section g).

Changes in the provision deriving from changes in the amount, timing of disbursements or discount rate will increase or decrease the cost value of fixed assets up to the limit of their carrying amount, and the excess is recognised in profit/loss.

r) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring that involves the payment of termination benefits.

For termination benefits payable as a result of an employee’s decision to accept an offer, the time when the Group can no longer withdraw the offer of termination benefits is the earlier of when the employee accepts the offer and when a restriction on the Group’s ability to withdraw the offer takes effect.

In the case of involuntary termination benefits, the Group can no longer withdraw the offer when it has communicated to the affected employees or trade union representatives the plan; the actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made; the plan identifies the number of employees whose employment is to be terminated, their job classifications or functions and their locations and the expected completion date; the plan establishes the termination benefits that employees will receive in sufficient detail that employees can determine the type and amount of benefits they will receive when their employment is terminated.

s) Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable for goods delivered and services rendered as part of the company's usual activities, less discounts, VAT and other sales-related tax.

Income is recognised on an accruals basis, in other words, at the time of the actual flow of the goods and services they represent and irrespective of when the resulting monetary or financial flow arises. In application of IFRS 15, the Group identifies and separates the various commitments to transfer a good or service under a contract. This implies separate revenue recognition for each of the individually identifiable obligations within the same main contract.

Furthermore, the Group estimates the price of each contract that has been identified by taking into account, in addition to the initial price agreed in the contract, the amount of variable consideration, the time value of money (where a significant financing component is considered to exist) and non-monetary consideration.

The following are some of the specific features of the Group's activities:

s.1 Income from the execution of projects and services rendered

The Group carries out different projects and provides different services for customers. The projects are considered to be a single execution obligation satisfied over time. This is because projects are tailored specifically for customers and they tend to be highly integrated. Revenue from projects is recognised over time because the Group's execution produces an asset controlled by customers and with no alternative use for the Group, which is entitled to proceeds from execution completed until year end.

The Group recognises the revenue from contracts using the resource method or percentage of completion method based on costs incurred over total estimated costs. The Group makes adjustments in accordance with the progress for inefficiencies not initially envisaged in the contracts.

The Group adjusts progress towards completion as the circumstances change and books the impact prospectively as a change in estimate.

Revenue recognised by the percentage of completion method is recognised as a contractual asset, to the extent that the amount is not due and as a receivable if there is an unconditional right to payment. If the payment received by the customer exceeds the recognised revenue, a contractual liability is recognised. If the time elapsed between accrual of the revenue and the estimated payment date exceeds twelve months, the Group recognises the revenue at the current estimated value of the amount receivable discounted at an interest rate that reflects the customer's credit risk. The Group subsequently recognises finance income. If the time elapsed between receiving the payment from the customer and booking the revenue using the percentage of completion exceeds twelve months, the Group recognises a finance expense charged to liabilities from the date on which the advance is received to the date on which the revenue is booked. The interest rate used to recognise the finance expense is determined by the Group's incremental borrowing rate.

s.2 Energy sales

Revenues from energy sales are recognised in the period in which the energy is generated and transferred.

Energy sales correspond to the Enerfín subgroup, which is classified as held for sale in 2023 and 2024, and therefore this type of income is classified under "Profit/loss from discontinued operations" in the Consolidated Income Statement.

s.3 Contractual modifications

The Group recognises contractual modifications when they have been approved by the parties.

The Group recognises a contractual modification as a separate contract when:

1) The scope of the contract is increased due to the addition of different goods or services, and
2) The contract price increases by an amount reflecting the individual price of the additional goods or services, plus any adjustment to reflect the specific circumstances of the contract.

If there is no separate contract, then the original contract is completed to the extent that the residual goods or services are different from those previously delivered. In this case, the Group recognises the residual consideration and the new consideration, prospectively with the different obligations or goods or services within an obligation, pending delivery.

Otherwise, the amount of the modification is assigned to all obligations, including those that may already have been delivered, recognising an adjustment in the income accrued to date.

The Group assigns changes in the transaction price to the contractual obligations in the same way as at the start of the contract, so the Group does not reassign the transaction price to reflect changes in independent sale prices after the contract has commenced. The amounts assigned to fulfilled obligations are recognised as income or a reduction in income when the modification takes place. The Group recognises a change in the transaction price, applying the aforementioned criteria concerning contractual modifications.

However, in the event of a change in the transaction price subsequent to a contractual modification, the Group assigns the effect of the change to the obligations identified prior to the modification, to the extent that the price change is attributable to a variable consideration pledged prior to the modification and the modification is not accounted for as a separate contract, but as a completion of the original contract. On other occasions when modifications are not recognised as a separate contract, the Group assigns the change in the transaction price to the obligations of the modified contract, in other words, the obligations pending execution or partially pending execution following the modification.

In contractual modifications accepted by the parties, but in which approval of the transaction price is pending, the Group recognises the modification in the amount it is considered highly probable will not produce a significant reversal of the income. The Group adjusts estimated transaction prices at each balance sheet date.

t) Income tax

Income tax expenses or income include both current and deferred taxes.

Current tax is the amount payable or recoverable for income taxes on consolidated fiscal profit or loss in the year. Current income tax assets or liabilities are measured by the amounts expected to be paid to or recovered from the taxation authority, based on the tax rules and rates that have been approved or are about to be approved as of the end of the year.

Deferred tax liabilities are Corporate Income Tax amounts payable in the future relating to temporary differences, while deferred tax assets are Corporate Income Tax amounts recoverable due to the existence of deductible temporary differences, tax loss carryforwards or deductions pending application. In this connection, a temporary difference is understood to mean the difference between the carrying amount of assets and liabilities and their tax base.

Current or deferred income tax is recognised in profit and loss unless there is a transaction or economic event that has been recognised in the same financial year or another year, against net equity or from a business combination.

Recognition of deferred tax liabilities

The Group recognises deferred tax liabilities in all cases except:

- those arising from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affect neither accounting profit/loss nor taxable income;
- those corresponding to differences relating to investments in subsidiaries, associates and joint ventures on which the Group has a capacity to control when they are reversed and when they are unlikely to be reversed in the foreseeable future.

Recognition of deferred tax assets

The Group recognises deferred tax assets provided that:

- it is likely that sufficient future taxable profits will be obtained to offset those items, or when tax legislation allows for the future conversion of deferred tax assets into an enforceable credit in respect of Public entities. However, assets arising from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit/loss nor taxable income, are not recognised;
- they correspond to temporary differences relating to investments in subsidiaries, associates and joint ventures insofar as the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary difference can be utilised.

It is considered likely that the Group will obtain sufficient taxable profits in the future to offset deferred tax assets recognised in the consolidated balance sheet, provided there are sufficient deductible temporary differences, relating to the same taxation authority and referring to the same taxpayer, the reversal of which is expected in the same tax year as the deductible temporary differences are expected to be reversed or in years in which a tax loss emanating from a deductible temporary difference may be offset against prior or subsequent profit.

In determining future taxable profit, the Group takes into account tax planning opportunities, provided it intends to adopt them or is likely to adopt them.

Measurement of deferred tax assets and liabilities

Deferred tax assets and liabilities are measured by the applicable tax rates in the years in which the assets are expected to be realised or the liabilities paid, based on rules and rates that are approved or about to be approved and having considered the fiscal consequences deriving from the manner in which the Group expects to recover the assets or settle the liabilities. In this connection, the Group has considered the deduction due to the reversal of temporary measures pursuant to transitory provision thirty-seven of Corporate Income Tax Law 27/2014, dated 27 November, as an adjustment in the tax rate applicable to the deductible temporary difference associated with the non-deductibility of amortisations performed in 2013 and 2014 and the updating of balances under Law 16/2012, of 27 December.

At the end of each year, the Group reviews the carrying amount of deferred tax assets with a view to reducing that value to the extent that it is not likely that there will be sufficient future tax credit carryforwards to offset them.

Deferred tax assets that do not meet the aforementioned criteria are not recognised in the consolidated balance sheet. At the end of each year, the Group reviews whether or not the conditions have been fulfilled to recognise deferred tax assets that have not previously been recognised.

Tax uncertainties

An uncertain income tax treatment is any treatment applied by an entity where there is uncertainty as to whether said approach will be accepted by the tax authority. The interpretation takes into account:

- How to determine the appropriate accounting unit, and whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments, depending on which approach better predicts the resolution of the uncertainty.
- That the entity must assume that a taxation authority will examine the uncertain tax treatments and will have full knowledge of all related information when making those examinations; in other words, risk of detection must be ignored.
- That the entity must reflect the effect of uncertainty on its accounting for income tax when the taxation authority is unlikely to accept the treatment.
- That the impact of uncertainty must be measured using the most likely amount method or the expected value method, depending on which method better predicts the resolution

of the uncertainty, and that the judgements and estimates used must be reassessed if the facts and circumstances change or new information becomes available.

If the Group determines that it is unlikely that the taxation authority will accept an uncertain tax treatment or group of uncertain tax treatments, it considers said uncertainty when determining the taxable income, tax bases, tax loss carryforwards, deductions or tax rates. The Group determines the effect of uncertainty on the Corporate Income Tax filing using the expected value method, when the range of potential outcomes is very broad, or the most likely amount method, when the outcome is binary or concentrated on one value. In those cases in which the tax asset or liability calculated based on these criteria exceeds the amount presented in self-assessments, it is presented as current or non-current in the consolidated balance sheet based on the estimated recovery or payment date, considering, where appropriate, the amount of related late-payment interest on the liability as accrued in the Income Statement. The Group recognises changes in events and circumstances relating to tax uncertainties as a change of estimate.

The Group recognises and presents fines in accordance with the stated accounting policy for provisions.

Classification

Deferred tax assets and liabilities are recognised in the consolidated balance sheet as non-current assets or liabilities, irrespective of the expected date of realisation or settlement.

u) Statement of cash flows

The Group presents the statement of cash flow using the indirect method, using the following expressions with the following meanings:

- Cash flows. Inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.
- Operating activities. The principal revenue-producing activities of the Elecnor Group companies and other activities that are not investment or financing activities. The Group presents reverse factoring ("confirming") of trade payables as an operating activity.
- Investment activities. The acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents. The Group classifies interest and dividends received as an investment activity.
- Financing activities. Activities that result in changes in the size and composition of the equity and liabilities that are not operating activities.

The cash flows from operating activities in 2024 and 2023 correspond to the Group's routine operations and were Euros 94.4 million and Euros 206 million, respectively.

This flow includes a negative cash flow from tax payments (Euros 259.3 million this year and Euros 53.3 million last year). The Group had to make advance corporate income tax payments of Euros 172.8 million in addition to those arising from the estimated income tax settlement for 2024 in accordance with the applicable tax regulations. This advance payment is due to the capital gain generated on the sale of Enerfín, given that for the purposes of this payment of corporate tax the exemptions applicable in the final corporate income tax settlement are not taken into account (Note 21).

The net cash flows from investment activities in 2024 are mainly due to the sale of the stake in Enerfín (Note 7) and new investments in property, plant and equipment (Note 10) (in 2023 they were mainly from the new investments in property, plant and equipment (note 10) and proceeds from the sale of the subsidiaries Gasoducto de Morelos, S.A.P.I. de C.V. and Eresma Solar, S.L.U. (Note 2.f).

Net cash flows from investment activities of discontinued operations in 2024 and 2023 are mainly from new investments in property, plant and equipment of wind farms and solar PV projects under construction made by the Enerfín subgroup (see Notes 7 and 10).

Lastly, the most significant changes in cash flows from financing activities in 2024 relate mainly to the cancellation of debt and the payment of dividends to the Group's shareholders (in 2023 they mainly related to new issues and redemptions of promissory notes issued in the Alternative Fixed Income Market and repayments of debts arranged in previous years) (Notes 16 and 5).

Cash flows from financing activities of discontinued operations in 2024 and 2023 are mainly due to new debt drawdowns of the Rivera de Navarra wind farm and the Portón del Sol solar PV plant and repayments of debts arranged in previous years for the various ongoing projects of the Enerfín subgroup, based on the payment schedule) (Notes 7 and 16).

v) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating income is regularly reviewed by the Group’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The financial information relating to the segments is detailed in Note 6.

w) Environment

The Group takes measures to prevent, reduce or repair the damage caused to the environment by its activities.

Expenses derived from environmental activities are recognised as Other operating expenses in the year in which they are incurred.

Items of property, plant and equipment acquired by the Group for consistent use in its activity and whose main purpose is to minimise the environmental impact of its activity and protect and improve the environment, including the reduction and elimination of future pollution from the Group’s activities, are recognised as assets, applying the measurement, presentation and disclosure criteria described in section g).

4. Financial risk management policy

Elecnor Group is exposed to various risk factors linked to the sectors in which it operates and the long list of countries in which it is present, either consistently or by means of one-off projects. The Group continually manages and prevents these risks, reducing to acceptable levels the probability of their materialising and mitigating their potential impact, where applicable, on business volume, profitability and efficiency, reputation and sustainability.

Ultimate responsibility for identifying the key risks and for implementing and monitoring the internal control and information systems lies with the Group’s Board of Directors, which is assisted by the Audit Committee in this function of supervising and assessing the risk management and internal control systems.

Notwithstanding the foregoing, the day-to-day management and effective running of the Elecnor Group’s businesses and activities is undertaken by the Chief Executive Officer and the management team who, in the ordinary course of these responsibilities, and through the various business units and organisational structures, identify, assess, appraise and manage the various risks affecting the performance of the Group’s activities.

To ensure that risks are properly identified and their management is integrated and coordinated at all levels and in all areas of the organisation, the Elecnor Group has a Corporate Risk Map, which is a structured list of risks in which each one is assessed according to its potential impact (measured by turnover, profitability and efficiency, reputation and sustainability) and its likelihood of occurrence, which determines the inherent risk associated with each event and the effectiveness of the control measures in place, resulting in a residual risk assessment. The result of this assessment exercise, which is reviewed biannually, and at least annually, makes it possible to prioritise these risks accordingly and to focus the organisation's resources on supervising and improving the management of the most significant risks. The Audit Committee oversees this process on a biannual basis and the Risk Map is submitted to the Board of Directors for review and approval.

Foreign currency risk-

The Elecnor Group is exposed to the risk of exchange rate fluctuations due to its operations in international markets. Part of the revenues and costs incurred are denominated in currencies other than the Group's functional currency (Euro) and in certain projects the economic and financial inflows and outflows are in different currencies, and therefore the outcome of these projects is exposed to foreign currency risk.

To manage and mitigate the risk arising from exchange rate fluctuations, and when it is not possible to design and implement natural hedging structures, such as the use of financing referenced to the currency of the agreement, the Group uses other hedging strategies, such as taking out exchange rate insurance and cross currency swaps.

The Group is exposed primarily to foreign currency risk from operations involving US Dollars. Set out below is a sensitivity analysis without taking into account the Group's year-end foreign exchange hedges, of the impact on the Group's consolidated profit before tax of changes in this currency, chiefly resulting from the translation of trade receivables and payables:

		Thousands of Euros			
		2024		2023	
Functional currency	Currency	10%	-10%	10%	-10%
EUR	USD	8,528	(10,424)	(2,621)	3,203

The Group's main exposures to foreign currency risk at 31 December 2024 and 2023 are detailed below. The attached tables reflect the carrying amounts of the Group's financial instruments or classes of financial instruments denominated in foreign currencies:

2024

Thousands of Euros				
	Long-term financial investments	Trade and other receivables	Cash and cash equivalents	Trade and payables
EUR	-	21,807	6,062	(1,960)
USD	-	85,505	16,774	(8,461)
AUD	239,066	39	13	-
Other	-	36	12	(384)
Total	**239,066**	**107,387**	**22,861**	**(10,805)**

The company has contracted fx swaps to mitigate the foreign currency risk associated with long-term financial investments in Australian dollars for 2024 (Note 13 and 17).

2023

Thousands of Euros				
	Long-term loans to Group companies	Trade and other receivables	Cash and cash equivalents	Trade and payables
EUR	-	29,383	5,801	(10,674)
DZD	-	124	-	(13,126)
GMD	-	585	-	(612)
GNF	-	1,308	-	(1,816)
HTG	-	14,061	-	(4,101)
OMR	-	12,953	-	(11,970)
USD	55	73,005	32,608	(76,835)
XOF	-	1,756	-	(1,002)
Other	-	175	-	(715)
Total	**55**	**133,350**	**38,409**	**(120,851)**

Interest rate risk-

Interest rate fluctuations change the fair value of assets and liabilities that accrue interest at fixed rates and the future cash flows from assets and liabilities indexed to floating interest rates.

With regard to interest rate risk management, the Group uses hedging instruments to hedge the risk of interest rate fluctuations in financing transactions with floating interest rates. Furthermore, and depending on the market conditions prevailing at any given time, the Group assesses and, where appropriate and depending on its financial needs and the financing structure objectives established, arranges financing at fixed interest rates.

If interest rates at 31 December 2024 had been 50 basis points higher or lower and the rest of variables unchanged (except for the debt pegged to the HICP), consolidated profit before tax would have amounted to Euros 1,355 thousand and Euros 1,355 thousand lower/higher, respectively, due to a higher/lower finance expense on borrowings at floating rates (Euros 2,707 thousand and Euros 2,707 thousand lower/higher, respectively, in 2023, of which Euros 1,316 thousand would be reflected under "Profit/loss from discontinued operations" in the Consolidated Income Statement).

Furthermore, in 2023 in the event of 500-basis-point changes in Brazilian inflation (HICP) to which certain debts, whose guarantees are secured by the projects of certain companies located in Brazil and which belong to the Enerfín business (see Note 7), are pegged, consolidated profit before tax would have amounted to Euros 7,341 thousand and Euros 7,341 thousand lower/higher, respectively, due to a higher/lower finance expense on borrowings pegged to Brazilian inflation. These impacts would have been reflected in the Consolidated Income

Statement under "Profit/loss from discontinued operations". As regards the evolution of the HICP in Brazil, sales prices are also updated based on changes in this indicator.

Liquidity risk-

Liquidity risk is defined as the risk that the Group will not be able to meet its short-term financial obligations within the established deadlines.

In order to mitigate liquidity risk, the Group monitors its operating capital on an ongoing basis to optimise its management and maintains a solid liquidity position in current accounts and credit lines with sufficient limits.

Credit risk-

The Elecnor Group's main credit risk arises from trade receivables, when the counterparty or customer does not meet their contractual obligations.

Given the business and the sectors in which it operates, the Elecnor Group generally has customers with high credit ratings. In any event, and mainly in international projects with non-recurring customers, the Group takes extreme measures to mitigate credit risk (non-payment or default), carrying out exhaustive analyses of the solvency of the counterparty and establishing specific contractual conditions to ensure the collection of the consideration, as well as using other mechanisms such as the collection of advances, irrevocable letters of credit or hedging through insurance policies.

With regard to transmission lines, specifically those operated as concessions in Brazil, Operador Nacional do Sistema Elétrico (ONS) is responsible for coordinating collections and payments within the country's electricity system and notifies the concession holder of the companies from which collections must be made: generators, major consumers and transmission entities. Prior to connecting to the system these companies deposit a guarantee. In the event of non-payment this guarantee will be executed, they will be immediately disconnected from the system and the payment obligation will be shared among the remaining users of the system. Accordingly, the concessionaire has the guaranteed payment from the national power grid system. In this connection, in the years in which the Group has been operating these lines, there has been no non-payment by their users.

In relation to transmission lines in Chile, Celeo CL is involved in the following transmission segments: National Transmission System (NTS), Zonal Transmission System (ZTS) and Dedicated Transmission System (DTS). For the first two segments, NTS and ZTS, the National Electricity Coordinator (CEN) is responsible for coordinating the flow of payments to the transmission companies for both systems. In these transmission systems, revenues are mainly collected from transmission usage charges, which are calculated biannually by the National Energy Commission (CNE). Transmission usage charges are paid by final customers (demand) and passed on by suppliers, which can be generators in the case of free customers and distributors in the case of regulated customers. In this way, transmission companies are protected against the risk of non-payment, since such charges must be passed on from the suppliers to the transmission companies, without having to bear the risk of non-payment. The payment guarantee is based on a CEN Procedure which establishes that, in the event of non-payments by a coordinated company (company coordinated by CEN), the defaulting party is disconnected from the grid, and the payment obligation is spread among the remaining coordinated companies.

In the case of the DTS, revenues are collected through usage fees, the commercial conditions of which are defined in the contracts signed between the transmitter and the user of the transmission line.

On the other hand, the substations and transmission lines in Peru belong, in the case of Valle del Chira and Puerto Maldonado, to the Complementary Transmission System (CTS), which serves certain areas of demand, while the recently awarded project, Miguel Grau - Frontera, belongs to the Guaranteed Transmission System (GTS), whose revenues are supported by the entire system. Prices are regulated by the Supervisory Body for Investment in Energy and Mining

(OSINERGMIN) and the process is coordinated by the Economic Operation Committee of the National Interconnected System (COES).

The Group regularly analyses its exposure to credit risk and makes the corresponding impairment adjustments.

Market risk-

The Group analyses risk related to increased prices of materials consumed and labour costs that may affect the projects it carries out, taking the appropriate measures to mitigate them.

Climate risk-

This category would include risks arising from events associated with climate change, whether physical climate risks, which could cause discontinuity or significantly affect certain operations, or transition risks, which would be those related to new legal and/or market requirements in this area (regulations, reporting, third-party expectations, etc.).

The Elecnor Group has carried out a process of identification and analysis of risks and opportunities associated with climate change, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and complying with the European Union's Corporate Sustainability Reporting Directive (CSRD). It is comprehensive in scope and addresses both physical risks (such as extreme weather events or resource scarcity) and transitional risks (regulatory changes, consumer expectations and market developments) and climate opportunities. This analysis focuses on how these factors impact the company's overall strategy, governance, supply chain and operations.

5. Distribution of profit/loss

The proposed distribution of the Parent’s 2024 profit/loss, to be presented to the General Shareholders’ Meeting, is as follows:

	Euros
Basis of distribution	
Profit/loss for the year	945,997,506.93
Total	**945,997,506.93**
Distribution	
Voluntary reserves	140,997,506.93
Interim dividend	540,000,000.00
Supplementary dividend	265,000,000.00
Total	**945,997,506.93**

The appropriation of the Parent’s profit and reserves for the year ended on 31 December 2023, approved by General Shareholders' Meeting of 22 May 2024, was as follows:

	Euros
Basis of distribution	
Profit/loss for the year	43,237,686.68
Total	**43,237,686.68**
Distribution	
Voluntary reserves	3,828,896.65
Interim dividend	5,718,389.77
Supplementary dividend	33,690,400.26
Total	**43,237,686.68**

At the General Shareholders' Meeting held on 22 May 2024 a supplementary dividend of Euros 33,690 thousand (Euros 0.45 per share) was approved, taking into account the interim dividend of Euros 5,718 thousand out of profit for 2023 paid on 20 December 2023.

At the Extraordinary General Shareholders' Meeting held on 11 December 2024 (called by the Board of Directors of the Parent on 30 October 2024) it was agreed to distribute an interim dividend for 2024 of Euros 540,000 thousand (Euros 5,718 thousand for 2023), which was recognised as a reduction in equity under "Interim dividend paid in the year" on the liability side of the accompanying consolidated balance sheet, which was paid on 18 December 2024.

These distribution amounts did not exceed the profit obtained in the last year by the Company, having deducted the estimated Corporate Income Tax payable on said profit, in accordance with the provisions of article 277 of the Revised Text of the Spanish Companies Act.

The provisional accounting statement prepared in accordance with legal requirements evidencing the existence of sufficient liquidity for the distribution of the dividend was as follows:

WORKING CAPITAL POSITION AT 30 September 2024

	Thousands of Euros
FORECAST OF DISTRIBUTABLE PROFIT OF ELECNOR, S.A. FOR 2024	
Projected profit net of tax up to 31/12/2024	801,533
Less, required provision to legal reserve	-
Less, prior years' losses	-
Estimated interim dividend to be distributed	540,000
FORECAST OF CASH FLOW FOR ELECNOR, S.A. FOR THE PERIOD FROM 30 SEPTEMBER 2024 TO 30 SEPTEMBER 2025	
Cash balance (Cash and cash equivalents) as at 30/09/2024	167,638
Balance on short-term deposits (Other financial assets) as at 30/09/2024	865,578
Cash balance and short-term deposits as at 30/09/2024	**1,033,216**
Net of projected collections and payments (including estimated interim dividend payment) to 30/09/2025	(1,014,056)
Projected cash balances at 30/09/2025	19,160

6. Segment reporting

IFRS 8 requires operating segments to be identified based on the information that the entity's management uses to make decisions about operating matters. The Elecnor Group's chief operating decision-maker is the CEO, to whom the CEO of the Services and Projects business reports, together with the CEO of the Enerfín Subgroup and the CEO of the Celeo Group.

The Group conducts its activity in two businesses:

- Elecnor (Essential Services and Sustainable Projects)
- Enerfín and Celeo (Investments in Infrastructure and Renewables)

Enerfín and Celeo make investments in Infrastructure and Renewables: development, financing, construction, investment and management of energy assets. Since the last financial year, goals are established by both businesses on an individual basis in order to analyse their activity, and their main figures are reported as separate segments in order to better understand the Group's businesses.

a) Information on operating segments-

Assets and liabilities for general use and profit and loss arising therefrom were not allocated to the other segments. Similarly, the reconciling items arising from the comparison of the result of integrating the financial statements of the various operating segments (prepared on the basis of management criteria) with the consolidated financial statements of the Elecnor Group, were not allocated. These items are included under the heading "Group Management and Other Adjustments" in the information shown below.

Information on these operating segments is presented below:

a) Details of the Consolidated Income Statement items by segment at 31 December 2024 and 2023 are as follows:

2024

Income statement	Thousands of Euros					
	Elecnor	Enerfín(*)	Celeo	Group Management and Other Adjustments	Operations between segments	Total at 31/12/2024
Net turnover	3,824,549	-	-	-	(14,447)	3,810,102
Expense for amortisation, depreciation, impairment and charges to provisions	(98,003)	-	-	(104,052)	-	(202,055)
Operating income	**104,618**	**-**	**12,201**	**(162,719)**	**-**	**(45,900)**
Finance income	19,499	-	-	22,388	-	41,887
Finance expenses	(17,161)	-	-	(9,781)	-	(26,942)
Translation differences	15,442	-	-	(46,800)	-	(31,358)
Change in fair value of financial instruments (Note 17)	-	-	-	3,611	-	3,611
Income tax	(56,065)	-	-	(3,373)	-	(59,438)
Profit/loss from continuing operations	66,333	-	12,201	(196,674)	-	(118,140)
Profit/loss from discontinued operations	-	828,467	-	-	-	828,467
Profit/loss for the year	**66,333**	**828,467**	**12,201**	**(196,674)**	**-**	**710,327**
Attributable to non-controlling interests	30	(5,157)	-	-	-	(5,127)
Parent Consolidated Income Statement	**66,363**	**823,310**	**12,201**	**(196,674)**	**-**	**705,200**
EBITDA (**)	202,621	-	12,201	(58,667)	-	156,155

(*) The composition of Enerfín's Income Statement, which is classified as discontinued operations, is presented in Note 7.

(**) EBITDA (gross operating profit) is the result of adding depreciation, amortisation and impairment losses for the year to operating income.

2023

Income statement	Thousands of Euros					
	Elecnor	Enerfín (*)	Celeo	Group Management and Other Adjustments	Operations between segments	Total at 31/12/2023
Net turnover	3,886,590	-	-	-	(93,684)	3,792,906
Expense for amortisation, depreciation, impairment and charges to provisions	(84,244)	-	-	527	-	(83,717)
Operating income	**136,753**	**-**	**15,390**	**(23,072)**	**(7,926)**	**121,145**
Finance income	11,887	-	-	15	-	11,902
Finance expenses	(18,437)	-	-	(9,295)	-	(27,732)
Translation differences	(7,601)	-	-	47	-	(7,554)
Income tax	(38,191)	-	-	9,074	1,833	(27,284)
Profit/loss from continuing operations	84,411	-	15,390	(23,231)	(6,093)	70,477
Profit/loss from discontinued operations	-	47,349	-	-	-	47,349
Profit/loss for the year	**84,411**	**47,349**	**15,390**	**(23,231)**	**(6,093)**	**117,826**
Attributable to non-controlling interests	4	(7,772)	-	-	-	(7,768)
Parent Consolidated Income Statement	**84,415**	**39,577**	**15,390**	**(23,231)**	**(6,093)**	**110,058**
EBITDA(**)	220,997	-	15,390	(23,599)	(7,926)	204,862

(*) The composition of Enerfín's Income Statement, which is classified as discontinued operations, is presented in Note 7.

(**) EBITDA (gross operating profit) is the result of adding depreciation, amortisation and impairment losses for the year to operating income.

The "Group Management and Other Adjustments" segment includes the general expenses for the year corresponding to the governing bodies in the amount of Euros 8.4 million (Euros 5.4 million in 2023), the expenses of staff assigned to the Corporation together with the expenses associated with its activity, such as travel, offices, software, etc., and the Group's corporate services (expenses of the Group's advisors and auditors, contribution to the Elecnor Foundation in the amount of Euros 19.7 million [Euros 17.8 million in 2023]).

This segment also includes all items which, in the opinion of Group management, do not fall within the scope of decision-making by business managers. In this regard, this business segment includes the impact of those risks that are specifically monitored by the Group's management and which do not affect the income statements used to measure the performance of business managers (Notes 15.f and 18).

Transactions between the different companies comprising the Group at any given time are carried out at market price.

b) Details of assets and liabilities by segment at 31 December 2024 and 2023 are as follows:

2024

	Thousands of Euros				
	Elecnor	Celeo	Group Management and Other Adjustments	Operations between segments	Total at 31/12/2024
Assets-					
Intangible assets	20,762	-	17,928	-	38,690
Right-of-use assets	41,831	-	1,022	-	42,853
Property, plant and equipment	259,369	-	9,420	-	268,789
Equity-accounted investees	4,010	567,269	-	-	571,279
Non-current financial assets	79,180	1	240,907	-	320,088
Deferred tax assets	63,669	-	31,290	-	94,959
Inventories	11,065	-	-	-	11,065
Customer contract assets	532,742	-	-	-	532,742
Receivables and Public entities	1,107,767	-	174,389	-	1,282,156
Non-current assets held for sale	241	-	-	-	241
Other assets (*)	412,832	-	30,251	-	443,083
Total assets	**2,533,468**	**567,270**	**505,207**	**-**	**3,605,945**
Liabilities-					
Non-current financial liabilities	67,968	-	20,833	-	88,801
Provisions for liabilities and charges	65,262	-	58,543	-	123,805
Government grants	-	-	-	-	-
Non-current lease liabilities	29,314	-	904	-	30,218
Other non-current liabilities	664	-	-	-	664
Deferred tax liabilities	24,945	-	617	-	25,562
Short-term provisions	95,916	-	44,899	-	140,815
Current financial debt	16,418	-	108,369	-	124,787
Current lease liabilities	14,857	-	209	-	15,066
Current non-financial debt	1,768,692	-	120,807	-	1,889,499
Non-current liabilities held for sale	-	-	-	-	-
Total liabilities	**2,084,036**	**-**	**355,181**	**-**	**2,439,217**
Additions to Intangible assets, right-of-use asset of property, plant and equipment	100,757	-	11,086	-	111,843
Additions to equity-accounted investees	3,971	-	-	-	3,971
Total additions	**104,728**	**-**	**11,086**	**-**	**115,814**

2023

	Thousands of Euros					
	Elecnor	Enerfín (*)	Celeo	Group Management and Other Adjustments	Operations between segments	Total at 31/12/2023
Assets-						
Intangible assets	23,013	-	-	12,561	-	35,574
Right-of-use assets	45,548	-	-	1,137	-	46,685
Property, plant and equipment	238,149	-	-	10,325	-	248,474
Equity-accounted investees	46	-	598,879	-	-	598,925
Non-current financial assets	12,360	-	1	268	-	12,629
Deferred tax assets	61,961	-	-	22,712	-	84,673
Inventories	8,648	-	-	-	-	8,648
Customer contract assets	464,143	-	-	-	-	464,143
Receivables and Public entities	1,109,294	-	-	9,595	-	1,118,889
Non-current assets held for sale	2,046	1,122,676	-	-	(18,728)	1,105,994
Other assets (*)	335,716	-	-	15,443	-	351,159
Total assets	**2,300,924**	**1,122,676**	**598,880**	**72,041**	**(18,728)**	**4,075,793**
Liabilities-						
Non-current financial liabilities	73,071	-	-	271,785	-	344,856
Provisions for liabilities and charges	64,339	-	-	2,638	-	66,977
Government grants	2,015	-	-	-	-	2,015
Non-current lease liabilities	33,482	-	-	464	-	33,946
Other non-current liabilities	1,703	-	-	-	-	1,703
Deferred tax liabilities	27,833	-	-	2,236	-	30,069
Short-term provisions	86,239	-	-	30	-	86,269
Current financial debt	34,943	-	-	240,163	-	275,106
Current lease liabilities	14,369	-	-	805	-	15,174
Current non-financial debt	1,568,457	-	-	34,377	(13,579)	1,589,255
Non-current liabilities held for sale	-	704,864	-	-	-	704,864
Non-current liabilities held for sale	**1,906,451**	**704,864**	**-**	**552,498**	**(13,579)**	**3,150,234**
Additions to Intangible assets, right-of-use asset of property, plant and equipment	89,711	156,092	-	8,374	-	254,177
Additions to equity-accounted investees	-	566	1,027	-	-	1,593
Total additions	**89,711**	**156,658**	**1,027**	**8,374**	**-**	**255,770**

(*) Includes mainly "Cash and cash equivalents".

The amounts included in "Operations between segments" relate mainly to property, plant and equipment developed by the Elecnor Segment for the operation of renewable energy farms under construction by the Enerfín Segment.

b) Information on products and services-

The Elecnor Group's primary lines of business correspond to the construction activity and the rendering of services, which are presented under the Services and Projects segment, and to the energy generation activity, which is presented under the Enerfín and Celeo segments.

The construction and services rendering activity in which the Elecnor Group operates is split into the following sub-activities, on which each General Sub-Directorate reports to the CEO of the Services and Projects segment, who in turn reports to the CEO of the Elecnor Group, who is the chief operating decision-maker. In any case, these activities are not undertaken exclusively by any of the General Sub-Directorates:

- Electricity
- Power generation
- Telecommunications and space
- Facilities
- Construction, environment and water
- Maintenance
- Oil & Gas
- Railways

The generation of electricity using mainly wind farms and solar thermal power plants is one of the lines of business of the Elecnor Group that is carried out through the Enerfín subgroup in the case of wind farms, and by Celeo Termosolar, S.L. (Celeo Concesiones e Inversiones Group), in the case of solar thermal plants.

The breakdown of sales by activity at 31 December 2024 and 2023 is shown in Note 23.

c) Geographical information-

Following are details of revenues from external customers and non-current assets that are not financial instruments for the most significant countries at 31 December 2024 and 2023:

Revenue

Country	Thousands of Euros	
	2024	2023
Spain	1,670,502	1,489,435
Brazil	328,841	420,351
Angola	75,074	98,314
USA	380,869	379,593
Australia	412,943	428,536
Chile	103,352	97,436
Mexico	86,967	39,154
Panama	30,455	44,345
Dominican Republic	109,062	132,199
Lithuania	111,608	165,289
Italy	200,466	145,107
Ghana	2,740	1,911
Oman	11,980	19,575
United Kingdom	42,554	34,435
Other	242,689	297,226
Total	**3,810,102**	**3,792,906**

Non-current assets

Country	2024 Thousands of Euros			
	Intangible assets	Goodwill	Property, plant and equipment	Right-of-use assets
Spain	21,038	6,873	98,125	17,025
Ecuador	37	1,377	46,727	5
United States	-	288	32,443	20,511
Australia	3	-	18,760	670
Lithuania	-	-	16,085	-
Brazil	5	-	13,007	1,603
Italy	1,065	-	7,003	-
Chile	-	-	6,958	-
Dominican Republic	-	-	5,549	-
Angola	-	-	3,675	-
Mexico	-	-	4,345	922
Peru	13	-	3,880	314
Portugal	9	-	2,076	315
Other	179	7,803	10,156	1,488
Total	**22,349**	**16,341**	**268,789**	**42,853**

Non-current assets

Country	2023 Thousands of Euros			
	Intangible assets	Goodwill	Property, plant and equipment	Right-of-use assets
Canada	-	-	-	-
Brazil	24	-	14,039	1,945
Cameroon	-	-	4,736	-
Chile	-	-	6,305	-
United Kingdom	-	5,690	359	1,771
Ecuador	17	1,377	37,979	25
USA	-	288	24,846	16,972
Oman	-	-	1,259	-
Spain	17,132	6,081	97,588	23,376
Lithuania	-	-	19,000	-
Angola	-	-	3,041	-
Australia	5	1,693	18,767	747
Italy	1,022	-	4,328	-
Colombia	-	2,114	16	-
Dominican Republic	-	-	5,064	-
Other	132	(1)	11,147	1,849
Total	**18,332**	**17,242**	**248,474**	**46,685**

7. Non-current assets (disposal groups) held for sale and discontinued operations

a) Enerfín subgroup

On 2 June 2023, Elecnor, S.A. filed an Insider Information communication with the CNMV notifying the start of a process to find an investor to take a controlling stake in its subsidiary Enerfín Sociedad de Energía, S.L.U. ("Enerfín"). At 31 August 2023, the Parent's Directors considered that the conditions required by IFRS 5 for the classification of this business as "Non-current assets held for sale and discontinued operations" were met, as disposal of said business in the short term was considered probable.

Following this decision, in 2023 the Elecnor Group reclassified the assets and liabilities associated with this business as a group of assets and liabilities held for sale, reclassifying the Income Statement of all the companies in the business as discontinued operations. At the time of reclassification, the Group assessed the appropriateness of adjusting the fair value of the consolidated net assets in the Enerfín subgroup. In accordance with accounting standards, the Group did not recognise valuation adjustments to the net assets.

On 17 November 2023, Elecnor, S.A. filed an Insider Information communication with the CNMV notifying of the signing of the agreement for the sale of 100% of the capital of Enerfín Sociedad de Energía, S.L.U. to Statkraft European Wind and Solar Holding AS ("Statkraft"), a company that belongs to the Statkraft Group. The transaction was structured by means of a contract for the purchase and sale of shares, signed on the same date, under the usual terms and conditions for this type of transaction.

On 23 May 2024, once all the conditions stipulated in the contract signed with Statkraft European Wind and Solar Holding AS had been fulfilled, the public deed of sale of all the shares of Enerfín was signed, effective on the same date, and Statkraft therefore became the sole shareholder of Enerfín.

The final transaction price received by Elecnor, after the corresponding adjustments agreed in the contract, was Euros 1.560 billion.

The Elecnor Group recognised a profit of Euros 823,310 thousand with a credit to "Profit/loss from discontinued operations attributable to shareholders of the Parent" in the consolidated income statement for 2024. This result is made up of a capital gain, as a result of the aforementioned transaction, amounting to Euros 805,349 thousand, and the profit contributed by the Enerfín subgroup up to the closing date of the transaction amounting to Euros 17,961 thousand.

Details of how the capital gain was calculated are given below:

	Thousands of Euros
Selling price	1,560,241
Derecognition of the Enerfín Subgroup's net assets	(558,858)
Non-controlling interests	21,897
Transfer of translation differences to profit/loss	(150,400)
Transfer of valuation adjustments to profit/loss	5,167
Transfer costs	(31,303)
Proceeds from the sale	846,744
Associated tax	(41,395)
Proceeds from the sale after tax	805,349

The following is the Consolidated Income Statement (discontinued operations) for the years 2024 and 2023:

	Thousands of Euros	
	2024	**2023**
Net turnover	88,924	193,814
Self-constructed assets	2,346	9,737
Materials consumed	(28)	(1,940)
Other operating income	2,664	3,935
Personnel expenses	(11,073)	(13,819)
Other operating expenses	(35,870)	(66,137)
Expense for amortisation, depreciation, impairment and	(339)	(32,023)
Net profit/loss on the sale of non-current assets and subsidiaries	(1,372)	239
Profit/loss from equity-accounted investees	(181)	(781)
Operating income	**45,071**	**93,025**
Finance income	3,979	9,837
Finance expenses	(15,332)	(33,254)
Translation differences	(229)	(229)
Profit/loss before taxes	**33,489**	**69,379**
Income tax (Note 21)	(10,371)	(22,030)
Profit/loss for the year from continuing and discontinued operations	**23,118**	**47,349**
Profit/loss from discontinued operations attributable to non-controlling interests	(5,157)	(7,772)
Profit/loss from discontinued operations attributable to shareholders of the Parent	**17,961**	**39,577**

The net turnover from discontinued operations, which corresponds entirely to energy sales, by geographical area for 2024 and 2023 is as follows:

Country	Thousands of Euros	
	2024	2023
Spain	26,250	67,689
Brazil	39,921	97,180
Canada	13,005	26,839
Colombia	9,748	2,106
	88,924	**193,814**

The following table provides a detailed breakdown of the net assets sold in the transaction:

	Thousands of Euros
Assets	**23 May 2024**
Non-current assets:	
Property, plant and equipment	1,011,259
Right-to-use assets	30,746
Goodwill	12,990
Intangible assets	236
Equity-accounted investees	2,299
Non-current financial assets	26,859
Deferred tax assets	12,203
Total non-current assets	**1,096,592**
Current assets:	
Inventories	35
Trade and other receivables	27,211
Public entities, receivable	6,879
Current income tax assets	310
Other receivables	1,693
Short-term financial investments	20,938
Other current assets	3,411
Cash and cash equivalents	90,633
Total current assets	**151,110**
Total assets	**1,247,702**

	Thousands of Euros
Liabilities	**23 May 2024**
Non-current liabilities:	
Provisions for liabilities and charges	20,533
Financial liabilities from issuing bonds and other marketable securities	11,267
Financial liabilities on loans and borrowings	490,511
Derivative financial instruments	5,467
Lease liabilities	30,258
Other non-current liabilities	3,816
Deferred tax liabilities	27,100
Total non-current liabilities	**588,952**
Current liabilities:	
Provisions for liabilities and charges	2,023
Financial liabilities from issuing bonds and other marketable securities	10,822
Financial liabilities on loans and borrowings	25,441
Derivative financial instruments	2,920
Lease liabilities	3,751
Trade and other payables	50,524
Other payables	4,411
Total current liabilities	**99,892**
Total liabilities	**688,844**

Net assets	**558,858**

Details of the assets and liabilities classified for sale at 31 August 2023 relating to this business are as follows:

	Thousands of Euros
Assets	**31 August 2023**
Non-current assets:	
Property, plant and equipment (Note 10)	817,786
Right-of-use assets (Note 11)	32,244
Goodwill (Note 8)	13,113
Intangible assets (Note 9)	321
Equity-accounted investees (Note 12)	2,342
Non-current financial assets	28,081
Deferred tax assets (Note 20)	21,149
Total non-current assets	**915,036**
Current assets:	
Inventories	16
Trade and other receivables	16,649
Public entities, receivable	3,740
Current income tax assets	1,345
Other receivables	257
Other current financial investments	17,951
Derivative financial instruments	2,553
Other current assets	2,638
Cash and cash equivalents	95,762
Total current assets	**140,911**
Total assets	**1,055,947**

	Thousands of Euros
Liabilities	**31 August 2023**
Non-current liabilities:	
Provisions for liabilities and charges (Note 18)	11,916
Financial liabilities from issuing bonds and other marketable securities	17,099
Financial liabilities on loans and borrowings	484,390
Derivative financial instruments	15,918
Lease liabilities (Note 11)	33,913
Other non-current liabilities	5,157
Deferred tax liabilities (Note 20)	24,830
Total non-current liabilities	**593,223**
Current liabilities:	
Provisions for liabilities and charges (Note 18)	2,027
Financial liabilities from issuing bonds and other marketable securities	10,950
Financial liabilities on loans and borrowings	26,577
Derivative financial instruments	9,680
Lease liabilities (Note 11)	3,586
Trade and other payables	15,523
Customer contract liabilities	25,879
Current income tax liabilities	1,748
Other payables	8,432
Total current liabilities	**104,402**
Total liabilities	**697,625**

Information on the disposal group assets and liabilities of items classified as held for sale of the business described above as at 31 December 2023 relating to this subgroup is as follows:

	Thousands of Euros
Assets	**31 December 2023**
Non-current assets:	
Property, plant and equipment	910,518
Right-to-use assets	32,286
Goodwill	13,113
Intangible assets	383
Equity-accounted investees	2,237
Non-current financial assets	
Debt service reserve account	14,627
Derivative financial instruments	5,746
Other non-current financial assets	3,046
Deferred tax assets	16,139
Total non-current assets	**998,095**
Current assets:	
Inventories	34
Trade and other receivables	26,788
Public entities, receivable	3,404
Current income tax assets	657
Other receivables	1,039
Other current financial investments	13,606
Derivative financial instruments	10,050
Other current assets	1,851
Cash and cash equivalents	67,152
Total current assets	**124,581**
Total assets	**1,122,676**

	Thousands of Euros
Liabilities	**31 December 2023**
Non-current liabilities:	
Provisions for liabilities and charges	19,800
Financial liabilities from issuing bonds and other marketable securities	11,673
Financial liabilities on loans and borrowings	495,656
Derivative financial instruments	10,589
Lease liabilities	32,997
Other non-current liabilities	3,942
Deferred tax liabilities	23,893
Total non-current liabilities	**598,550**
Current liabilities:	
Provisions for liabilities and charges	2,031
Financial liabilities from issuing bonds and other marketable securities	10,540
Financial liabilities on loans and borrowings	27,704
Derivative financial instruments	10,391
Lease liabilities	3,743
Trade and other payables	20,932
Customer contract liabilities	23,028
Current income tax liabilities	7,606
Other payables	339
Total current liabilities	**106,314**
Total liabilities	**704,864**

The statement of cash flows of discontinued operations for 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	**2023**
Cash flows from operating activities:		
Consolidated profit/loss for the year	23,118	47,349
Adjustments for:		
Depreciation, amortisation and impairment losses	1,710	32,018
Net financial income/expenses	11,354	23,417
Other adjustments to profit/loss	408	752
Corporate Income Tax	10,371	22,030
Changes in working capital:		
Changes in working capital	(14,499)	5,561
Income tax paid	(7,431)	(13,617)
Net cash flows from (used in) operating activities	**25,031**	**117,510**
Cash flows from (used in) investment activities:		
Payments for acquisition of Group companies, associates and jointly-controlled entities	-	(9,884)
Payments for the acquisition of tangible assets, intangible assets and financial assets	(128,777)	(260,335)
Payments for contributions to associate companies	(243)	(716)
Interest received	3,978	9,837
Proceeds from the sale of tangible assets, intangible assets and financial assets	533	6,059
Net cash flows from (used in) investment activities	**(124,509)**	**(255,039)**
Cash flows from (used in) financing activities:		
Cash inflows from financial debt and other non-current borrowings	12,369	133,750
Interest paid	(13,755)	(34,782)
Repayment of financial debt and other non-current borrowings	(11,920)	(44,437)
Payments from lease liabilities	(1,925)	(3,814)
Dividends paid (Note 15)	-	(4,978)
Proceeds from contribution/return of funds by/to non-controlling shareholders, net (Note 15)	(1,595)	(2,306)
Net cash flows from (used in) financing activities	**(16,826)**	**43,433**
Cash flows with Group companies	**139,785**	**106,057**
Net increase in cash and cash equivalents	**23,481**	**11,961**
Cash and cash equivalents at beginning of year	67,152	55,191
Cash and cash equivalents at year end	**90,633**	**67,152**

(b) Other

On 28 September 2023, the Elecnor Group formalised the sale of the subsidiary Eresma Solar, S.L.U., recorded at 31 December 2022 as a non-current asset held for sale under the agreement entered into with the buyer in 2020. As at 31 December 2022, the Group had collected Euros 2.4 million in advance by reason of this contract.

During 2023, the Elecnor Group completed the transaction for a sale price of Euros 9,055 thousand, recording a capital gain of Euros 5.7 million under "Net profit/loss on the sale of non-current assets and subsidiaries" in the Consolidated Income Statement for 2023.

In addition, at 31 December 2024, the Group has other minor balances pending disposal in "Non-current assets held for sale".

8. Goodwill

Details, by company, of "Intangible assets – Goodwill" in the consolidated balance sheet for 2024 and 2023 and of the changes therein in those years, are as follows:

2024

	Thousands of Euros			
	Balance at 31/12/2023	Additions/(derecognitions)	Impairment	Balance at 31/12/2024
Fully consolidated companies (CGUs)				
Deimos Space, S.L.U.	158	(158)	-	-
Ehisa Construcciones y Obras, S.A.	1,932	-	-	1,932
Hidroambiente, S.A.U.	388	-	-	388
Instalaciones y Proyectos de Gas, S.A.U. (merged company)	1,031	-	-	1,031
Jomar Seguridad, S.L.U.	1,647	-	-	1,647
Los Llanos Fotovoltaica de Castilla-La Mancha, S.L.U.	100	-	-	100
Belco Elecnor Electric, INC.	288	-	-	288
Xuenergy FV, S.A.S.	2,113	-	-	2,113
IQA Operations Group Limited	5,690	-	-	5,690
Wayraenergy, S.A.	1,377	-	-	1,377
Parque Eólico Montañés, S.L.	10	950	-	960
Timco Transmission Lines, PTY. LTD.	1,693	-	(1,693)	-
Montajes Eléctricos Arranz, S.L.	815	-	-	815
Total	**17,242**	**792**	**(1,693)**	**16,341**

2023

	Thousands of Euros			
	Balance at 31/12/2022	Additions/(derecognitions)	Discontinued operations (Note 7)	Balance at 31/12/2023
Fully consolidated companies (CGUs)				
Wind farms:				
Galicia Vento, S.L.	8,702	-	(8,702)	-
Aerogeneradores del Sur, S.A.	3,630	-	(3,630)	-
Other businesses:				
Deimos Space, S.L.U.	158	-	-	158
Ehisa Construcciones y Obras, S.A.	1,932	-	-	1,932
Hidroambiente, S.A.U.	388	-	-	388
Instalaciones y Proyectos de Gas, S.A.U. (merged company)	1,031	-	-	1,031
Jomar Seguridad, S.L.U.	1,647	-	-	1,647
Los Llanos Fotovoltaica de Castilla-La Mancha, S.L.U.	-	100	-	100
Belco Elecnor Electric, INC.	288	-	-	288
Xuenergy FV, S.A.S.	-	2,113		2,113
IQA Operations Group Limited	5,690	-	-	5,690
Wayraenergy, S.A.	1,377	-	-	1,377
Parque Eólico Montañés, S.L.	10	-	-	10
Timco Transmission Lines, PTY. LTD.	1,693	-	-	1,693
Montajes Eléctricos Arranz, S.L.	815	-	-	815
Promoción Renovables del Bajío, S.A. de C.V.	123	-	(123)	-
La Cayena Solar, S.A.S.	113	89	(202)	-
El Roble Solar, S.A.S.	91	72	(163)	-
Planta Solar Sahagun, S.A.S.	-	293	(293)	-
Total	**27,688**	**2,667**	**(13,113)**	**17,242**

As indicated in Note 3.h, at each reporting date the Group reviews goodwill for impairment.

The cash-generating units considered for the purpose of the impairment tests on goodwill, included in the table above, are the companies to which the goodwill was allocated, since these companies are generally set up as single-project entities.

Recoverable amount is the higher of fair value less costs to sell and value in use, which is deemed to be the current value of the estimated future cash flows approved by management and considered reasonable. In assessing value in use, the assumptions used include discount rates, growth rates and expected changes in selling prices and costs. The Directors of the Parent estimate discount rates that reflect the time value of money and the risks specific to the cash-generating unit.

9. Other intangible assets

Movement under this heading of the consolidated balance sheet in 2024 and 2023 was as follows:

	Thousands of Euros					
	Development expenses	Industrial property	Computer software	Administrative concessions	Other intangible assets	Total
Balance at 1 January 2023	**381**	**1,074**	**32,870**	**1,842**	**28,373**	**64,540**
Additions (*)	-	-	8,694	-	510	9,204
Disposals	-	(3)	(81)	-	(49)	(133)
Changes in the consolidation scope	80	-	-	-	-	80
Discontinued operations (Note 7)	(152)	-	(969)	(57)	(78)	(1,256)
Translation differences	-	(28)	(75)	-	-	(103)
Balance at 31 December 2023	**309**	**1,043**	**40,439**	**1,785**	**28,756**	**72,332**
Additions	290	-	11,417	60	876	12,643
Disposals	-	-	(198)	-	(6)	(204)
Changes in the consolidation scope	-	(6)	(3,691)	-	-	(3,697)
Transfers	(84)	-	-	-	53	(31)
Translation differences	5	37	67	3	-	112
Balance at 31 December 2024	**520**	**1,074**	**48,034**	**1,848**	**29,679**	**81,155**
Accumulated amortisation						
Balance at 1 January 2023	**150**	**897**	**23,290**	**1,009**	**22,811**	**48,157**
Charges (Note 23) (*)	21	102	4,683	156	1,967	6,929
Disposals	(1)	(3)	(45)	-	-	(49)
Discontinued operations (Note 7)	(152)	-	(740)	(43)	-	(935)
Translation differences	-	(25)	(77)	-	-	(102)
Balance at 31 December 2023	**18**	**971**	**27,111**	**1,122**	**24,778**	**54,000**
Charges (Note 23)	29	10	5,984	166	2,053	8,242
Disposals	-	-	(83)	-	-	(83)
Changes in the consolidation scope	-	(6)	(3,435)	-	-	(3,441)
Transfers	(18)	-	-	-	-	(18)
Translation differences	1	37	68	-	-	106
Balance at 31 December 2024	**30**	**1,012**	**29,645**	**1,288**	**26,831**	**58,806**
Net cost at 31 December 2023	**291**	**72**	**13,328**	**663**	**3,978**	**18,332**
Net cost at 31 December 2024	**490**	**62**	**18,389**	**560**	**2,848**	**22,349**

(*) Includes Euros 217 thousand of additions to discontinued operations in 2023. Furthermore, amortisation expenses classified as discontinued operations at 31 December 2023 amounted to Euros 48 thousand at 31 December 2023.

"Other intangible assets" in the above table in a gross amount of Euros 27,506 thousand corresponds entirely to the estimated fair value of the contracts with Public entities for road maintenance and upkeep relating to the subsidiary Audeca, S.L.U. at the date on which this company was acquired by the Elecnor Group in 2010. The Group amortises this asset over a period of 15 years which, based on past experience, is the estimated average term of the aforementioned contracts including the related renewals. The amortisation of this item in 2024 and 2023 amounted to approximately Euros 1,972 thousand, respectively.

The cost of intangible assets in use, fully amortised at 31 December 2024 and 2023 is as follows:

	Thousands of Euros	
	2024	2023
Industrial property	869	2,122
Computer software	28,548	21,555
Total	**29,417**	**23,677**

10. Property, plant and equipment

Movement under this heading of the consolidated balance sheet in 2024 and 2023 was as follows:

	Thousands of Euros								
	Land	Buildings, technical installations and machinery	Hand and machine tools	Furniture and fixtures	Information technology equipment	Motor vehicles	Other property, plant and equipment	Property, plant and equipment under construction	Total
COST:									
Balance at 1 January 2023	**15,024**	**1,415,145**	**35,084**	**11,183**	**24,693**	**58,398**	**19,277**	**97,415**	**1,676,219**
Additions (*)	225	44,501	2,238	781	2,199	17,070	323	158,744	226,081
Disposals	(4)	(12,752)	(8,455)	(1,323)	(2,985)	(1,760)	(200)	(738)	(28,217)
Transfers	-	18,433	96	22	(3,927)	1,813	(3,495)	(12,942)	-
Discontinued operations (Note 7)	(120)	(1,154,545)	(183)	(1,470)	(2,279)	(167)	(7,721)	(244,471)	(1,410,956)
Translation differences	260	23,429	(461)	(100)	17	(1,254)	416	7,004	29,311
Balance at 31 December 2023	**15,385**	**334,211**	**28,319**	**9,093**	**17,718**	**74,100**	**8,600**	**5,012**	**492,438**
Additions	4	47,186	10,857	2,543	2,041	14,933	1,867	7,966	87,397
Disposals	-	(10,917)	(5,892)	(898)	(630)	(2,444)	(358)	(1,379)	(22,518)
Transfers	1,685	2,893	4	25	43	3,654	164	(6,621)	1,847
Changes in the consolidation scope (Note 2.f)	(261)	(7,930)	(94)	(532)	(2,906)	13	(2,065)	(129)	(13,904)
Translation differences	(98)	1,011	490	(6)	(253)	491	14	(188)	1,461
Balance at 31 December 2024	**16,715**	**366,454**	**33,684**	**10,225**	**16,013**	**90,747**	**8,222**	**4,661**	**546,721**
ACCUMULATED DEPRECIATION:									
Balance at 1 January 2023	**-**	**702,867**	**8,195**	**7,991**	**17,024**	**31,229**	**7,694**	**-**	**775,000**
Charges (Note 23) (*)	**-**	65,050	867	806	1,563	10,362	803	-	79,451
Disposals	**-**	(9,354)	(6,802)	(1,384)	(2,976)	(1,352)	(128)	**-**	(21,996)
Transfers	**-**	37	3,456	(494)	**(277)**	(777)	(1,945)	-	-
Discontinued operations (Note 7)	**-**	(588,647)	(151)	(911)	**(1,832)**	(150)	(1,479)	-	(593,170)
Translation differences	**-**	5,789	(353)	(92)	(25)	(852)	60	-	4,527
Balance at 31 December 2023	**-**	**175,742**	**5,212**	**5,916**	**13,477**	**38,460**	**5,005**	**-**	**243,812**
Charges (Note 23)	**-**	35,568	2,634	830	2,092	11,577	628	**-**	53,329
Disposals	**-**	(8,752)	(100)	(889)	(596)	(1,928)	(151)	**-**	(12,416)
Transfers	**-**	54	-	-	-	(54)	-	-	-
Changes in the consolidation scope (Note 2.f)	**-**	(3,641)	(94)	(476)	(2,620)	13	(1,899)	-	(8,717)
Translation differences	**-**	922	392	92	(108)	304	170	-	1,772
Balance at 31 December 2024	**-**	**199,893**	**8,044**	**5,473**	**12,245**	**48,372**	**3,753**	**-**	**277,780**
IMPAIRMENT									
Balance at 1 January 2023	**-**	**131**	**-**	**-**	**-**	**-**	**-**	**-**	**131**
Charges	**-**	21	**-**	**-**	**-**	**-**	**-**	**-**	**21**
Balance at 31 December 2023	**-**	**152**	**-**	**-**	**-**	**-**	**-**	**-**	**152**
Charges	**-**	-	-	-	-	-	-	-	-
Balance at 31 December 2024	**-**	**152**	**-**	**-**	**-**	**-**	**-**	**-**	**152**
Net cost at 31 December 2023	**15,385**	**158,317**	**23,107**	**3,177**	**4,241**	**35,640**	**3,595**	**5,012**	**248,474**
Net cost at 31 December 2024	**16,715**	**166,409**	**25,640**	**4,752**	**3,768**	**42,375**	**4,469**	**4,661**	**268,789**

(*) Includes Euros 149,578 thousand of additions to discontinued operations in 2023. Finance expenses relating to discontinued operations at 31 December 2023 amounted to Euros 30,391 thousand.

The heading "Buildings, technical installations and machinery" at 31 December 2022 mainly included assets at wind farms operated by the Group in Brazil, Spain and Canada for a net carrying amount of Euros 588,101 thousand, and which during 2023 were reclassified as "Non-current assets held for sale" of the consolidated balance sheet (Note 7).

At 31 December 2022, the "Assets under construction" heading in the above table related mainly to investments in wind farms in Spain amounting to Euros 81,959 thousand and a solar PV plant in Colombia amounting to Euros 9,129 thousand belonging to the Enerfín business which during 2023 were reclassified as "Non-current assets held for sale" in the consolidated balance sheet (Note 7).

At 31 December 2024, the heading Other current liabilities includes an amount of Euros 21,007 thousand from suppliers of fixed assets of which Euros 13,580 thousand correspond to investments in oil extraction infrastructure (Euros 17,952 thousand at 31 December 2023 from suppliers of fixed assets of which Euros 10,974 thousand corresponded to investments in oil extraction infrastructure).

The main additions to property, plant and equipment in 2024 and 2023 relate to machinery, technical installations and transport equipment required to carry out the Services and Projects activity as well as oil extraction infrastructures in Ecuador.

Withdrawals in 2024 primarily relate to the regularisation of tooling in the amount of Euros 5,616 thousand (in 2023: Euros 4,632 thousand).

The offices used by the Group to carry on its business activities, except for those leased in 2007 under the lease agreement, are mostly rented (Note 11).

The cost of the Group's property, plant and equipment which, at 31 December 2024 and 2023, is fully depreciated and in use is as follows:

	Thousands of Euros	
	2024	2023
Buildings, technical installations and machinery	72,557	71,502
Furniture and fixtures and tooling	6,264	5,864
Information technology equipment	8,934	9,382
Motor vehicles and others	16,829	18,039
	104,584	**104,787**

The Group takes out insurance policies to cover the possible risks to which its property, plant and equipment are exposed and the claims that might be filed against it for carrying on its business activities. These policies are considered to adequately cover the related risks.

The impact of climate change on the Elecnor Group's physical assets has been considered, concluding that the Elecnor Group's exposure to the main risks associated with climate change is low. No useful lives have been modified and no impairments have been recorded as a result of this analysis.

11. Right-of-use assets and lease liabilities

The details and movements by class of right-of-use assets in 2024 and 2023 were as follows:

a) Nature of lease agreements-

2024

	Thousands of Euros				
	Buildings	Facilities	Motor vehicles	Other	Total
Balance at 1 January 2024	**45,407**	**17,620**	**21,489**	**-**	**84,516**
Additions	1,050	5,529	4,274	-	10,853
Disposals	(4,593)	(1,484)	(1,698)	-	(7,775)
Translation differences	(199)	(207)	1,150	-	744
Balance at 31 December 2024	**41,665**	**21,458**	**25,215**	**-**	**88,338**
Accumulated depreciation at 1 January 2024	**20,647**	**7,620**	**9,564**	**-**	**37,831**
Charges (Note 23)	6,112	3,725	4,949	-	14,786
Disposals	(3,014)	(1,809)	(1,697)	-	(6,520)
Translation differences	(214)	(88)	(310)	-	(612)
Accumulated depreciation at 31 December 2024	**23,531**	**9,448**	**12,506**	**-**	**45,485**
Net cost at 31 December 2024	**18,134**	**12,010**	**12,709**	**-**	**42,853**

2023

	Thousands of Euros					
	Land	Buildings	Facilities	Motor vehicles	Other	Total
Balance at 1 January 2023	**40,095**	**46,713**	**13,122**	**21,479**	**4,861**	**126,270**
Additions (*)	5,364	4,091	4,559	1,741	470	16,225
Disposals	-	(5,514)	-	(862)	-	(6,376)
Discontinued operations (Note 7)	(45,453)	-	-	(271)	(5,326)	(51,050)
Translation differences	(6)	117	(61)	(598)	(5)	(553)
Balance at 31 December 2023	**-**	**45,407**	**17,620**	**21,489**	**-**	**84,516**
Accumulated depreciation at 31 December 2023	14,623	19,297	4,133	5,495	2,395	45,943
Charges (Note 23) (*)	1,319	6,734	3,402	5,135	227	16,817
Disposals	-	(5,434)	71	(602)	-	(5,965)
Discontinued operations (Note 7)	(15,929)			(261)	(2,616)	(18,806)
Translation differences	(13)	50	14	(203)	(6)	(158)
Accumulated depreciation at 31 December 2023	**-**	**20,647**	**7,620**	**9,564**	**-**	**37,831**
Net cost at 31 December 2023	**-**	**24,760**	**10,000**	**11,925**	**-**	**46,685**

(*) Includes Euros 5,844 thousand of additions to discontinued operations in 2023. Amortisation expenses classified as discontinued operations at 31 December 2023 amounted to Euros 1,566 thousand.

Additions in 2024 and 2023 correspond mainly to the leasing of halls, premises and offices.

There are assets leased under contracts outside the scope of IFRS 16 since they are short-term lease or contracts that are renewed annually. Each lease contract is analysed and assessed as to whether or not it is reasonably safe to extend the lease agreement. At 31 December 2024, accrued charges amounting to Euros 157,877 thousand (Euros 161,544 thousand at 31 December 2023) for the aforementioned assets were recognised as an expense for these contracts under the heading "Other operating expenses" in the Consolidated Income Statement.

b) Details of lease payments and liabilities-

Changes in lease liabilities in 2024 and 2023 is as follows:

	Thousands of Euros	
	2024	2023
Balance at 1 January	49,120	87,994
Additions	10,853	16,225
Derecognitions	(1,202)	(1,043)
Finance expenses (*)	2,745	4,524
Payments	(16,232)	(21,081)
Discontinued operations (Note 7)	-	(37,499)
Balance at 31 December	**45,284**	**49,120**

(*) Finance expenses relating to discontinued operations at 31 December 2023 amounted to Euros 1,107 thousand.

The analysis of the contractual maturity of lease liabilities, including future interest payable, as at 31 December 2024 and 2023, is as follows:

	Thousands of Euros	
	2024	2023
Up to six months	7,681	7,822
Six months to one year	7,385	7,352
From one to two years	12,972	12,943
From two to three years	8,200	10,337
From three to four years	3,681	6,063
More than four years	5,365	4,603
	45,284	**49,120**

12. Equity-accounted investees

Details of the Elecnor Group's investments in associates and joint ventures at 31 December 2024 and 2023, which are accounted for using the equity method (see Note 3.b and c), are as follows:

	Thousands of Euros	
	2024	2023
Cosemel Ingeniería, A.I.E	46	46
Subgroup Celeo Concesiones e Inversiones	567,269	598,878
Eternelle Energie,S.A.R.L.	2,449	-
Moana Data,S.L.	1,515	-
Morelos EPC, S.A.P.I. de C.V.	-	1
	571,279	**598,925**

Details of the key figures of main equity-accounted investees are provided in Appendix III. Considering the importance of the subgroup Celeo Concesiones e Inversiones, Note 32 also presents some of the figures for this subgroup that are not presented either in the consolidated balance sheet or the Consolidated Income Statement of the Elecnor Group, since they are accounted for using the equity method.

Movement in this heading of the consolidated balance sheet in 2024 and 2023 is as follows:

	Thousands of Euros	
	2024	2023
Opening balance	598,925	628,150
Capital increase/Contributions	-	1,593
Transfers to assets held for sale (Note 7)	-	(2,342)
Companies leaving the consolidation scope	-	(40,744)
Share in profits/(losses) (*)	12,186	15,996
Translation differences	(47,971)	6,452
Entries in the consolidation scope	3,971	-
Share in other comprehensive income	1,959	(10,264)
Other movements	2,209	84
Closing balance	**571,279**	**598,925**

(*) includes Euros 523 thousand of losses from discontinued operations until 31 August 2023.

Translation differences in 2024 primarily correspond to the depreciation of the Brazilian real against the Euro during the current year from BRL 5.36/€ at 31 December 2023 to BRL 6.35/€ at 31 December 2024 (in 2023 with the appreciation of the Brazilian Real against the Euro during that year from BRL 5.62/€ at 31 December 2022 to BRL 5.36/€ at 31 December 2023), which has a material impact on the subsidiaries of the Celeo Concesiones e Inversiones Group in that country.

On 24 April 2023, the Parent and Enagás Internacional, S.L.U., as sellers, and MIP V International AIV, L.P., as buyer, the conditions precedent having been fulfilled, completed the sale-purchase transaction to transfer the shares held by the sellers in the share capital of the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V., in which each of the sellers held a 50% shareholding. The reconciliation of the value of these investments, accounted for using the equity method, in the year 2023, until the time of their disposal, is as follows:

	Thousands of Euros
01 January 2023	**39,656**
Share in profit/loss	1,088
Derecognitions	(40,744)
31 December 2023	**-**

The transaction price amounted to approximately US Dollars 190 million (Euros 172.5 million), calculated using a base price adjusted for certain working capital parameters and, being attributable to the Parent, the amount corresponding to its shareholding. The Elecnor Group recognised a provision amounting to USD 26 million (Euros 23.7 million) under "Provisions for liabilities and charges" since it considers that it will, in the future, have to tackle certain obligations pursuant to the terms of the contract.

As at 31 December 2024, an amount of Euros 9.9 million is pending settlement (Euros 9.9 million at 31 December 2023) and has been recorded under "Other receivables" on the current assets side of the consolidated balance sheet.

As a result of this transaction, the Elecnor Group recognised a capital gain of Euros 21.5 million with a credit to "Net profit/loss on the sale of non-current assets and subsidiaries" in the Consolidated Income Statement for the year ended 31 December 2023, as follows:

	Thousands of Euros
Sale price attributable to the Elecnor Group	86,273
Derecognition of shareholding	(40,744)
Other assets (*)	(4,938)
Transfer costs	(1,006)
Provision for liabilities	(23,696)
Transfer of translation differences to profit/loss	3,944
Transfer of valuation adjustments to profit/loss	1,686
Proceeds from the sale	**21,519**

(*) The Elecnor Group had loans granted to the divested company Gasoducto de Morelos, S.A.P.I. de C.V. relating to various contributions to the subsidiary in 2012 in respect of future capital increases and which accrued interest at an annual rate of 7.5%, as well as other minor receivables.

13. Non-current financial assets

The classification of non-current financial assets by categories and classes is as follows:

	Thousands of Euros	
	2024	2023
Financial assets at fair value		
Hedge derivatives (Note 17)	1,818	170
Total financial assets at fair value	**1,818**	**170**
Financial assets at amortised cost		
Other non-current assets	318,270	12,459
Total financial assets at amortised cost	**318,270**	**12,459**
Total non-current financial assets	**320,088**	**12,629**

Details of "Other non-current assets" in the above table are as follows:

	Thousands of Euros	
	2024	2023
Deposits and securities	247,965	8,953
Other	70,305	3,506
Total	**318,270**	**12,459**

The non-current "Deposits and securities" heading in the above table at 31 December 2024 includes a deposit in Australian dollars with an equivalent value in Euros is Euros 239.1 million (AUD 400 million) to secure the fulfilment of obligations undertaken in connection with the implementation of a project in Australia, which the Group expects to recover in full over the remaining period until its completion.

14. Current financial assets

a) Trade and other receivables-

The heading "Trade and other receivables" on the current assets side of the consolidated balance sheet is as follows:

	Thousands of Euros	
	2024	2023
Trade and other receivables		
Customers, sales and services rendered	1,007,244	1,056,351
Less impairment	(83,665)	(91,803)
Advances from suppliers	39,522	26,019
Total	**963,101**	**990,567**

The ageing analysis of the unimpaired balance of "Trade and other receivables" is as follows:

	Thousands of Euros	
	2024	2023
Unmatured balances	684,356	742,545
Up to 6 months	121,393	102,628
Between 6 and 12 months	19,908	66,183
Over 12 months	97,922	53,192
Total	**923,579**	**964,548**

The Group makes provision to cover debts classed as non-performing due to late payment, suspension of payments, insolvency or other reasons, following a case-by-case study of their collectability. Since the entry into force of IFRS 9 Financial Instruments, the Group estimates the expected loss on its trade receivables.

Details of impairment losses on accounts receivable at 31 December 2024 and 2023 and movement in 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	2023
Balance at 1 January	91,803	92,406
Charge (Note 23)	5,608	6,190
Application	(7,193)	(799)
Reversal (Note 23)	(4,565)	(6,194)
Other (changes in the scope)	(711)	-
Translation differences	(1,277)	200
Balance at 31 December	**83,665**	**91,803**

At 31 December 2024 and 2023, all of the Group's financial assets correspond to financial assets at amortised cost, except hedge derivatives which are measured at fair value.

b) Cash and cash equivalents

Details of cash and cash equivalents in the accompanying consolidated balance sheet are as follows:

	Thousands of Euros	
	2024	2023
Cash equivalents	59,948	86,124
Cash	345,963	230,895
Total	**405,911**	**317,019**

"Other Cash Equivalents" at 31 December 2024 mainly include fixed-income securities and fixed-term deposits that mature in under three months contracted by Elecnor do Brasil, S.A., which earn interest at market rates (in 2023 it included mainly fixed-income securities and fixed-term deposits maturing in under three months contracted by Elecnor do Brasil, S.A. And Elecnor Chile, S.A. that earn interest at market rates).

At 31 December 2024 and 2023, the Group did not have cash and cash equivalents that were unavailable for use.

15. Equity

a) Share capital-

At 31 December 2024 and 2023, the share capital of Elecnor, S.A. was represented by 87,000,000 book entry shares, each with a nominal value of Euros 0.10, fully subscribed and paid in.

The shares of Elecnor, S.A. are listed on the Spanish electronic trading system.

At 31 December 2024 and 2023, the Parent's shares were held as follows:

	% shareholding	
	2024	2023
Cantiles XXI, S.L.	52.76 %	52.76 %
Other (*)	47.24 %	47.24 %
	100.00 %	100.00 %

(*) All with an interest % of less than 3%.

b) Valuation adjustments to equity-

Movement in 2024 and 2023 was as follows:

	Thousands of Euros								
	31/12/2022	Change in market value	Settlement of derivatives	Changes in the consolidation scope (Note 2.f)	31/12/2023	Change in market value	Settlement of derivatives	Changes in the consolidation scope (Note 2.f)	31/12/2024
Fully consolidated companies - Cash flow hedges:									
IRSs (Note 17)	9,333	(299)	(4,637)	-	4,397	265	(2,442)	(2,160)	60
Exchange rate insurance (Note 17)	(3,190)	(2,833)	(384)	-	(6,407)	2,273	(883)	5,830	813
Energy price (Note 17)	(47,152)	46,711	(1,074)	-	(1,515)	-	-	1,515	-
Others:	1,560	-	-	-	1,560	-	-	(1,560)	-
	(39,449)	43,579	(6,095)	-	(1,965)	2,538	(3,325)	3,625	873
Deferred taxes arising on valuation (Note 20)	10,627	(8,206)	(1,524)	-	897	(827)	831	(1,128)	(227)
Total valuation adjustments arising from the full consolidation of companies	**(28,822)**	**35,373**	**(7,619)**	**-**	**(1,068)**	**1,711**	**(2,494)**	**2,497**	**646**
Companies accounted for using the equity method (Note 12)	**11,140**	**(10,264)**	**-**	**(1,686)**	**(810)**	**1,959**	**-**	**-**	**1,149**
Non-controlling interests	**(101)**	**101**	**-**	**-**	**-**	**-**	-	-	**-**
Total valuation adjustments to equity	**(17,783)**	**25,210**	**(7,619)**	**(1,686)**	**(1,878)**	**3,670**	**(2,494)**	**2,497**	**1,795**

c) Reserves-

At 31 December, the amounts of reserves of the Parent not available for distribution are as follows:

	Thousands of Euros	
	2024	2023
Legal reserve	1,743	1,743
Reserve for own shares	27,991	23,422
Capitalisation reserve	7,809	7,809
Reserves from translation to Euros	15	15
Total	**37,558**	**32,989**

Legal reserve-

Under article 274 of the Revised Text of the Spanish Companies Act, an amount equivalent to 10% of profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of share capital. The legal reserve has reached the stipulated level.

The legal reserve can be used to increase capital provided that the balance left on the reserve is at least equal to 10% of the nominal value of the total capital after the increase. Except for the aforementioned purpose, unless the legal reserve exceeds 20% of the share capital it may only be used to offset losses if no other reserves are available.

At 31 December 2024 and 2023, the Parent has appropriated to this reserve the minimum amount required by the Revised Text of the Spanish Companies Act.

Reserves for own shares

The reserve for own shares has been allocated in accordance with article 149 of the Spanish Companies Act. This reserve may be freely available provided that the Parent has sufficient freely available reserves to cover the balance of own shares without reducing equity below the amount of share capital plus legal or statutory restricted reserves.

Capitalisation reserve-

The capitalisation reserve has been appropriated in accordance with article 25 of the Corporate Income Tax Law, which requires that an amount equal to the reduction in taxable income for the year be appropriated to the reserve. The amount by which taxable income may be reduced is equal to 10% of the increase in equity, as defined in the aforementioned article. In no case may the amount of the reduction exceed 10% of the taxable income for the tax period prior to the reduction, before the integration referred to in article 11.12 of the Law and before offsetting tax loss carryforwards. However, if the reduction cannot be applied due to insufficient taxable income, the outstanding amounts may be applied in the tax periods ending in the two years immediately after the end of the tax period in which the reduction entitlement was generated, together with any reduction applicable in that period, subject to the limit indicated. The reserve is non-distributable and the increase in equity must be maintained for a five-year period from the end of the tax period in which the reduction is generated, unless accounting losses are incurred.

d) Own shares-

According to the minutes of the General Shareholders' Meeting of 18 May 2022, the Board of Directors is authorised to acquire own shares in the Company by purchase and sale or by any other act between living persons for valuable consideration by the Parent or its subsidiaries, pursuant to the provisions of Articles 146.1a) and 509 of the Spanish Companies Act, up to a maximum established by law and in mandatory legal provisions at each given time and which, at present, in combination with those already directly or indirectly held by the Company, may not exceed 10% of its share capital, with a minimum acquisition price of the nominal value of the shares and a maximum price that may not exceed 30% of its share price, over a period of five years.

This authorisation may be used, in whole or in part, to acquire own shares for delivery or transfer to Executive Directors or members of the Management Team of the Parent or of companies in its group, or as a result of the exercising of the option rights held by them, which may be included, where applicable, in share buy-back programmes. Similarly, any shares acquired as a result of this authorisation may be used, in whole or in part, both for their disposal or redemption and for potential corporate or business transactions or decisions, or for any other legally possible purpose.

At 31 December 2024 and 2023, the Parent held own shares amounting to Euros 27,991 thousand and Euros 23,422 thousand, respectively, which are booked under "Own shares and equity" in equity in the consolidated balance sheet.

Details of own shares and movement in 2024 and 2023 are as follows:

	No. of Shares
Own shares at 1 January 2023	**2,322,384**
Acquisition of own shares	271,026
Sale of own shares	(293,881)
Own shares at 31 December 2023	**2,299,529**
Acquisition of own shares	586,204
Sale of own shares	(578,480)
Own shares at 31 December 2024	**2,307,253**

The purchase and sale of own shares at 31 December 2024 amounted to Euros 11,091 thousand and Euros 6,522 thousand (at cost price) (Euros 3,886 thousand and Euros 2,894 thousand, respectively, at 31 December 2023), giving rise to a capital gain of Euros 4,401 thousand, recognised directly in reserves (capital gain of Euros 1,366 thousand in 2023).

All of the own shares held by the Parent at 31 December 2024 represented 2.65% of the total share capital of Elecnor, S.A. at that date (2.64 % at 31 December 2023).

e) Non-controlling interests-

Details of "Equity - Non-controlling interests" under liabilities in the consolidated balance sheet in 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	2023
Ventos Do Sul Energia, S.A.	-	3,610
Parque Eólico Malpica, S.A.	-	544
Galicia Vento, S.L.	-	863
Páramo de Poza, S.A.	-	3,496
Parques Eólicos Palmares, S.A.	-	2,700
Ventos do Litoral Energia, S.A.	-	2,273
Ventos da Lagoa, S.A.	-	2,150
Eoliennes de L'Erable, SEC.	-	1,471
Ventos dos Indios Energia, S.A.	-	1,525
Other	111	475
Total	**111**	**19,107**

Given that none of the above non-controlling interests are material to the Group, it does not disclose summarised financial information about the assets, liabilities, profit/loss and cash flows of the subsidiaries.

Movement during 2024 and 2023 in this heading of the consolidated balance sheet is as follows:

	Thousands of Euros
Balance at 31 December 2022	**26,046**
Share in profits/(losses)	7,768
Dividends paid	(4,978)
Translation differences	968
Capital reduction	(2,299)
Changes in the consolidation scope (Note 2.f)	(8,396)
Other	(2)
Balance at 31 December 2023	**19,107**
Share in profits/(losses)	5,127
Translation differences	(658)
Capital reduction	(1,568)
Changes in the consolidation scope (Note 2.f)	(21,897)
Balance at 31 December 2024	**111**

f) Translation differences-

The cumulative translation differences recognised in equity at 31 December 2024 and 2023 for each of the main currencies are as follows:

Translation differences	Thousands of Euros	
	2024	2023
Brazil	(119,292)	(191,098)
Canada	-	(1,287)
Chile	(12,447)	(10,175)
USA	22,131	4,107
Argentina	(8,901)	(9,274)
Venezuela	-	(42,536)
Australia	(5,340)	-
Other	(254)	1,152
Total	**(124,103)**	**(249,111)**

As stated in Note 6, the Group maintains significant investments in businesses denominated in Brazilian Reals, thus, any fluctuations in the exchange rate of this currency against the Euro have a material impact on the heading "Translation differences" (Note 12). Due to the nature of these assets, the recoverability of these investments, and the revenue from the related businesses are also shaped by the local inflation rates, which in the long term will likely offset the impact of the aforementioned exchange rate fluctuations.

The changes in translation differences resulting from the Group's businesses in Brazil and Canada is mainly due to the exit of Enerfín subgroup from the consolidation scope (Note 7). In addition, the change in translation differences in Venezuela is due to the decision to permanently cease the operations of the subsidiary Elecven Construcciones, S.A. in Venezuela (Note 2.f), and the corresponding effect is recorded under "Translation differences (Note 15)" in the accompanying consolidated income statement.

16. Financial liabilities

Key to the Group’s strategy is its policy of maximum financial prudence. The target capital structure is defined by this commitment to solvency and the aim of maximising shareholder returns.

Although the Elecnor Group analyses and monitors the evolution of Total Net Financial Debt, it pays special attention to Net Financial Debt with recourse, given that the remaining Debt is secured by the investment projects to which this financing is dedicated.

The target capital structure, excluding the effect of the projects financed with non-recourse financing, is quantified at the following ratio of net financing to equity:

$$\frac{\text{Net financial debt}}{\text{Net financial debt + Equity}}$$

Net financial debt with recourse includes the following line items in the consolidated balance sheet (having eliminated the effect of net financial debt relating to the projects financed with non-recourse financing):

	Thousands of Euros	
	2024	2023
Non-current liabilities - Financial debt with recourse	70,599	318,615
Current liabilities - Financial debt with recourse	169,908	266,283
Current financial assets – Other financial investments	(22,062)	(20,198)
Interest rate derivative financial instruments	(60)	(170)
Cash and cash equivalents	(405,911)	(317,019)
Financial assets and Cash with recourse reclassified to Non-current assets held for sale	-	(24,898)
Net financial debt with recourse	**(187,526)**	**222,613**

At 31 December 2024, like the previous year, "Cash and cash equivalents" corresponds to the total of Cash and cash equivalents in the accompanying consolidated balance sheet. At 31 December 2023, cash from discontinued operations net of cash from projects funded through non-recourse financing amounting to Euros 42,758 thousand was included in "Non-current assets held for sale".

At 31 December 2024 and 2023, "Interest rate derivative financial instruments" corresponds to the "Derivative financial instruments" of the non-current assets in the accompanying consolidated balance sheet (Note 17).

In addition, at 31 December 2024, "Current financial assets – Other financial investments" corresponds to the total "Current investments in related companies", "Other current financial investments" and "Current derivative financial instruments" in the accompanying consolidated balance sheet, excluding the amount of "other current financial investments" from projects funded through non-recourse financing amounting to Euros 1,036 thousand and "Derivative financial instruments arising from exchange rate hedges" (Note 17). At 31 December 2023, "Current financial assets – Other financial investments" corresponded to the total "Current investments in related companies", "Other current financial investments" and "Current derivative financial instruments" in the accompanying consolidated balance sheet, excluding the amount of "other current financial investments" from projects funded through non-recourse financing for an amount of Euros 1,718 thousand and "Derivative financial instruments arising from exchange rate hedges" (Note 17).

In addition, at 31 December 2023 "Financial assets and Cash with recourse reclassified to Non-current assets held for sale" included Other current financial investments of discontinued operations (Note 7), excluding the amount of "other current financial investments" of the projects funded by non-recourse financing amounting to Euros 13,102 thousand and the "energy price hedge derivative" amounting to Euros 10,050 thousand.

A reconciliation between the Elecnor Group’s financial debt and corporate financial debt based on the information provided in the following table is set out below:

	Thousands of Euros			
	2024		2023	
	Non-current	Current	Non-current	Current
Total financial debt and Derivatives	**88,801**	**136,295**	**344,856**	**275,106**
Derivative hedging instruments - rate insurance (Note 17)	-	(69)	-	(646)
Other liabilities - Securitisation	(12,243)	(6,750)	(18,854)	(7,250)
Other liabilities - Forfaiting Efficiency Solutions	(1,906)	(1,197)	(3,103)	(1,289)
Other payables - European Energy Efficiency Fund, S.A.	(4,555)	(698)	(5,479)	(444)
Other	502	42,327	1,195	806
Non-current and current liabilities - Financial debt with recourse	**70,599**	**169,908**	**318,615**	**266,283**

The "Other” heading in the above table corresponds to loans granted by Public entities that accrue interest and are recorded under the heading Other non-current and current liabilities in the accompanying consolidated balance sheet. In 2024, a financial liability was also recognised as a result of a receivable received in a subsidiary on behalf of a joint venture in which the subsidiary has an interest.

Changes in and analysis of the financial debt with recourse to shareholders is conducted on an ongoing basis and prospective estimates are also made as a key restrictive factor to be taken into account in the Group’s investment strategy and dividends policy.

Details of "Financial liabilities from issuing bonds and other marketable securities, Financial liabilities on loans and borrowings and Derivative financial instruments", under non-current and current liabilities in the accompanying consolidated balance sheet at 31 December 2024 and 2023, are as follows:

	Thousands of Euros			
	2024		2023	
	Non-current	Current	Non-current	Current
Financial liabilities from issuing bonds and other marketable securities-promissory notes	-	107,525	29,672	238,818
Financial liabilities from issuing bonds and other marketable securities	**-**	**107,525**	**29,672**	**238,818**
Syndicated loans and credit facilities	34,935	-	203,970	-
Loans secured with personal guarantee	1,815	484	1,897	1,133
Other payables	37,782	9,680	96,823	28,644
Accrued interest payable	-	572	-	1,292
Finance lease debts	14,268	6,457	12,494	4,573
Financial liabilities on loans and borrowings	**88,801**	**17,193**	**315,184**	**35,642**
Derivative financial instruments (Note 17)	**-**	**69**	**-**	**646**
Financial liabilities with Group companies	**-**	**11,508**	**-**	**-**
Total financial debt and Derivatives	**88,801**	**136,295**	**344,856**	**275,106**

At 31 December 2024 and 2023, all of the Group's financial liabilities correspond to financial liabilities at amortised cost, except hedge derivatives which are measured at fair value.

The Directors consider that as most of the loans are linked to floating interest rates, there are no material differences between the carrying amounts recorded and the fair value of the loans.

The main characteristics of the most significant financial liabilities from issuing bonds and other marketable securities and financial liabilities on loans and borrowings at 31 December 2024 and 2023 are as follows (in thousands of Euros):

		2024					
Type	**Company**	**Currency**	**Interest rate**	**Due date**	**Nominal value**	**Current**	**Non-current**
Financial liabilities from issuing bonds and other marketable securities							
	Elecnor, S.A.	EUR	-	2024	240,000	107,525	-
	Elecnor, S.A.	EUR	3.15%	30/09/2035	30,000	-	-
						107,525	**-**
Financial liabilities on loans and borrowings							
Syndicated loans and credit facilities							
	Electrificaciones del Ecuador, S.A. (*)	USD	SOFR/Libor + spread	30/09/2026	75,000	-	34,935
Other payables							
	European Energy Efficiency Fund, S.A.	EUR	4.1%	03/09/2031	9,200	698	4,555
	Efficiency Solutions Fund	EUR	4.9%	30/06/2027	11,500	1,197	1,906
	ICO loan	EUR	2.55%	30/09/2031	20,000	-	19,917
	Banca March loan	EUR	2.55%	30/09/2031	50,000	-	-
	Elecnor Eficiencia Energética 2020, Fondo de Titulización	EUR	2.81%	31/12/2027	50,000	6,750	12,243
Other						8,548	15,245
						17,193	**88,801**

Type	Company	Currency	Interest rate	Due date	Nominal value	Current	Non-current
		2023					
Financial liabilities from issuing bonds and other marketable securities							
	Elecnor, S.A.	EUR	-	2024	240,000	238,818	-
	Elecnor, S.A.	EUR	3.15%	30/09/2035	30,000	-	29,672
						238,818	**29,672**
Financial liabilities on loans and borrowings							
Syndicated loans and credit facilities							
	Elecnor, S.A. (*)	EUR	Euribor + spread	46295000	285,000	-	170,401
	Elecnor, S.A. (*)	USD	SOFR/Libor + spread	30/09/2026	75,000	-	—
	Electrificaciones del Ecuador, S.A. (*)	USD	SOFR/Libor + spread	30/09/2026	75,000	-	33,569
Other payables							
	European Energy Efficiency Fund, S.A.	EUR	4.1%	03/09/2031	9,200	444	5,478
	Efficiency Solutions Fund	EUR	4.9%	30/06/2027	11,500	1,289	3,103
	ICO loan	EUR	2.55%	30/09/2031	20,000	-	19,906
	Banca March loan	EUR	2.55%	30/09/2031	50,000	-	49,704
	Elecnor Eficiencia Energética 2020, Fondo de Titulización	EUR	2.81%	31/12/2027	50,000	7,250	18,854
Other						26,659	14,169
						35,642	**315,184**

(*) Referring to the same loan in both years. See Syndicated loans and credit facilities

Details, by maturity, of the above non-current debt for 2024 and 2023 are as follows:

Payables maturing in:	Thousands of Euros
	31/12/2024
2026	49,230
2027	12,680
2028	5,997
2029 and thereafter	20,894
Total	**88,801**

Payables maturing in:	Thousands of Euros
	31/12/2023
2025	13,160
2026	216,460
2027	10,348
2028 and thereafter	104,888
Total	**344,856**

Syndicated loans and credit facilities-

On 21 July 2014, Elecnor, S.A. arranged syndicated financing agreement of Euros 600 million with a group of 19 banks. This financing was structured into two tranches: one loan tranche totalling Euros 300 million, repayable in instalments, and a revolving credit tranche with a limit of Euros 300 million, maturing in July 2019. This financing is subject to successive novations.

On 30 September 2021, Elecnor, S.A. signed a sixth and final novation of the agreement, subscribed by 12 of the 13 lenders at this time. This novation involved the following changes:

- Elecnor Servicios y Proyectos, S.A.U. becoming a guarantor,
- Reduction of the total maximum amount to Euros 350 million, leaving the loan tranche (Tranche A) at Euros 50 million, the euros credit sub-tranche (Sub-tranche B1) with a limit of Euros 236 million and the USD credit sub-tranche (Sub-tranche B2) with a limit of USD 75 million,
- Extension of the maturity by just over 2 years (until September 2026) with full repayment at maturity,
- Modification to the applicable margin by including an additional tranche with a lower margin if the DFN/EBITDA ratio is below 1.25x.

The Group's Management analysed whether or not the conditions had been substantially modified, and concluded that there was no extinguishment of the original liabilities in any of the years.

This syndicated financing bears interest pegged to Euribor or SOFR rates (depending on whether the drawdowns are in Euros or USD) for the interest period chosen by the borrowers (1, 3 or 6 months), plus a spread tied to the ratio of net financial debt with recourse/(EBITDA with recourse + dividends from projects). The Company has undertaken to comply with certain limits for different ratios over the term of the bank financing agreement ((Net financial debt with recourse/EBITDA with recourse) and (EBITDA with recourse/Net finance expenses)), which will be calculated on the basis of the Elecnor Group's consolidated figures, and excluding the figures of the projects financed without recourse to their shareholder. Non-compliance with the established limits could be cause for terminating the agreement, but at 31 December 2024, there were no breaches of the ratios.

Elecnor, S.A. exercised the voluntary prepayment right included in the agreement, and the entire loan tranche (Euros 50 million) was repaid on 28 June 2024. Therefore, at year-end, only the credit tranche limit of Euros 300 million was in force, of which USD 75 million corresponded to the US dollar sub-tranche in this currency contemplated in the contract.

At 31 December 2024, Elecnor S.A. had not drawn down a loan tranche, either in Euros or in US dollars, so the only balance drawn down on the contract was Euros 34.9 million, corresponding to the US dollars drawn down by Elecdor (Euros 205,6 million in 2023, Euros 50 million of the loan tranche, Euros 122 million of the euro loan tranche drawn down by Elecnor, S.A. and Euros 33.6 million of the dollar loan tranche drawn down by Elecdor at 31 December 2023) at nominal value.

Financial liabilities from issuing bonds and other marketable securities-promissory notes

Elecnor, S.A. started 2024 with promissory notes issued in the Alternative Fixed Income Market for an amount of Euros 240 million. New issues in 2024 totalled Euros 982 million while maturities totalled Euros 1,113 million. The outstanding balance at 31 December 2024 was therefore Euros 107.5 million, maturing in the short term, reflecting 1,080 securities with a nominal value of Euros 100 thousand each maturing in the short term.

At the beginning of 2023, Elecnor, S.A. had issued promissory notes on the Alternative Fixed Income Market (MARF) for an amount of Euros 115.9 million. New issues in 2023 totalled Euros 1,458.8 million while maturities totalled Euros 1,335.5 million. The outstanding balance at 31 December 2023 was therefore Euros 240 million, maturing in the short term, reflecting 2,400 securities with a nominal value of Euros 100 thousand each.

Additionally, the company repaid early in 2024 the senior unsecured bonds issued on 27 September 2021, amounting to Euros 30 million on Spain's Alternative Fixed Income Market (MARF), with maturity on 30 September 2035 and which accrued annual interest at a rate of 3%.

The promissory note programmes in force in 2024 and 2023 had a maximum number of outstanding issues of Euros 400 million.

Other payables

Other payables includes a financing agreement entailing the assignment of future receivables for Euros 9.2 million, executed on 18 August 2017 with the European Energy Efficiency Fund, S.A., SICAV-SIF, maturing in 2031. The nominal value outstanding at 31 December 2024 is Euros 5.3 million (Euros 5.9 million in 2023).

Moreover, on 13 March 2018, the Group arranged a financing agreement through the assignment of credit rights with the Efficiency Solutions, SV S.À.R.L. fund, amounting to Euros 11.5 million, and maturing in June 2027. The nominal value outstanding at 31 December 2024 is Euros 3.1 million (Euros 4.4 million in 2023).

On 30 September 2021, the parent entered into a loan for a nominal value of Euros 20 million, which accrues fixed nominal annual interest at a rate of 2.4%, will be fully repaid on 30 September 2031.

On the same date, the Parent signed a second loan of Euros 50 million at a fixed annual nominal interest rate of 2.4%, maturing in full in 2031, which was repaid early and in full in December 2024.

On 2 December 2020, the Group set up a securitisation fund called "Elecnor Eficiencia Energética 2020, Fondo de Titulización", to which it has assigned the future credit claims for an amount of

Euros 107.7 million derived from the contracts for the management of energy services and maintenance of public street lighting installations, which Elecnor Servicios y Proyectos, S.A.U. executes for 43 Spanish municipalities and public entities. The financing for this assignment was fully disbursed in 2021. The nominal value outstanding at 31 December 2024 is Euros 19.0 million (Euros 26.1 million at 31 December 2023).

The main characteristics of this financial structure are as follows:

- Creation of a securitisation fund, which purchases the credit claims from Elecnor for Euros 50 million. The Securitisation Fund raised the funds by issuing bonds (listed on the Alternative Fixed-Income Market), which were fully subscribed by institutional investors and fully paid.
- The difference between the nominal balance of the credit claims (Euros 107.7 million) and their purchase price (Euros 50 million), which amounts to Euros 57.7 million, is used to overcollateralise the bonds. The overcollateralisation is common in this type of structure and, as it increases, it improves the rating of the financing as it curbs the bondholders' risk and, therefore, their required return.
- The Group recovers this overcollateral year by year, through repayment by the securitisation fund of the difference between the amount that it actually collects for the contracts assigned and the payments that the securitisation fund must make.

The effective annual interest rate of this financing is 2.81%, and the repayment schedule is as follows:

Year	Thousands of Euros
2025	6,750
2026	6,700
2027	5,750
Total	**19,200**

Other financing-

Excluding tranche B of the syndicated financing, at 31 December 2024, Elecnor, S.A. and Elecnor Servicios y Proyectos, S.A.U. had 14 open credit facilities with financial institutions (14 credit facilities in 2023), up to a maximum total of Euros 175 million, with no drawdown at that date (maximum limit of Euros 175 million in 2023, with a drawdown of Euros 19.7 million). These bilateral credit facilities bear interest rate linked to the currency of the facility, to EURIBOR/SOFR plus a market spread, and most of them mature at one year, with some maturing at up to three years with automatic annual renewals.

17. Derivative financial instruments

The Elecnor Group uses derivative financial instruments to cover the risks to which its business activities, transactions and future cash flows are exposed as a result of changes in exchange rates and interest rates, which affect the Group's profit/loss. Details of the balances reflecting the measurement of derivatives in the consolidated balance sheet at 31 December 2024 and 2023 are as follows:

	Thousands of Euros							
	2024				2023			
	Non-current assets (Note 13)	Current assets	Non-current liabilities	Current liabilities (Note 16)	Non-current assets (Note 13)	Current assets	Non-current liabilities (Note 16)	Current liabilities (Note 16)
INTEREST RATE HEDGES	**60**	**-**	**-**	**-**	**170**	**2,067**	**-**	**-**
Cash flow hedges:								
Interest rate swap	60	-	-	-	170	2,067	-	-
EXCHANGE RATE HEDGES	**1,758**	**2,735**	**-**	**69**	**-**	**69**	**-**	**646**
Cash flow hedges:								
Exchange rate insurance	-	883	-	69	-	69	-	646
Valuation hedge:								
Exchange rate insurance	1,758	1,852	-	-	-	-	-	-
	1,818	**2,735**	**-**	**69**	**170**	**2,136**	**-**	**646**

Exchange rate-

Cash flow hedges

The Elecnor Group uses exchange rate hedges basically to mitigate the possible adverse effect of exchange rate fluctuations on future cash flows relating to two types of transactions:

- Payments relating to works and supply agreements denominated in a currency other than the functional currency.
- Receipts relating to works agreements denominated in a currency other than the functional currency.

At 31 December 2024 and 2023, the total nominal value of the items for which exchange rate hedges had been arranged was as follows:

Currencies	31/12/2024	31/12/2023
Thousands of US Dollars (*)	206	10,111
Thousands of Rand (*)	-	3,446
Thousands of Euros (*)	620	5,689

(*) Figures expressed in the pertinent currency.

Of the nominal total hedged at 31 December 2024:

- Euros 196 thousand in sales insurance in US dollars against euros to hedge future flows in that currency.
- Euros 620 thousand correspond in purchases of euros against US dollars to hedge future flows in that currency.

Of the nominal total hedged at 31 December 2023:

- Euros 3,906 thousand in sales insurance in US dollars against euros to hedge future flows in that currency.

- Euros 783 thousand correspond in purchases of euros against Australian dollars to hedge future flows in that currency.
- Euros 4,906 thousand correspond in purchases of euros against US dollars to hedge future flows in that currency.
- Euros 5,331 thousand correspond in purchases of US dollars against Colombian pesos to hedge future flows in that currency.
- Euros 170 thousand correspond in purchases of rand against euros to hedge future flows in that currency.

The equivalent Euro value of the nominal value under exchange rate hedges at 31 December 2024 was approximately Euros 816 thousand (approximately Euros 15,096 thousand in 2023).

The expiration of these exchange rate hedges is expected to coincide with the forecast flow of the payments and receipts being hedged. The risk of changes in the estimated cash flows is very low.

Details of the maturities of the nominal values hedged by derivative financial instruments at 31 December 2024 and 2023 are as follows:

	31/12/2024					
	Maturity					
	2025	2026	2027	2028	2029 and thereafter	Total
Exchange rate hedge:						
USD sales (*)	206	-	-	-	-	206
Euro purchases (*)	620	-	-	-	-	620

(*) Figures expressed in Euros in the pertinent currency.

	31/12/2023					
	Maturity					
	2024	2025	2026	2027	2028 and thereafter	Total
Exchange rate hedge:						
USD sales (*)	4,276	-	-	-	-	4,276
USD purchases (*)	5,835	-	-	-	-	5,835
Rand purchases (*)	3,446	-	-	-	-	3,446
Euro purchases (*)	5,689	-	-	-	-	5,689

(*) Figures expressed in Euros in the pertinent currency.

Valuation hedge

	Thousands of Euros	
	2024	
Year of contract	Notional amount	Valuation of fair value hedge swaps
2024	239,066	3,611

In 2024, the Parent Company entered into two fx swap transactions for an amount of AUD 200 million each (maturing on 11 December 2025 and 11 December 2026). The purpose of these contracts is to hedge the exchange rate risk between the Australian dollar and the Euro linked to the deposit in Australian dollars recorded under the heading "Other financial assets" of the assets in the attached consolidated Balance sheet (Note 13).

Interest rate-

The Elecnor Group uses interest rate hedging instruments in accordance with its risk management policy. The purpose of these transactions is to mitigate the effect that changes in interest rates could have on future cash flows from certain loans and credit facilities indexed to floating interest rates, associated with the Parent's finance lease (with the Parent's corporate financing and finance lease in 2023). During 2024, the interest rate swaps linked to the syndicated financing were cancelled due to their early repayment. At 31 December 2024 the total nominal value of the liabilities hedged by interest rate hedges amounted to Euros 2,272 thousand (Euros 152,767 thousand in 2023).

The nominal values of the various interest rate derivative financial instruments described above mature as follows:

	31/12/2024					
	Thousands of Euros					
	Maturity					
	2025	2026	2027	2028	2029 and thereafter	Total
Interest rate hedges	518	543	1,211	—	—	2,272

	31/12/2023					
	Thousands of Euros					
	Maturity					
	2024	2025	2026	2027	2028 and thereafter	Total
Interest rate hedges	150,495	518	543	1,211	—	152,767

Neither in the case of exchange rate hedges or interest rate hedges did any circumstances arise in 2024 or 2023 that required changing the hedge accounting policy initially adopted for recognising the derivatives. In 2024 and 2023 the Elecnor Group did not have any derivatives that do not qualify for hedge accounting.

Adjustments-

The market value of the different financial instruments is calculated as follows:

- For derivatives quoted on an organised market, their quoted value at year end.
- For derivatives not traded on an organised market, in order to measure them, the Elecnor Group uses assumptions based on year-end market conditions. Specifically
- the market value of interest rate swaps is calculated by discounting the difference between the swap rates at market interest rates;
- the market value of forward exchange rate contracts is determined by discounting the estimated future cash flows using forward exchange rates prevailing at the close of the year;
- the fair value of contracts for the purchase of non-financial items to which IFRS 9 applies is calculated using the best estimate of future price curves for these non-financial items existing at the closing date of the Consolidated Annual Accounts, using, to the extent possible, prices established on futures markets.

18. Provisions

The breakdown of provisions for liabilities and charges, and their classification as current or non-current at 31 December 2024 and 2023, is as follows:

	Thousands of Euros			
	2024		2023	
	Non-current	Current	Non-current	Current
Litigation and liabilities	95,979	51,858	38,487	47,430
Other	27,826	88,957	28,490	38,839
Total	**123,805**	**140,815**	**66,977**	**86,269**

Details of "Provisions for liabilities and charges" in the accompanying consolidated balance sheet, and movement in 2024 and 2023, are as follows:

	Thousands of Euros			
	Litigation and liabilities	Decommissioning	Other	Total
Balance at 31 December 2022	**53,262**	**8,520**	**73,018**	**134,800**
Provisions charged to profit and loss (Note 23) (*)	60,131	810	21,451	82,392
Translation differences	(544)	86	(158)	(616)
Application	(562)	81	157	(324)
Transfers	1	4	(5)	-
Discontinued operations (Note 7)	(730)	(9,153)	(4,060)	(13,943)
Reversals (Note 23) (*)	(25,641)	(348)	(23,074)	(49,063)
Balance at 31 December 2023	**85,917**	**-**	**67,329**	**153,246**
Provisions charged to profit and loss (Note 23)	97,116	-	66,039	163,155
Translation differences	(1,623)	-	(1,408)	(3,031)
Application	(2,403)	-	(2,676)	(5,079)
Reversals (Note 23)	(31,170)	-	(12,501)	(43,671)
Balance at 31 December 2024	**147,837**	**-**	**116,783**	**264,620**

(*) Includes Euros 202 thousand of provisions and Euros 6 thousand of reversals classified in the Consolidated Income Statement as discontinued operations at 31 December 2023.

The Group estimates the amount of the liabilities arising from litigation and similar events. With the exception of certain liabilities in which it can be estimated that the outflows will be in the short term, the Group cannot reliably estimate the precise timing of the outflows and, accordingly, does not include the updating effect.

Due to the nature of its activities, the Group is exposed to a number of claims and litigation. The heading "Provisions for litigation and liabilities" in the foregoing table reflects the Group's best estimate of potential penalties and other contingencies that could arise from the execution of various projects mainly carried out abroad. The Directors estimated that the provision recognised reasonably covers the payments that are likely to arise in the future as a result of past events.

Litigation and liabilities

During the year, provisions of Euros 62.6 million were recognised under "Litigation and liabilities" for a potential claim in the context of an administrative procedure from a historical customer, for risks related to the final phase of the implementation of certain wind power projects in Australia, as well as for other claims arising from the Enerfín sale.

This heading also includes the provision linked to the sale of Gasoducto de Morelos, S.A.P.I. de C.V. (Note 12) as well as other provisions linked to contingencies related to the development of different contracts that the Group has been developing in the countries in which it operates.

Other

On 31 May 2017, Spanish National Commission on Markets and Competition (hereinafter, the "CNMC") notified Elecnor, S.A. that it was opening disciplinary proceedings against it and another 15 companies, for a potential infringement in relation to certain projects related to the construction and maintenance activity of electrification systems and electromechanical equipment in railway lines. On 14 March 2019, the CNMC issued a decision by which the Company was declared liable for three breaches of Article 1 of the LDC and Article 101 of the TFEU and three fines for a total of Euros 20.4 million were imposed on Elecnor. On 22 May 2019, Elecnor filed a contentious-administrative appeal against the decision with the National Court, and requested as a precautionary measure the suspension of the enforcement of the decision, both in terms of the payment of the fine imposed and the prohibition to contract, which was admitted for processing by the National Court after the Company presented the corresponding guarantee in a timely manner.

On 29 April 2024, the National Court handed down a judgement in which it partially upheld the appeal filed by Elecnor, S.A., annulling one of the breaches and maintaining the penalty corresponding to the other two breaches in the amount of Euros 20.3 million.

On 8 October 2024, Elecnor, S.A. filed an appeal for reversal against the National Court's Judgement, which was rejected by a Supreme Court Order of 20 December 2024 and, therefore, the National Court's Judgement became final.

On 31 January 2025, Elecnor, S.A. filed a constitutional appeal with the Constitutional Court against the CNMC's decision on the grounds that it violates rights enshrined in the Spanish Constitution.

With regard to the payment of the fine, given that the National Court's ruling became final, on 1 February 2025 Elecnor was notified of the CNMC's official notice by virtue of which proceedings were initiated to settle the payment of the penalties imposed on Elecnor within the framework of the CNMC's decision. On 6 February 2025 Elecnor filed a brief with the CNMC informing it of the constitutional appeal and requesting the suspension of the settlement proceedings until the Constitutional Court took a final decision on the constitutional appeal. On 10 February 2025 the CNMC agreed to suspend the proceedings for the settlement of the penalties until the Constitutional Court had taken a decision on the admissibility of the aforementioned appeal.

Based on the assessments of the Parent's legal advisors, despite considering that there are still sound arguments to challenge the CNMC's inspection, the Group has recorded since 2019, under the "Other" category, a provision to cover this risk in the amount of Euros 20.3 million, as it is estimated that the probability that it will finally be exonerated from paying the aforementioned fine is less than 50%.

Furthermore, on 16 July 2019, the CNMC opened disciplinary proceedings against the subsidiary Audeca, its Parent and other companies and their Parents, on the grounds of possible anti-competitive practices prohibited by Article 1 of the LDC (Defence of Competition Act) and Article 101 of the TFEU. On 28 August 2021, the CNMC notified the decision by which Audeca was declared liable for a breach of Article 1 of the LDC and Article 101 of the TFEU and a total fine of Euros 2,639 thousand was imposed on Audeca and, jointly and severally, on Elecnor. Audeca and Elecnor filed a contentious-administrative appeal against the resolution with the National Court, and requested as a precautionary measure the suspension of the enforcement of the resolution, both in terms of the payment of the fine imposed and the prohibition to contract. The precautionary measure was granted and the enforcement of the above sanctions was suspended.

The appeal was admitted for processing and after the corresponding claim and defence were formalised, the proceedings have been concluded, pending a vote and ruling. On the basis of the assessments of the Group's legal advisors, as a result of recent developments in the context of other appeals, the Directors made a provision of Euros 2.6 million in this respect in 2022 under "Other" as they deem the likelihood of the appeal being upheld to be less than 50%. At 31 December 2024, this provision remains as there have been no changes during the current year.

In addition, this category includes provisions for negative works margins, totalling Euros 71,453 thousand (Euros 28,942 thousand at 31 December 2023), with the most relevant provision being that relating to the "Mataquito Transmisora de Energía" project in Chile.

Reversals in 2024 and 2023 correspond to penalties and other contingencies/litigations in relation to the execution of various projects that were completed in 2024 and 2023, respectively, and that were resolved favourably for the Group.

19. Advances from customers

Advances from customers basically reflect payments made in advance by customers prior to the start of the related contracts. These advances are discounted from invoices issued during the execution of the contracts.

The balance under this heading at 31 December 2024 includes an advanced payment received by Elecnor Servicios y Proyectos, S.A.U. in respect of a project it is executing in conjunction with an external partner (80% Elecnor – 20% the other partner) and amounting to Euros 29,416 thousand (Euros 50,891 thousand as at 31 December 2023). The Group received 100% of the advance payment in 2020 corresponding to two partners, for having submitted all guarantees (its own and those of the other party); subsequently the Group is delivering its share to this partner as it submits the guarantees to which it is entitled.

20. Deferred tax assets and deferred tax liabilities

Details of "Deferred tax assets" and "Deferred tax liabilities" in the accompanying consolidated balance sheet, and movement in 2024 and 2023, are as follows (in thousands of Euros):

	31 December 2022	Transfers	Credit/charge to the Income Statement (*)	Credit/charge to the assets and liabilities valuation reserve	Discontinued operations (Note 7)	Translation differences	31 December 2023	Changes in the consolidation scope (Note 2.f)	Credit/charge to the Income Statement	Credit/charge to the assets and liabilities valuation reserve	Transfers	Translation differences	31 December 2024
Deferred tax assets:													
Measurement of derivative financial instruments (Note 17)	10,104	—	1,374	(5,225)	(4,617)	(2)	1,634	—	—	(1,053)	—		581
Property, plant and equipment and intangible assets	5,367	—	(726)	—	(4,532)	—	109	(3)	(7)		—	—	99
Tax credits	13,441	1,197	(4,545)	—	(375)	13	9,731	—	(6,089)		(702)	10	2,950
Deductions and credits to be applied	2,391	—	(549)	—	(1,514)	—	328	—	118		—		446
Losses in external subsidiaries	44	—	269	—	—	—	313	—			—		313
Non-deductible provisions (Note 18)	37,670	—	12,803	—	(494)	(73)	49,906	(157)	24,381		—	(2,486)	71,644
Other deferred tax assets	31,347	(1,197)	2,286	—	(9,617)	(167)	22,652	(234)	(4,438)		702	244	18,926
	100,364	**—**	**10,912**	**(5,225)**	**(21,149)**	**(229)**	**84,673**	**(394)**	**13,965**	**(1,053)**	**—**	**(2,232)**	**94,959**
Deferred tax liabilities:													
Property, plant and equipment and intangible assets	14,204	—	1,733	—	(12,571)	(16)	3,350	—	1,798	—	—	172	5,320
Measurement of derivative financial instruments (Note 17)	3,373	—	150	(739)	(790)	(5)	1,989	—	(830)	(488)	—		671
Other deferred tax liabilities	29,069	744	5,655	769	(11,469)	(38)	24,730	(672)	(4,554)	—	—	67	19,571
	46,646	**744**	**7,538**	**30**	**(24,830)**	**(59)**	**30,069**	**(672)**	**(3,586)**	**(488)**	**—**	**239**	**25,562**

(*) Includes Euros 637 thousand credit to the Income Statement and Euros 4,983 thousand credit to reserves from discontinued operations at 31 December 2023.

Deferred tax assets and liabilities that are expected to be realised or reversed in periods of less than 12 months are not significant, except for deferred tax assets relating to the valuation of derivative financial instruments for which practically the totality is expected to be reversed within the coming 12 months.

Deferred tax assets and liabilities: property, plant and equipment and intangible assets, in the foregoing table mainly reflect taxable temporary differences arising from differences between the carrying amount of certain property, plant and equipment and intangible assets and their tax base, as well as the temporary differences derived from the depreciation and amortisation of these non-current assets for accounting and tax purposes.

Deferred tax assets: tax credits and deductions and credits pending application, in the foregoing table, include, respectively, unused tax loss carryforwards and deductions pending application of various Group companies, which have been capitalised as the Parent's Directors consider that they will be recovered against estimated profits in the coming years.

Deferred tax assets: non-deductible provisions, in the above table mainly include the tax impact of adjustments to accounting profit/loss as a consequence of various provisions that were not considered deductible when they were recognised (see Notes 14.a and 18).

In October 2021, more than 130 countries, together accounting for more than 90% of global GDP, agreed to implement a minimum tax framework for multinational companies, known as "Pillar Two". In December 2021, the Organisation for Economic Co-operation and Development ("OECD") published the Pillar Two model rules for reforming international corporate taxation. The large multinational enterprises concerned must calculate their effective Global Anti-Base Erosion (GloBE) tax rate for each jurisdiction in which they operate. Such enterprises will be required to pay an additional tax on the difference between their effective GloBE tax rate per jurisdiction and the minimum rate of 15%. These provisions were regulated in the European Union through Directive 2022/2523, where Member States were granted a deadline for the transposition of the Directive into local law.

On 21 December 2024, Law 7/2024, of 20 December, which transposes the Pillar Two Directive in Spain, was published in the Official State Gazette (BOE). Therefore, and as anticipated in 2023, this new regulation will take effect for tax periods beginning on or after 31 December 2023 and, therefore, as regards the Elecnor Group, from the next tax year beginning on 1 January 2024.

In relation to the other jurisdictions in which the Group operates, this regulation has been approved in most European countries (except in Lithuania, where a six-year extension has been requested) as well as in Australia, New Zealand and Brazil. In countries where regulations require it, the registration procedures required by local regulations have been completed or are in the process of being initiated within the required timeframe. In the remaining jurisdictions of most relevance to the Group, the relevant legislation is still pending approval and it is uncertain at the date of preparation of these Consolidated Annual Accounts whether such legislation will be enacted and, if so, on what date the resulting legislation will take effect.

At the end of 2024, the Group was in the process of assessing its exposure to Pillar Two legislation. At the date of preparation, this assessment has been carried out on the basis of the consolidated figures of the Group in each of its constituent jurisdictions and the analysis of the potential application of the Transitional Safe Harbours envisaged by the OECD, which are also considered in transitory provision four of Law 7/2024.

As a result of this assessment, the effective tax rate in most of the jurisdictions in which the Elecnor Group operates, with the exception of a very small number of insignificant countries representing a small percentage of the Group's profit before tax, exceeds 15%. Accordingly, based on the analysis carried out, at the end of 2024, the Group does not anticipate substantial economic impacts from the Complementary Tax that would arise as a result of the application of Pillar Two. This is notwithstanding the significant increase in the administrative burden of formally complying with these new tax rules.

Lastly, it should be noted that for the purposes of Transitory provision one of Law 7/2024, Appendix IV provides a breakdown and details of the value of the tax bases, deductions and assets and liabilities due to temporary differences among the Group companies existing at 31 December 2024.

At 31 December 2024 and 2023, the tax credits for capitalised tax loss carryforwards and the deferred tax assets and liabilities by entity/subgroup are as follows:

	2024		
	Thousands of Euros		
	Tax credits	Deferred tax assets	Deferred tax liabilities
Elecnor, S.A.	—	26,467	5,942
Elecnor Servicios y Proyectos, S.A.U.	1,519	26,081	5,816
Aplicaciones Técnicas de la Energía, S.A.	829	1,781	—
Elecnor do Brasil, Ltda.	—	11,854	473
Elecnor Chile, S.A.	—	6,083	—
Elecnor, Inc.	—	14,119	10,898
Elecnor Mexico	—	4,828	—
Other	602	3,618	1,702
Total	**2,950**	**94,959**	**25,562**

	2023		
	Thousands of Euros		
	Tax credits	Deferred tax assets	Deferred tax liabilities
Elecnor, S.A.	—	17,560	7,109
Elecnor Servicios y Proyectos, S.A.U.	6,437	32,324	11,642
Aplicaciones Técnicas de la Energía, S.A.	1,875	2,592	—
Audeca, S.L.U.	—	72	1,224
Elecnor do Brasil, Ltda.	—	9,876	661
Elecnor Chile, S.A.	—	5,999	—
Elecnor, Inc.	—	11,936	8,411
Elecnor Mexico	—	1,162	—
Other	1,419	3,152	1,022
Total	**9,731**	**84,673**	**30,069**

Details of the amounts and expiry years of uncapitalised tax loss carryforwards pending offsetting of the most significant entities at 31 December 2024 and 2023 are as follows (in thousands of Euros):

2024	Unused, uncapitalised tax loss carryforwards	Expiry year
Aplicaciones Técnicas de la Energía, S.A.	1,720	Unlimited
Deimos Engineering and Systems, S.L.U.	—	Unlimited
Dunor Energía, S.A.P.I. de C.V.	23,528	2027, 2029, 2031, 2032, and 2033
Elecnor Australia Holdings, PTY LTD.	157,123	Unlimited
Elecnor Cameroun, S.A.	5,008	2027 and 2028
Elecnor Perú, S.A.C.	3,077	2025
Til Til Consorcio, SpA	2,256	Unlimited
	192,712	

2023	Unused, uncapitalised tax loss carryforwards	Expiry year
Aplicaciones Técnicas de la Energía, S.A.	1,720	Unlimited
Deimos Engineering and Systems, S.L.U.	2,471	Unlimited
Dunor Energía, S.A.P.I. de C.V.	26,398	2027, 2029, 2031, 2032, and 2033
Elecnor Australia Holdings, PTY LTD.	74,248	Unlimited
Elecnor Cameroun, S.A.	2,878	2027
Elecnor Perú, S.A.C.	6,157	2025
Til Til Consorcio, SpA	2,854	Unlimited
	116,726	

At 31 December 2024, the Elecnor Group has Euros 31,766 thousand of uncapitalised tax loss carryforwards from branches (Euros 29,436 thousand at 31 December 2023), whose limitation period depends on the tax legislation applicable to each branch.

Furthermore, the Group has deductions generated and not capitalised in the amount of Euros 120 thousand as at 31 December 2024 (Euros 2,322 thousand as at 31 December 2023).

In addition, at 31 December 2024, the Group has a balance of Euros 89,987 thousand by way of uncapitalised foreign income exemption (Euros 78,056 thousand at 31 December 2023).

Details of the Group's total taxable income, deductions and other temporary differences are shown in Appendix IV.

The unused tax loss carryforwards and tax credits for deductions and other items described above were generated by various companies in the Elecnor Group and their future recoverability is conditional upon these companies' ability to generate sufficient taxable profits.

Due to the treatment permitted by prevailing fiscal legislation, additional tax liabilities that cannot be objectively quantified could arise in the event of inspection. However, the Parent's Directors consider that the possibility of such contingent liabilities arising during future tax inspections of Group companies is remote and that, in any case, the tax liability that could result therefrom would not materially affect the Consolidated Annual Accounts of the Elecnor Group.

21. Taxation

The Parent has the following years open to inspection by the tax authorities in respect of the main taxes applicable to it:

	Years open to inspection
Corporate Income Tax (*)	2017 – 2023
Value Added Tax	2019 – 2024
Personal Income Tax	2019 – 2024
Social Security (**)	2020 – 2024
Capital Gains Tax	2020 – 2024
Non-residents	2020 – 2024

(*) The deadline for filing Corporate Income Tax returns is 25 calendar days after the six months subsequent to conclusion of the tax periods, so corporate income tax corresponding to 2024 will not be open to inspection until 25 July 2025.

(**) On 12 March 2024, Elecnor Servicios y Proyectos, S.A.U. received a request for documentation and appearance for the period from 1 February 2020 to 31 January 2024. As of today, all the required documentation has been provided by the company and no response has yet been received.

On 10 February 2021, based on its request of 28 December 2020, the Parent received notification from the Tax Authority that it was to be taxed under the consolidated tax regime from 1 January 2021. The companies forming part of the tax group in 2024 are as follows: Aplicaciones Técnicas de la Energía, S.L.U., Area 3 Equipamiento Diseño e Interiorismo, S.L.U., Jomar Seguridad, S.L.U., Ehisa Construcciones y Obras, S.A.U., Elecnor Seguridad, S.L.U., Audeca, S.L.U., Montajes Eléctricos Arranz, S.L.U, Elecnor Servicios y Proyectos, S.A.U., Elecred Servicios, S.A.U., Internacional de Desarrollo Energético, S.A.U., Parque Eólico Montañes, S.L.U and Los Llanos Fotovoltaica de Castilla-La Mancha, S.L.U. During 2024 the following companies exited the consolidation scope: Deimos Engineering and Systems, S.L.U., Deimos Space, S.L., Aerogeneradores del Sur, S.A., Enerfín Enervento Exterior, S.L., Enerfín Enervento, S.L.U., Enerfín Sociedad de Energía, S.L., Galicia Vento, S.L., Parque Eólico Cofrentes, S.L.U., Parque Eólico de Malpica, S.A., Parque Eólico Cernégula, S.L.U., Enerfín Renovables, S.L.U., Enerfín Renovables II, S.L., Enerfín Renovables IV, S.L.U., Parque Eólico Volandin, S.L.U., Enerfín Renovables VI, S.L., Solar 3 Rayas, S.L., Enerfín Renovables VIII, S.L., Enerfín Renovables IX, S.L, Enerfín Renovables X, S.L., Enerfín Renovables XI, S.L., Eólica Montes de Cierzo , S.L. and Luzy Energía Renovable, S.L.U. (Note 2.f)

Inspections conducted by the Tax Authority's Large Taxpayers Division at the Parent, and commenced by notification on 1 July 2016, concluded in 2018 and covered all taxes applicable to the Parent for the period 2012-2014, except for Corporate Income Tax, which covered the period 2011-2013.

The aforementioned inspections concluded in 2018 with the signing of statements of disconformity whose settlement implies a payment obligation totalling Euros 14,208 thousand.

On 28 December 2018, the Parent filed economic-administrative appeals against the settlement agreements derived from the statements of disconformity before the Central Economic-Administrative Court, which were the subject of a request for suspension while the proceedings were underway.

On 23 November 2020, the Parent was notified that the files were accessible, and of the procedure for allegations, which were submitted on 17 December 2020 that have been rejected in 2021. The decisions dismissing the appeals were appealed before the National Court, and judgements are pending.

In light of this situation, the Parent's Directors, in cooperation with its tax advisers, and although they consider that there are weighty arguments to underpin the position of the Parent, decided in 2019 to allocate a provision for the amounts claimed in the appealed settlement agreements in connection with differences in interpretation in respect of related party transactions amounting to Euros 9,024 thousand, since they consider that in 2019 retroactivity had been ruled out and, accordingly, the reviewing bodies are more likely to approve the Tax Authority's position than not.

In addition to the foregoing, on 2 October 2019 the Company received a notification of the commencement of tax audits in relation to all taxes applicable to the Parent Company for the period 2015-2016 except for Corporate Income Tax, which also covered the period 2014.

The aforementioned inspections concluded in 2021 with the signing of statements of conformity which resulted in a payment totalling Euros 5,691 thousand.

Lastly, note On 21 December 2022, the Parent received a notification from the Tax Authority concerning the commencement of the verification and investigation for the years 2017 to 2020 regarding Corporate Income Tax and 2019 to 2020 for the remaining taxes.

In relation to this, Elecnor has received the settlement proposals contained in the tax inspection reports for the years 2017 to 2020, both inclusive, for corporate income tax, value added tax and personal income tax withholdings, in which different settlement proposals are included, which are provisional until the Chief Inspector of the Technical Office prepares the definitive ones, once the period for the Parent Company to make any assertions has elapsed. Following a process of review, assessment and analysis of the minutes by the Parent, the impact that these minutes may have on these annual accounts has been recorded in them.

However, the Administration's entitlement to verify or investigate tax loss carryforwards offset or pending offsetting, deductions for double taxation and deductions to encourage certain activities applied or pending application prescribes after 10 years from the day after the end of the established period for filing the tax return or self-assessment for the tax period in which the Company's entitlement to offsetting or application was generated. Once that period has elapsed, the Group must accredit tax losses or deductions by presenting the settlement or self-assessment and the accounts, and also evidencing that they have been filed during the aforementioned period in the Companies Register.

The heading "Current income tax assets" includes the amount paid in advance for corporate income tax for 2024 in the amount of Euros 172.8 million resulting from the estimated income tax settlement. This amount is expected to be recovered in early 2026. This advance payment is due to the taxation derived from the capital gain generated on the sale of Enerfín (Note 7), given that for the purposes of advance payment of corporate tax the exemptions applicable in the final corporate income tax settlement are not taken into account.

Details of the income tax expense accrued in 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	2023
Consolidated profit/loss before tax from continuing operations and discontinued operations	**821,531**	**167,140**
Non-deductible expenses	10,616	3,005
Non-taxable income (**)	(686,425)	(57,479)
Adjustment for dividends (****)	1,182	2,832
Profit/loss from equity-accounted investees (Note 12)	(12,186)	(15,738)
Others (*****)	38,692	(12,165)
Uncapitalised tax credits applied	(12,581)	(3,795)
Uncapitalised tax loss carryforwards (***)	92,289	103,468
Adjusted accounting profit/loss	**253,118**	**187,268**
Gross tax calculated at the tax rate in force in each country (*)	91,477	57,115
Tax deductions for incentives and other	(1,089)	(2,609)
Adjustment to prior year's Corporate Income Tax expense	619	(1,594)
Other adjustments	20,197	(3,598)
Accrued income tax expense from continuing operations and discontinued operations	**111,204**	**49,314**

(*) The fully consolidated foreign subsidiaries and branches calculate the Corporate Income Tax expense and the amount due in respect of the various other applicable taxes in accordance with the prevailing tax rates and legislation in their respective countries.

(**) Non-taxable income in 2024 mainly reflected adjustments to the accounting profit for income from the sale of investments which are exempt from taxation amounting to Euros 685 million (Note 2.f).

(***) Corresponding to 2024 mainly to the company Elecnor Australia PTY LTDD in the amount of Euros 84 million (Euros 87 million in 2023).

(****) On 31 December 2020, Law 11/2020 of 30 December, on the General State Budgets for 2021 was published, which includes certain changes to the Corporate Income Tax Law in Spain. The main change to the Corporate Income Tax Law is the elimination of the total tax exemption of dividends and capital gains, which remains at 95%.

(*****) Includes Euros 42 million of translation differences which have been taken to income in the current year (Note 15.f).

Details of the main components of the income tax expense accrued in 2024 and 2023 were as follows:

	Thousands of Euros	
	2024	2023
Current tax		
Present year	107,939	55,718
Prior years' adjustments	619	(1,912)
Other adjustments	20,197	(1,120)
Deferred tax		
Amount of the deferred tax expense/income relating to the origination and reversal of temporary differences (Note 20)	(17,551)	(3,372)
Accrued income tax expense from continuing operations and discontinued operations	**111,204**	**49,314**

22. Guarantee commitments with third parties and contingencies

Guarantee commitments with third parties-

At 31 December 2024 and 2023, details of the risk exposure relating to bank guarantees delivered and other bid, completion and performance bonds, are as follows:

	Thousands of Euros	
	2024	2023
Completion bonds	1,665,111	1,002,950
Advances on contracts:		
Current	303,477	339,016
To be cancelled	8	4,177
Performance bonds	207,469	362,583
Bid bonds	34,327	46,110
Other	20,572	28,766
Total	**2,230,964**	**1,783,602**

At 31 December 2024 the Group has provided guarantees to the customer Casablanca Transmisora de Energía (Chile) for the Special Contract for the engineering, supply, permits, easements and construction of New Transmission Lines and substations as partial deliveries for the amount of Euros 30 million (2023: Euros 29.2 million).

Additionally, in Australia, the Group has provided guarantees: for the customer NSW Electricity Networks in the amount of Euros 221.2 million for the Energy Connect transmission line project in Australia (Euros 78 million in 2023); for the customer Goyder Wind Farm 1 Pty Ltd in the amount of Euros 20 million for the construction of a wind project (Euros 28 million in 2023); for the customer Flyers Creek Wind Farm Pty Ltd. for an amount of Euros 20 million for the construction of a wind project (Euros 17 million in 2023); and for the customer Blyth Battery Pty Ltd for an amount of Euros 23 million for the construction of a wind project (Euros 23 million in 2023).

The Group has also provided guarantees for the customer Mataquito Transmisora de Energia, S.A. in Chile for Euros 69 million for the Special Contract for engineering, supply, permits, easements and construction of New Transmission Lines and substations in the form of partial deliveries

(Euros 66 million in 2023); for the customer AB Lietuvos Gelezinkeliu for the project in Lithuania Electrification of the railway section Vilnius-Klaipèda (Draugystès st.) for Euros 73 million (Euros 93 million in 2023); and for the customer Empresa de Transmisión de Energía for Euros 36 million for the construction of a transmission line in Panama (Euros 23 million in 2023).

The remaining amount of the guarantees at 31 December 2024 and 2023 consists of a number of guarantees of insignificant individual amounts.

The Parent's Directors consider that any liabilities that might arise from the bank guarantees provided would not give rise to significant losses in the accompanying consolidated financial statements.

Contingencies-

At 31 December 2024 and 2023 there are no significant contingencies other than those provided for in the financial statements that require disclosure.

23. Income and expenses

Net turnover-

The entirety of the Group's turnover in 2024 and 2023 corresponds to the execution of projects and services rendered.

The breakdown of the Group's turnover in 2024 and 2023, by both geographical areas and activities, is as follows:

	Thousands of Euros	
By geographical area	2024	2023
Domestic	1,670,502	1,489,436
International	2,139,600	2,303,470
Total	**3,810,102**	**3,792,906**
By line of business		
Electricity	1,839,166	1,560,084
Power generation	470,492	688,013
Maintenance	398,963	393,128
Construction, environment and water	339,233	326,502
Telecommunications and space	247,066	273,314
Facilities	191,619	184,624
Railways	180,518	225,019
Oil & Gas	143,045	142,222
	3,810,102	**3,792,906**

Revenue from Contracts with Customers

Movement in assets and liabilities from contracts with customers in 2024 and 2023 is as follows:

	Thousands of Euros	
	Assets	Liabilities
At 31 December 2023	464,143	412,803
Revenues recognised	3,810,102	-
Turnover	-	3,869,778
Reclassification to income	(3,739,224)	(3,739,224)
Translation differences	(2,279)	7,185
At 31 December 2024	**532,742**	**550,542**

	Thousands of Euros	
	Assets	Liabilities
At 31 December 2022	393,954	276,032
Revenues recognised	3,792,906	-
Turnover	-	3,855,476
Reclassification to income	(3,720,352)	(3,720,352)
Translation differences	(2,365)	1,647
At 31 December 2023	**464,143**	**412,803**

In 2024 and 2023, the business's usual contractual modifications were made, including those in which there is a dispute about the scope and/or price (see Note 3.s). The Group recognises contractual modifications when they have been approved by the parties.

In 2024 and 2023, there has been no relevant revenue from performance obligations satisfied in prior periods.

In view of the nature of the Elecnor Group's contracts, advances are received on dates close to the execution of the milestones that give rise to them, thus, practically all of the balance of contractual liabilities at the end of each year is recognised as revenue in the following year.

Materials consumed-

Details of this item in the 2024 and 2023 Consolidated Income Statements are as follows:

	Thousands of Euros	
	2024	2023
Purchases of raw materials and other materials consumed	1,059,193	1,602,230
Work carried out by other companies	900,397	530,187
Change in goods for resale, raw materials and other inventories	(2,342)	465
Total	**1,957,248**	**2,132,882**

Other operating expenses-

Details of this item in the 2024 and 2023 Consolidated Income Statements are as follows:

	Thousands of Euros	
	2024	2023
Leases	157,877	161,544
Repairs and maintenance	42,831	32,520
Independent professional services	116,094	107,540
Transportation	29,937	28,746
Insurance premiums	27,375	22,817
Banking services	20,357	20,351
Advertising and publicity	1,223	1,747
Utilities	49,954	52,662
Taxes	38,564	34,481
Other expenses	137,365	138,739
Total	**621,577**	**601,147**

Other operating income-

Details of this item in the 2024 and 2023 consolidated other operating income accounts are as follows:

	Thousands of Euros	
	2024	2023
Grants (Note 3.p)	3,298	4,348
Other income	119,316	53,236
Total	**122,614**	**57,584**

In 2024 "Other income" mainly includes invoicing from a joint venture involving a subsidiary in the amount of Euros 71 million as well as an amount of Euros 23.1 million in 2024 (Euros 32 million in 2023) from the Lithuanian branch.

Personnel expenses-

Details of this item in the 2024 and 2023 Consolidated Income Statements are as follows:

	Thousands of Euros	
	2024	2023
Salaries, wages and similar	935,688	780,594
Social Security payable by the Company	203,328	177,864
Other employee benefits expenses	95,160	87,625
Total	**1,234,176**	**1,046,083**

The heading "Salaries, wages and similar" includes compensations amounting to Euros 8,418 thousand in 2024 (4,357 in 2023).

At 31 December 2024, the heading "Other current liabilities" includes approximately Euros 57 million in remuneration pending payment (Euros 45 million at 31 December 2023).

Depreciation, amortisation and provisions-

Details of this item in the 2024 and 2023 Consolidated Income Statements are as follows:

	Thousands of Euros	
	2024	2023
Depreciation charge for property, plant and equipment (Note 10)	53,329	49,060
Amortisation of intangible assets (Note 9)	8,242	6,881
Changes in provisions for risks and charges without decommissioning (Note 18)	119,484	9,171
Depreciation charge for right-of-use assets (Note 11)	14,786	15,251
Change in impairment of receivables (Note 14)	1,043	(4)
Other (Note 18)	3,478	3,358
Total	**202,055**	**83,717**

The heading "Other" at 31 December 2024 and 2023 corresponds mainly to the application of provisions for negative margins the Group recognises against this heading, taking expenses for provisioned payments at 31 December 2024 and 2023 by their type in the accompanying Consolidated Income Statement.

Finance income-

Finance income derives from the application of the effective interest rate method to financial assets in the category of financial assets at amortised cost.

Finance expenses-

Details of this item in the 2024 and 2023 Consolidated Income Statements are as follows:

	Thousands of Euros	
	2024	2023
Finance expenses at amortised cost (Note 16)	21,791	24,534
Interest rate derivative finance expenses	(2,446)	(4,036)
Finance expenses from lease liabilities (Note 11)	2,745	3,417
Other finance expenses	4,852	3,817
Total	**26,942**	**27,732**

Finance expenses derive practically entirely from the application of the effective interest rate method to financial liabilities in the category of financial liabilities at amortised cost.

24. Interests in Joint Ventures

In 2024 and 2023 the balance sheets and Income Statements of Temporary Business Associations (known in Spain as UTEs) and certain foreign entities considered to be a similar vehicle to a UTE (various kinds of Joint Ventures) (see Note 3.c) in which Elecnor Group holds interests were included in proportion to their shareholding in each joint operation, in accordance with IFRS 11.

As regards these vehicles, the Group's percentage ownership therein at 31 December 2024 and 2023, the amount of revenues from construction work performed in 2024 and 2023 and the order book at year end are included in Appendix II to these Consolidated Annual Accounts.

The contribution of these joint ventures to the various headings in the accompanying consolidated balance sheet and in the Income Statement at 31 December 2024 and 2023 are as follows:

ASSETS	Thousands of Euros		LIABILITIES	Thousands of Euros	
	2024	2023		2024	2023
Intangible assets	1,701	711	Profit/loss for the year	68,241	4,584
Property, plant and equipment	62,068	54,326			
Financial assets	1,176	1,338	Other non-current liabilities	58,776	22,562
Inventories	9,921	13,765	Current trade		
Receivables	142,944	99,715	payables	151,843	193,530
Temporary financial investments	2,630	3,152			
Cash	55,692	46,231			
Accruals	2,728	1,438			
Total	**278,860**	**220,676**	**Total**	**278,860**	**220,676**

Income statement	Thousands of Euros	
	2024	2023
Net turnover	511,261	347,657
Materials consumed	(298,674)	(243,687)
Non-trading income	2,763	1,049
Personnel expenses	(86,817)	(39,730)
External services	(48,642)	(39,352)
Taxes	(1,766)	(2,123)
Losses, impairment and changes in trade provisions	(5,079)	(583)
Other operating expenses	52	42
Depreciation and amortisation charge	(10,262)	(16,600)
Impairment and profit/loss on disposal of fixed assets	78	(1)
Finance income	9,217	1,398
Finance expenses	(2,079)	(2,528)
Translation differences	1,051	(50)
Foreign taxes	(2,862)	(908)
Total	**68,241**	**4,584**

25. Order book

Details, by business line, of the order backlog of Elecnor Servicios y Proyectos, S.A.U. at 31 December 2024 and 2023 are as follows:

	Thousands of Euros	
By geographical area	2024	2023
Domestic	723,571	687,941
International	752,511	688,443
Total	**1,476,082**	**1,376,384**
By line of business		
Electricity	555,869	448,651
Power generation	114,557	153,719
Telecommunications and space	290,635	301,097
Construction, environment and water	153,608	119,654
Maintenance	91,629	54,711
Facilities	11,239	23,303
Oil & Gas	76,896	97,560
Railways	181,649	177,689
Total	**1,476,082**	**1,376,384**

At 31 December 2024 the order backlog of the rest of the subsidiaries amounts to Euros 1,232,654 thousand (Euros 1,201,268 thousand in 2023) and mainly comprises work for companies in the electricity sector.

26. Information on the average supplier payment period. Final provision two of Law 31/2014 of 3 December 2014

Information on deferred payments to suppliers by consolidated Spanish companies is as follows:

	Days	
	2024	2023
Average supplier payment period	60	59
Transactions paid ratio	66	63
Transactions payable ratio	44	44
	Expressed in thousands of Euros	
Total payments made	1,205,868	1,391,750
Total payments outstanding	325,447	291,013

Information on invoices paid in a term shorter than the maximum period set out in the late payment regulations is as follows:

	2024	2023
Monetary volume paid in Euros (thousands of Euros)	473,773	711,282
Percentage of total monetary payments to suppliers	40%	51%
Number of invoices paid	186,663	227,951
Percentage of total number of invoices paid to suppliers	35%	48%

The payments to suppliers reflected in the above table are trade payables as they relate to goods and services. They therefore include "Trade and other payables - trade payables for purchases or services".

The 2023 figures included the Enerfín subgroup, which was reclassified to discontinued operations in 2023 and disposed of in 2024 (Note 7).

27. Information on employees

The average headcount, by professional category (not including joint ventures), in 2024 and 2023 was as follows:

Category	Average headcount	
	2024	2023
Management	131	161
Executive	1,384	1,513
Technician	5,008	5,185
Basic	16,780	16,119
Total	**23,303**	**22,978**

Of the Group's average workforce in 2024 and 2023, a total of 4,117 and 5,025 employees had temporary employment contracts, respectively.

Moreover, the breakdown by gender at the end of 2024 and 2023, specified by professional category, of staff and Directors, not including joint ventures, is as follows:

Category	31 December 2024		31 December 2023	
	Male	Female	Male	Female
Directors	11	3	11	3
Management	119	13	140	19
Executive	1,184	256	1,270	261
Technician	3,221	1,991	3,340	1,913
Basic	17,065	802	14,828	791
Total	**21,600**	**3,065**	**19,589**	**2,987**

This table represents those persons who identify as male or female, so the numbers segmented by gender may not match the total presented due to persons who identify with another gender or who choose not to disclose information.

The average number of employees with a disability equal to or greater than 33%, by category, is as follows:

Category	2024	2023
Management	2	2
Executive	4	4
Technician	15	19
Basic	59	67
Total	**80**	**92**

The 2023 figures included the Enerfín subgroup, which was reclassified to discontinued operations in 2023 and disposed of in 2024 (Note 7).

28. Related party balances and transactions

28.1. Related party balances and transactions of the Group

Related party transactions have been carried out at arm's length. Transactions carried out by the Group with investees that are not fully or proportionately consolidated and with other non-consolidated companies during 2024 and 2023 are as follows:

	Thousands of Euros			
	2024		2023	
	Sales and other operating income	Finance income	Sales and other operating income	Finance income
Equity-accounted investees:				
Gasoducto de Morelos, S.A.	-	-	23	98
Grupo Celeo Concesiones e Inversiones	98,312	-	89,463	948
Moana Data,S.L.	50	-	-	-
Total	**98,312**	**-**	**89,486**	**1,046**

At 31 December 2024 and 2023, balances receivable from and payable to investees that are not fully or proportionately consolidated and other non-consolidated companies, deriving from the above transactions, are as follows:

	Thousands of Euros					
	2024			2023		
	Accounts receivable		Accounts payable	Accounts receivable		Accounts payable
	Other financial investments (Note 14)	Trade receivables from related companies	Financial liabilities, associates and related companies	Other financial investments (Note 14)	Trade receivables from related companies	Trade payables to associates and related companies
Equity-accounted investees:						
Dioxipe Solar, S.L.	5,182	5,776	-	-	4,782	-
Aries Solar Termoeléctrica, S.L.	6,020	5,935	-	-	6,288	-
Casablanca Transmisora de Energía, S.A.	-	984	-	-	2,288	-
Mataquito Transmisora de Energía, S.A.	-	5,273	-	-	2,271	-
Parintins Amazonas Transmissora de Energia, S.A.	-		-	-	6,557	-
Puerto Maldonado Transmisora de Energia, S.A.C.	-	611	-	-	-	-
Celeo Apolo FV, S.L.	300	-	-	300	-	-
Celeo Redes, S.L.U.	-	-	11,508	-	-	-
Other	16	803	-	18	927	38
	11,518	**19,382**	**11,508**	**318**	**23,113**	**38**

Moreover, at 31 December 2024 and 2023 the Parent had an account payable to the Directors amounting to Euros 2,382 thousand and Euros 2,369 thousand, respectively, recorded under "Other current liabilities" in the Consolidated Balance Sheet.

28.2. Remuneration of the Board of Directors

a) Remuneration and other benefits paid to the Board of Directors

In 2024 the members of the Parent's Board of Directors received remuneration amounting to Euros 8,390.9 thousand (Euros 5,404.6 thousand in 2023). This remuneration includes that earned in their capacity as management staff.

The Parent has paid approximately Euros 5.8 thousand for life insurance arranged for former or current members of its Board of Directors in 2024 (Euros 4.7 thousand in 2023).

At 31 December 2024 and 2023, the Parent does not have any pension obligations with former or current members of the Governing Body nor has it extended any guarantees on their behalf or granted any advances or loans thereto.

At 31 December 2024, the Board of Directors of the Parent is formed by 14 individuals three of whom are female (14 members in 2023, three of whom are female).

At 31 December 2024 and 2023, the amount paid by the Parent with regard to public liability insurance for all or some of the directors in relation to damage caused due to acts or omissions in discharging their duties was not significant.

b) Conflicts of interest concerning the Directors-

The members of the Board of Directors of Elecnor, S.A. and their related parties have had no conflicts of interest requiring disclosure in accordance with article 229 of the Revised Text of the Spanish Companies Act.

c) Transactions other than ordinary business or under terms differing from market conditions carried out by the Directors-

In 2024 and 2023 the Directors of the Parent have not carried out any transactions other than ordinary business or applying terms that differ from market conditions with the Company or any other Group company.

28.3. Remuneration to the Management Team

In 2024, the Elecnor Group's Management Team received remuneration amounting to Euros 15,537 thousand (Euros 9,660 thousand in 2023). This includes remuneration received by the members of the Board of Directors in their capacity as management staff.

The stated total remuneration includes both fixed remuneration and annual and multi-annual variable remuneration.

The total provision for retirement bonuses at 31 December 2024 amounts to Euros 7,943 thousand (Euros 9,568 thousand at 31 December 2023).

During 2024 the total amount of severance payments to Senior Management amounted to Euros 6,024 thousand (during 2023 there were no severance payments).

At 31 December 2024 and 2023, the Parent does not have any material pension obligations with management nor has it extended any guarantees on their behalf or granted any advances or loans thereto.

29. Audit fees

The fees for audit services and other services rendered in 2024 and 2023 to Elecnor Group companies by PricewaterhouseCoopers Auditores, S.L. and the companies in its network (PwC), as well as those rendered by other audit firms, are presented below:

Description	Thousands of Euros	
	2024	2023
Audit Services - Main auditor		
Spain	254	359
Remainder of countries	366	549
Other services		
Main auditor	319	100
Other companies in the main auditor network	71	160
Total	**1,010**	**1,168**

Description	Thousands of Euros	
	2023	2023
For audit services - Other firms	548	488
Other services - Other firms	1,458	2,359
Total	**2,006**	**2,847**

The heading "Audit Services - Main auditor" includes the fees corresponding to the audit of the Separate and Consolidated Annual Accounts of Elecnor, S.A. and the companies that make up the Group.

The heading "Other services" provided by PricewaterhouseCoopers Auditores, S.L. and other firms associated with the PwC brand during 2024 amounted to Euros 390 thousand (Euros 260 thousand in 2023). These other services mainly relate to limited review of interim financial statements, limited assurance verification of sustainability information, agreed procedures on ICSFR and other agreed procedures on compliance with financial ratios.

In addition, it includes Euros 59 thousand of tax advice in this year (Euros 71 thousand in 2023).

30. Earnings per share

Details of basic earnings per share in 2024 and 2023 are as follows:

	2024	2023
Attributable net profit (thousands of Euros)	705,200	110,058
Total number of shares outstanding	87,000,000	87,000,000
Less – own shares (Note 15.d)	(2,307,253)	(2,299,529)
Weighted average number of shares outstanding	84,692,747	84,700,471
Basic earnings per share (Euros)	8.33	1.30
Basic earnings per share from continuing operations (Euros)	-1.39	0.83
Basic earnings per share from discontinued operations (Euros)	9.72	0.47

At 31 December 2024 and 2023 Elecnor, S.A., the Parent of the Elecnor Group, has not issued any financial instruments or other contracts entitling the holder to receive ordinary shares from the Company. And therefore diluted earnings per share coincide with basic earnings per share.

31. Environmental information

The commitment of the Elecnor Group to environmental sustainability is inherent to the undertaking of its activities and its business strategy. On the one hand, it contributes to building a sustainable, low-carbon future through its renewable energy generation, energy efficiency, water and environmental activities; and, on the other hand, reducing its carbon footprint and undertaking appropriate environmental management.

In this connection, and with the aim of contributing to UN Global Compact Sustainable Development Goal 13 "Climate Action", the Elecnor Group fosters the development of its activity in a sustainable manner adapted to climate conditions and always with the involvement and commitment of all persons belonging to the Group.

The Elecnor Group’s activity is framed by its Environmental Management System and Energy Management, certified in accordance with ISO 14001:2015 and ISO 50001:2018 standards, respectively, as well as its Climate Change Strategy.

The Environmental Management System defines a procedure to identify, assess and record the environmental aspects originating in its activities in order to determine which are significant and to be able to take measures on them to minimise possible impacts.

The Group has also made certain activities that contribute to the protection of the natural environment and its resources an intrinsic part of its business. These include the generation of renewable energies, the treatment and recycling of water and energy efficiency in each of its actions.

The principles of the Environmental Management of the Elecnor Group are set out in the Integrated Management System Policy. These guiding principles are described below:

- To incorporate environmental considerations in the decision-making processes regarding investments and the planning and execution of activities, encouraging their being taken into account in cost-benefit analyses.
- Fostering the protection and conservation of biodiversity and the natural environment, implementing the necessary measures in order to mitigate, offset and even avoid the negative impacts produced by the Group's activities, promoting those that generate positive impacts.
- Making sustainable use of resources, fostering responsible consumption, waste minimisation and the circular economy.
- To responsibly and efficiently manage water resources, based on the fully integrated cycle, nurturing social development and the conservation of ecosystems.

- Involving all stakeholders (employees, shareholders, customers, suppliers and society at large) in the joint quest for useful solutions to the challenges of preserving and developing the environment and using natural resources sustainably.

The Elecnor Group actively and decisively contributes to building a low-carbon society. Climate change is a challenge on which the company has been working for years by undertaking various initiatives that have a positive impact on reducing its environmental footprint:

- Calculating its carbon footprint in accordance with internationally recognised standards and implementing actions to reduce GHG emissions within the scope of its activity.
- Verification of the GHG emissions inventory using the methodology established by the GHG Protocol and applying the Guidance (Scope 2) and Corporate Value Chain (Scope 3) principles, Accounting and Reporting Standard.
- Obtaining the "Calculo y Reduzco" seal awarded by the Spanish Office for Climate Change (OECC).
- Taking part in the Carbon Disclosure Project (CDP), presenting its voluntary report on climate change. In 2024, the Elecnor Group attained the score of A, surpassing that achieved the previous three years, a score that positions the Group yet again at the highest level in terms of sustainability, adaptation and mitigation of the impact of climate change.
- As part of its commitment to decarbonisation, the Group has defined corporate science-based emission reduction targets that have been approved by the Science Based Targets (SBTi) initiative.
- Analysis of climate-related risks and opportunities following TCFD recommendations.

The Non-Financial Information and Sustainability Information section of this Directors’ Report outlines the strategies, policies and all the initiatives implemented in 2024 in relation to the Group’s climate action and environmental performance.

32. Other disclosures

This Note sets out the main projects of the concession business (of the Celeo group, which is accounted for using the equity method) with their EBITDA (Gross Operating Profit) and the debt backed by these projects (in thousands of euros):

2024

GRUPO CELEO Concesiones e Inversiones		EBITDA (*)	Gross debt	Cash	Net debt	Km	Mw	% ownership (**)	Start Year	End Year	Price
REDES BRASIL											
Celeo Redes Transmissão de Energia, S.A.	(2)	15,923	55,553	4,431	51,122	-	-	51%			-
		15,923	**55,553**	**4,431**	**51,122**	**-**	**-**				**-**
Lt Triângulo, S.A.	(1)	11,350	-	2,576	(2,576)	694	-	51%	2006	2036	18,371
Vila Do Conde Transmissora de Energia, S.A.	(1)	8,008	-	3,947	(3,947)	324	-	51%	2005	2035	11,056
Pedras Transmissora de Energia, S.A.	(1)	2,794	22,917	20,410	2,507	354	-	51%	2008	2038	24,021
Coqueiros Transmissora de Energia, S.A.	(1)	1,181	-	487	(487)	453	-	51%	2008	2038	22,617
Encruzo Novo Transmissora De Energia, S.A.	(1)	2,456	1,400	718	682	220	-	51%	2016	2036	3,552
Linha De Transmissão Corumbá, S.A.	(1)	5,135	3,041	1,437	1,604	278	-	51%	2011	2041	6,720
Integraçao Maranhense Tranmissora de Energia, S.A.	(1)	7,183	5,184	2,626	2,559	365	-	26%	2012	2042	9,730
Caiuá Transmissora De Energia, S.A.	(1)	4,257	3,682	4,350	(668)	141	-	26%	2012	2042	6,040
Cantareira Transmissora de Energia, S.A.	(1)	21,041	65,488	7,848	57,641	342	-	26%	2014	2044	25,248
Serra De Ibiapa Transmissora de Energia, S.A. – SITE	(1)	19,013	146,855	6,880	139,975	367	-	51%	2018	2048	22,689
Brilhante Transmissora de Energia, S.A.	(1)	9,631	27,282	6,261	21,021	582	-	51.0%	2009	2039	12,441
Jaurú Transmissora de Energia, S.A.	(1)	11,366	13,190	3,775	9,415	938	-	34.0%	2007	2037	16,165
Cachoeira Paulista Transmissora de Energia, S.A.	(1)	10,306	29,443	12,481	16,962	182	-	26%	2002	2032	12,818
Parintins Amazonas Transmissora de Energia, S.A.	(1)	26,529	161,113	14,699	146,415	225	-	26%	2019	2049	31,092
		140,250	**479,595**	**88,495**	**391,103**	**5,465**	**-**				**222,560**
REDES CHILE											
Celeo Redes Operación Chile, S.A.	(2)	21,940	483,587	17,388	466,199	-	-	51%			22,315
CRC Transmisión, SpA	(2)	15,684	252,671	2,322	250,349	-	-	26%			16,310
		37,624	**736,258**	**19,710**	**716,548**	**-**	**-**				**38,625**

GRUPO CELEO Concesiones e Inversiones		EBITDA (*)	Gross debt	Cash	Net debt	Km	Mw	% ownership (**)	Start Year	End Year	Price
Nirivilo Transmisora de Energía, S.A.	(1)	391	32,095	1,818	30,277	73	-	51.0%	2021	unlimited	8,598
Alto Jahuel Transmisora de Energía, S.A.	(1)	25,581	-	600	(600)	257	-	51.0%	2015	unlimited	28,770
Charrúa Transmisora de Energía, S.A.	(1)	18,077	-	905	(905)	198	-	51.0%	2017	unlimited	20,272
Casablanca Transmisora de Energía, S.A.	(1)	2,061	104	1,413	(1,309)	110	-	25.5%	2019	unlimited	10,075
Mataquito Transmisora de Energía, S.A.	(1)	1,625	123	825	(702)	394	-	25.50%	2019	unlimited	18,817
Diego de Almagro Transmisora de Energía, S.A.	(1)	8,372	-	708	(708)	57	-	25.50%	2019	unlimited	9,634
Celeo Redes Chile Expansión, SpA	(1)	2,381	-	92	(92)	-	-	51%			2,417
Alfa Transmisora de Energía, S.A.	(1)	78,116	1,100,652	25,951	1,074,701	956	-	10%	2021	unlimited	85,326
		136,604	**1,132,974**	**32,312**	**1,100,662**	**2,045**	**-**				**183,909**
REDES PERÚ											
Puerto Maldonado Transmisora de Energía, S.A.C.		1,710	48,682	246	48,436	432	-	51%	2021	2053	18,960
		1,710	**48,682**	**246**	**48,436**	**432**	**-**				**18,960**
REDES ESPAÑA											
Celeo Redes, S.L.	(2)	7,451	4,263	492	3,771	-	-	51%			-
		7,451	**4,263**	**492**	**3,771**	**-**	**-**				**-**
SPAIN RENEWABLES											
Celeo Fotovoltaico, S.L.U.	(1)	4,535	27,846	3,552	24,294	-	15	51%	2008	2043	6,231
Dioxipe Solar, S.L.	(1)	16,725	148,486	7,811	140,675	-	50	49.76%	2012	2037	26,555
Aries Solar Termoelectrica, S.L.	(1)	31,864	291,656	3,629	288,027	-	100	51%	2012	2037	52,891
BRAZIL RENEWABLES											
Celeo São João Do Piaui FV I, S.A. (6)	(1)	6,236	55,503	3,996	51,506	-	180	51%	2018	2051	11,813
		59,360	**523,491**	**18,988**	**504,502**	**-**	**345**				**97,490**
OTHER	(2)	58,207	(1)	45,018		-	-				-
		58,207	**(1)**	**45,018**	**-**	**-**	**-**				**-**
TOTAL		**457,129**	**2,980,815**	**209,692**	**2,816,144**	**7,942**	**345**				**561,544**

(*) Excluding IFRS and IFRIC 12 (EBITDA excluding IFRIC 12 impact best reflects the cash flow generation capacity of each project)
(**) Percentage of ownership attributed to Elecnor Group
(1) Operational project vehicle companies
(2) Holding companies

GRUPO CELEO Concesiones e Inversiones		EBITDA (*)	Gross debt	Cash	Net debt	Km	Mw	% ownership (**)
REDES BRASIL								
Celeo Redes Transmissão de Energia, S.A.	(2)	26,486	66,354	10,958	55,396	-	-	51%
		26,486	**66,354**	**10,958**	**55,396**		**-**	
Lt Triângulo, S.A.	(1)	18,717	-	3,068	(3,068)	694	-	51%
Vila Do Conde Transmissora de Energia, S.A.	(1)	9,045	-	5,843	(5,843)	324	-	51%
Pedras Transmissora de Energia, S.A.	(1)	2,958	246	1,361	(1,115)	354	-	51%
Coqueiros Transmissora de Energia, S.A.	(1)	1,187	197	884	(687)	453	-	51%
Encruzo Novo Transmissora De Energia, S.A.	(1)	2,695	2,432	1,020	1,412	220	-	51%
Linha De Transmissão Corumbá, S.A.	(1)	5,326	4,786	2,464	2,322	278	-	51%
Integraçao Maranhense Tranmissora de Energia, S.A.	(1)	8,176	7,640	2,687	4,953	365	-	26%
Caiuá Transmissora De Energia, S.A.	(1)	4,419	5,426	4,387	1,039	141	-	26%
Cantareira Transmissora de Energia, S.A.	(1)	23,238	84,631	11,992	72,639	342	-	26%
Serra De Ibiapa Transmissora de Energia, S.A. – SITE	(1)	18,332	168,531	13,206	155,325	367	-	51%
Brilhante Transmissora de Energia, S.A.	(1)	9,531	32,715	5,263	27,452	582	-	51%
Jaurú Transmissora de Energia, S.A.	(1)	12,625	20,245	5,186	15,059	938	-	34%
Cachoeira Paulista Transmissora de Energia, S.A.	(1)	11,007	42,757	17,197	25,560	182	-	25.50%
Parintins Amazonas Transmissora de Energia, S.A.	(1)	16,654	191,570	2,477	189,093	225	-	25.50%
		143,910	**561,176**	**77,035**	**484,141**	**5,465**	**-**	
REDES CHILE								
Celeo Redes Operación Chile, S.A.	(2)	22,217	476,867	19,400	457,467	-	-	51%
CRC Transmisión, SpA	(2)	17,264	237,581	10,872	226,709	-	-	25.50%
		39,481	**714,448**	**30,272**	**684,176**	**-**	**-**	
Nirivilo Transmisora de Energía, S.A.	(1)	(97)	-	46	(46)	73	-	51%
Alto Jahuel Transmisora de Energía, S.A.	(1)	26,720	-	1,947	(1,947)	257	-	51%
Charrúa Transmisora de Energía, S.A.	(1)	18,121	-	1,755	(1,755)	198	-	51%
Casablanca Transmisora de Energía, S.A.	(1)	1,412	3,877	7,650	(3,773)	110	-	25.50%
Mataquito Transmisora de Energía, S.A.	(1)	1,384	141	612	(471)	394	-	25.50%
Diego de Almagro Transmisora de Energía, S.A.	(1)	8,803	-	999	(999)	57	-	25.50%
Celeo Redes Chile Expansión, SpA	(1)	1,571	21,741	414	21,327	-	-	51%
Alfa Transmisora de Energía, S.A.	(1)	76,771	943,531	35,547	907,984	948	-	10.20%
Transquillota Electrica de Quillota Limitada	(1)	1,662	-	174	(174)	8	-	10.20%
		136,347	**969,290**	**49,144**	**920,146**	**2,045**	**-**	
REDES PERÚ								
Puerto Maldonado Transmisora de Energía, S.A.C.	(1)	(209)	24,177	1,981	22,196	432	-	51%
		(209)	**24,177**	**1,981**	**22,196**	**432**	**-**	
REDES ESPAÑA								

GRUPO CELEO Concesiones e Inversiones		EBITDA (*)	Gross debt	Cash	Net debt	Km	Mw	% ownership (**)
Celeo Redes, S.L.	(2)	28,614	4,264	700	3,564	-	-	51%
		28,614	**4,264**	**700**	**3,564**	**-**	**-**	
SPAIN RENEWABLES								
Celeo Fotovoltaico, S.L.U.	(1)	5,135	29,423	3,322	26,101	-	15	51%
Dioxipe Solar, S.L.	(1)	18,468	155,170	8,743	146,427	-	50	49.76%
Aries Solar Termoelectrica, S.L.	(1)	38,049	311,133	9,641	301,492	-	100	51%
BRAZIL RENEWABLES								
Celeo São João Do Piaui FV I, S.A. (6)	(1)	5,272	68,429	4,133	64,296	-	180	51%
		66,924	**564,155**	**25,839**	**538,316**	**-**	**345**	
OTHER	(2)	70,615	-	78,181	-	-	**-**	
		70,615	**-**	**78,181**	**-**	**-**	**-**	
TOTAL		**512,168**	**2,903,864**	**274,110**	**2,707,935**	**7,942**	**345**	

(*) Excluding IFRS and IFRIC 12 (EBITDA excluding IFRIC 12 impact best reflects the cash flow generation capacity of each project)
(**) Percentage of ownership attributed to Elecnor Group
(1) Operational project vehicle companies
(2) Holding companies

33. Events after the reporting period

At the date of authorisation for issue of these consolidated annual accounts, no significant events have occurred after the close of year-end 2024 that could alter or have any effect on the financial statements for the period ended 31 December 2024.

Appendix I: Company information

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
Fully consolidated method					
ELECNOR, S.A.					
	Elecdal, U.R.L.	ALGERIA	Construction and assembly	100.00%	100.00%
	Elecnor Cameroun Société Anonyme	CAMEROON	Construction and assembly	100.00%	100.00%
	Elecnor Servicios y Proyectos, S.A.U.	SPAIN	A broad range of business activities	100.00%	100.00%
	Enerfín Sociedad de Energía, S.L.U.	SPAIN	Management and administration of companies	-	100.00%
ELECNOR SERVICIOS Y PROYECTOS, S.A.U.					
	Aplicaciones Técnicas de la Energia, S.L.U.(ATERSA) (*)	SPAIN	Solar energy	100.00%	100.00%
	Area 3 Equipamiento y Diseño Interiorismo, S.L.U. (*)	SPAIN	Interior design	100.00%	100.00%
	Audeca, S.L.U. (*)	SPAIN	Environmental restoration and reforestation and operation of roads	100.00%	100.00%
	Cajamarca Solar, SAC(****) (*)	PERU	Studies and projects, promotion, consultancy and other services	100.00%	-
	Central Solar de Muantaia, S.A. (*)	MOZAMBIQUE	Development and promotion of new projects related to solar energy generation	100.00%	100.00%
	Deimos Space, S.L.U. (*)	SPAIN	Analysis, engineering and development of space missions and software	-	100.00%
	Ehisa Construcciones y Obras, S.A.U. (*)	SPAIN	Construction and assembly	100.00%	100.00%
	Elecdor, S.A. (*)	ECUADOR	Construction and assembly	100.00%	100.00%
	Elecen, S.A. (*)	HONDURAS	Construction and assembly	100.00%	100.00%
	Elecnor Andorra, S.L.U.(****) (*)	ANDORRA	Organisation, management and development of renewable energy projects	100.00%	-
	Elecnor Argentina , S.A. (*)	ARGENTINA	Construction and assembly	100.00%	100.00%
	Elecnor Australia Holdings, PTY LTD (*)	AUSTRALIA	Management and administration of companies	100.00%	100.00%
	Elecnor Azulao SPE LTDA(****) (*)	BRAZIL	Azulao project implementation for ENEVA	100.00%	-
	Elecnor Chile, S.A. (*)	CHILE	Construction and assembly	100.00%	100.00%
	Elecnor Côte D'Ivoire, S.A. (*)	IVORY COAST	Construction and assembly	100.00%	100.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Elecnor de Mexico, S.A. (*)	MEXICO	Construction and assembly	100.00%	100.00%
	Elecnor Do Brasil, L.T.D.A. (*)	BRAZIL	Construction and assembly	100.00%	100.00%
	Elecnor Infrastrutture e Aerospaziale, S.R.L. (*)	ITALY	Construction and assembly	-	100.00%
	Elecnor Infrastruture, LLC (*)	OMAN	Construction and maintenance	100.00%	100.00%
	Elecnor Peru, S.A.C (*)	PERU	Construction and assembly	100.00%	100.00%
	Elecnor Philippines Corporation (*)	PHILIPPINES	A broad range of business activities	100.00%	100.00%
	Elecnor Seguridad, S.L.U. (*)	SPAIN	Installation and maintenance of fire prevention and safety systems	100.00%	100.00%
	Elecnor Senegal, SASU (*)	SENEGAL	Construction and assembly	100.00%	100.00%
	Elecnor Servicios y Proyectos in Ireland, Limited(****) (*)	IRELAND	A broad range of business activities	100.00%	-
	Elecnor, INC (*)	USA	Facilities	100.00%	100.00%
	Elecred Servicios, S.A.U. (*)	SPAIN	Rendering of all manner of services, and development, administration and management of companies	100.00%	100.00%
	Electrolineas de Ecuador , S.A. (*)	ECUADOR	Construction and assembly	-	100.00%
	Elecven Construcciones, S.A. (*)	VENEZUELA	Construction and assembly	-	99.88%
	ELEDEPA, S.A. (*)	PANAMA	A broad range of business activities	100.00%	100.00%
	Enermex Gestión, S.A. de C.V. (*)	MEXICO	Management and administration of companies	100.00%	-
	Guercif Solar Farm, S.A.R.L. (*)	MOROCCO	Production, transmission and distribution of electricity	100.00%	100.00%
	Hidroambiente, S.A.U. (*)	SPAIN	Environmental activities	100.00%	100.00%
	IDDE, S.A.U. (*)	SPAIN	Sales	100.00%	100.00%
	IQA Operatios Group LTD (*)	SCOTLAND	Electrical installations	100.00%	100.00%
	Jomar Seguridad, S.L.U. (*)	SPAIN	Sale, installation and maintenance of fire prevention and safety systems	100.00%	100.00%
	Kafironda Solar Energy Limited (*)	ZAMBIA	Supply, distribution and generation of electricity, gas, etc.	95.00%	95.00%
	Los Llanos Fotovoltaica de Castilla-La Mancha, S.L.U. (*)	SPAIN	Development, construction and generation of electricity	100.00%	100.00%
	Montajes Eléctricos Arranz, S.L. (*)	SPAIN	Electrical installations and other activities	100.00%	100.00%
	Montelecnor, S.A. (*)	URUGUAY	Construction and assembly	100.00%	100.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Omninstal Electricidade, S.A. (*)	PORTUGAL	Construction and assembly	100.00%	100.00%
	Parque Eólico Montañes,SLU (*)	SPAIN	Construction and operation of wind farm	100.00%	100.00%
	Promoción Renovables del Bajío, S.A. de C.V. (*)	MEXICO	Construction and assembly	100.00%	-
	TDS, S.A. (*)	ARGENTINA	No activity/In the process of winding up	100.00%	100.00%
	Vientos De Panaba, S.A. de CV (*)	MEXICO	Wind farm development	100.00%	-
	Vientos de Sucilá, S.A. de C.V. (*)	MEXICO	Wind farm development	100.00%	-
	Vientos De Yucatan S.A. De CV (*)	MEXICO	Wind farm development	100.00%	-
ATERSA					
	Atersa Senegal, SASU (*)	SENEGAL	Solar energy generation	100.00%	100.00%
DEIMOS SPACE, S.L.U.					
	Deimos Engenharia, S.A.	PORTUGAL	Services in the areas of telecommunications and aeronautic and space energy	-	100.00%
	Deimos Engineering and Systems, S.L.U. (*)	SPAIN	Software development, engineering and technical assistance in the field of remote sensing	-	100.00%
	Deimos Space UK, Limited (*)	ENGLAND	Analysis, engineering and development of space missions and software	-	100.00%
	S.C. Deimos Space, S.R.L. (*)	ROMANIA	Analysis, engineering and development of space missions and software	-	100.00%
ELECNOR AUSTRALIA HOLDINGS, PTY LTD					
	Elecnor Australia PTY LTD(*)	AUSTRALIA	Construction and assembly	100.00%	100.00%
ELECNOR AUSTRALIA PTY,LTD					
	Elecnor New Zealand, Ltd(*)	NEW ZEALAND	Construction and assembly	100.00%	100.00%
	Timco Transmission Lines PTY LTD(*)	AUSTRALIA	Construction and assembly	100.00%	100.00%
ELECNOR, INC.					
	Belco Elecnor Electric, INC. (*)	USA	Electrical installations	100.00%	100.00%
	Elecnor Energy Services, LLC (*)	USA	Facilities	100.00%	100.00%
	Elecnor Hawkeye, LLC (*)	USA	Electrical installations	100.00%	100.00%
ENERFÍN DO BRASIL SOCIEDAD DE ENERGIA, LTDA.					
	Solar Serrita Energia, S.A. (*)(****)	BRAZIL	Renewable energy generation	-	100.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
ENERFÍN ENERGY COMPANY OF CANADA, INC.					
	Investissements Eoliennes de L´Érable, INC. (*)	CANADA	Administration and advisory services	-	100.00%
	Investissements Eoliennes de L´Érable, SEC. (*)	CANADA	Administration and advisory services	-	100.00%
	Lambton Enerwind General Partner, Inc. (Gp) (*)	CANADA	Administration and advisory services	-	100.00%
	Lambton Enerwind Limited Partnership (Sec) (*)	CANADA	Wind farm development	-	100.00%
	Winnifred Wind Project GP Inc.(*)(****)	CANADA	Renewable energy generation	-	100.00%
	Winnifred Wind Project LP(*)(****)	CANADA	Renewable energy generation	-	100.00%
ENERFÍN ENERVENTO EXTERIOR, S.L.U.					
	Éoliennes des Prairies Commandité, Inc. (GP) (*)	CANADA	Management and administration of companies	-	100.00%
	Guajira Eólica I, S.A.S. (*)	COLOMBIA	Wind farm development	-	100.00%
	Moose Mountain Wind Projet GP (*)	CANADA	Management and administration of companies	-	100.00%
	Moose Mountain Wind Projet LP (*)	CANADA	Wind farm development	-	100.00%
	Rio Grande Energias Renováveis, LTDA. (*)	BRAZIL	Development, construction and generation of electricity	-	100.00%
	Rio Sul 2 Energia, Ltda. (*)	BRAZIL	Management and administration of companies	-	100.00%
	SEC Éoliennes des Prairies (LP) (*)	CANADA	Wind farm development	-	100.00%
	Ventos do São Fernando V Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
	Ventos do São Fernando VI Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
	Vientos De Panaba, S.A. de CV (*)	MEXICO	Wind farm development	-	100.00%
ENERFÍN ENERVENTO, S.L.U.					
	Aerogeneradores del Sur, S.A. (*)	SPAIN	Construction, operation and use of wind farm resources	-	100.00%
	Eólica Montes de Cierzo, S.L. (*)	SPAIN	Operation of power plants	-	100.00%
	Eólica Páramo de Poza, S.A. (*)	SPAIN	Operation of power plants	-	70.00%
	Galicia Vento, S.L. (*)	SPAIN	Operation of power plants	-	90.60%
	Parque Eólico Cofrentes, S.L.U. (*)	SPAIN	Operation of power plants	-	100.00%
	Parque Eólico Malpica, S.A. (*)	SPAIN	Operation of power plants	-	95.55%
ENERFÍN RENEWABLES, INC.					

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
ENERFÍN SOCIEDAD DE ENERGÍA, S.L.U.	Dry Branch Solar, LLC (*)(****)	USA	Renewable energy generation	-	100.00%
	Enerfín Renewables, LLC (*)(****)	USA	Renewable energy generation	-	100.00%
	Hickory Grove Wind, LLC (*)(****)	USA	Renewable energy generation	-	100.00%
	Mantle Rock Star, LLC (*)	USA	Renewable energy generation	-	100.00%
	Tater Creek Wind, LLC (*)(****)	USA	Renewable energy generation	-	100.00%
	Walnut Creek Solar, LLC (*)	USA	Renewable energy generation	-	100.00%
	West Fork River Solar, LLC (*)	USA	Renewable energy generation	-	100.00%
	Bookar Wind Farm PTY LTD (*)	AUSTRALIA	Renewable energy generation	-	100.00%
	Córdoba Solar 2, S.A.S. (*)	COLOMBIA	Development, construction, generation, sale and marketing of electricity and any other lawful activity	-	100.00%
	El Roble Solar, S.A.S. (*)	COLOMBIA	El Roble 19.5 Mw solar photovoltaic generation project	-	100.00%
	Enerfera, S.R.L. (*)	ITALY	Construction, operation and use of wind farm resources	-	100.00%
	Enerfín do Brasil Sociedad de Energia, LTDA. (*)	BRAZIL	Development and management of wind farm activities	-	100.00%
	Enerfín Energy Company of Canada, INC. (*)	CANADA	Management and administration of companies	-	100.00%
	Enerfín Energy Services, Pty Ltda. (*)	AUSTRALIA	Management and administration of companies	-	100.00%
	Enerfín Energy Services, Pty Ltda.(*)(****)	SOUTH AFRICA	Renewable energy generation	-	100.00%
	Enerfín Enervento Exterior, S.L.U. (*)	SPAIN	Management and administration of companies	-	100.00%
	Enerfín Enervento, S.L.U. (*)	SPAIN	Administration and advisory services	-	100.00%
	Enerfín Québec Services, INC. (*)	CANADA	Management and administration of companies	-	100.00%
	Enerfín Renewables, INC. (*)	USA	Renewable energy generation	-	100.00%
	Enerfín Renovables II, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Renovables IV, S.L. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Renovables IX, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Renovables VI, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Enerfín Renovables VIII, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Renovables X, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Renovables XI, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Renovables, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Enerfín Servicios, S.A.S (*)	COLOMBIA	Management and administration of companies	-	100.00%
	Enermex Gestión, S.A. de C.V. (*)	MEXICO	Management and administration of companies	-	100.00%
	Eólica Alta Guajira, S.A.S. (*)	COLOMBIA	Development, construction and generation of electricity	-	100.00%
	Eolica La Vela (*)	COLOMBIA	Wind farm development	-	100.00%
	Eólica Los Lagos (*)	CHILE	Wind farm development	-	100.00%
	Eólica Musichi (*)	COLOMBIA	Wind farm development	-	100.00%
	Girasol 1, S.A.S. (*)	COLOMBIA	Renewable energy generation	-	100.00%
	Guajira Eólica II, S.A.S. (*)	COLOMBIA	Wind farm development	-	100.00%
	Harbour Atlantis Green Energy 16 (*)	SPAIN	Generation, supply, marketing and sale of any type of energy from renewable sources.	-	51.00%
	Harbour Atlantis Green Energy 17 (*)	SPAIN	Generation, supply, marketing and sale of any type of energy from renewable sources.	-	51.00%
	Harbour Atlantis Green Energy 8 (*)	SPAIN	Generation, supply, marketing and sale of any type of energy from renewable sources.	-	51.00%
	La Cayena Solar, S.A.S. (*)	COLOMBIA	Development, construction, generation, sale and marketing of electricity and any other lawful activity	-	100.00%
	Luzy Energía Renovable, S.L.U. (*)(**)	SPAIN	Generation of wind and photovoltaic energy, and from any other renewable energy sources	-	100.00%
	Parque Eólico Cernégula, S.L.U. (*)	SPAIN	Wind farm development	-	100.00%
	Parque Eólico Volandín, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Parque Solar Portón, S.A.S.	COLOMBIA	Power generation	-	100.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Planta Solar Sahagun, S.A.S. (*)	COLOMBIA	Development, construction, generation, sale and marketing of electricity and any other lawful activity	-	100.00%
	Promoción Renovables del Bajio,S.A.de CV	MEXICO	Construction and assembly	-	100.00%
	Renovables del Cierzo, S.L.U. (*)	SPAIN	Renewable energy generation	-	100.00%
	Solar 3 Rayas, S.L.U. (formerly named Enerfín Renovables VII, S.L.U.) (*)	SPAIN	Renewable energy generation	-	100.00%
	Solar São Fernando I Energia, S.A. (*)	BRAZIL	Renewable energy generation	-	100.00%
	Ventos do São Fernando IX Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
	Ventos do São Fernando VII Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
	Ventos do São Fernando VIII Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
	Ventos do São Fernando X Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
	Vientos de Sucilá, S.A. de C.V.	MEXICO	Wind farm development	-	100.00%
	Vientos De Yucatan S.A. De CV	MEXICO	Wind farm development	-	100.00%
ÉOLIENNES DE L'ÉRABLE COMMANDITAIRE					
	Eoliennes de L´Érable, SEC. (*)	CANADA	Operation of power plants	-	51.00%
	Éoliennes De L'Érable Commandite, Inc. (*)	CANADA	Administration and advisory services	-	100.00%
HIDROAMBIENTE, S.A.					
	Everblue Private Limited	INDIA	Environmental activities	100.00%	100.00%
INVESTISSEMENTS ÉOLIENNES DE L'ÉRABLE SEC					
	Éoliennes L'Érable Commanditaire, Inc. (*)	CANADA	Operation of power plants	-	100.00%
RIO GRANDE ENERGIAS RENOVÁVEIS, LTDA.					
	Gran Sul Geração de Energía (*)	BRAZIL	Wind farm development	-	100.00%
	Rio Norte I Energia, LTDA. (*)	BRAZIL	Management and administration of companies	-	100.00%
	Rio Norte II Energia, LTDA. (*)	BRAZIL	Management and administration of companies	-	100.00%
	Rio Sul 1 Energia, Ltda. (*)	BRAZIL	Management and administration of companies	-	100.00%
RIO NORTE I ENERGIA, LTDA.					

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Ventos do São Fernando I Energia (*)	BRAZIL	Operation of power plants	-	100.00%
	Ventos do São Fernando II Energia (*)	BRAZIL	Operation of power plants	-	100.00%
	Ventos do São Fernando III Energia (*)	BRAZIL	Operation of power plants	-	100.00%
RIO NORTE II ENERGIA, LTDA.					
	Ventos do São Fernando IV Energia, S.A. (*)	BRAZIL	Operation of power plants	-	100.00%
RIO SUL 1 ENERGIA, Ltda.					
	Parques Eólicos Palmares, S.A. (*)	BRAZIL	Operation of electricity transmission service concessions	-	90.00%
	Ventos da Lagoa, S.A. (*)	BRAZIL	Operation of power plants	-	90.00%
	Ventos do Litoral Energia, S.A. (*)	BRAZIL	Operation of power plants	-	90.00%
	Ventos do Sul, S.A. (*)	BRAZIL	Operation of power plants	-	80.00%
	Ventos dos Índios Energia, S.A. (*)	BRAZIL	Operation of power plants	-	90.00%
Equity method (Note 12)					
ELECNOR, S.A.					
	Celeo Concesiones E Inversiones, S.L.U.	SPAIN	Management and administration of companies	51.00%	51.00%
	Morelos Epc, S.A.P.I. De Cv	MEXICO	Construction, engineering and supply of the Morelos gas pipeline	-	50.00%
ELECNOR SERVICIOS Y PROYECTOS, S.A.U.					
	Cosemel ingeniería, AIE	SPAIN	Development, construction and operation of installations and electrifications of high-speed railway lines	33.33%	33.33%
	Etenerlle Energie,S.A.R.L.(****)	MOROCCO	PV Plant in Morocco	49.00%	-
	Moana Data,S.L.(****)	SPAIN	Data processing hosting	50.00%	-
CELEO CONCESIONES E INVERSIONES, S.L.U.					
	Celeo Apolo FV, S.L. (*)	SPAIN	Development	51.00%	51.00%
	Celeo Desarrollo Termosolar,S.L.(*)	SPAIN	Development, construction and operation of solar PV facilities	51.00%	51.00%
	Celeo Energía, S.L. (*)	SPAIN	Development, construction and operation of all types of energy and services, utilities, waste treatment, etc.	51.00%	51.00%
	Celeo Redes, S.L.U. (*)	SPAIN	Management and administration of companies	51.00%	51.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
CELEO ENERGÍA, S.L.U.	Celeo Termosolar, S.L. (*)	SPAIN	Construction and subsequent operation of solar thermal plants	51.00%	51.00%
	Helios Inversión Y Promoción Solar, S.L.U. (*)	SPAIN	Development, construction and operation of solar PV farms	51.00%	51.00%
	Alwa II, SpA (*)	CHILE	Development, construction and operation of electrical facilities	51.00%	51.00%
CELEO REDES BRASIL, S.A.	Celeo Energía Brasil, LTDA. (*)	BRAZIL	Development, construction and operation of all types of energy and services, utilities, waste treatment, etc.	51.00%	51.00%
	Brilhante Transmissora De Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
	Caiuá Transmissora De Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	26.01%	26.01%
	Cantareira Transmissora de Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	26.01%	26.01%
	Celeo Barreiras FV I, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV II, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV III, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV IV, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV IX, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV V, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV VI, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV VII, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV VIII, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Barreiras FV X, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo Redes Expansoes, S.A. (*)	BRAZIL	Holdings in other national or foreign entities and in consortia	25.50%	25.50%
	Celeo Redes Transmissão de Energia, S.A. (*)	BRAZIL	Holdings in other national or foreign entities and in consortia	51.00%	51.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Celeo Redes Transmissao e Renovaveis, S.A. (*)	BRAZIL	Marketing of solar-generated electricity and maintenance of transmission grids	51.00%	51.00%
	Coqueiros Transmissora De Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
	Encruzo Novo Transmissora De Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
	Integraçao Maranhense Tranmissora de Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	26.01%	26.01%
	Opará Transmissora de Energía, S.A. (formerly Estreito)(*)	BRAZIL	Development, construction and operation of electrical facilities	51.00%	51.00%
	Linha De Transmissão Corumbá, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
	Pedras Transmissora De Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
CELEO REDES CHILE EXPANSIÓN, SpA					
	Alfa Transmisora de Energía, S.A. (*)(**)	CHILE	Development, construction and operation of electrical facilities	10.20%	10.20%
	Transquillota Electrica de Quillota Limitada (*)	CHILE	Development, construction and operation of electrical facilities	-	10.20%
CELEO REDES CHILE, LTDA.					
	Celeo Obras de Ampliación, SpA (*)	CHILE	Development, construction and operation of electrical facilities	51.00%	51.00%
	Celeo Redes Operación Chile, S.A. (*)	CHILE	Operation of power plants	51.00%	51.00%
	CRC Transmisión, SpA (*)	CHILE	Operation of power plants	25.50%	25.50%
	Goyo Transmisora de Energía, S.A. (*)	CHILE	Development, construction and operation of electrical facilities	-	51.00%
	Nirivilo Transmisora de Energía, S.A. (*)	CHILE	Development, construction and operation of electrical facilities	51.00%	51.00%
CELEO REDES EXPANSOES, S.A.					
	Cachoeira Paulista Transmissora De Energía, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	25.50%	25.50%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Jaurú Transmissora de Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	34.00%	34.00%
	Parintins Amazonas Transmissora de Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	25.50%	25.50%
CELEO REDES OPERACIÓN CHILE, S.A.	Alto Jahuel Transmisora de Energía, S.A.	CHILE	Development, construction and operation of electrical facilities	51.00%	51.00%
	Charrúa Transmisora de Energía, S.A.	CHILE	Assembly, installation, operation of the new 2 x 500 Charrúa – Ancoa line	51.00%	51.00%
CELEO REDES T. DE ENERGÍA, S.A.	Lt Triângulo, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
	Vila Do Conde Transmissora De Energia, S.A. (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
CELEO REDES T. E RENOVAVEIS, S.A.	Celeo São João Do Piauí FV I, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo São João Do Piauí FV II, S.A (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo São João Do Piaui FV III, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo São João Do Piauí FV IV, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo São João Do Piauí FV V, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Celeo São João Do Piauí FV VI, S.A. (*)	BRAZIL	Generation and sale of solar power	51.00%	51.00%
	Serra De Ibiapa Transmissora de Energia, S.A. - SITE (*)	BRAZIL	Operation of public service concessions for electricity transmission	51.00%	51.00%
CELEO REDES, S.L.U.	Celeo Redes Brasil, S.A. (*)	BRAZIL	Development, construction and operation of electrical facilities	51.00%	51.00%
	Celeo Redes Chile Expansión, SpA (*)	CHILE	A broad range of activities	51.00%	51.00%
	Celeo Redes Chile, Ltda. (*)	CHILE	Operation of power plants	51.00%	51.00%

Parent	*Company*	*Registered office*	Activity	% direct or indirect ownership 31/12/2024	% direct or indirect ownership 31/12/2023
	Celeo Redes Perú, S.A.C (*)	PERU	Development, construction and operation of electrical facilities	51.00%	51.00%
	Puerto Maldonado Transmisora de Energía, S.A.C. (*)	PERU	Development, construction and operation of electrical facilities	51.00%	51.00%
CELEO TERMOSOLAR	Aries Solar Termoeléctrica, S.L. (*)	SPAIN	Development, construction and operation of thermosolar plants	51.00%	51.00%
	Dioxipe Solar, S.L. (*)	SPAIN	Development, construction and operation of thermosolar plants	49.76%	49.76%
	Solar Renewables Spain, S.A.R.L. (*)	LUXEMBOURG	Development, construction and operation of thermosolar plants	51.00%	51.00%
CRC TRANSMISION, SPA	Casablanca Transmisora de Energía, S.A. (*)	CHILE	Development, construction and operation of electrical facilities	25.50%	25.50%
	Diego de Almagro Transmisora de Energía, S.A. (*)	CHILE	Development, construction and operation of electrical facilities	25.50%	25.50%
	Mataquito Transmisora de Energía, S.A. (*)	CHILE	Development, construction and operation of electrical facilities	25.50%	25.50%
ENERFÍN ENERVENTO EXTERIOR, S.L.U.	Woolsthorpe Holding Trust (*)	AUSTRALIA	Management and administration of companies	-	50.00%
HELIOS INVERSION	Celeo Fotovoltaico, S.L.U. (*)	SPAIN	Development, construction and operation of solar PV farms	51.00%	51.00%
RENOVABLES DEL CIERZO, S.L.U.	Gestión de Evacuación La Serna, S.L. (Gelaserna) (*)	SPAIN	Wind farm development	-	17.93%
WOOLSTHORPE ASSET PTY, LTD	Woolsthorpe Development PTY (*)	AUSTRALIA	Management and administration of companies	-	50.00%
WOOLSTHORPE HOLDING TRUST	Woolsthorpe Asset Trust (*)	AUSTRALIA	Wind farm development	-	50.00%

(*) Indirectly held companies.

(****) Additions to the perimeter.

Appendix II: List of consolidated temporary business associations (UTEs)
Thousands of Euros

100% information provided, not taking into account removals

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
UTE ELNR-CONSTUCSA E. HIDROGENO	50.00%	--	--	--	--
UTE PARQUESUR OCIO (*)	90.00%	--	--	--	--
UTE INSTALACIONES ELÉCTRICAS SINCROTRÓN ALBA	50.00%	--	--	--	--
UTE ROTA HIGH SCHOOL	50.00%	--	--	--	--
UTE VILLASEQUILLA - VILLACAÑAS (*)	21.00%	--	--	--	--
CONSORCIO ELECNOR DYNATEC	100.00%	1,158	--	--	--
UTE ZONA P-2	50.00%	--	--	--	--
UTE SUBESTACION JUNCARIL (*)	50.00%	--	--	--	--
UTE CASA DE LAS ARTES	50.00%	--	--	--	--
UTE CENTRO DE PROSPECTIVA RURAL	100.00%	--	--	7	--
UTE CENTRO MAYORES BAENA (*)	100.00%	--	--	--	--
UTE TERMINAL DE CARGA	50.00%	--	--	--	--
UTE LED MOLLET (*)	70.00%	--	--	--	--
UTE GALINDO	100.00%	--	--	--	--
UTE EXPLOTACIÓN ZONA P2 (*)	50.00%	--	--	--	--
UTE AS SOMOZAS	50.00%	--	--	--	--
UTE JARDINES MOGAN (*)	100.00%	--	--	--	--
UTE ELECNOR ONDOAN SERVICIOS	50.00%	1,512	1,300	1,296	1,000
UTE PATRIMONIO SEGURIDAD	66.66%	--	--	--	--
UTE PLAZAS COMERCIALES T4 (*)	100.00%	--	--	--	--
UTE TRANVIA OUARGLA	49.50%	7,036	--	--	--
UTE ENERGÍA GALICIA	20.00%	--	--	--	--
UTE AEROPUERTO DE PALMA (*)	100.00%	--	--	--	--
GROUPEMENT INTERNATIONAL SANTÉ POUR HAITI	100.00%	-11,823	--	7,675	--
UTE ENERGÍA GRANADA	33.34%	--	--	--	--
UTE MOBILIARIO HUCA (*)	100.00%	--	--	--	--
UTE ANILLO GALINDO (*)	25.00%	--	--	--	--
Consorcio Nueva Policlínica de Chitre	100.00%	1,022	--	--	--
Consorcio Nueva Policlínica de Chepo	100.00%	185	--	607	--
UTE VOPI4-ELNR CA L'ALIER	50.00%	55	150	55	205
UTE MANTENIMIENTO AVE ENERGÍA	12.37%	18,567	5,000	19,509	13,563
UTE ASEGOP IBIZA	32.50%	--	--	--	--
UTE ELECNOR BUTEC BELLARA	60.00%	--	--	--	--
UTE SICA (*)	100.00%	--	--	--	--
UTE MANTENIMIENTO AEROPUERTO DE PALMA (*)	50.00%	--	--	--	--
UTE CUETO DEL MORO	25.00%	--	--	--	--
UTE Elecnor Alghanim	60.00%	--	--	68	--
UTE EMBARQUE DESEMBARQUE T4	100.00%	--	--	--	--
UTE CONTAR	95.00%	--	--	49	--

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
UTE INST. RECERCA SANT PAU	50.00%	--	--	--	--
UTE INST. MERCAT DE SANT ANTONI (*)	60.00%	--	--	--	--
UTE TUNELES ABDALAJIS	100.00%	--	--	172	--
UTE TORRENTE - XATIVA	50.00%	--	--	--	--
UTE EMPALME II	50.00%	--	--	12	--
UTE AEROPUERTO TERUEL (*)	50.00%	--	--	--	--
UTE NAVE SESTAO	50.00%	--	--	--	--
UTE ENERGÍA GALICIA MANTENIMIENTO	20.00%	2,391	18,213	2,550	20,604
URBANIZADORA RIODEL	50.00%	--	--	0	--
ELECNOR TARGET LLC, JV (Qurayat)	60.00%	10,530	--	17,512	1,124
UTE TERMINAL E (*)	50.00%	--	--	--	--
UTE HERNANI-IRUN	50.00%	--	--	4	--
UTE CARPIO Y POLLOS	50.00%	139	--	128	--
UTE CAMPO DE VUELOS ASTURIAS (*)	70.00%	--	--	33	287
UTE BIOMASA HUERTA DEL REY (*)	50.00%	--	--	--	--
UTE MOPAEL	80.00%	--	--	--	--
UTE OFICINAS GENCAT (*)	60.00%	--	--	--	--
UTE UYUNI-YUNCHARA	49.00%	--	--	--	--
UTE MANTENIMIENTO SIGMA AENA	50.00%	--	--	--	--
UTE EQUIPAMIENTO AGENTE ÚNICO	100.00%	34	461	180	495
UTE EQUIPAMIENTO DE CCTV	100.00%	--	--	--	--
UTE UCA	50.00%	8	--	88	--
UTE SIPA AENA	50.00%	--	--	30	--
JV ELECNOR AL OWN	70.00%	--	--	--	--
UTE BILBOPORTUA (*)	50.00%	--	--	238	--
UTE BIZKAIKO ARGIAK	23.00%	--	--	--	--
ELECNOR AND RAY, J.V.	60.00%	--	--	--	--
UTE MANTENIMIENTO LOTE 1 (*)	50.00%	--	--	--	--
UTE ELECNOR - EIFFAGE	50.00%	--	--	2,051	--
UTE TIL TIL	100.00%	--	--	--	--
UTE EDAR LAGUNA DE NEGRILLOS (*)	80.00%	--	--	--	--
UTE PORTUKO ARGIAK	23.00%	21	159	35	180
UTE URBANITZACIÓ MERCAT DE SANT ANTONI (*)	60.00%	--	--	--	--
UTE SICA 2018-2021	100.00%	--	--	--	--
UTE ELECTRIFICACIÓN VILAFRANCA	90.00%	63	574	956	637
UTE TREBALLS PREVIS 1 CAMP NOU	45.00%	--	--	--	--
UTE SALAS VIP AEROP BCN	100.00%	--	--	--	--
JV TAFILAH	70.00%	--	--	--	--
UTE ACCESOS BANCO DE ESPAÑA (*)	100.00%	--	--	--	--
VARIANTE PAJARES UTE	20.00%	205	--	--	--
CONSORCIO CHIELEC DOMINICANA	100.00%	--	--	--	--
UTE AMPLIACIÓN TRANVÍA VITORIA (*)	50.00%	--	--	--	--
ELECNOR - EIFFAGE JV	50.00%	139	500	763	395
UTE MANTENIMIENTO AEROPUERTO DE PALMA II	50.00%	1	51	1,121	52
UTE MONTETORRERO	100.00%	--	--	--	--
UTE MONLORA	100.00%	--	--	--	--

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
UTE MONCAYO	50.00%	--	--	--	--
SEP ELECNOR-EIFFAGE GUINEA CONAKRY	50.00%	6	1,060	504	--
UTE GE-ELECNOR (*)	25.64%	--	--	--	--
SEP ELECNOR-EIFFAGE GUINEA BISSAU	50.00%	52	2,052	975	2,104
UTE PEDRALBA-OURENSE	50.00%	146	1,017	1,763	1,163
UTE EDIFICI LA PEDROSA (*)	50.00%	--	--	--	--
UTE BOMBEOS BAKIO-GANDIAS (*)	50.00%	--	--	--	--
UTE ELECTRIFICACIÓN RECOLETOS	50.00%	--	--	--	--
UTE PRESA DE L´ALBAGÉS	50.00%	--	--	--	--
UTE LIMPIEZA AEROPUERTO DE PALMA	50.00%	57	61	382	118
UTE SICA 2020-2022	100.00%	--	--	109	--
UTE SEG ESTACIONES MADRID	100.00%	--	--	--	--
UTE NOVA ESCOLA BRESSOL	50.00%	--	--	70	--
UTE MANT MERCAT DE SANT ANTONI	60.00%	29	--	271	29
UTE LINEA 4	20.00%	--	--	--	--
UTE INSTAL. TUNEL GLORIES	40.00%	14	26	1,798	40
UTE EDAR ARRIANDI	50.00%	--	--	191	--
UTE SIPA 2020-2022	50.00%	970	50	1,716	560
UTE UCA 2020-2022	50.00%	--	8	91	6
UTE REGADIO VALORIA FASE I	50.00%	--	23	--	23
UTE PALMEROLA	56.68%	--	--	-111	--
UTE GALILEO (*)	100.00%	--	--	--	--
UTE COMEDOR BANCO DE ESPAÑA (*)	100.00%	--	--	--	--
UTE LA ESCOCESA	50.00%	76	121	2,481	140
UTE SEGURETAT L´AMPOLLA (*)	100.00%	--	--	--	--
UTE MANTENIMIENTO NORESTE	50.00%	12,321	6,678	10,519	18,999
UTE MANTENIMIENTO CENTRO	50.00%	6,088	7,541	5,537	13,628
UTE OBSOLESCENCIA SISTEMES L9	50.00%	--	38	581	38
UTE LOMA DE LOS PINOS	100.00%	-50	--	1,355	--
UTE CATENARIA ATXURI-BOLUETA (*)	50.00%	--	--	--	--
UTE CIERRE EL MUSEL (*)	100.00%	--	--	--	--
UTE SEGURIDAD FONTSANTA ITAM	100.00%	--	26	209	26
UTE LA COMETA I and II	100.00%	--	--	--	--
UTE EL FRESNO	50.00%	--	--	324	10
UTE EDAR ARRIANDI	50.00%	85	45	145	130
UTE Málaga Mantenimiento SICA (*)	100.00%	--	--	--	--
UTE BRINKOLA SAN SEBASTIÁN	50.00%	--	--	0	--
UTE SEGRISOL	50.00%	5	160	107	165
UTE SOLANS	100.00%	--	--	218	--
UTE ZÁRATE	33.34%	7,233	18,456	5,627	25,689
UTE ILLA FARGI 22@	50.00%	91	435	38,154	526
Agrupación Sabanitas	100.00%	27,196	--	34,646	26,938
UTE EDAR TRASPINEDO	50.00%	460	--	1,479	291
UTE CAMBRE (*)	100.00%	--	--	220	465
UTE Microinformática	50.00%	98	--	18	5,232
UTE Monitores TWR MAD	50.00%	--	--	134	--
UTE RENOVACIÓN CATENARIA LOTE 3	50.00%	1,132	7	2,205	1,139

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
UTE RENOVACIÓN CATENARIA LOTE 1	50.00%	1,187	1	1,670	1,188
UTE Mto SCADA AENA	50.00%	--	--	30	--
UTE BOMBEO GALDAMES	40.00%	64	70	294	134
UTE REFORMA EDIFICI DIAGONAL 471	50.00%	4,609	109	25,243	4,573
UTE CENTRE PENITENCIARI Z.F.	50.00%	3,990	5,931	321	9,920
UTE EDAR ALCARAZ Y SAN PEDRO	70.00%	1,285	2,399	104	3,684
UTE ENERGÍA LÍNEA 9	20.00%	344	--	318	--
S.E.I. UTE (ELECNOR,S.A.-TERRES)	50.00%	--	--	--	--
UTE REMOLAR	47.02%	--	--	--	--
UTE ELECNOR GONZÁLEZ SOTO	50.00%	--	--	-60	--
UTE VILLAGONZALO, Z - 3	35.00%	--	--	--	--
UTE TARAGUILLA (*)	25.00%	--	--	--	--
UTE Alimentación L-6 MM	50.00%	381	1,775	--	2,156
UTE SAN BLAS-CANILLEJAS	60.00%	134	--	121	--
UTE UCA 2023-2026	50.00%	75	--	--	--
UTE SICA 2022-2024	100.00%	213	--	--	--
UTE SIPA 2023-2026	50.00%	44	--	--	--
UTE FV CENTELLES	50.00%	372	--	915	247
UTE EDARS ALCOSOL	100.00%	--	--	1,851	--
UTE EXPLOTACIÓN PRESAS ACUAES	50.00%	3,422	118	1,764	3,540
UTE CÓRDOBA NORTE III	100.00%	1,087	--	1,063	306
UTE SET ATALAYA	50.00%	23	9,083	--	9,106
UTE NUEVOS CARGADORES PMI	50.00%	681	220	145	901
UTE MANTENIMIENTO PMI	50.00%	2,136	1,336	1,126	3,472
UTE EDIFICI ESTEL	35.00%	50,954	5,035	10,602	21,559
UTE EDAR BAIX LLOBREGAT	50.00%	1,386	86	521	1,472
ADAP SCADAS AENA A NTS	32.00%	1,761	17,138	2	18,899
UTE CCVC	33.33%	4,923	40,936	--	--
UTE ELEC.ESTACIONES BARCELONA	40.00%	1,193	--	528	1,189
UTE CAIXARESEARCH	50.00%	13,649	46,190	1,153	59,839
UTE PUENTE ALAMILLO	50.00%	903	--	--	845
UTE AMER-ELECNOR LIMPIEZA PMI	50.00%	380	343	49	723
UTE MONTELLANO	80.00%	1,703	94	38	1,796
UTE SANTOS DE LA PIEDRA	100.00%	7,325	6,976	--	14,301
UTE BARCIAL PRADILLO Y ORGAS	100.00%	958	--	550	844
UTE TUNELES SECTOR 3	34.00%	3,329	30,829	--	34,158
UTE BOXES CIRCUIT	60.00%	2,012	511	--	2,523
UTE EASO	24.01%	1,075	12,760	--	13,835
UTE TELEMANDO CANTABRIA	50.00%	--	11,542	1	11,542
UTE CATENARIA MURCIA LORCA	33.33%	2,405	29,413	1	31,818
UTE FLIX	50.00%	712	272	--	984

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
UTE BOVERA	50.00%	83	90	--	173
UTE BELLAGUARDA	50.00%	251	147	--	398
UTE COGENERACIÓN EDAR COSTA DEL SOL	75.00%	2,910	2,118	--	5,028
UTE EDAR VILLANUA	100.00%	5	3,943	--	--
UTE EDAR VALLADOLID	100.00%	552	270	--	--
UTE P.E. LOS BARRIOS	55.77%	5,633	3,445	--	--
UTE EDAR BENALUA	50.00%	458	647	--	--
UTE AMPLIACIÓN EDAR ÁGREDA - ÓLVEGA	50.00%	270	2,210	--	--
UTE RUEDA SUR	100.00%	16,750	23,813	--	--
UTE EDAR GALAPAGAR	100.00%	557	9,274	--	--
UTE CERCEDILLA - LOS COTOS	50.00%	2,819	6,028	--	--
UTE MALEBU	25.00%	1,080	15,571	--	--
UTE SSEE MADRID SEVILLA	50.00%	362	31,627	--	--
UTE RENOVE POUS VENTILACIO L1	50.00%	382	2,207	--	--
UTE COMUNIDAD DE REGANTES DE LLIRIA	50.00%	1,044	1,945	--	--
UTE UTE ACCENTURE-ELECNOR	49.00%	--	29,739	--	--
UTE PARKING BCN	50.00%	--	4,863	--	--
UTE AM SEG. FERROVIARIA	100.00%	--	3,967	--	--
UTE SISTEMA DE CONTROL DE ENERGÍA BARAJAS	70.00%	2	4,164	--	--
UTE REJAS EDARES OESTE	100.00%	--	1,174	--	--
UTE REMODELACIÓN ESTACIÓN ATOTXA	50.00%	112	1,957	--	--
UTE MIE LOTE 1	33.34%	492	30,215	--	--
UTE MIE LOTE 6	45.00%	900	40,763	--	--
UTE ELECNOR SISTEMAS	100.00%	--	--	--	--
UTE ALMENAR	50.00%	--	398	--	--
UTE EDIFICIS FANGS	20.00%	--	7,238	--	--
UTE MICROINFORMATICA 2024-2027	50.00%	--	--	--	--
UTE CARPIO	50.00%	30	699	--	--
UTE TOPO DONOSTI	50.00%	11	2,730	--	--
UTE ETAP TORRENT	50.00%	--	618	--	--
UTE ENTRY-EXIT BARAJAS	50.00%	--	1,000	--	--
UTE NUEVOS ASEOS C-38	50.00%	--	1,023	--	--
ACCIONA INFRAESTRUCTURAS - ELECNOR HOSPITAL DAVID, S.A.	25.00%	4,812	--	14,351	--
DUNOR ENERGÍA, S.A.P.I. de C.V.	50.00%	21,373	--	--	--

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
PROYECTOS ELÉCTRICOS AGUA PRIETA, S.A.P.I. de C.V. (*)	50.00%	--	--	--	--
WAYRA	50.00%	34,370	52,512	31,388	36,634
ELECNOR AUSTRALIA PTY LTD TRADING AS SECURE ENERGY JV	50.00%	717,224	835,504	403,562	521,244
UTE AUCOSTA CONSERVACION UTE	50.00%	--	--	--	--
UTE PARQUE PATERNA	50.00%	--	--	--	--
UTE HUELVA SURESTE II	50.00%	--	--	--	--
UTE MANZANARES II	50.00%	1,695	--	2,770	1,667
UTE PONTENORTE	50.00%	811	--	1,093	544
UTE TALAVERA	50.00%	964	--	2,520	929
UTE SMA OLVEGA	60.00%	1,026	13,077	1,009	14,103
UTE GUADIX-BAZA	51.00%	--	--	46	--
UTE PET-TAC ARRIXACA	20.00%	--	--	618	--
UTE CENTRO DR QUESADA	20.00%	--	--	732	--
UTE SEVILLA A66	50.00%	2,411	338	2,082	1,193
UTE SAN CIPRIANO	70.00%	2,744	--	3,318	1,722
UTE MAQUEDA II	50.00%	1,809	--	2,785	1,808
UTE CIRCUNVALACIÓN LUCENTUM	50.00%	1,167	--	1,634	697
UTE AUDECA CIVISGLOBAL SECTOR O-03	70.00%	3,127	38	3,014	196
UTE MADRID SURESTE	67.00%	525	--	2,712	230
UTE SANTA ELENA	60.00%	2,456	1,262	2,483	2549
UTE PONTENORTE II	50.00%	489	--	687	330
UTE LA CAMPANETA	50.00%	0	--	--	0
UTE RESIDUOS PUERTO ALICANTE	50.00%	415	--	353	253
UTE PONTESUR II	50.00%	2,500	1,528	2,146	4028
UTE RSU ALMAZÁN	60.00%	364	2,505	376	2,869
UTE POSTRASVASE MD	50.00%	0	0	110	--
UTE LEÓN ESTE	70.00%	1,746	2,597	1,851	4,343
UTE PORTOS GALICIA	70.00%	1,314	432	2,026	740
UTE SEGURIDAD VIAL DIP C	50.00%	372	328	520	700
UTE LOTE 2 CANAL PISUERGA	50.00%	2,749	4,567	433	3,559
UTE ESTRUCTURAS MADRID 1	30.00%	3,865	1,581	1,836	500
UTE DICIDO	50.00%	387	827	141	914
UTE VEGETACION RFIG LOTE 6	33.34%	630	12,187	--	--
UTE A5 TOLEDO	50.00%	4,792	17,050	--	--

		Production 2024	Backlog not yet settled 2024	Production 2023	Backlog not yet settled 2023
UTE PONTECENTRO	50.00%	245	6,840	--	--
UTE ALBUM	50.00%	--	6,236	--	--
UTE CORDOBA CO2	50.00%	--	9,696	--	--
UTE FUENTE ALAMO	65.00%	--	12,061	--	--
UTE CONSERVACIÓN SECTOR O-03	60.00%	--	12,218	--	--
UTE SEVILLA SE-01	50.00%	191	9,468	--	--
UTE ESTACIONS ABRERA-IGUALADA	60.00%	--	--	--	--
UTE EST. MOLÍ NOU -QUATRE CAMINS	85.00%	--	--	--	--
UTE AGENTE ÚNICO INETUM	50.00%	2,238	--	2,535	--
UTE PRESONS	65.00%	530	--	--	--
UTE CCTV BANCO DE ESPAÑA	50.00%	16	--	--	--
UTE BINACED	50.00%	--	--	--	--
UTE ALBERO BAJO	50.00%	--	--	1,271	--
UTE CERTEST	50.00%	--	--	4,615	--
UTE MEDIALABS (*)	55.00%	--	--	--	--
UTE NAVENTO DEIMOS, Expediente 2017-02371 (*)	27.46%	--	--	--	--
UTE DEIMOS-INETUM (SIVE) (antes UTE DEIMOS -IECISA) (*)	50.00%	--	--	--	--
DEIMOS-INETUM (RENFE) (*)	50.00%	--	--	3,565	--
DEIMOS-INETUM (SIVE CANARIAS) (*)	50.00%	--	--	147	--
UTE INETUM-DEIMOS - SANT ANDREU BCN (*)	50.00%	--	--	--	--
UTE INETUM- DEIMOS CRONOMETRÍA RENFE_ expte 2021- 00688 (*)	50.00%	--	--	1,047	--
UTE INETUM-DEIMOS CARTELERIA (*)	50.00%	--	--	1,587	--
UTE DEIMOS-DOMOBILITY (*)	80.00%	--	--	--	--
UTE DEIMOS-AXPE (*)	55.00%	--	--	--	--

(*) UTEs (temporary business associations) settled in 2024

Appendix III

ELECNOR, S.A. AND SUBSIDIARIES

Condensed financial information of equity-accounted companies
31 December 2024

(Expressed in thousands of Euros)

	Subgroup Celeo Concesiones
Balance sheet information	
Non-current assets	2,892,761
Non-current liabilities	1,664,138
Non-current financial liabilities	1,324,782
Total non-current net assets	**1,228,623**
Current assets	260,195
Cash and cash equivalents	124,234
Current liabilities	256,990
Current financial liabilities	167,181
Total current net assets	**3,205**
Non-controlling interests	**119,536**
Net assets	**1,112,292**
Percentage ownership	0.51
Share of net assets	567,269
Carrying amount of the investment (*)	
Information from the Income Statement	
Revenue	289,772
Depreciation and amortisation	(61,931)
Interest income	15,467
Interest expense	(78,158)
Income tax expense/(income)	(30,443)
Profit/loss from continuing operations	25,911
Profit/loss for the year	25,911
Other comprehensive income (**)	(72,057)
Total comprehensive income	**(46,146)**
Dividends received	-

(*) The carrying amount is the value of the company in the consolidated group (equity-accounted value)

(**) Other comprehensive income is the change in equity of derivatives and translation difference (and subsidies, where applicable)

Appendix III

ELECNOR, S.A. AND SUBSIDIARIES

Condensed financial information of equity-accounted companies
31 December 2023
(Expressed in thousands of Euros)

	Subgroup Celeo Concesiones
Balance sheet information	
Non-current assets	3,027,536
Non-current liabilities	1,752,718
Non-current financial liabilities	1,379,074
Total non-current net assets	**1,274,818**
Current assets	267,704
Cash and cash equivalents	161,455
Current liabilities	240,271
Current financial liabilities	160,227
Total current net assets	**27,433**
Non-controlling interests	
Net assets	**1,174,394**
Percentage ownership	51 %
Share of net assets	598,941
Carrying amount of the investment (*)	598,878
Information from the Income Statement	
Revenue	291,880
Depreciation and amortisation	(61,265)
Interest income	20,262
Interest expense	-83,259
Income tax expense/(income)	-29,443
Profit/loss from continuing operations	32,391
Profit/loss for the year	32,391
Other comprehensive income (**)	-11,821
Total comprehensive income	**20,570**
Dividends received	-

(*) The carrying amount is the value of the company in the consolidated group (equity-accounted value)

(**) Other comprehensive income is the change in equity of derivatives and translation difference (and subsidies, where applicable)

Appendix IV

TAX INFORMATION

Tax loss carryforwards (reported in thousands of Euros)

	Jurisdiction	**Amount**
ELECNOR SERVICIOS Y PROYECTOS S.A., NIEDERLASSUNG DEUTSCHLAND	Germany	246
ELECNOR SA	Algeria	481
ELECNOR AUSTRALIA HOLDINGS PTY. LTD.	Australia	157,123
ELECNOR SERVICIOS Y PROYECTOS SAU	Belgium	475
ELECNOR SA SUCCURSALE CAMEROUN	Cameroon	3,288
ELECNOR CAMEROUN SOCIETE ANONYME	Cameroon	5,008
TIL TIL CONSORCIO, SpA	Chile	2,819
XUENERGY FV, S.A.S	Colombia	475
ELECNOR SERVICIOS Y PROYECTOS, S.A.U SUCCURSALE DE COTE D'IVOIRE	Ivory Coast	2,053
ELECNOR COTE D´IVOIRE SOCIETE ANONYME	Ivory Coast	566
WAYRAENERGY, S.A.	Ecuador	1,729
ELECNOR SERVICIOS Y PROYECTOS, S.A.U.	Spain	6,150
PARQUE EÓLICO MONTAÑÉS, S.L.U.	Spain	198
ELECRED SERVICIOS, S.A.U.	Spain	1
APLICACIONES TÉCNICAS DE LA ENERGÍA, S.L.U.	Spain	5,045
HIDROAMBIENTE, S.A.U.	Spain	273
ELECNOR SA SOUMEN SIVULIIKE	Finland	—
ELECNOR PHILIPPINES CORPORATION	Philippines	414
ELECNOR SA	Ghana	1,235
ELECNOR SA SUCCURSALE GUINEE	Guinea	274
ELECNOR SERVICIOS Y PROYECTOS SUCCURSALE GUINEE	Guinea	796
ELECNOR SERVICIOS Y PROYECTOS IN IRELAND, LIMITED	Ireland	144
ELECNOR, S.A.	Jordan	1,774
ELECNOR, S.A.	Kuwait	55
ELECNOR SUCCURSALE	Morocco	238
GUERCIF SOLAR FARM, SARLAU	Morocco	197
SUCCURSALE SA	Mauritania	12
DUNOR ENERGÍA, S.A.P.I. de C.V.	Mexico	23,528
ENERMEX GESTION SA DE CV	Mexico	840
VIENTOS DE PANABA SA DE CV	Mexico	3,021
VIENTOS DE YUCATAN SA DE CV	Mexico	1,404
VIENTOS DE SUCILA SA DE CV	Mexico	395
RENOVABLE DEL BAJÍO S.A. de C.V.	Mexico	45
ELECNOR SA	Mozambique	2,672
ELECNOR SERVICIOS Y PROYECTOS SAU	Mozambique	4,034
CENTRAL SOLAR DE MUANTUAIA, S.A.	Mozambique	588
ELECNOR SERVICIOS Y PROYECTOS SAU	Norway	924
ELECNOR, S.A. OMAN BRANCH	Oman	5,432
ELECNOR INFRASTRUCTURE SPC	Oman	91
ELECNOR PERÚ, S.A.C.	Peru	3,077
ELECNOR, S.A.	Portugal	3,865
ELECNOR SERVICIOS Y PROYECTOS SAU - SUCURSAL EM PORTUGAL	Portugal	3,118
ELECNOR, PLC	Zambia	1,079
KAFIRONDA SOLAR ENERGY LIMITED	Zambia	605
Total		**245,789**

Deductions (thousands of Euros)

	Jurisdiction	IT	R&D	DONATIONS
APLICACIONES TÉCNICAS DE LA ENERGÍA, S.L.U.	Spain	97	342	-
HIDROAMBIENTE, S.A.U.	Spain	-	59	61
Total		**97**	**401**	**61**

Temporary differences in branches (reported in thousands of Euros)

	Jurisdiction	Provisions	Prospetto Manutenzioni	Exchange rate differences	Depreciation and amortisation
ELECNOR SA SUCURSAL EM ANGOLA	Angola	584	-	(54)	
ELECNOR SERVICIOS Y PROYECTOS SAU SUCURSAL EM ANGOLA	Angola	-	-	(3,298)	
ELECNOR SA	Algeria	151		(14,312)	-
ELECNOR SA SUCCURSALE CAMEROUN	Cameroon	75		-	842
ELECNOR SERVICIOS Y PROYECTOS SAU SUCURSAL COLOMBIANA	Colombia	7	-	8	-
ELECNOR SERVICIOS Y PROYECTOS, S.A.U SUCCURSALE DE COTE D'IVOIRE	Ivory Coast	492	-	-	79
ELECNOR SERVICIOS Y PROYECTOS SAU	Ghana	-	-	(1,785)	-
ELECNOR SA SUCCURSALE GUINEE	Guinea	-	-	6	-
ELECNOR SERVICIOS Y PROYECTOS SUCCURSALE GUINEE	Guinea	-	-	(33)	-
ELECTRIFICACION DEL NORTE SA	Honduras	2,075	-	-	-
ELECNOR SERVICIOS Y PROYECTOS SAU	Italy	-	910	-	-
ELECNOR, S.A.	Jordan	154	-	-	-
ELECNOR SA	Mozambique	-	-	69	-
ELECNOR SERVICIOS Y PROYECTOS SAU	Mozambique	-	-	(490)	-
ELECNOR SERVICIOS Y PROYECTOS SAU	Norway	4,083	-	-	-
ELECNOR SERVICIOS Y PROYECTOS, S.A.U.	Dominican Republic	732	-	-	31
ELECNOR, S.A.	Panama	11	-	-	-
ELECNOR, PLC	Zambia	125	-	57	1
Total		**8,489**	**910**	**(19,830)**	**953**

Temporary differences in domestic subsidiaries (reported in thousands of Euros)

	ELECNOR, S.A.	ELECNOR SERVICIOS Y PROYECTOS, S.A.U.	AREA 3 EQUIPAMIENTO DISEÑO E INTERIORISMO, S.L.U	AUDECA, S.L.U.	PARQUE EÓLICO MONTAÑÉS, S.L.U.	JOMAR SEGURIDAD, S.L.U.	EHISA CONSTRUCCIONES Y OBRAS, S.A.U.	ELECNOR SEGURIDAD, S.L.U.	MONTAJES ELÉCTRICOS ARRANZ S.L.U,	APLICACIONES TÉCNICAS DE LA ENERGÍA, S.L.U.	Total
Credit to be offset DA 19º	15,448	-	-	-	-	-	-	-		-	**15,448**
Foreign income exemption (art. 22 Corporate Income Tax Law)	11,324	76,978								1,685	**89,987**
Economic Interest Group (Chap. II of Title VII Corporate Income Tax Law)	-	178	-	-	-	-	-	-		-	**178**
Impairment losses under art. 13.1 Corporate Income Tax Law not affected by art. 11.12 or DT 33ª.1 Corporate Income Tax Law	6,904	4,151	-	-							**11,055**
Impairment losses on IM, investment property and II, including goodwill (art. 13.2 a) and DT 15 Corporate Income Tax Law	22,438	1,458	-	-						-	**23,896**
Other provisions not deductible for tax purposes (art. 14 Corporate Income Tax Law) not affected by art. 11.12 Corporate Income Tax Law	8,051	13,095		10	-	251	2	330	11	2,262	**24,013**
Accelerated amortisation	-	(42)	-	-	-	-	-	-		-	**(42)**
Other provisions not deductible for tax purposes (art. 14.1 Corporate Income Tax Law)	67,652	48,849	-	-	-	-	-	-		-	**116,501**
Finance lease: special regime (art. 106 Corporate Income Tax Law)	-	-	-	(1,942)	-	-	-	-		-	**(1,942)**
Adjustments for impairment losses on shares in capital or equity (art. 13.2 b Corporate Income Tax Law)	-	386	-		-	-	-	-		100	**486**
Differences between accounting and tax depreciation (art. 12.1 Corporate Income Tax Law)			-	16	-	-	-	-		308	**324**
Amortisation of intangible assets and goodwill (art. 12.2 Corporate Income Tax Law) and amortisation of DT 13ª.1 Corporate Income Tax Law	-	-	-	-	-	-	-	-		173	**173**
Consolidated eliminations	-	9	(66)	-			(12)	-		-	**(69)**
Total	131,816	145,063	(66)	(1,916)	-	251	(10)	330	11	4,529	**280,007**

Temporary differences in foreign subsidiaries (reported in thousands of Euros)

	Jurisdiction	Non-deductible provisions	Non-current tangible and intangible assets	Differences between accounting and tax depreciation	Financial obligations	Other	Total
ELECNOR ARGENTINA, S.A.	Argentina	272	-	-	-	(325)	**(53)**
ELECNOR AUSTRALIA HOLDINGS PTY. LTD.	Australia	389	-	-	-	(20)	**369**
ELECNOR AUSTRALIA PTY, LTD.	Australia	70	(281)	-	-	-	**(211)**
TIMCO TRANSMISSION LINES, PTY. LTD.	Australia	230	-	-	-	(200)	**30**
ELECNOR DO BRASIL, L.T.D.A.	Brazil	33,130	-	-	-	345	**33,474**
ELECNOR AZULAO SPE LTDA	Brazil	903	-	-	-	60	**964**
ELECNOR CHILE, S.A.	Chile	27,310	-	-	-	(4,780)	**22,530**
WAYRA ENERGY, S.A.	Ecuador	-	-	-	-	2,894	**2,894**
ELECDOR, S.A.	Ecuador	-	-	-	-	33	**33**
ELECNOR, INC.	United States	25,655	(14,619)	-	(19,557)	19,948	**11,427**
BELCO ELECNOR ELECTRIC, INC.	United States	1,657	(2,839)	-	15	(503)	**(1,670)**
ELECNOR HAWKEYE, LLC	United States	-	-	-	742	-	**742**
ELECNOR DE MEXICO, S.A.	Mexico	16,093	-	-	-	-	**16,093**
ELECNOR NEW ZEALAND, LTD	New Zealand	101	-	-	-	-	**101**
OMNINSTAL ELECTRICIDADE, S.A.	Portugal	38	(80)	-	-	-	**(42)**
IQA OPERATIONS GROUP LTD	United Kingdom	-	-	(73)	-	-	**(73)**
MONTELECNOR, S.A.	Uruguay	2,090	-	-	-	-	**2,090**
ELECVEN CONSTRUCCIONES, S.A.	Venezuela	-	-	-	-	(230)	**(230)**
Total		**107,938**	**(17,820)**	**(73)**	**(18,799)**	**17,221**	**88,468**

PREPARATION AND DECLARATION OF RESPONSIBILITY

In compliance with the provisions of applicable legislation, all of the members of the Board of the Company ELECNOR, S.A. have prepared the Annual Accounts of ELECNOR, S.A. and Subsidiaries that make up the ELECNOR Group (consolidated) for the year ended 31 December 2024, all of this drawn up and identified in the manner indicated below:

Likewise, and in accordance with section one, letter b) of Article 8 of Royal Decree 1362/2007, the members of the Board of Directors of ELECNOR, S.A., state that, to the best of their knowledge, the "Consolidated Annual Accounts" of the ELECNOR Group (consolidated) for the year ended 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union, applying the principles of consolidation, accounting policies and valuation criteria, and give a true and fair view of the consolidated equity, consolidated financial position and results of the companies included in the consolidation taken as a whole, of the changes in consolidated equity and of their consolidated cash flows, and that the "Directors' Report" of the ELECNOR Group (consolidated) for the year ended 31 December 2024, includes a fair review of the business performance and results and the position of the companies included in the consolidation taken as a whole, together with a description of the main risks and uncertainties the ELECNOR Group faces (consolidated).

The consolidated accounts are set out in the documents attached herein.

In Madrid, on 26 February 2025.

CHAIRMAN (Non-executive):	JAIME REAL DE ASUA ARTECHE
DEPUTY CHAIRMAN:	IGNACIO PRADO REY-BALTAR
CHIEF EXECUTIVE OFFICER:	RAFAEL MARTÍN DE BUSTAMANTE VEGA
MEMBERS:	MIGUEL CERVERA EARLE
	Ms. ISABEL DUTILH CARVAJAL
	JOAQUÍN GÓMEZ DE OLEA MENDARO
	Ms. IRENE HERNÁNDEZ ÁLVAREZ
	JUAN LANDECHO SARABIA
	SANTIAGO LEÓN DOMECQ
	MIGUEL MORENÉS GILÉS
	Ms. FRANCISCA ORTEGA HERNÁNDEZ-AGERO
	RAFAEL PRADO ARANGUREN
	EMILIO YBARRA AZNAR
DIRECTOR - VICE-SECRETARY:	CRISTÓBAL GONZÁLEZ DE AGUILAR ALONSO-URQUIJO

2024 Directors' Report – Elecnor, S.A. and Subsidiaries

for the year ended 31 December 2024

Contents

1. Purpose and business model

The Elecnor Group is a Spanish corporation operating in more than 50 countries. It is an international leader in integrated renewable energy concessions, sustainable infrastructure projects and essential services for the energy transition and digitalisation of cities, distinguished for its profitability, recurrence and moderate risk.

Its purpose is to generate change and bring about well-being by deploying infrastructure, energy and services to territories all over the world in order to develop their potential.

It is a global enterprise whose purpose is driven by a people-centric business model and that believes in generating shared value and sustainability.

The Group’s activities are organised into three broad strategic lines:

- **Essential services**: Integration of energy distribution, telecommunications, maintenance and installation services, essential to drive change and generate well-being in cities and which feed back into the business of sustainable projects.
- **Sustainable projects**: Development, construction, operation and maintenance of clean energy generation and transmission infrastructure worldwide, improving the living conditions of communities and enhancing sustainable development.
- **Concessions and own projects**: Development and operation of projects aimed at long-term stability and profitability through concessions contracts and strategic investments in projects of its own, strengthening its renewables and energy infrastructure portfolio and boosting the Group's long-term value.

Efficiency, diversification, financial robustness and personal commitment are the Elecnor Group’s value generation and expansion levers.

2. Economic context[1]

The global economy has shown remarkable resilience in 2024 and is projected to remain resilient in the years ahead, according to major reports and outlooks from benchmark institutions. Expected global growth next year, at around 3% according to different sources, is similar to or slightly lower than in 2024, while inflation and interest rates are expected to decline gradually. These global developments mask significant differences across regions and countries, as there are growing risks related to rising trade tensions and protectionism, as well as a possible escalation of geopolitical conflicts and fiscal policy challenges in some countries.

The World Bank, in its 'Global Economic Prospects' report, expects growth in developing economies to remain stable at around 4% over the next two years. However, this performance would be weaker than before the pandemic and insufficient to drive the progress needed to alleviate poverty and achieve broader development goals.

The most recent International Monetary Fund (IMF) growth and inflation forecasts in the key regions of the Group's business are set out in the table below:

	% growth		% inflation	
	outlook for 2025	2024	outlook for 2025	2024
Global	**3.2**	**3.2**	**4.3**	**5.8**
Spain	2.1	2.9	1.9	2.8
Italy	0.8	0.7	2.1	1.3
United Kingdom	1.5	1.1	2.1	2.6
Portugal	2.3	1.9	2.1	2.5
United States	2.2	2.8	1.9	3.0
Brazil	2.2	3.0	3.6	4.3
Mexico	1.3	1.5	3.8	4.7
Argentina	5.0	(3.5)	62.7	229.8
Colombia	2.5	1.6	4.5	6.7
Chile	2.4	2.5	4.2	3.9
Peru	2.6	3.0	1.9	2.5
Ecuador	1.2	0.3	2.2	1.9
Dominican Republic	5.0	5.1	4.5	3.4
Australia	2.1	1.2	3.3	3.3
Cameroon	4.2	3.9	3.5	4.4
Angola	2.8	2.4	21.3	28.4
Ghana	4.4	3.1	11.5	19.5
Senegal	9.3	6.0	2.0	1.5
Zambia	6.6	2.3	12.1	14.6

[1] Sources:
- Organisation for Economic Co-operation and Development (OECD): *Economic Outlook, 2025*
- World Bank: *Global Economic Prospects, January 2025*
- International Monetary Fund (IMF): *World Economic Outlook, January 2025*

3. Economic and financial performance in the period

3.1. Key figures in consolidated profit/loss for the year

In this year, the **Elecnor Group** obtained a profit of Euros 705.2 million, compared with Euros 110.1 million last year. This profit was achieved thanks to the good performance of the businesses that make up the Group and the important sale of the Enerfín subgroup in which the Group has been building value for 26 years.

After this transaction, the Group operates through two mutually strengthening and complementary subgroups of companies that set their objectives individually. These subgroups report their key figures as separate segments for a better understanding of the Group's businesses, and are as follows:

- **Elecnor** is an integrated manager of essential services and sustainable projects within the electricity, power generation, telecommunications and systems, facilities, gas, construction, maintenance, environment, water and railway sectors.
- **Celeo** is a company dedicated to the development, investment and management of infrastructure and renewable energy assets, jointly owned and managed with APG.

The key figures for the year by segment at the end of 2024 are as follows:

	Enerfín sale transaction	Elecnor Services and Projects	Celeo	Group Management and Other Adjustments	Operations between segments	**TOTAL**
Net turnover	—	3,824,549	—	—	(14,447)	**3,810,102**
EBITDA[2]	—	202,621	12,201	(58,667)	—	**156,155**
Parent Consolidated Income Statement	823,310	66,363	12,201	(196,674)	—	**705,200**

[2] The Celeo Group's EBITDA (at 100%) is Euros 193,335 thousand (Euros 198,252 thousand the previous year), as explained in the Celeo segment section of this report. When consolidated using the Equity Method, what contributes to the Group's EBITDA is the profit after tax attributable to the Elecnor Group.

3.2. Business performance

Enerfín sale transaction

Elecnor, S.A. signed the public deed of sale of all its shares in Enerfín Sociedad de Energía, S.L.U. (Enerfín) on 23 May this year, effective on the same date, all the conditions provided in the contract signed with Statkraft European Wind and Solar Holding AS (filed as Inside Information to the CNMV on 17 November last year) having been fulfilled.

The final sale price received by Elecnor, after the corresponding adjustments agreed in the contract, was Euros 1.560 billion. The transaction resulted in a capital gain of Euros 805 thousand, recognised under "Profit/loss from discontinued operations attributable to shareholders of the Parent" in the Consolidated Income Statement for 2024. The profit obtained by the subgroup up to the date of sale, attributable to the Elecnor Group, is also recognised under this heading.

Elecnor (Essential Services and Sustainable Projects)

The Group runs this business through its subsidiary Elecnor Servicios y Proyectos, S.A.U. and its subsidiaries. The following table compares the main figures of this business with those of the same period of the previous year:

Elecnor (Services and Projects)

(Thousands of Euros)	31/12/2024	31/12/23 Normalised	Change (%)
Turnover	3,824,549	3,886,590	*(1.6)%*
Domestic	1,676,267	1,507,384	*11.2%*
International	2,148,282	2,379,206	*(9.7)%*
EBITDA[3]	202,621	199,435	*1.6%*
Profit before tax[4]	122,398	101,040	*21.1%*
Attributable consolidated net profit[5]	66,363	61,268	*8.3%*

The normalised figures for 2023 exclude the proceeds from the sale of 50% of the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V. (as explained in Note 12 to the accompanying Notes to the Consolidated Annual Accounts), as this is a non-recurring transaction. This capital gain amounted to Euros 21.6 million (Euros 23.1 million after tax).

[3] The **Normalised EBITDA** at 31 December 2023 is calculated as this business's EBITDA (Euros 220,997 thousand) minus the EBITDA from the sale of Gasoducto Morelos (Euros 21,562 thousand) due to its non-recurring nature.

[4] The **normalised profit before tax** is calculated as this business's profit before tax at 31 December 2023 (Euros 122,602 thousand) minus the profit before tax from the sale of Gasoducto Morelos(Euros 21,562 thousand) due to its non-recurring nature.

[5] The **normalised profit after tax** is this business's profit after tax at 31 December 2023(Euros 84,415 thousand) minus the profit before tax from the sale of Gasoducto Morelos (Euros 23,147 thousand) due to its non-recurring nature.

Normalised profit before and after tax is higher than in the same period of the previous year.

In the **domestic market**, activity continued to grow on the back of the **essential services** developed for the electricity, telecommunications, water, gas and energy transmission and distribution sectors, where it provides an essential service for all utilities. It is worth highlighting the maintenance activity carried out for both the public and private sectors. Likewise, during this period, the construction of wind farms and solar PV projects, as well as projects related to self-consumption and energy efficiency, contributed to growth of both the turnover and profit of this business in the **sustainable projects** activity.

In the **international market**, **sustainable projects** continued to be undertaken in Australia, Brazil and Chile (especially renewable energy initiatives and electricity transmission lines). The construction of substations and transmission lines in Germany, Honduras, Panama, Angola, Senegal, and Zambia; photovoltaic parks in the Dominican Republic and railway electrification in Lithuania, among many others, also contributes to the Group's profit/loss. Notable in these results are the activities of **essential services** at the US subsidiaries (Hawkeye, Belco and Energy Services), as well as the distribution and telecommunications contracts that Elecnor is implementing in Italy.

EBITDA for the year amounts to Euros 202.6 million. This implies a 1.6% increase with respect to the normalised EBITDA the previous year, reflecting the positive performance by both essential services and sustainable projects.

Attributable consolidated net profit was Euros 66.4 million, an 8.3% increase with respect to the same period the previous year, reflecting the positive performance by both essential services and sustainable projects.

As has been pointed out in the latest reports, certain circumstances have increased the cost estimate for some of its contracts in Australia, such as progress delays on the back of COVID-19 and the global economic instability unleashed by the disproportionate rise in raw material prices, labour and logistics expenses and local overheads as a result of spiralling inflation. After several months of negotiations, and given the strategic nature of the projects in progress in this country, a series of agreements have been reached which make it feasible to carry them out under reasonable conditions for all parties.

Although **Turnover** is slightly down on the previous year (-1.6%), the portfolio of production that can be executed in the next 12 months is up 5.1%, as shown in the table below.

Elecnor production pipeline that can be executed in the next 12 months

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Domestic	795,369	749,580	*6.1%*
International	1,913,367	1,828,073	*4.7%*
TOTAL	**2,708,736**	**2,577,653**	*5.1%*

The production portfolio, which can be executed in the next 12 months, amounts to Euros 2,708.7 million (Euros 2,577.7 million at the end of 2023). Of this portfolio figure, 71% relates to the international market, for the amount of Euros 1.913,4 billion, and 29% to the domestic market, for the amount of Euros 795.4 million. The domestic market portfolio consists of contracts for essential service activities, as well as sustainable projects for the construction of renewable energy plants for the amounts expected to be executed over the next 12 months. The international portfolio includes both European countries (Italy and the United Kingdom), where service-related activities are carried out, and other countries (Australia, the United States and Brazil, mainly) with contracts for major projects for the construction of renewable-energy power generation plants and power transmission projects.

Celeo (Concessions and own projects)

Celeo, a company owned and managed jointly with APG, one of the world's largest pension funds, already operates 7,942 km of electricity transmission lines in Chile, Brazil and Peru, and takes part in 345 MW of renewable energy (photovoltaic and solar thermal energy) in Spain and Brazil. Overall, it manages over Euros 6,000 million assets in operation at the close of the year.

In terms of new project awards, 2023 was a historic year for Celeo, having been awarded two new concession projects in Brazil (Leilao 1/2023 and 2/2023); two in Chile (expansion of the Hualqui and La Pólvora substations, as part of the International Public Tender for Expansion Works envisaged in Exempt Decree No. 200/2022) and another in Peru (third Concession Contract in the country in Piura Nueva-Frontera).

In 2024, as part of the expansion works put out to tender by the National Electricity Coordinator in Chile, the company was awarded the project to lay the second circuit of the 2 × 500 kV Ancoa-Charrúa (CHATE) line, with an investment of USD 106 million and a completion period of 60 months. It also won new contracts in Brazil for reinforcements in the LTC and CATE concessions, with investments of R$ 14.5 million and R$ 1.2 million respectively.

To assess the performance of this business, the EBITDA of the projects is analysed, a figure which best reflects their cash generation capacity. Therefore, the following table shows, on an aggregate basis, the EBITDA[6] of the projects in which Celeo participates in local currency:

(thousands local currency)	2024	2023	*Change in %*
Transmission networks Brazil (BRL)	817,415	777,269	*5.2%*
Transmission networks Chile (USD)	147,858	147,427	*0.3%*
Transmission networks Peru (USD)	1,851	(226)	
Renewable Energies Brazil (BRL)	36,347	28,476	*27.6%*
Renewable Energies Spain (EUR)	53,124	61,652	*(13.8)%*

This equates to an aggregate EBITDA for the projects of Euros 337.9 million in 2024. The projects of Celeo's Transmission Networks business have been boosted by the increase in price indices affecting the sale prices applicable to transmission lines with a particular impact on the Brazilian projects, although their contribution to the consolidated EBITDA of the Celeo subgroup is affected by the depreciation of the Brazilian real (the currency in which it operates in Brazil) against the euro (Celeo's functional currency). The solar thermal plants managed by Celeo in Spain experienced lower production than the previous year (232,270 MWh compared to last year 265,466 MWh), mainly due to the periods in which the market operator does not allow these plants to produce energy.

[6] EBITDA without taking into account the application of IFRIC 12 and to 100% of the projects

Therefore, the main aggregates of the Celeo Group, prior to its consolidation in the financial statements of the Elecnor Group, are as follows:

Celeo (100% subgroup)

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Turnover	289,772	291,880	*(0.7)%*
EBITDA	193,335	198,252	*(2.5)%*
Profit before tax	66,757	74,803	*(10.8)%*
Income tax	(30,441)	(29,443)	*3.4%*
Profit/loss for the businesses attributable to non-controlling interests	(10,405)	(12,969)	*(19.8)%*
Attributable consolidated net profit	25,911	32,391	*(20.0)%*
Consolidated net profit attributable to the Elecnor Group	12,201	15,390	*(20.7)%*

Celeo is accounted for using the **equity method**. Accordingly, it does not contribute to the Group's consolidated financial statements In this year, it reached an attributable consolidated net profit of Euros 12.2 million (Euros 15.4 million in the previous year) after applying the percentage of ownership and corresponding consolidation adjustments. As a result of the consolidation method used, this profit coincides with the profit before tax and EBITDA contributed to the Group by this business.

Group management and other adjustments

The main figures of the Income Statement for this segment are as follows:

Group management and other adjustments

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
EBITDA	(58,667)	(23,599)	*-116.1%*
Profit before tax	(193,301)	(32,305)	*-60.5%*
Attributable consolidated net profit	(196,674)	(23,231)	*-79.9%*

This segment mainly includes the overheads of the Group's management bodies and corporate services, as well as all expenses which, according to the Group's management, do not fall within the scope of the decisions of the heads of the businesses. In addition, the Group's management carries out an analysis of all the risks being monitored, and their impact on this segment of activity is recorded, without affecting the Income Statement, which is used to measure the performance of those heads of the businesses.

3.3. Financial position

OPERATING CASH FLOWS:

(Thousands of Euros)	2024	2023
Funds generated from continuing operations	135,849	162,047
Change in operating working capital from continuing operations	192,867	(20,274)
Net cash flows from operating activities of continuing operations before taxation	**328,716**	**141,773**
Cash generated by operating activities of discontinued operations (Note 7)	25,031	117,510
Net cash flows from operating activities before taxation	**353,747**	**259,283**
Income tax paid	(259,299)	(53,280)
Net cash flows from (used in) operating activities (I)	**94,448**	**206,003**

In 2024, the Group's operating activity enabled it to generate a pre-tax cash flow of Euros 353.7 million (Euros 259.3 million the previous year).

In addition, the Group made corporate income tax payments of Euros 259.3 million this year (Euros 53.3 million last year). This amount includes Euros 172.8 million that the Group has paid in excess of the estimated corporate income tax settlement on the sale of Enerfín shares, which it expects to recover in early 2026.

INVESTMENT CASH FLOWS:

(Thousands of Euros)	2024	2023
Gross operating investment cash flow	(101,799)	(97,627)
Gross operating disinvestment cash flow	5,705	2,967
Net operating investment cash flow	**(96,094)**	**(94,660)**
Other net investment cash flows	**1,183,917**	**81,640**
Net cash flow from (used in) continuing investment activities	**1,087,823**	**(13,020)**
Cash generated by investment activities of discontinued operations (Note 7)	(124,509)	(255,039)
Net cash flows from (used in) investment activities (II)	**963,314**	**(268,059)**

FINANCING FLOWS:

(Thousands of Euros)	2024	2023
Net cash flows from (used in) continuing financing activities	**(1,019,196)**	**30,269**
Cash generated by financing activities of discontinued operations (Note 7)	(16,826)	43,433
Net cash flows from (used in) financing activities (III)	**(1,036,022)**	**73,702**

The sale of Enerfín has resulted in a net cash flow from investment activity of Euros 963.3 million (compared to the Group's investment of Euros 268.1 million in the previous year). All this has allowed us to allocate Euros 1,036.0 thousand (cash flows from financing activities) to repay debt and pay dividends to the Group's shareholders.

The **Total Net Financial Position**, which is calculated from the balances in the Consolidated Balance Sheet, as the difference between the asset headings of investments and cash and the liability headings of short and long-term payables, at 2024 year-end, with assets exceeding liabilities, is Euros 160.9 million. At 2023 year-end, the Total Net Financial Position, excluding Enerfín's non-current assets and liabilities held for sale, amounted to Euros -282.5 million[7].

The **Net Financial Position with recourse** closed at Euros 187.5 million compared to Euros -222.6 million at the end of the previous year. Although the Group's Net Financial Position with recourse is positive at the end of this year, last year it closed with an indebtedness ratio (calculated as Net Financial Debt with recourse divided by EBITDA with recourse) of 0.91x. In both cases, the benchmark indebtedness ratio level set in the syndicated financing agreement (2.75x) is broadly respected. This Net Financial Debt with recourse includes both the Group's liquidity positions and debt with cost, both with financial institutions and short-term MARF promissory note issues, bond issues and finance lease transactions; it does not include debt of projects with specific financing without recourse to their shareholder for the project in question.

Although the Group analyses and monitors the evolution of **Total Net Financial Position**, it pays special attention to **Net Financial Position with recourse**, given that the remaining amount, without recourse, is secured by the investment projects to which this financing is dedicated.

Net Financial Position with recourse and indebtedness ratio:

(Thousands of Euros, at year-end)	31/12/2024	31/12/2023
Net Financial Position / Debt with recourse	**187,526**	**(222,613)**
Ratio of Debt/EBITDA with recourse + Projects dividend	(1.34)	0.91

The **Total Net Financial Debt to EBITDA ratio** is a ratio used in the market to compare the level of indebtedness to the cash generation from transactions and, thus, assess companies' level of solvency. To present a ratio that reflects the Group's solvency, it is appropriate to present Net Financial Debt with recourse in relation to EBITDA with recourse, in which the contributions to the figures of investment projects funded by debt secured by such projects are excluded from both figures. In turn, the dividends distributed by the abovementioned projects are added to the EBITDA with recourse. The purpose of this ratio is to measure the Group's capacity to meet its recourse debt.

For this purpose, the Group eliminates the effect of IFRS 16 Leases from the calculation of EBITDA, thus offsetting the impact of this standard —the impact increases the figures of EBITDA and Debt— and complying with the method of calculating this figure contained in the financing contracts.

With regard to the Group's **financial strategy**, we note:

- The Elecnor Group maintains a **Syndicated Financing Agreement** which was first executed in 2014. Since the latest novation in 2021, this financing now has a cap of Euros 350 million, distributed between the Loan Tranche of Euros 50 million and a Credit Facility Tranche of Euros 300 million and a maturity of September 2026. This financing complies with the requirements laid down by the Sustainability Linked Loan Principles and, therefore, it **has been classified as sustainable**. At 31 December 2024, the balance drawn down on this contract was Euros 34.9 million of the dollar loan tranche drawn down by Elecdor (Euros 205,6 million corresponding to

[7] The Net Financial Position, including financial assets and liabilities that at 31/12/23 were classified under Non-current Assets and Liabilities held for sale, was Euros -735.1 million.

Euros 50 million of the loan tranche, Euros 122 million of the euro loan tranche drawn down by Elecnor, S.A. and Euros 33.6 million of the dollar loan tranche drawn down by Elecdor at 31 December 2023) at nominal value.

- The Group maintains its strategy of diversifying its sources of short/medium term financing, registering, for yet another year, a Multi-Currency Promissory Note Programme on the **Alternative Fixed Income Market** (MARF), with a maximum outstanding balance of Euros 400 million, which will continue to be linked to the fulfilment of sustainability objectives, including the reduction of greenhouse gas emissions and the improvement of workplace accident ratios, which, if not met, imply a commitment to contribute to sustainable projects. This new programme gives the Group access to funding, both in Euro and US dollars, at terms of up to 24 months. To adopt the decision to register this Programme, Elecnor valued the flexibility of the periods and the lower cost than that of alternative funding sources. The Elecnor Group's aim is to continue implementing its projects in the areas of engineering, development and construction of infrastructure, renewable energy and new technologies, both in Spain and the international markets. The reputation and strength of Elecnor Group's business model is renowned on this market, allowing it to issue under beneficial terms. Over the last ten years, the Group has completed 367 issues for a total of Euros 9,492 million (303 issues for Euros 8,505 million up until the previous year), making it one of the main issuers of promissory notes in the Spanish market. At the close of 2024, the Group had Euros 108 million available under this programme (Euros 239 million at 2023 year-end).

- Since 2021, the Elecnor Group has had a private placement of Euros 20 million at 10 years, which additionally fulfils the Green Loan Principles, as the funds are used for projects classified as **green**, placed by B. Sabadell. During the year, the Group prepaid a **sustainable loan**, placed by Banca March maturing in 2031, which it had held since 2021 for Euros 50 million, and also prepaid the Euros 30 million "Elecnor 2021 senior unsecured bond issue" admitted to trading on the MARF.

- The Group has had a **Securitisation Fund** called "ELECNOR EFICIENCIA ENERGÉTICA 2020, Fondo de Titulización" since December 2020, to which it has assigned the credit claims derived from the contracts for the management of energy services and maintenance of public street lighting installations which Elecnor executes for 43 municipalities and public entities in Spain. By means of this structure, Elecnor obtains financing for investments in contracts assigned in the amount of Euros 50 million. The securitisation fund issued bonds in the aforementioned amount, which are subscribed and fully paid in, and which are trading in Spain's Alternative Fixed Income Market (MARF). These bonds are compliant with the requirements established by the **"Green Bond Principles"**, and therefore qualify as green bonds for G-advisory, the Garrigues Group's consultancy firm. Axesor Rating has assigned the bonds issued by the Securitisation Fund an A+ rating, indicating a high capacity to meet its credit obligations. This is the first securitisation transaction for the sale of future credit claims derived from contracts with Public Entities to be conducted in Spain.

The Elecnor Group tackles its investment projects by arranging financing secured by such projects, as described in section 6.2 "Interest rate risk" herein, while it contributes its equity with the resources generated by the businesses of which the Group is comprised.

3.4. Material changes in accounting policies

The accounting policies and methods used to prepare the Consolidated Annual Accounts in 2024 are the same as those applied to the Consolidated Annual Accounts in 2023.

All accounting principles with a significant effect have been applied in the drawing up of these Separate and Consolidated Annual Accounts.

3.5. Profit/loss of the Elecnor Group's holding company

Elecnor, S.A. is the Group's holding company, as detailed in section 3.2 of this report. Its core business is the holding of shares and the rendering of corporate services.

Sales in Elecnor, S.A.'s Income Statement primarily consist of dividends received from subsidiaries, as well as invoicing for services and financial interest to Group companies. The profit and loss also includes the expenses of the structure of Elecnor, S.A. In 2024 sales decreased mainly because of no dividend received from Elecnor Servicios y Proyectos, S.A.U., (Euros 17 million received the previous year).

This year's profit/loss was mainly increased by the capital gain generated on the sale of Enerfín (Euros 1,056 million) in the Group's parent company, while last year's result included the proceeds from the sale of Gasoducto Morelos (Euros 42 million). In 2024 no dividends were received from Elecnor Servicios y Proyectos, S.A.U. (Euros 17 million received the previous year).

The main figures of the Income Statement are as follows:

Key figures

(Thousands of Euros)	2024	2023
Turnover	39,754	63,816
Operating income	987,986	48,357
Profit before tax	992,376	33,391
Profit after tax	945,998	43,238

3.6. Average payment period

The average payment period to suppliers of the Group's holding company, Elecnor, S.A., calculated as per Additional Provision Three of Law 15/2010, dated 15 July, is 29 days. The average payment period to suppliers of the Elecnor Group, calculated in the same way, is 60 days.

3.7. Turnover by activity

Turnover by activity

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Electricity	1,839,166	1,560,084	*17.9%*
Power generation	470,492	688,013	*(31.6)%*
Maintenance	398,963	393,128	*1.5%*
Construction, environment and water	339,233	326,502	*3.9%*
Telecommunications and space	247,066	273,314	*(9.6)%*
Facilities	191,619	184,624	*3.8%*
Railways	180,518	225,019	*(19.8)%*
Oil & Gas	143,045	142,222	*0.6%*
	3,810,102	**3,792,906**	***0.5%***

Once again, the core business in terms of turnover was Electricity, with Euros 1,839 million, up 17.9% on 2023. This major increase in core activities is driven by the strength of the **essential services** market, both domestically and abroad (United States, Italy, United Kingdom, etc.), and by **sustainable projects** for the construction of transformer substations and electricity transmission lines. Some of the main projects in activities such as Power Generation and Railways were completed during the year, although the Group's order book will allow these activities to grow in the coming years.

4. Stock market information

	31/12/2024	31/12/2023
Closing share price (Euros)	16.06	19.55
Total volume of securities (millions)	13.4	8.5
Total cash traded (millions of Euros)	257.3	122.7
Number of shares (millions)	87	87
Market capitalisation (millions of Euros)	1,397.2	1,700.9
PER	2.0	15.5
Dividend yield	34.7%	4.1%

On 5 June 2024, **the supplementary dividend was distributed against profit/loss for 2023**, in a gross amount of Euros 0.38724598 (Euros 0.39775172, including the pro-rata distribution of treasury shares). On 18 December 2024, the **interim dividend against 2024 profit was paid**, in a gross amount of Euros 6.20689655 (Euros 6.37635335, including the pro-rata distribution of treasury shares).

Shares in Elecnor, S.A. closed the year with a price of **Euros 16.06 per share** and market capitalisation stood at Euros 1,397.2 million. The total cash amount traded was Euros 257,3 million.

5. Capital management policy

Key to the Elecnor Group's strategy is its policy of financial prudence. The capital structure is defined by the commitment to solvency and the aim of maximising shareholder returns.

6. Risk management policy

Elecnor Group is exposed to various risk factors linked to the sectors in which it operates and the long list of countries in which it is present, either consistently or by means of one-off projects. The Group continually manages and prevents these risks, reducing to acceptable levels the probability of their materialising and mitigating their potential impact, where applicable, on business volume, profitability and efficiency, reputation and sustainability.

Ultimate responsibility for identifying the key risks and for implementing and monitoring the internal control and information systems lies with the Group's Board of Directors, which is assisted by the

Audit Committee in this function of supervising and assessing the risk management and internal control systems.

Notwithstanding the foregoing, the day-to-day management and effective running of the Elecnor Group's businesses and activities is undertaken by the Chief Executive Officer and the management team who, in the ordinary course of these responsibilities, and through the various business units and organisational structures, identify, assess, appraise and manage the various risks affecting the performance of the Group's activities.

To ensure that risks are properly identified and their management is integrated and coordinated at all levels and in all areas of the organisation, the Elecnor Group has a Corporate Risk Map, which is a structured list of risks in which each one is assessed according to its potential impact (measured by turnover, profitability and efficiency, reputation and sustainability) and its likelihood of occurrence, which determines the inherent risk associated with each event and the effectiveness of the control measures in place, resulting in a residual risk assessment. The result of this assessment exercise, which is reviewed biannually, and at least annually, makes it possible to prioritise these risks accordingly and to focus the organisation's resources on supervising and improving the management of the most significant risks. The Audit Committee oversees this process on a biannual basis and the Risk Map is submitted to the Board of Directors for review and approval.

6.1. Foreign currency risks

The Elecnor Group is exposed to the risk of exchange rate fluctuations due to its operations in international markets. Part of the revenues and costs incurred are denominated in currencies other than the Group's functional currency (Euro) and in certain projects the economic and financial inflows and outflows are in different currencies, and therefore the outcome of these projects is exposed to foreign currency risk.

To manage and mitigate the risk arising from exchange rate fluctuations, and when it is not possible to design and implement natural hedging structures, such as the use of financing referenced to the currency of the agreement, the Group uses other hedging strategies, such as taking out exchange rate insurance and cross currency swaps.

6.2. Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities that accrue interest at fixed rates and the future cash flows from assets and liabilities indexed to floating interest rate.

With regard to interest rate risk management, the Group uses hedging instruments to hedge the risk of interest rate fluctuations in financing transactions with floating interest rates. Furthermore, and depending on the market conditions prevailing at any given time, the Group assesses and, where appropriate and depending on its financial needs and the financing structure objectives established, arranges financing at fixed interest rates.

6.3. Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to meet its short-term financial obligations within the established deadlines.

In order to mitigate liquidity risk, the Group monitors its operating capital on an ongoing basis to optimise its management and maintains a solid liquidity position in current accounts and credit lines with sufficient limits.

6.4. Credit risk

The Elecnor Group's main credit risk arises from trade receivables, when the counterparty or customer does not meet their contractual obligations.

Given the business and the sectors in which it operates, the Elecnor Group generally has customers with high credit ratings. In any event, and mainly in international projects with non-recurring customers, the Group takes extreme measures to mitigate credit risk (non-payment or default), carrying out exhaustive analyses of the solvency of the counterparty and establishing specific contractual conditions to ensure the collection of the consideration, as well as using other mechanisms such as the collection of advances, irrevocable letters of credit or hedging through insurance policies.

With regard to transmission lines, specifically those operated as concessions in Brazil, Operador Nacional do Sistema Elétrico (ONS) is responsible for coordinating collections and payments within the country's electricity system and notifies the concession holder of the companies from which collections must be made: generators, major consumers and transmission entities. Prior to connecting to the system these companies deposit a guarantee. In the event of non-payment this guarantee will be executed, they will be immediately disconnected from the system and the payment obligation will be shared among the remaining users of the system. Accordingly, the concessionaire has the guaranteed payment from the national power grid system. In this connection, in the years in which the Group has been operating these lines, there has been no non-payment by their users.

In relation to transmission lines in Chile, Celeo CL is involved in the following transmission segments: National Transmission System (NTS), Zonal Transmission System (ZTS) and Dedicated Transmission System (DTS). For the first two segments, NTS and ZTS, the National Electricity Coordinator (CEN) is responsible for coordinating the flow of payments to the transmission companies for both systems. In these transmission systems, revenues are mainly collected from transmission usage charges, which are calculated biannually by the National Energy Commission (CNE). Transmission usage charges are paid by final customers (demand) and passed on by suppliers, which can be generators in the case of free customers and distributors in the case of regulated customers. In this way, transmission companies are protected against the risk of non-payment, since such charges must be passed on from the suppliers to the transmission companies, without having to bear the risk of non-payment. The payment guarantee is based on a CEN Procedure which establishes that, in the event of non-payments by a coordinated company (company coordinated by CEN), the defaulting party is disconnected from the grid, and the payment obligation is spread among the remaining coordinated companies.

In the case of the DTS, revenues are collected through usage fees, the commercial conditions of which are defined in the contracts signed between the transmitter and the user of the transmission line.

On the other hand, the substations and transmission lines in Peru belong, in the case of Valle del Chira and Puerto Maldonado, to the Complementary Transmission System (CTS), which serves certain areas of demand, while the recently awarded project, Miguel Grau - Frontera, belongs to the Guaranteed Transmission System (GTS), whose revenues are supported by the entire system. Prices are regulated by the Supervisory Body for Investment in Energy and Mining (OSINERGMIN) and the process is coordinated by the Economic Operation Committee of the National Interconnected System (COES).

The Group regularly analyses its exposure to credit risk and makes the corresponding impairment adjustments.

6.5. Market risk

The Group analyses risk related to increased prices of materials consumed and labour costs that may affect the projects it carries out, taking the appropriate measures to mitigate them.

6.6. Climate risk

This category would include risks arising from events associated with climate change, whether physical climate risks, which could cause discontinuity or significantly affect certain operations, or transition risks, which would be those related to new legal and/or market requirements in this area (regulations, reporting, third-party expectations, etc.).

The Elecnor Group has carried out a process of identification and analysis of risks and opportunities associated with climate change, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and complying with the European Union's Corporate Sustainability Reporting Directive (CSRD). It is comprehensive in scope and addresses both physical risks (such as extreme weather events or resource scarcity) and transitional risks (regulatory changes, consumer expectations and market developments) and climate opportunities. This analysis focuses on how these factors impact the company's overall strategy, governance, supply chain and operations.

7. Environmental sustainability

The commitment of the Elecnor Group to environmental sustainability is inherent to the undertaking of its activities and its business strategy. On the one hand, it contributes to building a sustainable, low-carbon future through its renewable energy generation, energy efficiency, water and environmental activities; and, on the other hand, reducing its carbon footprint and undertaking appropriate environmental management.

In this connection, and with the aim of contributing to UN Global Compact Sustainable Development Goal 13 "Climate Action", the Elecnor Group fosters the development of its activity in a sustainable manner adapted to climate conditions and always with the involvement and commitment of all persons belonging to the Group.

The Elecnor Group’s activity is framed by its Environmental Management System and Energy Management, certified in accordance with ISO 14001:2015 and ISO 50001:2018 standards, respectively, as well as its Climate Change Strategy.

The Environmental Management System defines a procedure to identify, assess and record the environmental aspects originating in its activities in order to determine which are significant and to be able to take measures on them to minimise possible impacts.

The Group has also made certain activities that contribute to the protection of the natural environment and its resources an intrinsic part of its business. These include the generation of renewable energies, the treatment and recycling of water and energy efficiency in each of its actions.

The principles of the Environmental Management of the Elecnor Group are set out in the Integrated Management System Policy. These guiding principles are described below:

- To incorporate environmental considerations in the decision-making processes regarding investments and the planning and execution of activities, encouraging their being taken into account in cost-benefit analyses.

- Fostering the protection and conservation of biodiversity and the natural environment, implementing the necessary measures in order to mitigate, offset and even avoid the negative impacts produced by the Group's activities, promoting those that generate positive impacts.
- Making sustainable use of resources, fostering responsible consumption, waste minimisation and the circular economy.
- To responsibly and efficiently manage water resources, based on the fully integrated cycle, nurturing social development and the conservation of ecosystems.
- Involving all stakeholders (employees, shareholders, customers, suppliers and society at large) in the joint quest for useful solutions to the challenges of preserving and developing the environment and using natural resources sustainably.

The Elecnor Group actively and decisively contributes to building a low-carbon society. Climate change is a challenge on which the company has been working for years by undertaking various initiatives that have a positive impact on reducing its environmental footprint:

- Calculating its carbon footprint in accordance with internationally recognised standards and implementing actions to reduce GHG emissions within the scope of its activity.
- Verification of the GHG emissions inventory using the methodology established by the GHG Protocol and applying the Guidance (Scope 2) and Corporate Value Chain (Scope 3) principles, Accounting and Reporting Standard.
- Obtaining the "Calculo y Reduzco" seal awarded by the Spanish Office for Climate Change (OECC).
- Taking part in the Carbon Disclosure Project (CDP), presenting its voluntary report on climate change. In 2024, the Elecnor Group attained the score of A, surpassing that achieved the previous three years, a score that positions the Group yet again at the highest level in terms of sustainability, adaptation and mitigation of the impact of climate change.
- As part of its commitment to decarbonisation, the Group has defined corporate science-based emission reduction targets that have been approved by the Science Based Targets (SBTi) initiative.
- Analysis of climate-related risks and opportunities following TCFD recommendations.

The Non-Financial Information and Sustainability Information section of this Directors' Report outlines the strategies, policies and all the initiatives implemented in 2024 in relation to the Group’s climate action and environmental performance.

8. Human Resources

Elecnor Group’s workforce (*)

At 31 December each year	31/12/2024	31/12/2023	Change (%)
Domestic	12,261	11,746	4.4%
International	12,394	10,817	14.6%
	24,655	22,563	9.3%

*This calculation does not include directors who are not on the Group’s workforce.

People are Elecnor's main asset, and its overall strategy is underpinned by values such as talent, transparency and team work in conditions of the utmost safety. In this connection, occupational risk prevention is a common denominator throughout all the Group's activities. The commitment to prevention is part of its culture. And it is a commitment that goes beyond legal regulations and customers' requirements, with exacting and very clear goals: zero accidents and zero tolerance to non-compliances with the preventive measures established by the company.

At 2024 year-end, the Group's workforce had remained stable increasing by 2,092 (9%) to 24,655 employees. In the domestic market, there was an increase of 4.4%. Abroad, there was a general increase of 14.6%.

The Parent had a workforce at 2024 year-end of 162 employees (excluding non-executive directors), compared to 185 employees at the end of the previous year.

The ESRS S1 chapter on Own Staff of the Statement of Non-Financial Information and Sustainability Information of this Directors' report outlines all the information relating to the Group's workforce.

9. R&D&I

Innovation in the Elecnor Group contributes greater added value to the services it provides to its customers with the guarantee of sustainability, competitiveness and differentiation of the company.

In this regard, in 2024, worth highlighting is the development of a plan to strengthen innovation in the Group, where innovation is presented as a lever for profitability and as a response to current and future challenges.

Innovation is a part of the Elecnor Group's Integrated Management System. Elecnor, S.A. and its subsidiary Audeca are currently certified in accordance with UNE 166002 standard.

In 2024, the main initiatives undertaken were as follows:

- Launch of INNOVA 2024 call for proposals for R&D&I projects funding.
- Development and completion of different innovative projects subsidised by state, regional or European calls for proposals.
- Submission of new proposals within the framework of national and European programmes.
- Implementation at Adolfo Suárez – Madrid Barajas Airport of the development of the Sigidel 4.0 Control system, a system based on the historic Sigidel system but at the forefront of technological innovations and complying with cybersecurity standards.
- Completion of the platform for the optimisation of sports infrastructure processes by means of predictive models and energy recovery solutions together with Tecnalia, Tecman, Sedical and Laenk, and subsidised by Hazitek.

In 2024, the total investment figure for 2023 for all the Group's R&D&I projects is included, and amounted to Euros 22.1 million.

10. Significant events subsequent to year-end

At the date of authorisation for issue of this report, no significant events have occurred after the close of 2024 that could alter or have any effect on the financial statements for the period ended 31 December 2024.

11. Outlook for 2025

11.1. Economic context

As explained in section 2, "Economic context", of this report, faced with a global economic outlook of instability and heightened political risk, it is expected that the world economy will continue to show remarkable resilience, offering positive growth prospects and contained inflation.

11.2. Elecnor Group

The Elecnor Group's activities will benefit from the three major trends that are driving global economic development:

- Environmental and social sustainability
- Energy transition and electrification of the economy
- Urban planning and digitalisation of society

The solid portfolio of contracts and the current market situation, in which organisations with Elecnor's capabilities and uniqueness are in high demand, will allow the Group to continue to strengthen its leadership position and profitability over the coming years.

12. Share capital and acquisition of own shares

At 31 December 2024, the share capital of Elecnor, S.A. was represented by 87,000,000 shares, each with a nominal value of Euros 0.10 Euro, fully subscribed and paid in, implying a share capital of Euros 8,700,000.
Elecnor, S.A.'s shares are traded in Spain's SIBE electronic trading system, where shares in the leading Spanish companies are traded, and the market with the largest trading volume in Spain.

At 31 December 2023, Elecnor, S.A. had a portfolio of 2,299,529 shares. During the year it acquired 586,204 securities, and sold 578,480. Accordingly, at 31 December 2024 it had a total of 2,307,253 own shares, i.e., 2.65% of all shares in the company, (2.64% at the end of the previous year).

13. Related party transactions

With regard to the disclosures on related party transactions, see the details in the notes to the Separate and Consolidated Annual Accounts at 31 December 2024, as provided in article 15 of Royal Decree 1362/2007.

14. Alternative Performance Measures

The Elecnor Group presents the Alternative Performance Measures, according to the guidelines published by the ESMA (European Securities and Markets Authority). These measures are widely used by investors, securities analysts and other agents as performance measures that are supplementary, and should be considered as such, and in no case as a replacement.

14.1 Alternative measures of the Elecnor Group's profit/loss

a) Key figures

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
PROFIT/LOSS FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	**705,200**	**110,058**	
Continuing operations:			
Net turnover	3,810,102	3,792,906	*0.5%*
Domestic	*1,670,502*	*1,489,436*	*12.2%*
International	*2,139,600*	*2,303,470*	*-7.1%*
EBITDA	156,155	204,862	*-23.8%*
Profit/loss before taxes	(58,702)	97,761	*-160.0%*
Income tax	(59,438)	(27,284)	*117.8%*
Profit/loss from continuing operations	(118,140)	70,477	*-267.6%*
Profit/loss from continuing operations attributable to non-controlling interests	(30)	(4)	*650.0%*
Profit/loss from continuing operations attributable to shareholders of the Parent	**(118,110)**	**70,481**	***-267.6%***
Discontinued operations:			
Profit/loss from discontinued operations attributable to shareholders of the Parent	**823,310**	**39,577**	

The main figures by business segment are shown below:

b) Turnover by segments

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Elecnor	3,824,549	3,886,590	*-1.6%*
Domestic	*1,676,267*	*1,507,384*	*11.2%*
International	*2,148,282*	*2,379,206*	*-9.7%*
Subtotal Businesses	**3,824,549**	**3,886,590**	***-1.6%***
Operations between segments	(14,447)	(93,684)	
	3,810,102	**3,792,906**	*0.5%*

c) EBITDA

EBITDA is defined as operating income plus expense for amortisation, depreciation, impairment and charges to provisions. The Group deems EBITDA to be a useful supplementary indicator that can be used in assessing the Group's operating performance.

	31/12/2024	31/12/2023	Change (%)
EBITDA = Gross Operating Profit:	**156,155**	**204,862**	*-23.8%*
Operating income	(45,900)	121,145	
- Expense for amortisation, depreciation, impairment and charges to provisions	202,055	83,717	

d) Breakdown of EBITDA by segment

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Elecnor (*)	202,621	220,997	*-8.3%*
Celeo	12,201	15,390	*-20.7%*
Subtotal Businesses	**214,822**	**236,387**	***-9.1%***
Group Management and Other Adjustments	(58,667)	(23,599)	
Operations between segments	-	(7,926)	
	156,155	**204,862**	*-23.8%*

e) Breakdown of Profit before income tax by segment

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Elecnor	122,398	122,602	*-0.2%*
Celeo	12,201	15,390	*-20.7%*
Subtotal Businesses	**134,599**	**137,992**	***-2.5%***
Group Management and Other Adjustments	(193,301)	(32,305)	
Operations between segments	-	(7,926)	
	(58,702)	**97,761**	*-160.0%*

f) Breakdown of Consolidated net profit attributable by segment

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Elecnor	66,363	84,415	*-21.4%*
Enerfín	823,310	39,577	*1980.3%*
Celeo	12,201	15,390	*-20.7%*
Subtotal Businesses	**901,874**	**139,382**	***547.1%***
Group Management and Other Adjustments	(196,674)	(23,231)	
Operations between segments	-	(6,093)	
	705,200	**110,058**	*540.8%*

g) Key figures by segment:

Elecnor (Services and Projects)

The main figures of the Elecnor segment (Services and Projects), compared to the first half of the previous year normalised (excluding a non-recurring transaction in that period) are detailed below.

(Thousands of Euros)	31/12/2024	31/12/2023	Capital gain GdM 2023 (*)	31/12/23 Normalised	Change (%)
Turnover	3,824,549	3,886,590	—	3,886,590	*-1.6%*
Domestic	*1,676,267*	*1,507,384*	—	*1,507,384*	*11.2%*
International	*2,148,282*	*2,379,206*	—	*2,379,206*	*-9.7%*
EBITDA	202,621	220,997	21,562	199,435	*1.6%*
Profit before tax	122,398	122,602	21,562	101,040	*21.1%*
Attributable consolidated net profit	66,363	84,415	23,147	61,268	*8.3%*

(*) Normalised figures: adjusted for the capital gain on the sale of 50% of the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V. and Morelos O&M, S.A.P.I. de C.V.

Elecnor's (Services and Projects) portfolio of production that can be executed in the forthcoming 12 months is as follows:

(Thousands of Euros)	31/12/2024	31/12/2023	Change (%)
Domestic	795,369	749,580	*6.1%*
International	1,913,367	1,828,073	*4.7%*
TOTAL	**2,708,736**	**2,577,653**	*5.1%*

Celeo

The **aggregate EBITDA of Celeo's projects (at 100%)** without taking into account the IFRIC 12 impact (which better reflects the cash generation capacity of each project) expressed in original currency, is as follows:

	EBITDA	
(thousands local currency)	**2024**	**2023**
Transmission networks Brazil (BRL)	817,415	777,269
Transmission networks Chile (USD)	147,858	147,427
Transmission networks Peru (USD)	1,851	(226)
Renewable Energies Brazil (BRL)	36,347	28,476
Renewable Energies Spain (EUR)	53,124	61,652

The main figures of Celeo Group (at 100%) are as follows:

Celeo (100% subgroup)

(Thousands of Euros)	**31/12/2024**	**31/12/2023**	**Change (%)**
Turnover	289,772	291,880	*-0.7%*
EBITDA	193,335	198,252	*-2.5%*
Profit before tax	66,757	74,803	*-10.8%*
Income tax	(30,441)	(29,443)	*3.4%*
Profit/loss for the businesses attributable to non-controlling interests	(10,405)	(12,969)	*-19.8%*
Attributable consolidated net profit	25,911	32,391	*-20.0%*

14.2. Alternative debt measures of the Elecnor Group

a) Calculation of Total Net Financial Position:

The Total Net Financial Position is calculated from the balances in the Consolidated Balance Sheet as the difference between the investment and cash asset headings and the short and long-term payables liability headings (as shown in the table below). At 2024 year-end, with assets exceeding liabilities, the Total Net Financial Position was Euros 160.9 million.

At 2023 year-end, these same items of the Enerfín subgroup that were reclassified to Non-current Assets and Liabilities held for sale were also included in the calculation, as they were considered to be part of the Group's net financial debt, with the Total Net Financial Position reaching Euros -735.1 million of debt (i.e., liabilities exceeded assets). Excluding Enerfín's Non-current assets and liabilities held for sale, the debt at the end of last year was Euros -282.5 million.

	31/12/2024	31/12/2023		
	Debt items on the assets and liabilities side of the balance sheet	**Debt items on the assets and liabilities side of the balance sheet**	*Non-current assets and liabilities held for sale*	*TOTAL*
+ Current investments in related companies	11,518	318	*-*	*318*
+ Derivative financial instruments (of Current assets)	2,735	2,136	*10,050*	*12,186*
+ Derivative financial instruments (of Non-current assets)	1,818	170	*5,746*	*5,916*
+ Cash and cash equivalents	405,911	317,019	*67,152*	*384,171*
+ Other current financial investments	11,580	19,531	*13,606*	*33,137*
+ Debt service reserve account under "Other cash equivalents"	-	-	*14,627*	*14,627*
- Derivative financial instruments (from current assets of the Consolidated Balance Sheet) for exchange rate hedges	(2,735)	(69)	*-*	*(69)*
- Derivative financial instruments (from current assets of the Consolidated Balance Sheet) for price hedges	-	-	*(10,050)*	*(10,050)*
- Derivative financial instruments (from non-current assets of the Consolidated Balance Sheet) for price hedges	-	-	*(3,586)*	*(3,586)*
- Derivative financial instruments (from non-current assets of the Consolidated Balance Sheet) for exchange rate hedges	(1,758)	-	*-*	*-*
	429,069	**339,105**	***97,545***	***436,650***
- Non-current liabilities. Financial liabilities from issuing bonds and other marketable securities	-	(29,672)	*(11,673)*	*(41,345)*
- Current liabilities. Financial liabilities from issuing bonds and other marketable securities	(107,525)	(238,818)	*(10,540)*	*(249,358)*
- Non-current liabilities. Financial liabilities on loans and borrowings	(88,801)	(315,184)	*(495,656)*	*(810,840)*
- Current liabilities. Financial liabilities on loans and borrowings	(17,193)	(35,642)	*(27,704)*	*(63,346)*
- Non-current liabilities. Derivative financial instruments	-	-	*(10,589)*	*(10,589)*
- Current liabilities. Derivative financial instruments	(69)	(646)	*(10,391)*	*(11,037)*
- Other current and non-current liabilities	(43,141)	(2,256)	*-*	*(2,256)*
- Financial liabilities with Group companies	11,508	-	*-*	*-*
+ Current liabilities. Derivative exchange rate hedging instruments	69	646	*5,830*	*6,476*
+ Non-current liabilities. Derivative energy price hedging instruments	-	-	*10,589*	*10,589*
	(268,168)	**(621,572)**	***(550,134)***	***(1,171,706)***
Total Net Financial Position	**160,901**	**(282,467)**		***(735,056)***

b) Net Financial Position with and without recourse:

(Thousands of Euros, at year-end)	31/12/2024	31/12/2023	Change (%)
With recourse	*187,526*	*(222,613)*	*(184.2)%*
Without recourse	*(26,625)*	*(512,442)*	*(94.8)%*
Total Net Financial Position	**160,901**	**(735,055)**	**(121.9)%**

c) Indebtedness ratio with recourse:

(Thousands of Euros, at year-end)	31/12/2024	31/12/2023
Net Financial Position / Debt with recourse	**187,526**	**-222,613**
EBITDA with recourse + projects dividends	**139,923**	**243,525**
EBITDA Continuing Operations	156,155	204,862
EBITDA Discontinued Operations (ENERFIN)		125,048
With recourse [1]	0	40,220
Without recourse [2]	0	84,828
Dividends from projects	0	20,367
Reversal of the effect on EBITDA with recourse of the application of IFRS 16	-16,232	-21,924
Ratio of Debt/EBITDA with recourse + Projects dividend	**-1.34**	**0.91**

[1]EBITDA with recourse is Group EBITDA excluding EBITDA without recourse (EBITDA corresponding to investment projects financed by debt secured by such projects)

[2]EBITDA without recourse is EBITDA corresponding to investment projects financed by debt secured by such projects

d) Total indebtedness ratio:

The Total Net Financial Debt to EBITDA ratio is a ratio used in the market to compare the level of indebtedness to the cash generation from transactions and, thus, assess companies' level of solvency.

(Thousands of Euros, at year-end)	31/12/2024	31/12/2023
Total Net Financial Position	160,901	-735,055
EBITDA Continuing Operations + EBITDA Discontinued Operations	156,155	329,910
Ratio of Total Net Financial Debt/ EBITDA	**-1.03**	**2.23**

EBITDA with recourse does not include EBITDA corresponding to investment projects financed by debt secured by such projects (EBITDA without recourse). For last year it included both that corresponding to Continuing Operations and Discontinued Operations (classified under the heading of Profit/loss from Discontinued Operations in the Income Statement of the attached Consolidated Annual Accounts); dividends from projects last year also correspond to investment projects financed through debt secured by these projects of companies in the Enerfín subgroup (classified under Non-current assets and liabilities held for sale). They are not taken into account at year-end, as there is no debt or cash associated with Enerfín after its sale.

14.3 Alternative measures of the Elecnor Group's cash flows

Cash flows are separated from cash flows from taxes and discontinued operations for a better understanding.

Cash flows from operating activities in the Statement of Cash Flows include corporate income tax payments. In this year, the tax on account paid to the tax authorities is due to the capital gain generated on the sale of Enerfín. This amount is considered to be more representative of the evolution of operating activity flows without taking into account these taxes paid.

OPERATING CASH FLOWS:

(Thousands of Euros)	2024	2023
Funds generated from continuing operations	**135,849**	**162,047**
Trade and other receivables	(82,528)	(241,818)
Inventories	(2,418)	1,660
Trade and other payables	224,707	231,817
Changes in other current assets and liabilities	53,106	(11,933)
Change in operating working capital from continuing operations	**192,867**	**(20,274)**
Net cash flows from operating activities of continuing operations before taxation	**328,716**	**141,773**
Cash generated by operating activities of discontinued operations (Note 7)	25,031	117,510
Net cash flows from operating activities before taxation	**353,747**	**259,283**
Income tax paid	(259,299)	(53,280)
Net cash flows from (used in) operating activities (I)	**94,448**	**206,003**

INVESTMENT CASH FLOWS:

(Thousands of Euros)	2024	2023
Payments for acquisition of Group companies (Note 8)	(4,921)	(2,107)
Payments for acquisition of intangible assets (Note 9)	(12,643)	(8,987)
Payments for acquisition of property, plant and equipment (Note 10)	(84,235)	(85,506)
Payments for contributions to associates (Note 12)	—	(1,027)
Gross operating investment cash flow	**(101,799)**	**(97,627)**
Proceeds from the sale of intangible assets and property, plant and equipment (Notes 9 and 10)	5,458	2,967
Proceeds from disposal of financial assets, net	247	—
Gross operating disinvestment cash flow	**5,705**	**2,967**
Net operating investment cash flow	**(96,094)**	**(94,660)**
Payments for acquisition of financial assets (Note 13)	(314,803)	(9,856)
Interest received	41,887	11,901
Proceeds from disposal of Group companies, associates and jointly-controlled entities (Notes 2.f)	1,456,833	79,595
Other net investment cash flows	**1,183,917**	**81,640**
Net cash flow from (used in) continuing investment activities	**1,087,823**	**(13,020)**
Cash generated by investment activities of discontinued operations (Note 7)	(124,509)	(255,039)
Net cash flows from (used in) investment activities (II)	**963,314**	**(268,059)**

FINANCING FLOWS:

(Thousands of Euros)	2024	2023
Cash inflows from financial debt and other non-current borrowings (Note 16)	987,044	1,494,251
Interest paid	(21,498)	(24,139)
Repayment of financial debt and other non-current borrowings (Note 16)	(1,394,652)	(1,384,559)
Payments from lease liabilities (Note 11)	(16,232)	(18,574)
Dividends paid (Note 5)	(573,690)	(37,084)
Cash inflows due to disposal of own shares (Note 15)	10,923	4,260
Cash outflows due to purchase of own shares (Note 15)	(11,091)	(3,886)
Net cash flows from (used in) continuing financing activities	**(1,019,196)**	**30,269**
Cash generated by financing activities of discontinued operations (Note 7)	(16,826)	43,433
Net cash flows from (used in) financing activities (III)	**(1,036,022)**	**73,702**

15. Consolidated Statement of Non-Financial Information and Sustainability Information

In compliance with Law 11/2018, of 28 December, concerning non-financial information and diversity, Elecnor, S.A. includes its Consolidated Statement of Non-Financial Information and Sustainability Information in the Elecnor Group’s Consolidated Directors’ Report.

15.1. ESRS 2. General disclosures

This specific section of the Consolidated Directors' Report contains the information necessary to understand the company's impact on sustainability issues, as well as specific information on how these issues may affect the company's development, results and positioning. This information has been prepared in accordance with Law 11/2018 of 28 December concerning non-financial information and diversity (as derived from Royal Decree-Law 18/2017 of 24 November), the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which have not yet been transposed into Spanish law.

BP-1: General basis for preparation of sustainability statements

This Statement of Non-Financial Information and Sustainability Information has been prepared on a consolidated basis. The scope of the reported information is the entire Elecnor Group (Elecnor, S.A. and its subsidiaries), and it follows the same consolidation scope as that used in the Consolidated Annual Accounts.

In this first reporting year, no subsidiary within the consolidation is exempt from individual or consolidated sustainability reporting in accordance with Article 19a or Article 29a(8) of Directive 2013/34/EU, as these provisions do not apply to them.

This report also includes, on one hand, the dual materiality assessment process described in disclosure requirement IRO-1, which includes the impacts, risks and opportunities identified both upstream and downstream in the Elecnor Group's value chain; and, on the other hand, the policies, actions, objectives and metrics that extend to the value chain, each of which is detailed in the corresponding sections of the topical standards.

No information on intellectual property, know-how or innovation results has been omitted from this report. Furthermore, the Group has not availed itself of the exemption from disclosing any impending events or matters currently under negotiation.

BP-2: Disclosures in relation to specific circumstances

The time horizons used in the report are limited to those defined in section 6.4 of ESRS 1, i.e. short-term (the reporting period of the financial statements), medium-term (up to five years) and long-term (more than five years). An exception applies to the time horizons used in the dual materiality analysis for climate change risks and opportunities, as described in topical standard E1.

The preparation of this report has required the use of estimates in some topical standards. Specifically, in section E1-1: Transition plan for climate change mitigation; section E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions; section E5-5: Resource outflows; section S1-13: Training and skills development metrics; and section S1-14: Health and safety metrics. For further information, please refer to the relevant ESRS.

In order for the main stakeholders to be able to understand the Elecnor Group's evolution, results and situation, as well as the impact of its activities on the sustainability issues covered in this report, information is provided for the 2023 financial year where applicable, taking into account the following circumstances that facilitate comprehension of the comparative information:

- The bill transposing into Spanish law Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards Corporate Sustainability Reporting (CSRD) had not been finalised at the date of preparation of the Elecnor Group's Consolidated Annual Accounts, which contain this Statement of Non-Financial Information and Sustainability Information. This context has generated a situation of inconsistency with the deadlines established by the CSRD itself for public interest entities with more than 500 employees, as is the case of the Elecnor Group, which should be subject to this framework in 2024.
- The Elecnor Group has chosen to follow the recommendations of the National Securities Market Commission and the Spanish Accounting and Audit Institute, in relation to their joint communiqué dated 27 November 2024, regarding compliance with the disclosure requirements of the CSRD and the ESRS on a voluntary basis, and must additionally cover the requirements of Law 11/2018 that are not covered by said regulatory framework, which are identified in Appendix III.

Taking into account the above context, the exceptional nature of the situation, the time periods in which these events occurred and the complexity of adjusting the processes of compiling and consolidating the information for the previous year in accordance with the new criteria established in the ESRS, for those cases in which it has not been practicable to present comparative information in accordance with the new criteria, the Elecnor Group provides the data for 2023 in accordance with the criteria established in the Statement of Non-Financial Information for that period.

With specific regard to Sustainability Information, the Elecnor Group has opted for the application of the transitory provision related to section 7.1 Presenting comparative information of the ESRS 1 General Requirements, by virtue of which, in order to facilitate the first application of the ESRS, entities are not obliged to disclose the comparative information required by said section in the first year of preparing the information in accordance with the ESRS. Details of these disclosure requirements can be found in Appendix I of this report.

The Elecnor Group has incorporated cross-references in certain data points in the report, as can be seen throughout the report.

Governance

The Elecnor Group meets the requirements established in Spanish Companies Act and is guided by the recommendations in the Code of Good Governance of Listed Companies issued by the National Securities Market Commission (Code of Good Governance).

The governing bodies of the Parent (Elecnor, S.A.) are its General Shareholders’ Meeting and the Board of Directors. The Board of Directors has established within its structure the Executive Committee, Audit Committee and Appointments, Remuneration and Sustainability Committee.

GOV-1: The role of the administrative, management and supervisory bodies

Elecnor's Board of Directors and its Committees undertake the functions of administration, management and supervision of sustainability issues under the terms set forth in the Law, its Bylaws, the Regulations of the Board of Directors and those of its Committees, and other internal corporate rules.

The Board of Directors of Elecnor, S.A. is made up of 14 directors (11 male and 3 female directors), four of whom are independent directors. The composition and diversity of the Board of Directors at 2024 year-end is detailed below:

Composition and diversity of the Board of Directors of Elecnor, S.A. ESRS 2, 21 a, d, e	
Executive directors	1
Non-executive directors	13
Percentage of men	79%
Percentage of women	21%
Diversity ratio[1]	0.27
Percentage of independent members	29%

Note. Employees and other workers are not represented on Elecnor, S.A.'s governing, management and supervisory bodies.

[1] The diversity ratio has been calculated as an average ratio of the number of women on the Board of Directors compared to the number of men.

As regards the Board Committees, the Audit Committee is composed of five directors, three of whom are independent. The Appointments, Remuneration and Sustainability Committee is also made up of five directors, three of whom are independent.

With regard to the experience of the members of the governing bodies in relation to the sectors, activities and geographical locations where the Elecnor Group operates, in accordance with the Company's Board of Directors Diversity and Director Selection Policy, the Board of Directors of Elecnor, S.A. is made up of persons of recognised prestige in their professional field who possess the skills, knowledge, experience, aptitudes and abilities appropriate to the position they are to hold. However, not all Directors need to have the same level of skills, knowledge and experience, provided that the Board of Directors and its Committees, as a whole, have an appropriate mix of these.

In this regard, the Appointments, Remuneration and Sustainability Committee considers that the current composition of the Board of Directors is appropriate for the best performance of its duties, and reflects the appropriate balance of requirements of suitability and diversity of the members of the Board, particularly in terms of education, professional experience, skills, experience in the sector and knowledge of the Company and its Group, personal and professional origins, among others. This is reflected in the Board's competency matrix.

Appendix II of this report shows the profile of all members of the Board of Directors and its Committees. Detailed information is also available in section C.1.3. of the Annual Corporate Governance Report.

The roles and responsibilities of the governing bodies in overseeing material impacts, risks and opportunities are described below.

Board of Directors

The Board of Directors of Elecnor, S.A. is the body with the most wide-ranging powers and faculties to manage and represent the company, and it carries out its functions with unity of purpose and independence of criteria, guided by the corporate interest, which it understands as the achievement of a profitable and sustainable business in the long-term, in order to foster its continuity and the maximisation of its economic value.

Pursuant to Article 14 of the Bylaws and Article 5 of the Board of Directors' Regulations, the Board of Directors' policy is to focus its activity on the general function of laying down the strategic and management guidelines of the company and its Group, as well as on supervising their implementation, deciding on matters that are strategically relevant at Group level, entrusting the governing bodies and management functions of the companies that go to make up the Group to their management and governing bodies, while also overseeing the reconciliation of the Group corporate interest with the said entities.

Specifically, in the area of sustainability, the Board of Directors is responsible, among other functions and responsibilities, for determining and approving the General Sustainability Policy and other complementary environmental and social policies; supervising and approving the process of identifying and assessing incidents, risks and opportunities within the framework of the dual materiality analysis and the Sustainability Policy; supervising the process of preparing and presenting financial information and the Directors' Report, which includes mandatory sustainability information; and preparing the Consolidated Statement of Non-Financial Information and Sustainability Information following a favourable report from the Audit Committee for presentation to the General Shareholders' Meeting. It also approves the initiatives of the Elecnor Group’s Strategic Sustainability Plan which establishes the specific actions and goals that contribute to its business strategy and short, medium and long-term interests and sustainability.

Similarly, the Board supervises the effective functioning and performance of the Appointments, Remuneration and Sustainability Committee, which has taken on the duties of promoting, monitoring and assessing all actions and policies on ESG issues undertaken in the company.

Appointments, Remuneration and Sustainability Committee

The Appointments, Remuneration and Sustainability Committee, in connection with the review of corporate governance and sustainability, is responsible for:

- Assessing and periodically reviewing the corporate governance system and the company’s Sustainability Policy in environmental and social matters, with a view to ensuring that they fulfil their mission of furthering the social interest and take into account the legitimate interests of stakeholders.
- Overseeing that environmental and social practices are in line with the strategy and policy set.
- Overseeing and assessing the processes of relations with the different stakeholders.

The members of the Appointments, Remuneration and Sustainability Committee are appointed on the basis of their knowledge, skills and experience, which, overall, are appropriate to the duties they are called upon to perform, as well as the training and external advice they receive in sustainability issues.

The dynamics and practices set up to strengthen the Directors’ knowledge of Sustainability matters notably include the incorporation of a specific agenda item on sustainability issues at meetings of the Board of Directors and its Committees, as well as other major committees.

The General Sustainability Policy envisages and regulates the Sustainability Committee as the Group's key operational body on sustainability issues, whose members are appointed by the Board of Directors upon proposal of the Appointments, Remuneration and Sustainability Committee. Once a quarter, meetings to track and evaluate the Group’s sustainability actions are held.

Audit Committee

The duties of the Audit Committee include supervising and assessing the effectiveness of the financial and non-financial risk control and management systems relating to the Company and the Group (including operational, technological, legal, social, environmental, political and reputational or corruption-related risks), reassessing at least annually the list of most significant risks, proposing adjustments to the Board, if necessary; as well as supervising the risk control and management unit (art. 5 of the Audit Committee Regulations and art. 13 of the Board Regulations).

In this respect, the Committee's duties include supervising the internal audit unit, which will ensure the proper functioning of the internal control and information systems and which reports functionally to the Chair of the Committee and, in particular: ensuring the independence of the unit that undertakes the internal audit function; proposing the selection, appointment and removal of the head of internal audit; proposing the unit's budget; approving the orientation and annual work plan, ensuring that its activity is mainly focused on relevant risks, including reputational risks; receiving regular information on its activities; and verifying that the members of the management team take into account the conclusions and recommendations of its reports.

The head of the internal audit unit reports directly to the Audit Committee on the implementation of its annual work plan, including any incidents and limitations to the scope of its implementation, the results and the follow-up of its recommendations, and submits an activity report to it at the end of each year.

The actions carried out in relation to the review of the risk map are supervised by management and reported to the Audit Committee.

The Audit Committee is also responsible for supervising and evaluating the process of preparing and presenting the non-financial information of Elecnor, S.A. and its Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the consolidation scope and the effectiveness of the internal reporting control system (ICFR), as well as the relationship with the verifier of this information.

The members of the Audit Committee are appointed on the basis of their knowledge, skills and experience which, overall, are appropriate for the performance of their duties, and which is further enhanced by the external training and advice they receive on sustainability issues.

Sustainability Committee

The Sustainability Committee of Elecnor Group is an interdisciplinary and cross-cutting body with representation from the company's various corporate and business areas. Its goal is to design the tools needed to manage sustainability throughout the Group, foster a coordinated strategy, ensure that it is properly adopted and followed, and monitor progress achieved with a view to nurturing best practices.

The Sustainability Committee’s actions are referred to the Appointments, Remuneration and Sustainability Committee of the Board of Directors.

With regard to the expertise and capabilities of the governing bodies on sustainability issues or access to them, as mentioned above, not all Directors need to have the same level of skills, knowledge and experience, provided that the Board of Directors and its Committees, as a whole, have an appropriate mix of all of these. Accordingly, the members of the Appointments, Remuneration and Sustainability Committee have knowledge, skills and experience appropriate to the duties they are called upon to perform and, wherever possible, the members of the Committee, as a whole, will be appointed taking into account their knowledge and experience in areas of sustainability such as human resources, selection of directors and executives, design of remuneration policies and plans and corporate governance.

Furthermore, article 3 of the Audit Committee Regulations establishes that the Board of Directors will ensure that the members of the Audit Committee as a whole, and especially its Chairman, have knowledge and experience in accounting, auditing and risk management and control, both financial and non-financial, as well as in such other areas as may be appropriate for the performance of the Audit Committee's duties. As a whole, and without prejudice to seeking to promote gender diversity and other diversity criteria, Committee members must have the pertinent technical knowledge regarding the activity sector in which the Company operates.

The Group believes that the directors have the necessary skills and knowledge to oversee the material IROs, due to their strong professional backgrounds in the Elecnor Group's business sectors and on numerous Boards of Directors where sustainability issues such as climate change, people management, ethics and compliance, applicable sustainability regulations and community relations, among others, are discussed.

On the other hand, art. 10 of the Regulations stipulates that the company may, at its own expense, seek the collaboration or advice of external professionals when it deems this necessary or advisable for the better performance of its duties.

In addition, in accordance with the 2024 Board of Directors' Training Plan, the Directors have received regular training on various subjects related to all areas of sustainability: economic, environmental, social and governance. Examples include the session on industrial risks and insurance; practical issues of the CSRD; structure and composition of the Celeo Group's consolidated financial statements and main accounting criteria applied; liquidity management of the Elecnor Group; CNMV Technical Guide 1/2024 on Audit Committees of Public Interest Entities; and the dual materiality analysis process following the CSRD guidelines.

The following describes how controls and procedures specific to the management of impacts, risks and opportunities are integrated with other internal functions.

Ultimate responsibility for identifying the key risks and for implementing and monitoring the internal control and information systems lies with the Group's Board of Directors, which is assisted by the Audit Committee to supervise and assess.

Notwithstanding the foregoing, the day-to-day management and effective running of the Elecnor Group's businesses and activities is undertaken by the Chief Executive Officer and the management team who, in the ordinary course of these responsibilities, and through the various business units and organisational structures, identify, assess, appraise and manage the various risks affecting the performance of the Group's activities.

The Elecnor Group's Risk Management System is therefore designed as an integrated, structured and dynamic system, the core elements of which are as follows:

- Identifying risks on an ongoing basis, and assessing and prioritising them in terms of impact and likelihood of occurrence.
- Assessing and implementing the most appropriate strategies for managing the major risks identified on the basis of their risk tolerance levels.
- Identifying and implementing the management and control mechanisms and tools of the main risks and conducting ongoing assessment on their efficacy.
- Continuous improvement of risk management by means of the development and implementation of initiatives and projects aimed at enhancing management mechanisms and tools.
- Permanent supervision and monitoring of the System.

To ensure that risks are properly identified and their management is integrated and coordinated at all levels and in all areas of the organisation, the Elecnor Group has a Corporate Risk Map, which is a structured list of risks in which each one is assessed according to its potential impact (measured by turnover, profitability and efficiency, reputation and sustainability) and its likelihood of occurrence. This list measures the inherent risk associated with each event and the effectiveness of the control measures in place, resulting in the residual risk assessment. The result of this assessment exercise, which is reviewed biannually, and at least annually, makes it possible to prioritise these risks accordingly and to focus the organisation's resources on supervising and improving the management of the most significant risks.

The coordination and supervision of the process of reviewing and updating the Corporate Risk Map by the management team is carried out by the Internal Audit area, which is also responsible for monitoring the main action plans underway to improve the management of the risks considered each year in its annual audit plan.

Using the Corporate Risk Map as a basis and integrated as part of the Risk Management System, the Elecnor Group has designed and implemented various management and control systems that provide a more precise identification of the risks associated with certain specific areas of management and deployment, monitoring and improvement of the measures established to adequately prevent, detect and mitigate them.

The Elecnor Group's sustainability management is a cross-cutting responsibility at all levels of the company. As described above, the Sustainability Committee is the body in charge of designing the necessary tools to manage sustainability throughout the Elecnor Group. Its activity is mainly implemented through the Strategic Sustainability Plan, which establishes the strategic objectives in sustainability and the action plans to achieve them.

During 2024, the Group continued to work on the various initiatives identified in the framework of the 2023-2025 Strategic Sustainability Plan, which was designed in accordance with the outcome of the sustainability risks and opportunities analysis carried out in 2023. In 2025, the Elecnor Group plans to design, develop and deploy a new Strategic Sustainability Plan for 2025-2027 based on the material impacts, risks and opportunities identified as a result of the dual materiality analysis conducted this year and described below.

GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The general process of how sustainability issues are reported to the governing bodies has been described in GOV-1 above.

This section specifies which sustainability issues were addressed during 2024 within the Board of Directors and its Committees:

- Monitoring and promotion of the 2023-2025 Strategic Sustainability Plan, which facilitates the monitoring of the results and effectiveness of the policies, actions, metrics and goals in this area.
- Training on the CSRD and its impact on organisations and their Boards of Directors.
- Monitoring of internal promotion plans and the Chief Executive Officer's succession plan.
- Monitoring of Human Resources actions, in the area of training, performance and career plans.
- Supervision of the new dual materiality analysis following the CSRD metrics, including the listing of the IROs identified in the process.
- Review of the CSR System and its certification to the IQNet SR10 Standard.
- Monitoring of the sustainability ratings in which the company is present.
- Supervision of the updating of the organisation's Governance System whereby corporate policies and regulations relating to sustainability, AI, cybersecurity, intangible assets, compliance and corporate governance have been approved or modified, in accordance with current regulations.

As described above, the Appointments, Remuneration and Sustainability Committee is responsible for supporting the Board of Directors in its task of approving and supervising the Strategic Sustainability Plan, for which it relies on the information provided periodically by the Sustainability Committee. In particular, this Committee is informed of the progress of the different initiatives that make up the Plan, which is designed in accordance with the results of the most recent analysis of impacts, risks and opportunities.

Furthermore, the regular risk analysis carried out within the framework of the Risk Management System takes into account, among other things, the area of sustainability. The Group's Corporate Risk Map, which is the basis on which this System is structured, includes risks of this nature, including those related to occupational health and safety, human resources policies and procedures, attracting people and employee management and engagement, regulatory compliance, the deployment of the sustainability strategy and climate change (physical and transition risks).

GOV-3: Integration of sustainability-related performance in incentive schemes

With regard to the existence of incentive systems for members of the governing bodies linked to sustainability issues, in the Elecnor Group, the Chief Executive Officer is the only member of the Board of Directors who receives variable remuneration, in accordance with the following explanatory paragraphs, which is linked to the Company's performance and his personal performance, calculated according to qualitative and quantitative indicators or benchmarks, both financial and non-financial, linked to the degree of achievement of his objectives.

In this regard, variable remuneration is determined, in accordance with his contract, based on the degree of achievement of a series of quantifiable and measurable objectives that are set by the Board of Directors, at the proposal of the Appointments, Remuneration and Sustainability Committee, within the framework of the provisions of the Remuneration Policy. The Remuneration Policy of the Company is ultimately approved by the General Shareholders' Meeting.

In any case, and in accordance with the initiatives of the Elecnor Group's Sustainability Strategy, the variable components of the Chief Executive Officer's remuneration are linked to predetermined and measurable criteria that consider the risk assumed to obtain a result, promote the sustainability of the Company and are shaped based on a balance between the achievement of short, medium and long-term objectives in such a way that they do not derive solely from one-off, occasional or extraordinary events or general market developments or the Company's sector of activity. Thus, the Chief Executive Officer’s remuneration must provide an incentive for performance and reward value creation in the long term.

In relation to the materiality of variable remuneration items with respect to fixed remuneration items (remuneration mix), it should be noted that the company has two variable remuneration schemes applicable to the Chief Executive Officer:

1. Short-term variable remuneration (annual):

The variable remuneration of the Chief Executive Officer for each year may be up to 160% of his annual fixed remuneration and will accrue based on the achievement of previously determined objectives, of which between 50% and 80% will correspond to financial matters of the Group and between 20% and 50% to non-financial metrics of the Group.

The ceiling of potential over-achievement is 120%, and for the lower part of the band, Profit After Tax (PAT) and contracting, as the case may be, which must reach at least 80% of the objective in order to qualify for the application of this annual variable incentive, are considered as key.

The Board of Directors, following a proposal from the Appointments, Remuneration and Sustainability Committee, will approve the objectives at the beginning of each financial year. Likewise, at the end of the financial year and within no more than four months, the Appointments, Remuneration and Sustainability Committee will assess the degree of achievement of the objectives previously set and will prepare a proposal for their payment within six months of the date of achievement, taking into account the Company's cash needs and other circumstances that may arise, which will be submitted to the Board of Directors for approval.

2. Long-term variable remuneration (multi-annual):

The Chief Executive Officer is the beneficiary of a multi-annual remuneration derived from a long-term incentive plan approved in 2023 for the 2023-2025 period, which has been terminated one year in advance as a consequence of the extraordinary corporate transaction of the sale of the subsidiary Enerfín.

Such remuneration may amount to up to 100% of the average annual non-extraordinary variable remuneration of the last three years and will accrue based on the achievement of pre-determined objectives, of which 80% will correspond to the Group's financial metrics and 20% to the Group's non-financial metrics.

The necessary conditions for the incentive to apply are:

- Financial metrics: growth and valuation of subsidiaries and investees and cash generation will be taken into account for the calculation of the incentive.
- Non-financial metrics: the Appointments, Remuneration and Sustainability Committee will also assess the Chief Executive Officer's excellence in complying with the following metrics: prevention, compliance, contingencies and evaluation of employee performance and achievement. The Committee will also assess compliance with sustainability criteria -environmental, social and good governance- and shareholder value.

The maximum over-achievement for each metric will be 120%.

The multi-annual variable remuneration will be paid once the Appointments, Remuneration and Sustainability Committee assesses the degree of achievement of the financial and non-financial metrics and submits a proposal to the Board of Directors for payment within six months of the date of achievement, taking into account the Company's cash requirements and other circumstances that may arise.

The metrics and objectives linked to the variable remuneration of the Chief Executive Officer's position will be proposed by the Appointments, Remuneration and Sustainability Committee, taking into account their potential long-term impact, the sustainability of the results and any associated risks.

In any case, and in accordance with the initiatives of the Elecnor Group's Strategic Sustainability Plan, the variable components of the Chief Executive Officer's remuneration are linked to predetermined and measurable criteria that consider the risk assumed to obtain a result, promote the sustainability of the Company and are shaped based on a balance between the achievement of short, medium and long-term objectives in such a way that they do not derive solely from one-off, occasional or extraordinary events or general market developments or the Company's sector of activity. Thus, the Chief Executive Officer’s remuneration must provide an incentive for performance and reward value creation in the long term.

Notwithstanding the above, the variable remuneration of Directors performing executive functions is not guaranteed and is fully flexible, so that no amount may be received in this respect if the minimum thresholds for achievement are not met.

To date, there is no direct link between the Chief Executive Officer's performance and specific sustainability goals beyond those linked to the Strategic Sustainability Plan. Climate considerations are also not taken into account in the Chief Executive Officer's remuneration, and his performance is not directly linked to the Group's GHG emission reduction targets.

GOV-4: Statement on due diligence

The Elecnor Group's Sustainability Due Diligence Policy sets out the principles governing its corporate due diligence management strategy and guidelines on human rights and the environment.

The Elecnor Group understands sustainability due diligence as a continuous and dynamic process that enables it to take appropriate measures to identify and manage actual or potential adverse human rights and environmental impacts related to its business activities and those of its business partners in the chain of activities.

The principles of this Policy are complemented by other corporate policies on sustainability, all of which are integrated into Elecnor, S.A.'s Corporate Governance System with Group-wide application.

The table below indicates in which section of this Statement of Non-Financial Information and Sustainability Information information is provided on the due diligence process based on the dual materiality analysis.

Key elements of due diligence	Statement of Non-Financial Information and Sustainability Information section
Integrating due diligence into governance, strategy and business model	Information provided to, and sustainability issues addressed by, the company's governing, management and supervisory bodies (ESRS 2, GOV-2) Integration of sustainability-related performance in incentive schemes (ESRS 2, GOV-3; ESRS E1, GOV-3) Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2, SBM-3)
Engaging with affected stakeholders at key stages of due diligence	Information provided to, and sustainability issues addressed by, the company's governing, management and supervisory bodies (ESRS 2, GOV-2) Interests and views of stakeholders (ESRS 2, SBM-2) Description of processes for identifying and assessing material impacts, risks and opportunities (IRO-1) Processes for engaging with own workers and workers' representatives about impacts (S1-2) Processes for engaging with value chain workers about impacts (S2-2) Processes for engaging with affected communities about impacts (S3-2)
Identification and assessment of adverse events	Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1) Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2, SBM-3)

Taking measures to deal with such adverse events	ESRS 2, MDR-A Transition plan for climate change mitigation (E1-1) Actions and resources on climate change policies (E1-3) Transition plan, strategy and business model (E4-1) Biodiversity and ecosystem actions and resources (E4-3) Actions and resources related to resource use and the circular economy (E5-2) Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4) Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4) Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions (S3-4) Prevention and detection of corruption and bribery (G1-3)
Monitoring the effectiveness of these efforts and communication	ESRS 2, MDR-M ESRS 2, MDR-T Targets related to climate change mitigation and adaptation (E1-4) Targets related to biodiversity and ecosystems (E4-4) Targets related to resource use and circular economy (E5-3) Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities (S1-5) Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities (S2-5) Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities (S3-5) Prevention and detection of corruption and bribery (G1-3)

GOV-5: Risk management and internal controls over sustainability reporting

Internal control over the preparation and disclosure of the Statement of Non-Financial Information and Sustainability Information is structured based on the following elements:

- Centralised management, coordination and supervision by the Sustainability area of the entire reporting and report preparation process.
- Use of a solution/platform of recognised standing for the reporting of sustainability information by the different areas and its consolidation, which facilitates its integrity and traceability.
- Assignment of clear responsibilities for the process of collecting and preparing information by the different areas and reporting to the Sustainability area.
- Ongoing advice from a firm specialised in sustainability.
- Processes structured and supported, for the most part, by digital solutions and reporting systems for the capture, review and consolidation by the different areas of the main indicators and information included in the report.
- Advice from an expert firm on the main issues related to climate change reporting and environmental management.
- Monitoring and supervision of the entire process of preparation of the Statement of Non-Financial Information and Sustainability Information by the Internal Audit area.
- Review of the Statement of Non-Financial Information and Sustainability Information by the Appointments, Remuneration and Sustainability Committee, the Audit Committee and the Board of Directors.

The Sustainability area is responsible for directing, coordinating and supervising the entire process of reporting and preparation of the Statement of Non-Financial Information and Sustainability Information.

Since 2023, the information to be reported by the different areas involved in this process is requested and received through a solution/platform of recognised standing in the market, which reduces the risk that the information on sustainability published does not comply with all the information requirements established by the applicable regulations at all times and facilitates the traceability of the information reported and its consolidation. In particular, this document manager allows the collaborative construction of corporate documents connected to both Excel and Word files as well as those coming from other systems and improves the control of the process through the automatic generation of versions and an advanced task audit, being able to analyse each of the modifications made to the data and texts of the report, identifying the users and allowing the recovery of previous versions. It also includes multiple frameworks and standards to identify the concepts to be applied in ESG reports, facilitating and simplifying the preparation process and ensuring that the information contained corresponds to the most recent standards.

The Sustainability area continuously monitors the applicable regulations in relation to sustainability information, for which it is advised by a firm specialising in this field, and identifies each year the information to be included in the report. Based on this analysis, those responsible for reporting the corresponding information from the different areas of the organisation are determined and a schedule is drawn up for the reporting and review of the different drafts of the sustainability report that are prepared until the final version is completed.

The areas responsible for reporting the most significant sustainability information generally have structured processes supported by digital reporting solutions and systems that operate throughout the year. The heads of these areas at corporate level and their teams manage and coordinate all these processes and carry out the appropriate reviews of the information reported from the different organisations to ensure its completeness and accuracy prior to its consolidation and reporting to the Sustainability area.

Regarding the preparation of information on climate change and emissions (carbon footprint), mainly, the Environmental Management area is advised by an external firm specialising in this area. Furthermore, the information on emissions (carbon footprint) is audited by a top-level certifying company prior to its inclusion in the report.

The Internal Audit area monitors and reviews the process of capturing and reporting the main indicators and the preparation of the report, in accordance with the scope determined in each case, in order to contribute to the integrity, quality and reliability of the information to be published. In the current year, it is important to note its review of the process of identification and assessment of IROs (impacts, risks and opportunities) and of the dual materiality analysis, and, specifically, of the methodology used to determine the material topics in accordance with the dual materiality analysis and of the result of this process.

The Audit Committee and the Appointments, Remuneration and Sustainability Committee are informed at least once a year of the main developments and the most significant planning and progress in relation to the process of preparing the Statement of Non-Financial Information and Sustainability Information. In the current year, given the challenges associated with the adaptation of the report to Directive (EU) 2022/2464 as regards sustainability reporting by companies (CSRD), the Board of Directors has received specific training on this subject, with the support of a leading external firm. The Board of Directors was also presented with the result of the update of the dual materiality analysis carried out during 2024.

Finally, the various drafts of the Statement of Non-Financial Information and Sustainability Information were submitted to the Board of Directors in good time for review and subsequent preparation.

The Elecnor Group is working to improve its risk management and internal control processes in relation to the preparation and disclosure of sustainability information. In this sense, in 2023 the foundations were laid for the development of an internal control system for sustainability information (SCIIS by its Spanish acronym) in relation to environmental management information, which was based on the methodology used for the development of internal control systems for financial information. The main characteristics of this process were as follows:

- Determining the scope of the SCIIS for environmental management information from the 2022 Non-Financial Information Statement (NFIS), taking into account the nature of the different information (qualitative/quantitative), the perception of its importance to the users of the report and the complexity of the capture and reporting processes. As a result of this work, 17 indicators were included in the scope of the SCIIS.
- Identification of risks related to the completeness, occurrence, cut-off and accuracy of the indicators included in the scope.
- Assessment of each of the risks in terms of inherent risk and residual risk. Inherent risk is assessed in terms of the estimated impact that an error in the indicator may have on the user of the information and the probability that this risk may materialise (probability assessed by virtue of the complexity of obtaining the indicator, the number of transactions associated with it and the number of people involved in capturing the necessary information and reporting it for the calculation of the indicator).
- Identification of the controls in place for the management of the identified risks and preliminary assessment of their effectiveness for the purpose of the assessment of the aforementioned residual risk.

As a result of this process, the risks related to the preparation of this information in terms of completeness, occurrence, cut-off and accuracy were identified and a risk matrix was developed, and the controls in place to ensure adequate management of the identified risks were identified and reviewed and documented in a control matrix.

This improvement process is planned to be taken forward in 2025 based on the 2024 Statement of Non-Financial Information and Sustainability Information.

Strategy, business model and value chain

SBM-1: Strategy, business model and value chain

The Elecnor Group is a Spanish corporation operating in more than 40 countries. It is an international leader in integrated renewable energy concessions, sustainable infrastructure projects and essential services for the energy transition and digitalisation of cities, distinguished for its profitability, recurrence and moderate risk.

It is a global enterprise whose purpose is driven by a people-centric business model and that believes in generating shared value and sustainability.

The Group's activities are organised into three broad strategic lines:

- Essential services: integration of energy distribution, telecommunications, maintenance and installation services that are essential for generating change and well-being in cities and which feed back into the sustainable projects business.
- Sustainable projects: development, construction, operation and maintenance of clean energy generation and transmission infrastructure worldwide, improving the living conditions of communities and enhancing sustainable development.
- Concessions and proprietary projects: development and operation of projects aimed at the stability and long-term profitability by means of concession contracts and strategic investments in own projects, reinforcing its renewable and energy infrastructures portfolio and increasing the Group's long term value.

Efficiency, diversification, financial robustness and personal commitment are the Elecnor Group's value generation and expansion levers.

The following is a list of the activities and sub-activities that the Elecnor Group provides through its Parent and subsidiaries:

Activity	Sub-activities
Electricity	• Turnkey construction of electricity transmission and distribution lines and associated transformer stations and substations • Turnkey construction of substations • Multi-annual framework contracts for the provision of various services (multi-service) related to electricity distribution networks - maintenance and execution of works on networks, breakdown service, installation and/or replacement of remote controls and concentrators, metering services
Energy efficiency	• Energy management, operation and maintenance of public lighting systems

Power generation	• Turnkey construction of solar power generation plants (solar PV farms) (EPC / BOP) • Turnkey construction of wind power generation plants (wind farms) (EPC / BOP) • Turnkey construction of electricity generation plants from other energy sources (EPC/BOP) • Turnkey construction of energy storage plants • Maintenance of electricity generation plants from solar, wind and other energy sources
Railways	• Turnkey construction and/or maintenance of electrification infrastructures (overhead lines and substations and associated systems), signalling, interlocking, communications and control systems in the area of railways, underground railways, trams and trolleybuses
Maintenance	• Comprehensive maintenance of buildings and industrial and service installations (electricity, air conditioning, fire protection (HVAC), ventilation, automation and control, telecommunications, plumbing and sanitation...).
Facilities	• Turnkey installations in buildings and industrial and service facilities (electricity, air conditioning, fire protection (HVAC), ventilation, energy efficiency, automation and control, security, public address and sound, telecommunications, plumbing and drainage...). • Road maintenance, traffic control and road safety facilities
Construction	• Turnkey construction and refurbishment of non-residential buildings (tertiary and industrial sector)
Environment and Water	• Turnkey construction and maintenance of water treatment plants • Waste management, maintenance of gardens and public spaces, improvement of natural spaces and environmental restoration of watercourses and riverside areas. • Turnkey construction and maintenance of water transport and distribution networks
Oil & Gas	• Turnkey construction and maintenance of gas transport and distribution networks • Oil drilling and extraction
Telecommunications and systems	• Multi-annual framework contracts for the provision of various services (multiservice) related to telecommunications networks: maintenance and execution of works on networks, customer registration, breakdown service, installation and/or replacement of security and automation and control equipment.

The most important activities for the Elecnor Group are electricity, energy generation, maintenance, construction, environment and water, accounting for nearly 80% of sales.

With regard to the geographical location of its activities, the Elecnor Group has a stable presence in the following countries:

- Europe: Spain, Denmark, Finland, Italy, Lithuania, Norway, Portugal, the United Kingdom
- Asia and Oceania: Australia
- Africa: Angola, Cameroon
- South America: Argentina, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay
- Central and North America: The United States, Honduras, Mexico, Panama, Dominican Republic

Today, more than 40 countries contribute revenues to the Group, with Spain, Australia and the United States accounting for more than 10% of turnover.

In Section 6. Segment reporting in the Consolidated Annual Accounts of Elecnor, S.A. and its subsidiaries includes the cost and revenue structure of the Elecnor Group's operating segments which, in accordance with the requirements of IFRS 8, are identified on the basis of the information used by management to make decisions on operational matters.

The disclosure of information relating to the number of employees by geographical area is detailed in ESRS S1 Own Workforce, in data point 6, 51.

The Elecnor Group does not offer products or services that are prohibited in certain markets.

The Elecnor Group carries out activities related to the fossil fuel sector (coal, oil and gas). Specifically, through its Parent and some subsidiaries, it provides oil & gas activities, which mainly consist of the sub-activities of turnkey construction and maintenance of gas transport and distribution networks and oil drilling and extraction.

Revenues from the fossil fuel sector in 2024:

	Thousands of Euros
Oil	17,185
Gas	125,860
Total	143,045

It is noted that there are no revenues from taxonomy-eligible fossil gas related economic activities.

The Elecnor Group does not carry out activities related to the production of chemicals, controversial weapons, tobacco cultivation and production and therefore does not generate revenues in these sectors.

The Elecnor Group will report the information requested by ESRS 2 SBM1, paragraph 40(b) (breakdown of total revenues by significant ESRS sector), and 40(c) (list of additional significant ESRS sectors), as of 30 June 2026, in accordance with the transitory provisions set out in EU Delegated Regulation 2023/2772.

The Elecnor Group’s strategy pursues its purpose by "being generators of change and well-being, deploying infrastructure, energy and services to territories all over the world in order to develop their potential, placing engineering at the service of people's well-being."

Thanks to a solid, durable business model with strong synergies between its businesses, the Group is committed to diversification, internationalisation and technical excellence in order to drive the development of its businesses. The Organisation's strategy is based on the protection and safety of its people and its activity, as well as on technical and financial robustness, efficiency and control. All this with the focus on generating value for all of its stakeholder groups and the expansion of the Elecnor Group.

The Elecnor Group's activities are and will benefit from the three major trends that are driving global economic development:

- Environmental and social sustainability
- Energy transition and electrification of the economy
- Urban planning and digitalisation of society

The solid portfolio of contracts and the current market situation, in which organisations with the Elecnor Group's capabilities and uniqueness are in high demand, will allow the Group to continue to strengthen its leadership position and profitability over the coming years.

Thus, sustainability in the Elecnor Group is considered inherent to its activities and business strategy. There are key elements of its strategy that are related to and affect sustainability issues, including the commitment to the development and growth of renewables and energy infrastructures, the protection and safety of people as a common denominator of all the activities carried out by the Group, the commitment to qualified people and the improvement of people's quality of life, among others.

Sustainability is a commitment that is mainly embodied in the General Sustainability Policy and in the 2023-2025 Strategic Sustainability Plan. The latter sets out the main lines of social responsibility and the basis for continuous improvement of the Group's sustainability management. This strategy conveys to the organisation’s stakeholders its commitment to people, society and the environment, always based on ethical and responsible management.

This Strategic Plan is based on five strategic pillars with the following objectives:

- Profitable and forward-looking company. It comprises one of the core building blocks of sustainability seeking the long-term projection of the company in terms of financial solvency, efficiency and competitiveness.
- Solid governance structure. Geared towards making further progress in the principles of good governance and continuing to strengthen the structure of good governance and the compliance model.
- Elecnor Group's identity. The importance of people’s health and safety, as well as aspects fostering in the motivation and personal and professional development of the teams is particularly linked to the company’s DNA.
- Develop sustainable infrastructures. Being one of the key players in the development and progress of society through infrastructure, renewable energy, energy efficiency, water and environmental projects, as well as the commitment to being a net zero company in 2050.
- Improve the quality of life of people. With the aim of generating change and well-being, Elecnor Group is committed to fostering the development and progress of society.

Through these pillars and their corresponding lines of action and associated KPIs, the Elecnor Group monitors and tries to respond to their material impacts, risks and opportunities. Furthermore, the objectives set are geared towards meeting the expectations of the Group's stakeholders in its various activities and countries of operation. Throughout this report, progress is reported on in the Targets section of the various ESRSs.

In 2025, the Elecnor Group will approve its new corporate strategy and a new strategic sustainability plan, which will be designed following the results of the dual materiality exercise carried out in 2024.

With regard to the value chain, the Elecnor Group's main business relationships are with customers (downstream in the value chain), partners, suppliers and subcontractors (upstream in the value chain).

The Elecnor Group’s customers are national and international, from both the public and private sectors. Almost all of them are B2B, with the exception of Atersa (a subsidiary that distributes photovoltaic material), which also sells to end consumers (B2C) through its online store. Due to the characteristics of its activities and contractual relations with its customers, the Elecnor Group has no dealings with the end user who is the recipient of its projects and services; it is the customer who is contractually responsible for this relationship.

Below is a brief description of the Elecnor Group's type of customer for its sectors of activity.

- Electricity. Large operators (utilities) in the national and international electricity market, private and public, and private investors in electricity transmission infrastructures. This activity is carried out in all countries in which the Group has a stable presence: Spain, Italy, the United Kingdom and Portugal in Europe; Brazil, Chile, Argentina, Uruguay and Peru in South America; the United States, Mexico, the Dominican Republic, Honduras and Panama in North and Central America; Angola and Cameroon in Africa; and Australia in Oceania.

- Power generation. Large utilities in the energy sector, public bodies and investment funds. In general, these are EPC projects, although sometimes maintenance of the generation plants is carried out. Spain, Brazil, Panama, Colombia, Chile, Mexico, Australia and Mauritania are the main countries in the development of wind projects. In solar PV, Spain, Brazil, Dominican Republic, Colombia, Angola and Australia are the most active countries. And in the generation of electricity from other energy sources, it is Spain, Brazil and Cameroon, where customers are essentially from the public sector.

- Railways. Public managers and operators of rail transport networks, private investors in rail transport networks and private companies building rail transport and similar infrastructures. It is an activity that takes place mainly in Spain, Mexico, Lithuania, Norway, Denmark and Algeria.

- Maintenance. Public and private companies owning real estate assets for industrial or service use, as well as public bodies, city/town halls and local authorities. Spain and Portugal are the countries where this activity is most carried out.

- Construction. This activity is carried out exclusively in Spain, in public and private companies owning real estate assets for industrial or service use, and in public bodies, city/town halls and local authorities.

- Facilities. As with construction and maintenance activities, customers of this activity are public and private companies owning real estate assets for industrial or service use, and public bodies, city/town halls and local authorities. Spain, Portugal and the United Kingdom are the countries where this activity is most concentrated. In addition, in Spain and the United States, some customers are public companies owning and operating road transport infrastructure concessions.

- Environment and Water. National customers, corresponding to public sector owners and private sector concessionaires of water treatment plants and facilities. In addition, some customers are public bodies, city/town halls and local authorities.

- Oil & Gas. Large utilities owning gas transport and distribution infrastructures in Spain, Brazil and the United States.

- Telecommunications and systems. National and international public and private telecommunications network operators. Spain, Italy, the United Kingdom, Chile and Uruguay are the countries with the most telecommunications activity.

There are several types of partners in the Elecnor Group: project implementation and equity partners. Partners are chosen according to the type of project or difficulty of the activity, by country (sometimes a local company is required for the implementation of a project), by a customer requirement, or by risk coverage.

Partners for the implementation of projects are, in turn, sector companies, with the aim of sharing risks or having a greater presence in certain countries, or suppliers, who provide image, strength and reputation.

Equity partners provide capital for the development of investment projects, as in the case of Celeo, a company co-owned and co-managed by the Elecnor Group (51%) and APG (49%), the leading Norwegian pension fund.

The Elecnor Group's suppliers are divided into service suppliers (they provide different services to the Group, such as engineering and technical studies, environmental studies, machinery rental, etc.), and materials and equipment suppliers (they supply the goods necessary to carry out operations). As the Group's activities, mainly electricity, construction, renewable energies and telecommunications, require a large volume of materials, material and equipment suppliers are critical for project development.

Outsourcing in the infrastructure sector is a common and important practice, as it allows for more efficient management of large-scale and complex projects. Subcontractors carry out certain phases of projects in which they have specific experience, which allows the Elecnor Group to delegate activities, such as electrical assembly, mechanical assembly, civil works, engineering services or material transport (logistics).

The Elecnor Group's geographical presence in more than 40 countries means that its supply chain (suppliers and subcontractors) operates at both a global and local level, thus allowing it to use local suppliers in most cases.

Within the framework of the dual materiality analysis, the Elecnor Group has identified the potential impacts, risks and opportunities of the significant sectors in which it operates, in order to ascertain the relevant sectoral sustainability issues that could affect its business model. Along these lines, the main SASB standards covering the Group's areas of activity and its supply chain (material and equipment suppliers) were analysed. Other benchmark companies in the organisation's sectors of activity were also considered, from which customers and competitors were selected.

SASB standards identify a set of sustainability issues that are most likely to affect the operating performance or financial position of a representative company in a given industry, regardless of where it is located. The standards analysed were: Engineering and construction services, Construction materials, Metals and mining, Iron and steel producers, Electrical and electronic equipment.

The aspects identified as having the greatest potential to affect the ability to create business value are detailed below:

- Environmental effects of project development
- Structural integrity and safety
- Workforce health and safety
- Effects of the life cycle of buildings and infrastructures
- Climate effects of the business combination
- Business ethics
- Greenhouse gas emissions
- Air quality
- Water management
- Effects on biodiversity

- Human rights and indigenous peoples' rights
- Community relations
- Energy management
- Hazardous waste management

The value creation model of the Elecnor Group lies in its purpose: "We are generators of change and well-being: we deploy infrastructure, energy and services to territories all over the world in order to develop their potential. We put engineering and technology at the service of people"; its vision is to be "A global enterprise whose purpose is developed through a people-centric business model and that believes in generating shared value and sustainability. Efficiency, diversification and robustness are our levers for growth and expansion"; and its corporate values: People-centred (talent, passion, confidence), Committed (effort, perseverance, trust) and Responsible (integrity, ethics, respect).

Thus, the Elecnor Group is based on the following capital that represents the resources it uses to create value for its stakeholders:

Main resources	Value creation
Solvency and financial stability	Shareholder profitability
More than 24,000 people over 40 countries	Creating quality jobs, opportunities for professional development and growth in a safe working environment Provision of essential services for economic and social development
Natural resources (energy, materials, etc.) necessary for project implementation	Renewable energy project development Reducing carbon footprint through climate change mitigation strategy
Constructive relationships with stakeholders	Development of infrastructure projects with a positive impact on local communities
Know-how and technology for operational efficiency.	Improving efficiency and customer service

Stakeholder

SBM-2: Interests and views of stakeholders

Stakeholder engagement is key to value creation and the long-term success of the Elecnor Group. Understanding their interests and points of view has an impact on the Group's strategy and business model in different ways, such as, for example, in the development of initiatives aimed at attracting and retaining qualified people, greater transparency and information delivered to the market, compliance with sustainability criteria for customer requirements and in financing operations, and the establishment of a policy of dialogue with local communities, among others.

The Sustainability Committee is the body responsible for ensuring that Stakeholders are properly identified and managed.

The Elecnor Group has a Stakeholder Management procedure. Thus, the organisation has identified and classified its stakeholders at the category and sub-category level, which helps to better understand their individual characteristics, the purpose of the relationship, their expectations and the channels of collaboration:

Category	Subcategory	Purpose	Collaborators
Shareholders and investors	Significant shareholders Institutional investors Minority shareholders Potential investors	Group owners Provide capital and long-term stability Influence the Group's management Acquire Group shares Acquire Group shares Potential shareholders	• Shareholders' Meeting • Corporate website (Shareholders and Investors) • email (Shareholder Services) • Social media • CNMV website • Management Committees, Commissions, Boards of Directors and Shareholders' Meetings • Informal channels (in-person dialogue, One-to-One meetings) • Corporate and financial reporting • Roadshows and forums • Presentations of profit/loss • Meetings • ESG forms
Customer	National Services National Projects International Projects International Services	Organisations and companies to which the Group provides its services and develops its projects	• Meetings and presentations • Corporate websites • Trade fairs • Satisfaction surveys • Social media • Corporate and financial reporting • Code of Ethics channel

Category	Subcategory	Purpose	Collaborators
Employees	Structure Staff Works Staff	Responsible for running the company's operations, providing their skills and commitment to the company in exchange for a decent salary and working conditions. Potential volunteers in Elecnor Foundation projects	• Periodic meetings • Work groups • Training sessions and courses • Corporate websites • Social media • Buenos Días Elecnor intranet • eTalent • Signage • Awareness-raising and sensitisation campaigns • Campaigns for participation in collective initiatives/projects • Corporate and financial reporting • Code of Ethics channel
Suppliers and subcontractors	Material and equipment suppliers Service providers Subcontractors	They supply various goods necessary for the carrying out of operations. They provide various services to the Group They carry out certain parts of a project	• Meetings • Corporate website • Code of Ethics channel • Corporate and financial reporting
Regulatory bodies and Administration	Regulator and competent administration Institutional environment (Ministries and Administration)	They regulate the company's activity, establish regulations They facilitate access to carrying out and/or collaborating in projects	• Meetings • Corporate website • e-offices • Social media • Corporate and financial reporting

Category	Subcategory	Purpose	Collaborators
Lenders/Insurers	Credit Institutions	Provide financial services for the Group's activities/projects	• Meetings • Corporate website • Corporate and financial reporting • ESG forms
	Development and Multilateral Agencies	They offer financing possibilities for projects in developing countries	
	MARF funders	Financing is obtained through the issuance of fixed-income securities for projects	
	Export credit agencies	They cover companies' default risks	
	Private insurance companies	They insure industrial project risks and other risks associated with the activity.	
		They cover death and disability risks for staff	
	Specialised funds	Financing is obtained for specific projects (e.g., energy efficiency).	
Partners	Industrial	Project implementation partnership agreements (e.g., joint ventures...), and/or capital contribution.	• Meetings • Corporate website • Corporate and financial reporting • ESG forms
	Financial	They provide capital for certain projects	
Unions	Unions	Represent the common interests of workers	• Corporate website • Meetings • Corporate and financial reporting • Whistleblower channel Code of Ethics

Category	Subcategory	Purpose	Collaborators
Social environment	Local Community	Environment affected by the company's activity and sometimes decisive for reputation and social licence to operate.	• Social projects • Corporate and financial reporting • Sponsorships and patronage • Corporate websites • Social media • Specific project websites • Code of Ethics channel
	Society in general	Organisations and social groups that demand a responsible attitude from the company towards society and the environment. Influences the Group's reputation	
	Third sector: associations and foundations	They help to develop social/environmental actions within the framework of projects.	
	Technology Centres	Share knowledge, relations with companies in the sector, identification of trends Develop knowledge and new solutions and projects	
	Universities and Training Centres	They help in the recruitment of qualified people for the company.	
Environment and related organisations	Environment and environment-related organisations	Existence of environmental regulations Essential for carrying out the activity	• Environmental projects • Corporate and financial reporting • Corporate websites • Social media • Specific project websites • Code of Ethics channel
Opinion leaders	Analysts	They have the ability to influence third-party investment decisions	• Press releases • Partnership agreements with the media • Meetings • Corporate website • Corporate and financial reporting • Social media • ESG forms
	Proxy advisors	They advise institutional investors on how to vote at Shareholders' Meetings. The trend is growing	
	Media	They provide visibility. They help build brand image and gain reputation. They help to engage customers' interest.	

The Elecnor Group interacts with its stakeholders through different formal and informal channels and methods. In this way, it maintains a free-flowing dialogue and makes joint collaboration effective. The frequency of communications is established according to the needs and expectations of the different groups. For example, there are communication channels of a timely informative nature, such as press releases, social networks or corporate reports. Similarly, there are other open and participative channels, such as meetings, customer satisfaction surveys and performance evaluations, with their corresponding frequency (annual, quarterly, weekly, etc.).

The results obtained from cooperation with stakeholders include responses to queries and questionnaires from investors and/or financial institutions, the updating of policies, the establishment of training plans, and partnership in social projects, among others.

Over the last few years, the Elecnor Group has integrated stakeholders in the materiality process through surveys, gathering their views on the different ESG aspects. In this first dual materiality exercise in accordance with the requirements of the CSRD and its topical standards, while taking into account their reflections gathered in previous processes, the understanding of interests and views of stakeholders was mainly based on the knowledge of the internal experts consulted.

Through frequent engagement with stakeholders, the Group identifies their sustainability needs and expectations and integrates them into the Group's strategy through various action plans, such as participation in sustainability ratings, dissemination of certain information to the market and updating of internal policies. It will also continue to incorporate, where relevant, new measures to address the interests of its related parties.

Although the sustainability strategy remained unchanged throughout 2024, the Elecnor Group has launched new initiatives in order to meet new requirements and strengthen its commitment to its stakeholders, such as the preparation of a Due Diligence Policy. Once the dual materiality analysis contained in this report has been completed, a review of the Strategic Sustainability Plan will be carried out in order to adapt it to the results achieved.

The governing bodies are informed through the Sustainability Committee of the opinions and interests of stakeholders with regard to the incidents detected in the dual materiality analysis process and in accordance with its Social Responsibility Management System certified according to IQNet SR10.

Materiality assessment process

This section describes the process followed by the Elecnor Group to determine the material impacts, risks and opportunities, as well as the information included in this report as a result of its assessment.

IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

In 2024, the Elecnor Group carried out a dual materiality analysis, in accordance with the guidelines of the CSRD and its ESRS topical standards, as well as the EFRAG IG 1 Materiality Assessment Implementation Guidance. This dual materiality process is part of the Group's due diligence.

As a preliminary step, the organisation worked on understanding the context in order to gain an overview of its business activities and relationships, the environment in which they take place and an understanding of its main affected stakeholders.

While direct consultation with external stakeholders was not included in 2024, expert judgement was taken into consideration from the start of the dual materiality analysis. This was done through the involvement of representatives from different areas of the company (Compliance, Human Resources, Quality and Environment, Health and Safety, and Sustainability). In addition, the countries considered representative in the Elecnor Group's activity (Brazil, Chile, Angola, Australia and Cameroon) were involved, as well as the Energy and Major Networks business divisions. The Elecnor Group was assisted by third parties with expertise in sustainability.

For the operations themselves and the value chain, impacts on people and the environment as well as potential risks and opportunities for the Group's business were identified and assessed. In doing so, the different activities carried out and their sectoral standards were taken into account. The identification and assessment of the value chain was focused on the upstream phases, and was based on the analysis of sectoral standards (mainly SASB) with a focus on subcontractors and large suppliers of construction materials due to their relevance in the development of the company's projects. In terms of geographical areas, all countries in which the Group operates were considered. However, those IROs where location could be a factor leading to a higher risk of occurrence, such as human rights or biodiversity issues, were analysed in depth. In general, other data sources such as the Universal Declaration of Human Rights, the TNFD and sectoral statistics, among others, were used.

The process followed by the Elecnor Group to identify its impacts, risks and opportunities and to assess their materiality is described below. This process is the basis for determining what information is included in the Statement of Non-Financial Information and Sustainability Information.

In accordance with the requirements of the ESRS, the Elecnor Group has started from the sustainability issues listed in paragraph AR16 of ESRS 1, broken down into topics, subtopics and sub-subtopics. As this is the first year of preparation of the Statement of Non-Financial Information and Sustainability Information, no other specific topics not covered in this paragraph have been added.

With respect to impacts (or incidents), the Elecnor Group has assessed their materiality (or relative importance) according to severity and likelihood criteria, as follows:

- For actual negative impacts, scale, scope and irremediable character were considered as variables of impact severity. For potential negative impacts, along with the severity variables, the probability of their occurrence was also assessed.
- With regard to actual positive impacts, the criteria were scale and scope. In terms of potential positive impacts, the probability of these occurring was also assessed.

In addition, scales were established to assess severity and likelihood, considering the following thresholds:

- Scale: from negligible impact to critical/very high impact.
- Scope: from limited or localised impact to global impact.
- Irremediable character (only for negative impacts): from very easily correctable damage to non-remediable damage.
- Likelihood: from a very low to a very frequent / very high chance of occurrence.

All of the above was assessed considering a time horizon of short (up to 1 year), medium (between 1 and 5 years) or long-term (more than 5 years), in which the impact is expected to materialise.

Severity and likelihood were weighted at 50%, except in cases where a potential negative human rights impact was identified. In these cases, severity has prevailed over likelihood, as set out in paragraph 45 of ESRS 1.

Furthermore, as part of the dual materiality analysis methodology, the Elecnor Group took into account how the impacts identified relate to the risks and opportunities derived from them, as well as the existing dependencies. In this regard, the starting point for the identification of risks and opportunities was whether impacts and dependencies could be sources of risks and opportunities for the Group. In this sense, it was assessed, for example, whether the impacts identified could have consequences for the organisation's reputation, costs, income, etc. With regard to the identification of dependencies, variables such as scarcity, and the potential impact on the quality and price of different capital such as, for example, certain raw materials and certain skilled profiles, were taken into account.

Regarding the analysis of the financial materiality of risks and opportunities, the Elecnor Group considered the likelihood of occurrence as well as the scale (for risks) or importance (for opportunities) of the financial effects generated (whether on cash flow and profitability, on the positioning and capacity to maintain/increase the volume of activity, on the cost of capital and/or on access to financing) as variables. For its assessment, the following thresholds were established:

- Scale/Importance: from minimal or residual financial impact to very high financial impact.
- Likelihood: from a very low to a very high chance of occurrence.

All of the above, considering a time horizon of short (up to 1 year), medium (between 1 and 5 years) or long-term (more than 5 years), in which the risk or opportunity is expected to materialise.

In addition, to assess the materiality of risks and opportunities, the following variables were qualitatively considered: for the scale of their financial effects, the potential impact on the Group's revenues and costs; and, for the likelihood of their occurrence or materialisation, the risk/opportunity inherent in the sector and the organisation's business model.

The materiality of IROs was analysed in accordance with the criteria described above, establishing specific thresholds to determine when a matter is material, and therefore when it is sufficiently significant for disclosure.

Thus, the list of material topics, sub-topics and sub-sub-topics of the Elecnor Group are as follows:

Topical standard	Topic	Sub-topic	Sub-sub-topic
ESRS E1	**Climate change**	Climate change adaptation	
		Climate change mitigation	
		Energy	
ESRS E4	**Biodiversity and ecosystems**	Direct impact drivers of biodiversity loss	Land-use change, fresh water-use change and sea-use change
		Impacts on the state of species	Species global extinction risk
		Impacts on the extent and condition of ecosystems	Land degradation Desertification Soil sealing
ESRS E5	**Circular economy**	Resources inflows, including resource use	
		Waste	

ESRS S1	**Own Workforce**	Working conditions	Secure employment Working time Social dialogue Work-life balance Health and Safety
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value Training and skills development
		Other work-related rights	Child labour Forced labour Privacy
ESRS S2	**Workers in the value chain**	Working conditions	Secure employment Health and Safety
		Other work-related rights	Child labour Forced labour
ESRS S3	**Affected communities**	Communities' economic, social and cultural rights	Adequate housing Adequate food Water and sanitation Land-related impacts
		Communities' civil and political rights	Freedom of expression Freedom of assembly Impacts on human rights defenders
		Rights of indigenous people	Free, prior and informed consent Self-determination Cultural rights
ESRS G1	**Business conduct**	Corporate culture Corruption and bribery	

As described above, the Corporate Risk Map includes various risks related to sustainability, some of which are included among the ten risks on which the Elecnor Group focuses its management and monitoring efforts. In particular, these main risks most notably include those related to occupational health and safety, attracting people, employee management and engagement, and the deployment of the sustainability strategy.

Additionally, and as also indicated above, the Group has a specific strategic plan in place to better manage sustainability-related risks.

The dual materiality analysis process carried out in 2024 was led by the Elecnor Group's Sustainability area, with the advice and support of an external advisor with expertise in this area. The outcome of the process has been presented to the Board of Directors for its information, monitoring and approval.

The Elecnor Group's Internal Audit area monitored and reviewed this entire process to ensure that it was carried out in accordance with the benchmark methodology and with the participation of the appropriate personnel. Among the main review tasks carried out by Internal Audit, the following can be highlighted:

- Understanding of the work plan designed to perform the dual materiality analysis.
- Understanding and reviewing the methodology for recording and documenting and assessing impacts, risks and opportunities.
- Review of the outcome of the process of identification and assessment of impacts, risks and opportunities carried out by the different areas involved in the process.
- Final review of the outcome of the dual materiality analysis.

While the process for the identification and assessment of sustainability-related impacts, risks and opportunities has been specifically designed and developed for this particular purpose, the assessment methodology has been adapted, as far as possible, to the methodology used for the assessment of corporate risks within the framework of the Risk Management System.

As described above, the management of these impacts and risks is integrated into the organisation's various management processes, particularly those related to health and safety management, human resources and labour relations, environmental management and regulatory compliance.

Without prejudice to this integration, and in order to reinforce the management of sustainability-related impacts, risks and opportunities, the Elecnor Group has a Strategic Sustainability Plan, as described earlier in this report.

The dual materiality analysis presented is the first exercise carried out by the Elecnor Group in accordance with the requirements of the CSRD and the ESRS topical standards. This analysis will be updated annually.

The specific disclosure requirements of IRO-1 related to E1, E4, E5 and G1 are described in the relevant chapters of this report. For S1, S2 and S3, the specific disclosure requirements of SBM-3 are also outlined in their corresponding sections.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

In accordance with the process described in disclosure requirement IRO-1 of this report, the dual materiality analysis identified the material impacts, risks and opportunities (IROs) for the Elecnor Group. In this respect, these material IROs are related to climate change, biodiversity, resource use and the circular economy, own workforce, workers in the value chain, affected communities and business conduct.

In general, due to the nature of the Group's activities, the main material IROs are concentrated in the Group's own operations. However, IROs have been identified in the value chain, namely in subcontractors and suppliers of materials and equipment (upstream). Both are key players in the development of Elecnor Group projects.

In addition, most of the IROs are cross-cutting to all Group activities. Some of them have focused on specific countries, such as Brazil on biodiversity issues, or on developing countries regarding labour rights issues for their own workforce or workers in the value chain.

The following table details the material IROs for the Elecnor Group, as well as the corresponding topical standards:

ESRS E1. Climate change

Environmental IROs (climate change, biodiversity and circular economy) mainly occur in the company's own operations. However, some IROs have emerged particularly linked to material and equipment suppliers.

Climate change adaptation

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Contribution to the resilience to climate change of the infrastructures built by Elecnor, through its participation in the design of projects and infrastructures.	Impact	Positive Actual	Own operation	Medium-term
Increased costs and delays in project implementation, which may result in penalties being imposed by customers, as a consequence of extreme weather events (extreme temperatures, fires, storms, heavy rainfall, strong winds and extreme storms and floods, landslides and subsidence...).	Risk		Own operation	Short-term

Climate change mitigation

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Contribution to climate change from indirect emissions associated with Scope 3	Impact	Negative Actual	Upstream Own operation Downstream	Long-term
Contribution to climate change from direct emissions associated with Scope 1	Impact	Negative Actual	Own operation	Long-term
Contribution to decarbonisation and thus to the achievement of the climate goals of the Paris agreement	Impact	Positive Actual	Upstream Own operation Downstream	Long-term
Contribution to a low or carbon neutral society through project development	Impact	Positive Actual	Own operation Downstream	Long-term

Increased costs of own operations and material supplies due to new environmental regulations related to climate change mitigation	Risk		Upstream Own operation	Medium-term
Increased global investment in the renewable energy and electrification sector	Opportunity		Own operation	Medium-term
Financing on competitive terms, as a result of meeting the sustainability requirements of funders and/or investors	Opportunity		Own operation	Short-term

Energy

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
High energy demand associated with the activities	Impact	Negative Actual	Own operation	Medium-term
Increased pressure on energy resources due to value chain dependence and consumption of fossil fuels	Impact	Negative Actual	Upstream	Medium-term
Reducing demand for non-renewable resources by purchasing electricity from renewable energy sources	Impact	Positive Actual	Own operation	Medium-term
Improving the sustainability of the energy system by developing energy generation projects, as well as self-consumption of renewable energies	Impact	Positive Actual	Own operation	Medium-term
Uncertainty and variability of electricity and fossil fuel prices, due to the market or geopolitical context	Risk		Upstream Own operation	Medium-term

ESRS E4. Biodiversity and ecosystems

Direct impact drivers of biodiversity loss

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Pressure on biodiversity and ecosystems from land-use change	Impact	Negative Actual	Upstream Own operation	Medium-term

Impacts on the state of species

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Development of conservation, reintroduction and reinforcement projects for endangered flora and fauna	Impact	Positive Actual	Own operation	Short-term

Impacts on the extent and condition of ecosystems

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Reduction in the extent of natural ecosystems	Impact	Negative Actual	Upstream Own operation	Medium-term
Implementation of ecosystem restoration projects to mitigate the effects of fires	Impact	Positive Actual	Own operation	Short-term
Land degradation from excavation and use of heavy machinery	Impact	Negative Actual	Upstream Own operation	Medium-term

ESRS E5. Circular economy

Resources inflows, including resource use

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Significant resource consumption, as well as scarce materials contributing to resource depletion	Impact	Negative Actual	Upstream Own operation	Long-term
Use of long-lasting materials that contribute to a lower environmental impact, as well as reducing the demand for new resources	Impact	Positive Actual	Upstream Own operation	Short-term

Waste

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Generation of hazardous and non-hazardous waste that can contribute to soil contamination	Impact	Negative Actual	Upstream Own operation	Short-term
Commitment to the use of available technical improvements in order to use waste for recovery whenever possible, as well as the optimisation of the resources used at work sites and workplaces.	Impact	Positive Actual	Own operation	Short-term

ESRS S1. Own Workforce

Impacts on own workforce are both positive and negative, and are linked to sector, business model and geographical contexts.

Working conditions

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Temporary hiring for fixed-term infrastructure projects	Impact	Negative Actual	Own operation	Medium-term

Contribution to the economic development of workers, their families and the community	Impact	Positive Actual	Own operation	Short-term
Work-life balance for expatriates or project workers	Impact	Negative Potential	Own operation	Short-term
Deaths and serious injuries from exposure to hazardous activities	Impact	Negative Actual	Own operation	Short-term
Strengthening of health and safety culture	Impact	Positive Actual	Own operation	Short-term
Potential non-compliance with applicable regulations regarding temporary hiring	Risk		Own operation	Medium-term
Reputational damage, injury and death costs	Risk		Own operation	Short-term
Potential labour unrest due to insufficient social dialogue	Risk		Own operation	Medium-term
Inadequacy of work-life balance measures compared to market standards can negatively affect the ability to attract and retain professionals	Risk		Own operation	Short-term
Improving the ability to attract and retain qualified professionals by improving working hours over the established regulations	Opportunity		Own operation	Medium-term
Reduction in the rate of occupational accidents and diseases	Opportunity		Own operation	Short-term

Equal treatment and opportunities for all

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Ongoing training programmes	Impact	Positive Actual	Own operation	Short-term
Discriminatory treatment on grounds of gender	Risk		Own operation	Short-term
Payment of significantly different remuneration for work of equal value	Risk		Own operation	Medium-term
Attracting and retaining talent through investment in training	Opportunity		Own operation	Medium-term

Other work-related rights

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Child labour in developing countries	Impact	Negative Potential	Own operation	Medium-term
Forced labour in developing countries	Impact	Negative Potential	Own operation	Short-term
Exposure to identity theft and data breaches	Risk		Own operation	Short-term

ESRS S2. Workers in the value chain

IROs on value chain workers are concentrated upstream in subcontractors, in relation to secure employment, health and safety, forced labour and child labour.

Working conditions

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Job creation in the communities where the value chain is involved in the Elecnor Group's projects and operations	Impact	Positive Actual	Upstream Downstream	Short-term
Potential non-compliance of the subcontracting company with applicable regulations on temporary hiring	Risk		Upstream	Medium-term
Incidents related to the health and safety of subcontractors' employees	Risk		Own operation	Short-term

Other work-related rights

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Child labour in the value chain in developing countries	Impact	Negative Potential	Upstream Downstream	Medium-term
Forced labour in the value chain in developing countries	Impact	Negative Potential	Upstream Downstream	Short-term

ESRS S3. Affected communities

With regard to the affected communities, the IROs are contemplated in the operation itself, with a predominance of positive impacts on the areas of influence of the projects.

Communities' economic, social and cultural rights

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Projects aimed at the local communities' social, environmental and economic development	Impact	Positive Actual	Own operation	Medium-term
Training and recruitment of people from local communities	Impact	Positive Actual	Own operation	Medium-term
Investment in community programmes makes it easier to obtain the necessary authorisations and permits for project development	Opportunity		Own operation	Medium-term

Communities' civil and political rights

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Transparent communication to the community respecting the right of communities to access relevant information about the company's activities	Impact	Positive Actual	Own operation	Short-term
Protests due to negative impact on the community	Risk		Own operation	Short-term
Free-flowing, transparent and constructive dialogue with local communities and/or their representatives favours project development	Opportunity		Upstream Own operation Downstream	Medium-term

Rights of indigenous people

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Lack of adequate information to representatives of project-affected indigenous peoples can leave them defenceless and vulnerable	Impact	Negative Potential	Own operation	Short-term
Participation in projects that help indigenous communities preserve their cultural and economic autonomy	Impact	Positive Actual	Own operation	Short-term
Infringement of fundamental rights of indigenous communities	Risk		Own operation	Short-term
Failure to adequately inform and/or consult indigenous peoples' representatives and obtain their prior consent	Risk		Own operation	Short-term
Free-flowing, transparent and constructive dialogue with indigenous peoples' representatives favours project development	Opportunity		Own operation	Medium-term

ESRS G1. Business conduct

In relation to business conduct, given their cross-cutting nature, IROs are present throughout the company's value chain (upstream, own operation, and downstream).

Corporate culture

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Lack of commitment to the company	Risk		Own operation	Medium-term
Strong corporate culture underpinned by solid values	Opportunity		Own operation	Medium-term

Corruption and bribery

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Anti-competitive practices can negatively affect market dynamics	Impact	Negative Potential	Upstream Own operation Downstream	Short-term
Strengthening the ethical culture of employees through training and awareness-raising measures	Impact	Positive Actual	Own operation	Medium-term
Harm to free competition by adversely affecting the market	Impact	Negative Potential	Upstream Own operation Downstream	Medium-term
Ethical breaches due to corruption, bribery or anti-competitive practices	Risk		Upstream Own operation Downstream	Short-term
Loss of business opportunities and revenue as a result of corruption and bribery incidents	Risk		Upstream Own operation Downstream	Medium-term

Through the development and deployment of its successive strategic sustainability plans, the Elecnor Group manages the impacts, risks and opportunities related to sustainability in a structured manner.

The Elecnor Group's sound financial position and international reputation also allows it to develop projects all over the world, both for public and private customers. As a result, the Group has the capacity to optimally and effectively manage the potential negative sustainability impacts of its activities.

The business model and the sector in which it operates, its geographical and activity diversification, its prestige and the commitment of its employees are elements that place the Elecnor Group in a strong position to minimise risks and promote sustainability-related opportunities. These are mainly associated with the development of sustainable infrastructures and the provision of essential services in the field of energy generation from renewable sources, and electricity transmission and distribution.

Furthermore, the good economic and financial performance of the Elecnor Group, together with all the aforementioned aspects and the organisation's strong corporate culture, allows it to guarantee a working environment that engenders employee loyalty, as well as the ability to attract the right profiles in the market for the performance of its activity. However, the organisation has identified high staff turnover as one of the main risks at sector level.

With regard to the previously listed material IROs, it should be noted that the Elecnor Group has not identified any material IROs associated with specific information additional to those covered by the disclosure requirements established in the ESRS.

Disclosure requirements are described in the relevant chapters of this report. Thus, these material IROs are also detailed in the ESRS E1 Climate change, E4 Biodiversity and ecosystems, E5 Resource use and circular economy, S1 Own workforce, S2 Workers in the value chain, S3 Affected communities and G1 Business conduct.

In accordance with Appendix C List of phased-in disclosure requirements, the Elecnor Group avails itself of the transitory provision not to report the information described in ESRS 2-SBM-3, paragraph 48, letter e (expected financial effects) in this first year of preparing its Statement of Non-Financial Information and Sustainability Information. It should also be noted that no significant current financial effects were identified in relation to the material IROs.

As this is the Elecnor Group's first reporting period under the CSRD, the disclosure requirement regarding changes in material IROs from the previous period does not apply.

In relation to the policies, actions, benchmarks and targets linked to the material IROs (MDR-P, MDR-A, MDR-M, MDR-T), they are specified in each section of the topical standards that address them.

15.2. Environmental information

European taxonomy of environmentally sustainable economic activities

The European taxonomy forms part of a series of actions that seek to redirect capital flows towards sustainable activities within the European Union's European Green Pact, which in turn identifies a set of policy initiatives geared towards compliance with the commitments made in the Paris Agreement and, more specifically, with the goals set out in the United Nations 2030 Agenda for Sustainable Development adopted in 2015.Under the European Taxonomy Regulation (EU Regulation 2020/852) (hereafter, TR), the taxonomy is intended as a classification system for environmentally sustainable economic activities to assist in informing investors —under a single, official criterion— about which investments are sustainable, providing transparency and clarity in the market.

Pursuant to these regulations, the Elecnor Group discloses in this Statement of Non-Financial Information and Sustainability Information information on the manner and extent to which the company's activities are associated with economic activities that are considered environmentally sustainable in relation to the objectives of climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, prevention and control of pollution or protection and recovery of biodiversity and ecosystems. In particular, the Elecnor Group publishes the proportion of its total turnover, CapEx and OpEx that is linked to environmentally sustainable economic activities.

In that regard, there are two levels of classification of economic activities in terms of their contribution to environmental objectives:

- On a first level, an economic activity will be regarded as an eligible economic activity pursuant to the taxonomy to the extent that it fits one of the descriptions of activities included in the delegated acts implementing this regulation[1] (1st Delegated Act, expanded by virtue of the 3rd Delegated Act and partially modified by the 4th Delegated Act, in relation to the goals of mitigation of and adaptation to climate change, and 5th Delegated Act in relation to the rest of the environmental goals), regardless of whether it meets any or all the technical selection criteria established so that it can also be considered environmentally sustainable. As a consequence, the fact that an economic activity is eligible under the taxonomy does not provide any indication of its actual environmental performance and sustainability.
- On a second level, an eligible economic activity will also be regarded as an environmentally sustainable activity when it meets the technical selection criteria identified for each activity in the appendices to the abovementioned delegated acts, i.e. when:
    a. It contributes substantially to one or more of the environmental objectives laid down in Article 9 of the TR,

[1] Appendix I of this Report identifies in greater detail the main implementing legislation of the European Taxonomy Regulation.

b. Does not cause any material detriment to one or more of the environmental objectives laid down in Article 9 of the TR, and

c. It is conducted in conformity with minimum social safeguards that ensure that the activity is performed in compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights laid down in the eight core conventions referred to in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Methodology for the identification of eligible activities

Categorisation of activities into eligible and non-eligible activities

The Elecnor Group has found that the activities it conducts may contribute primarily to mitigating the effects of climate change rather than contributing to adapting to it and its consequences, to the sustainable use and protection of water and marine resources, to a circular economy, to the prevention and control of pollution or to biodiversity (without prejudice to the positive effects that they may also generate in this field). In these circumstances, while the analysis of the eligibility of its activities under the taxonomy rules has taken into consideration all environmental objectives, the subsequent analysis of its environmental sustainability has mainly focused on the assessment of its contribution to the goal of mitigating climate change.

The Elecnor Group classifies its activities and sub-activities using an internal coding system.

These activities and their corresponding sub-activities have been analysed using the classification of economic activities included in the delegated acts of the Regulation corresponding to the various environmental goals, and which are based on the NACE (Statistical Classification of Economic Activities in the European Community) classification.

Following the exercise conducted, it has been concluded that the following Elecnor Group activities and subactivities are deemed eligible according to the taxonomy:

- Electricity. Subactivities: distribution and transmission networks, substations, transformer stations and live working.
- Energy efficiency. Subactivity: street lighting.
- Power generation. Subactivities: wind farms, solar photovoltaic, power generation and self-consumption plants.
- Railways. Subactivities: catenary, traction substations, signalling and interlocking, and communications.
- Maintenance. Sub-activities: urban services.
- Facilities. Subactivities: electricity and instrumentation, air-conditioning, HVAC, PCI and plumbing and comprehensive installations.
- Construction. Subactivities: non-residential buildings.
- Environment and Water. Sub-activities: water works, distribution networks and water treatment plants and environmental works.

Appendix II of this report contains an itemised list of the Elecnor Group's eligible and ineligible activities and sub-activities and their correspondence with the abovementioned NACE codes and environmentally sustainable activities according to the Taxonomy Regulation and implementing regulations.

Methodology for identifying environmentally sustainable activities: analysing compliance with technical selection criteria

With the aim of analysing which activities or projects comply with the technical selection criteria laid down in the taxonomy regulation that enable them to be classified as environmentally sustainable, the Elecnor Group first identifies and reviews all the projects under execution registered in its works system and determines the scope of this analysis. The analysis on the fulfilment of the selection criteria is conducted at project level when, given its nature (type of activity and requirements of the taxonomy, geographical location and deployment and execution of the applicable management and control procedures, primarily) and magnitude, it is deemed necessary to accredit this fulfilment on an individualised basis. Conversely, in cases where the nature of the projects included in a given activity is homogeneous, the management procedures set up are applied across the board and the individual volume of each project is not significant; the analysis is performed at the activity level.

The technical selection criteria applicable to each of the eligible activities pursuant to the taxonomy are substantially different and, accordingly, there is a substantial variation in the assessment of compliance with them from one activity to another. As can be seen below, a highly significant part of the Elecnor Group's activity is identified with the construction or rendering of services associated with the operation of electricity transmission or distribution systems and with the construction of electricity generation facilities based on wind energy or photovoltaic solar technology.

The most notable aspects included in this analysis process in relation to these activities are described below.

Substantial contribution to the goal of mitigating climate change

Set out below are the main aspects of assessing whether projects for the construction or rendering of services related to operating electricity transmission or distribution systems substantially contribute to the goal of mitigating climate change:

- Identifying whether the transmission and distribution infrastructure or equipment subject to the project is located within the interconnected European system
- Identifying, if not, whether the infrastructure in question is connected or intended to create a connection or extend an existing connection to an energy production facility with a level of greenhouse gas emissions below the thresholds laid down in the taxonomy regulation (low-carbon generation) or whether the primary goal of the infrastructure is to increase the generation or use of renewable electricity generation
- As a last resort, where neither of the above two circumstances can be proven, analysing the characteristics of the electricity system in which the infrastructure is located and, specifically, whether the average emissions factor of the system network or whether more than 67% of the newly activated capacity in the system falls below certain emissions thresholds, in both cases considering a successive period of five years.

Generally speaking, and according to the "Renewable Energy Statistics 2024" report from the International Renewable Energy Agency (IRENA), the participation of renewable energy in the production and installed capacity of electricity generation in the main countries in which the Elecnor Group is present executing transmission and distribution system construction projects is very high. In all cases, major efforts have been made in recent years to increase the percentage of renewable energy in their installed generation capacity.

With regard to projects related to the construction or operation of electricity generation facilities using renewable energy sources (wind and solar) and facilities that store electricity and return it later in the form of electricity, their very nature proves their substantial contribution to this goal of mitigation.

With regard to the construction and maintenance of rail transport infrastructure, this activity refers to actions on electrified infrastructure and associated subsystems, which also proves its substantial contribution to this mitigation goal.

Finally, for building renovation and other activities related to energy efficiency and the installation of renewable energy technologies, the substantial contribution is shown through the assessment of the energy performance of the buildings or facilities subject to the corresponding actions and the very nature of the activities carried out.

No significant harm to other environmental goals

In line with the nature of the Elecnor Group's principal eligible activities, our analysis of compliance with these selection criteria has been particularly focused on the goals of adaptation to climate change, transition to a circular economy and protection and recovery of biodiversity and ecosystems. Although the requirements laid down in the taxonomy regulations to demonstrate that economic activities do not cause significant harm to any of the identified environmental goals also differ between eligible activities, in general, the activities of electricity transmission and distribution and the construction and operation of renewable generation facilities have important elements in common in terms of demonstrating compliance with these requirements.

The nature of the core activities conducted by the Elecnor Group sometimes limits its ability to significantly influence some of these environmental goals. This is especially true with respect to the goals of adapting to climate change and the transition to a circular economy, given that the Group —with the exception of electricity transmission and energy generation facilities through solar photovoltaic and solar thermal technology which it operates through the Celeo Subgroup— does not own or operate the infrastructures it builds throughout their entire lifecycle. As a rule, the design and technical specifications of the projects are determined by the customer and the Group has no ability to manage these assets after the completion of their construction and delivery.

In any case, and as regards the goal of adapting to climate change, the abovementioned technical specifications generally address the most adverse climatic conditions and set out the appropriate adaptation solutions. These are usually related to implementing the best technology in the installations and using highly durable materials that can withstand the most extreme conditions and, above all, to the location of the various supports of the transmission and distribution lines and of the photovoltaic and wind complexes themselves and of the foundations and towers of the wind turbine generators.

Furthermore, and as explained in the ESRS E1 chapter of this report, the Elecnor Group has a Climate Change Strategy that lays down the goals in this area for the 2020-2035 period. This strategy constitutes the framework within which all of its initiatives to reduce greenhouse gas emissions, adapt to the impacts of climate change and take advantage of the associated opportunities are included. As a core part of the design and implementation of this strategy, the Group has identified the risks and opportunities related to climate change in its activities, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the criteria set out in Appendix A ("Criteria relating to the principle of no significant adverse effect on climate change adaptation") of Appendix I relating to the goal of mitigating climate change of the 1st Delegated Act. Specifically, the impact of climate change has been assessed both on the Elecnor Group’s physical assets and on the infrastructure construction activity in the countries in which it currently has a greater presence or significant medium- and long-term business opportunities. Based on this analysis, we have determined that the Elecnor Group’s exposure to the main risks associated with climate change is low, although there are major opportunities associated with the ambitious energy transition and decarbonisation plans at a global level. The findings of this analysis form the basis for the identification and implementation of adaptation solutions to reduce the impact of the most significant physical and transition climate risks to the Group's activities, taking into account both the context in which they occur and their position in the supply chain.

The Elecnor Group, as also outlined in the Environmental Information section, conducts its operations pursuant to the procedures established in its Environmental Management System certified under ISO 14001:2015. In particular, with regard to the goal of transition to a circular economy, and as detailed in ESRS E5. Use of the resources and circular economy of the abovementioned Environmental Performance section, the Elecnor Group fosters the circular economy by reducing and recovering the waste generated whenever possible and optimising the resources used at all work sites and workplaces. In that regard, it has specific waste management procedures in place to ensure both adequate protection of human health and the environment and fulfilment of the applicable legislation, seeking the best available techniques for recycling. Similarly, the key characteristics of its operations and activities that may have a material impact on the environment are regularly monitored and measured through the Environmental Action Control Plans, and compliance with legal requirements is verified.

Furthermore, and as also outlined in detail in the abovementioned section of this report on Waste Management, the Group is fully committed to and working intensively on a number of initiatives geared towards preventing the generation of waste and enhancing the circular economy.

As regards the goal of protecting and recovering biodiversity and ecosystems, and as detailed in the chapter of ESRS E4 of this report, the Elecnor Group identifies and assesses in all its operations the impact they may have on fauna and flora, taking the appropriate measures to reduce this impact or even to generate a positive impact on the environment. Most of the projects implemented by the Group have the mandatory Environmental Impact Assessment reports and the corresponding environmental impact statements, based on which environmental monitoring plans are prepared to ensure the application of the appropriate mitigation and compensation actions.

Finally, the eligible activities carried out by the Elecnor Group have hardly any impact in relation to the objectives of sustainable use and protection of water and marine resources and the prevention and control of pollution.

As a result of the assessment conducted regarding these selection criteria, the Group has concluded that, overall, its eligible activities do not cause material detriment to any of the environmental goals set out in the taxonomy regulations.

Minimum social safeguards

To assess whether the operations conducted by the Elecnor Group are performed pursuant to minimum social safeguards, the outcome of the Final report on minimum safeguards issued by the European Sustainable Finance Platform in October 2022 has been considered primarily. Based on this report, the analysis has been conducted with respect to the Group’s management and performance in the following four areas:

- Combating bribery and corruption
- Human rights
- Taxation
- Free competition

To prevent and adequately manage the risks linked to these four areas and to ensure adequate performance in full compliance with the law and its principles and values, the Elecnor Group has a fully operational Compliance System that is structured and operates according to the best national and international practices. The Elecnor Group’s Compliance System is certified according to the UNE-ISO 37001 anti-bribery management system standard, the UNE 19601 criminal compliance management system standard and UNE 19603 for compliance management systems in free-competition matters. The chapter on ESRS G1 of this report outlines the key components of this system and the manner in which the Group conducts its operations in these areas of management.

The Elecnor Group is fully committed to supporting, respecting and safeguarding human rights in all spheres of action, based on its ethical principles and its corporate social responsibility. As outlined in its Human Rights Policy, all the Group companies are unwaveringly committed to compliance with and defence of human rights in developing their activities in all of the countries where they operate. Moreover, this Policy extends to all the Company’s stakeholders with a view to sharing and requiring the same exacting level of commitment in its relationships with them. In the context of its ongoing management of the risks to which it is exposed, the Elecnor Group identifies the main fields in which human rights risks may materialise. The Group manages these risks through various initiatives and procedures integrated into its operations and activities. These mechanisms notably include its labour procedures, the primary goals of which are to ensure a fluid and honest dialogue with its employees, to guarantee fair working conditions in line with applicable legislation, and to ensure non-discrimination and equal opportunities; the procedures and controls in place in the field of health and safety based on the principle of zero accidents; the identification and registration of its workers and of the people who work on its projects through the corresponding subcontractors, as well as their ongoing and appropriate training; and dialogue with local communities, the implementation of initiatives to protect them from the effects that may arise from the projects and to improve their situation.

Finally, the Elecnor Group has a corporate Tax Policy that explains its tax strategy and establishes the basic principles and guidelines for the appropriate management of tax risks. Within the framework of the deployment of this policy, it has procedures and systems in place that enable it to adequately identify the tax risks to which the organisation is exposed, both at corporate level and at the level of the various companies and organisations with tax responsibilities, as well as at the level of projects that may have a higher tax risk, either because of the way in which they are structured or because of the tax regulations applicable in the different locations in which the tax bases are generated.

Neither Elecnor, S.A. nor any of its subsidiaries have been convicted in a final judgment in 2024 for any offence relating to tax evasion or human rights. Similarly, neither Elecnor, S.A. nor any of its subsidiaries or its management team have been convicted by a final judgement in matters of corruption and bribery. As regards free competition, and as described in Note 18 to the Elecnor Group's Consolidated Annual Accounts for 2024, in December, following the dismissal by the Supreme Court of the appeal filed against the ruling of 29 April 2024 by the National High Court partially upholding the appeal filed by Elecnor, S. A. against the decision of the National Commission on Markets and Competition (CNMC) in March 2019 declaring the Company liable for three infringements of article 1 of the Antitrust Law and article 101 of the Treaty on the Functioning of the European Union, this ruling became final. In any case, on 31 January 2025, the Company filed a constitutional appeal with the Constitutional Court against the CNMC's decision on the grounds that it violates rights enshrined in the Spanish Constitution. In these circumstances, the CNMC agreed in February 2025 to suspend the proceedings for the settlement of the penalties imposed until the Constitutional Court adopts a decision on the admissibility of the aforementioned appeal.

Estimation of the indicators for eligible and environmentally sustainable activities: Turnover, capital expenditure (CapEx) and operating expenses (OpEx)

Having catalogued the Elecnor Group’s activities as eligible and ineligible and assessed compliance with the technical selection criteria for the projects and activities identified as eligible, the indicators (KPIs) required by the abovementioned regulations have been calculated using the following methodology.

In order to calculate them, and pursuant to the applicable regulations, the scope of the Elecnor Group’s companies and organisations that comprise its consolidation scope for in order to prepare the Consolidated Annual Accounts was considered. This includes all those consolidated using the full or proportionate consolidation method, and therefore does not include the figures relating to other organisations over which the Elecnor Group exercises joint control or significant influence, which are included in the Annual Accounts using the equity method. As a consequence, the figures relating to the Celeo subgroup have not been considered when calculating these indicators, even though its activities, which mainly comprise the development, third-party financing, construction and operation and management of electricity transmission lines and photovoltaic and solar thermal farms, are considered eligible and potentially sustainable activities.

Also, and in accordance with the accounting treatment applied to the assets and liabilities and income and expenses of the Enerfín Subgroup as a result of the search for an investor to acquire a controlling stake in the Enerfín Subgroup during 2023, which culminated in the completion in May 2024 of the sale of all the shares of the Enerfín Subgroup to the Norwegian company Statkraft European Wind and Solar Holding AS, all the income and expenses for 2024 relating to the Enerfín Subgroup and up until the moment of their sale were recognised under "Profit/loss of discontinued operations attributable to shareholders of the Parent" in the Elecnor Group's Consolidated Income Statement. Also, all the assets and liabilities of the Enerfín Subgroup were recognised during the period under "Non-Current Assets Held for Sale" and "Non-Current Liabilities Held for Sale" in the Elecnor Group's consolidated balance sheet.

In calculating the indicators, the Group has avoided any double counting, especially when the same activity or project could be considered eligible or environmentally sustainable in relation to more than one environmental objective.

Proportion of turnover from products or services related to environmentally sustainable economic activities

The works systems of the various subsidiaries and organisations comprising the Elecnor Group integrate all the information related to the economic figures of the works in progress (chiefly turnover, expected margin at the end of the works and allocated costs). The sales (production) recorded in these systems (using the percentage of completion or stage of completion method, as stipulated in the applicable accounting regulations) and which are included in the Group's accounting systems represent practically all of the organisation's turnover.

Each of the works registered in the system is associated with an activity code, which helps in the process of identifying and aggregating the production associated with environmentally sustainable activities.

Taking this into account, the Elecnor Group has calculated the turnover indicator for 2024 that derives from eligible and environmentally sustainable activities by dividing the aggregate turnover of the activities and projects deemed to meet the criteria for eligibility and alignment with environmental objectives (technical selection criteria), respectively, which includes those relating to the Enerfín Subgroup up until the moment of its exit from the consolidation scope, by the Elecnor Group's "Net turnover" figure shown in the Consolidated Annual Accounts for 2024 prepared by the Board of Directors on 26 February 2025 – Euros 3,810,102 thousand – plus the turnover of the Enerfín Subgroup which was recognised under "Profit/loss of discontinued operations attributable to shareholders of the Parent" – Euros 88,924 thousand. From this calculation, the following results have been obtained:

a. Proportion of turnover corresponding to eligible activities: 70.11%.

b. Proportion of turnover corresponding to environmentally sustainable activities or projects: 55.19%.

Appendix II of this report contains in-depth information on the Elecnor Group's turnover related to environmentally sustainable activities.

Proportion of capital expenditure (CapEx) related to assets or processes associated with sustainable environmental economic activities

The nature of the Elecnor Group's main capital expenditure, without taking into account investments made through its subgroup Celeo (mainly electricity transmission lines and facilities generating photovoltaic and solar thermal energy) is as follows:

- Machinery, hand and machine tools, transport equipment and other assets necessary for the rendering of services and execution of works and projects, in addition to rights of use over assets of this nature (hereinafter, assets for the rendering of services and execution of projects).

- Other supporting property, plant and equipment not directly related to the provision of services and execution of projects, such as computer systems, furniture and fixtures or improvements made to offices and other facilities leased by the Group (the Elecnor Group hardly owns any real estate).

These assets are not individually assigned to any of the activities established in the internal activity coding system or, generally speaking, to the different works in progress, as they, and in particular the assets for the rendering of services and execution of projects, are used in a cross-cutting manner in various works and even in different activities.

The cost of the use and utilisation of these assets, materialised through their systematic depreciation and amortisation and other costs directly related to them, is allocated to the various projects through the corresponding equipment utilisation reports and vehicle utilisation reports (cost allocation rates of equipment per day of use), which are completed monthly by the operators.

In any case, these assets are assigned to the various cost centres to which the income and expenses of each of the companies and organisations forming part of the Group are assigned within the framework of the Group's cost accounting system, which makes it possible to identify the activities to which these assets are assigned.

Furthermore, investments in electricity generation facilities through renewable energy sources (wind and solar) and associated rights of use, which are incurred in their entirety by the Enerfín subgroup, have been categorised as related to sustainable activities.

Taking this into consideration, the Elecnor Group has calculated the capital expenditure (CapEx) indicator for 2024 associated with eligible and environmentally sustainable activities by dividing the amount corresponding to the investments in assets for the provision of services and execution of projects carried out in 2024 and allocated to cost centres related to environmentally sustainable activities, which amounted to Euros 31,036 thousand, plus the investments in electricity generation assets through renewable energy sources by the Enerfín Subgroup up to the date of its exit from the consolidation scope (Euros 131,211 thousand), by the sum of the "Additions" for the year under "Intangible Assets - Other Intangible Assets", "Right-of-Use Assets" and "Property, Plant and Equipment" of the Elecnor Group included in the related explanatory notes to the Consolidated Annual Accounts for 2024 prepared by the Board of Directors on 26 February 2025 - Euros 110,893 thousand - plus the aforementioned investments made by the Enerfín Subgroup and recognised under "Non-current assets held for sale". From this calculation, the following results have been obtained:

a. Proportion of capital expenditure (CapEx) corresponding to eligible activities: 74.10%.
b. Proportion of capital expenditure (CapEx) corresponding to environmentally sustainable activities or projects: 67.24%.

Appendix II of this report contains in-depth information on the Elecnor Group’s capital expenditure (CapEx) related to assets or processes associated with environmentally sustainable activities.

As described later in section E1-1 of chapter ESRS E1, the Elecnor Group has identified a series of decarbonisation levers and key actions in relation to the goals established for the reduction of GHG emissions, among which the replacement of heavy machinery and traditional vehicles with hybrid and electric vehicles features prominently. The calculation of this indicator has not explicitly considered possible investments made in these items during the current year, although they may have been included as part of this indicator to the extent that they form part of the additions to property, plant and equipment recognised in the period. In 2025, the possibility of identifying these investments in calculating this indicator will be analysed.

Proportion of operating expenses (OpEx) related to assets or processes associated with sustainable environmental economic activities

The regulations on taxonomy establish that in order to calculate this indicator, only the percentage of certain operating costs that are related to assets or processes associated with eligible activities should be considered as a percentage of the total operating costs. Specifically, and as a basis of calculation of the indicator, only the costs of research and development, building renovation, leases, maintenance and repair and other direct costs related to the day-to-day operation of fixed assets (exclusively property, plant and equipment) necessary for their ongoing and correct functioning must be taken into account. The Elecnor Group recognises these costs under "Research and development expenses", "Leases" and "Repair and maintenance", as identified in the related note to its Annual Accounts, under "Other operating expenses" in the Income Statement.

As stated in the above section, the subsidiaries and organisations included in the consolidation scope of the Elecnor Group do not generally own fixed assets other than assets required and directly used for the provision of services and execution of projects and other support assets, such as computer systems or furniture and fixtures. In this context, the main expenses recognised under "Research and development expenses", "Leases" and "Repair and maintenance" are of the following nature:

a. Lease and repair and maintenance expenses of machinery and equipment and vehicles used directly by the Group for the provision of services and the execution of projects.

b. Other rental and repair and maintenance expenses of other equipment and assets not directly related to the works and projects it executes, such as information technology equipment, furniture and fixtures or offices and other facilities to support the activity.

As in the case of investments in fixed assets, these expenses are allocated to the different cost centres in which the cost accounting system is structured.

Furthermore, all of the operating expenses of this nature incurred by the Enerfín subgroup are directly related to the wind power generation facilities it owns.

Taking this into consideration, the Elecnor Group has calculated the operating expenses (OpEx) indicator for 2024 associated with eligible and environmentally sustainable activities by dividing the amount corresponding to research and development, leasing and repairs and maintenance expenses incurred in 2024 directly related to the provision of services and execution of projects carried out and assigned to cost centres related to environmentally sustainable activities, which amounted to Euros 90,217 thousand, plus the costs of this nature incurred by the Enerfín Subgroup up to the date of its exit from the consolidation scope (Euros 1,655 thousand), by the sum of "Research and Development Expenses", "Leases" and "Repair and maintenance" in the Elecnor Group's Consolidated Income Statement for 2024 prepared by the Board of Directors on 26 February 2025 - Euros 200,722 thousand - plus the aforementioned expenses relating to the Enerfín Subgroup, which were recognised under "Profit/loss of discontinued operations attributable to shareholders of the Parent". From this calculation, the following results have been obtained:

a. Proportion of operating expenses (OpEx) corresponding to eligible activities: 58.37%.

b. Proportion of operating expenses (OpEx) corresponding to environmentally sustainable activities or projects: 46.54%.

Appendix II of this report contains in-depth information on the Elecnor Group’s operating expenses (OpEx) related to assets or processes associated with environmentally sustainable activities.

ESRS E1. Climate change

Governance

GOV-3: Integration of sustainability-related performance in incentive schemes

With regard to the existence of incentive schemes for governing body members linked to sustainability issues and, in particular, related to emission reduction targets, all information is detailed in the ESRS 2 chapter of this report.

As described in that chapter, to date, there is no direct link between the Chief Executive Officer's performance and specific sustainability targets beyond those linked to the Strategic Sustainability Plan. Climate considerations are also not taken into account in the Chief Executive Officer's remuneration, and his performance is not directly linked to the Group's GHG emission reduction targets.

Management of material impacts, risks and opportunities

IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The process to determine material climate-related impacts, risks and opportunities was carried out in the general process outlined in section IRO-1 of the ESRS 2 chapter of this report. However, the considerations taken into account identify and assess those specifically related to climate are detailed below.

The Elecnor Group recognises the importance of managing its impact on climate change, derived mainly from its activities in the construction of energy infrastructures and the operation of networks. In 2024, the total CO_2 equivalent emissions from its market-based operations reached 577,329.05 tonnes CO_2e, distributed between direct (scope 1), indirect emissions from energy consumption (scope 2) and supply chain (scope 3) emissions, as set out in requirement E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions.

The dual materiality analysis has taken into account the company's locked-in emissions, which are explained in detail in section E1-1 of this chapter.

To mitigate these impacts, the Group has implemented various initiatives as set out in section E1-3 of this chapter. Furthermore, the Elecnor Group is committed to reducing its CO_2 emissions by 37.93% by 2034, in line with global sustainability targets and the Paris Agreement. In addition, the Group has an intermediate milestone of 2030, by which emissions should be reduced by 23.8%, as set out in section E1-4 of this chapter.

This approach reflects the Elecnor Group's commitment to the transition towards a low-carbon economy and to the responsible management of its environmental impacts.

Physical risks

To determine climate-related physical hazards, the probability of occurrence was analysed for each of the 29 hazards described in Appendix A of the EU Taxonomy, for each climate and time scenario (short, medium and long-term) described in IPCC AR6.

For the calculation, a variable or a set of climate variables related to each risk or physical hazard (e.g., average precipitation, average temperature, days with temperatures above 35°C, etc.) were assigned. This comparison of variables and study of their evolution allows us to understand how climate risks may vary in the locations where the Elecnor Group operates and whether they have a high probability of materialising as a climate risk and in what time scenario they are most likely to do so. This study is complemented by an exposure and vulnerability assessment, taking into account sectoral, business and Group intrinsic, geographical or geological concepts.

This analysis was carried out for all the locations where Elecnor was active in 2023-2024, through the coordinates and for the eco-regions in Spain, in order to take into account the maintenance activity, which does not have a fixed location in the country. In total, the following were analysed:

- 50 projects located in Angola, Cameroon, Mexico, Brazil, Australia, Chile, Spain, Colombia, Dominican Republic, Ghana, Mozambique, Italy, Finland, Lithuania and Norway.

- 11 Fixed assets located in Spain, Canada and Brazil.
- 14 transmission lines located in Australia, Brazil, Chile, Gambia, Guinea Bissau, Guinea Conakry, Lithuania and Panama (linear point study).
- 11 Eco-regions in Spanish territory (study of polygons).

The climate scenarios taken into account are the SSPs defined by the IPCC to analyse possible global greenhouse gas emission pathways. These socio-economic scenarios are based on different assumptions about socio-economic development and climate change mitigation and adaptation policies. The three key scenarios used for physical risks are:

- SSP1 (and SSP1-2.6) low emissions: a sustainable development scenario that is compatible with a temperature increase limited to 1.5-2°C, with a focus on environmental sustainability, strong climate policies and inclusive economic growth. This scenario implies a moderate increase in global temperatures and a relatively rapid transition to clean energy and high energy efficiency.
- SSP2 (and SSP2-4.5) moderate emissions: an intermediate development scenario with warming between 1.7°C and 3°C (considered most representative of current trends) where climate policies are moderate and a rapid transition to clean energy is not achieved. As a result, it envisages a moderate increase in emissions, with medium global warming, and an increase in the frequency and intensity of extreme weather events, such as floods, droughts and heat waves, which could generate physical risks for Elecnor's infrastructures, impacting the execution of projects and generating additional adaptation costs.
- SSP5 (and SSP5-8.5) high emissions: a scenario based on heavy dependence on fossil fuels, with rapid economic growth and limited climate policies. This scenario leads to a significant increase in GHG emissions and more extreme global warming >4ºC. This scenario is of greatest concern, as temperatures and the frequency of extreme weather events, such as storms and intense heat waves, increase, which directly impact infrastructure by causing significant damage and increasing the operational costs of maintenance and adaptation.

The probability of occurrence of these scenarios has been determined using simulation models based on IPCC AR6 scientific projections, which consider current policies, emission trends and technological developments in each of the scenarios.

The time horizons are those established by the IPCC, as they are related to the average useful life of Elecnor's works projects and fixed assets, categorised as follows:

- Short-term: until 2040, considering the evolution of extreme weather events and their impact on operating assets in the earliest time period.
- Medium-term: 2041-2060, a period in which significant changes in the frequency and intensity of extreme weather events are projected, according to the reference climate scenarios.
- Long-term: 2061-2100, when the physical impacts of climate change are expected to consolidate in line with the global emissions pathway.

Furthermore, Elecnor involves key people in the Group through a questionnaire designed to identify the most significant risks and assess the potential seriousness of their impact. This questionnaire includes detailed risk descriptions and asks for an impact rating on a scale of 1 to 5, together with additional questions on risk materialisation, existing mitigation measures and specific comments.

Both the exercise to define vulnerabilities and exposure and the exercise to determine the severity of the impact were carried out by Elecnor's activity.

The supply chain is included in the analysis as an integral part of the value chain, assessing its exposure to risks such as storms and extreme events, which could lead to delays or disruptions in operations. For example, the significant risk associated with storms is assessed by considering impacts on suppliers, which results in possible delays in Elecnor's activity.

The result of the assessment of the material physical risks is outlined in section SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.

Climate transition risks and opportunities

With regard to climate-related transition risks and opportunities, a comprehensive analysis of current and emerging climate regulation and trends in sustainability and climate action at global and sectoral level was carried out. This analysis encompasses technological and market aspects, considering, among others, potential changes in customer behaviour patterns, as well as changes in material prices linked to climate action initiatives. This provides the Elecnor Group with a complete understanding of the regulatory and market factors that could influence its position and performance, enabling accurate and proactive strategic planning.

The main factors analysed include:

- Climate regulations and carbon pricing: in the future, government policies are expected to tighten, with mandates on emissions and higher carbon prices, which will affect entities' operations. Such regulations will be implemented progressively, but are expected to have an increasing impact over a 10-year horizon.
- Circular economy and product regulations: Circular economy regulations, such as the ban on plastics and other non-recyclable materials, will affect the production strategies of many companies in the long term, forcing them to redesign their products and processes as regulations on new materials and transport are developed.
- Emergence of new technologies: the adoption of low-emission technologies will be a key factor in the long-term transition. Companies will need to invest in new technologies to meet climate targets and those that do not invest effectively in emerging technologies could face competitive disadvantages in the long term.
- Changing consumer behaviour: growing awareness of climate change and preferences for sustainable products will continue to evolve in the long term.

Two processes were carried out to assess the Elecnor Group's exposure to these climate-related transition events:

1. Detailed analysis of the probability of occurrence for each of the transitional risks, considering the different locations assessed. This analysis covers both active construction projects during 2023 and 2024 as well as fixed assets (solar installations), transmission lines and maintenance activities.

   To determine the probability, multiple variables were considered, including the evolution of national regulations in the countries where the Group is present, the degree of technological innovation in each of these territories, an assessment of the dynamics of the construction and maintenance market, as well as the study of carbon price trends, among other factors.

   This approach is complemented by a comprehensive assessment of the level of exposure of the Group's business sectors to political, legal, technological, market and reputational risks. In this way, a company-specific perspective is incorporated into the probability analysis, resulting in a more accurate and contextualised understanding of risks.

   As part of the process, it has been determined that construction projects, due to their variable and site-dependent nature, as well as their variability in location, require a case-by-case assessment as they may have significant locked-in emissions, as explained in detail in E1-1: Transition plan for climate change mitigation.

In terms of the upstream value chain, the risks associated with the Border Adjustment Mechanism could also directly affect suppliers, impacting costs and the availability of key materials.

For climate opportunities, the International Energy Agency's (IEA) Net Zero guidelines reinforce the need to accelerate the transition to a low-carbon economy, which could generate new opportunities for the Group, such as innovation in sustainable products and services, while posing challenges related to adapting its assets and the value chain to future regulatory and technological requirements.

For the analysis, the same climate scenarios were taken into account as for the physical risks, being more optimistic (SSP1), neutral (SSP2) and pessimistic (SSP5). The characteristics of these scenarios are detailed in the Physical Hazards section. In addition, the IEA scenarios have been used to complement and refine the estimation of the likelihood of transitional risks, which are:

- Net Zero 2050: reflects a future where no new climate policies are implemented, resulting in a continued increase in greenhouse gas emissions and an increase in carbon prices due to pressure to reduce emissions globally.
- Business as usual (BAU): involves the adoption of more aggressive global policies to achieve net-zero emissions by 2050, which implies a transition towards clean energy, electrification of sectors and a considerable increase in carbon prices, together with the implementation of mechanisms such as the CBAM (Carbon Border Adjustment Mechanism).

This analysis is conducted at the country level because many of the trends and legislation that may affect transitional risks are national in scale.

In addition, time horizons aligned with the company's strategic and financial planning were considered, and are structured as follows:

- Short-term (0-5 years): this horizon is important for the Elecnor Group because it coincides with the strategic planning cycle and allows it to address immediate climate-related risks that directly affect ongoing projects, such as the need to comply with emerging environmental regulations. During this period, it is possible to optimise construction processes, incorporate more sustainable materials and improve energy efficiency in operations, ensuring that current decisions contribute to the sustainability and resilience of infrastructure.
- Medium-term (5-15 years): this horizon allows for planning transformations in projects that require a longer time frame, such as the rehabilitation of existing infrastructure, the development of energy technologies or the implementation of climate resilient solutions. In this period, financial risks associated with the energy transition can also be reduced by modernising processes and adopting technologies that ensure that operations are compatible with medium-term decarbonisation objectives.
- Long-term (15-30 years): this horizon is relevant because the infrastructures built must be functional and sustainable for decades. Considering the long term allows planning strategies to move towards climate neutrality through the use of technologies such as carbon sequestration or the integration of regenerative materials. In addition, this horizon ensures that current decisions consider the durability and adaptability necessary for long-life infrastructures.

2. Assessment of the severity of the impact through questionnaires completed by Group staff with experience in the company, in the sector or in sustainability, representing each of the organisation's activities. These questionnaires gather the perceived level of severity (on a scale of 1 to 5) of the financial impact of the most likely transitional risks, should they materialise, without considering existing or planned mitigation actions.

In addition, to complement the analysis and aid the calculations, it is ascertained whether the risk has already materialised, what mitigation measures have been taken or are planned, and if there are any additional relevant comments.

The outcome of the assessment of material transition risks and opportunities is set out in section SBM-3 of this chapter.

The above detailed explanation of the different climate-related scenarios in the Physical Risks and Transition Climate Risks and Opportunities sections are also marked by uncertainties due to various factors that complicate forecasting and assessment:

- Uncertainty in climate projections: Climate models can predict general trends (such as rising temperatures or changing precipitation patterns), but the accuracy of these predictions varies depending on the model used, the initial conditions and the ability of models to simulate complex physical climate processes.
- Uncertainty in socio-economic scenarios: SSP scenarios are based on projections of socio-economic development, government policies and technological changes. As human behaviour, policies and economies are unpredictable, it is not possible to know with certainty what pathways they will follow in the future. Political decisions, technological innovations and economic fluctuations play a crucial role, introducing uncertainty into emissions and climate change impacts.
- Uncertainty in regional and sectoral impacts: while trends can be observed at the global level, climate change impacts vary widely depending on location, infrastructure, community vulnerability and adaptive capacity.

The uncertainty of the financial impacts of climate risks are as follows:

1. Origin of the data. The data used to calculate the impact can come from past studies (historical observations), future estimates (climate model projections), or sector- or region-specific studies. Each source has different levels of uncertainty:
   - Historical data: while useful for understanding past trends, it does not always reflect future conditions, as climate change is altering observed weather patterns; nonetheless, it can still help to reflect how a risk would impact the company's specific activity and give an accurate estimate of the impacts and expected scale.
   - Climate model projections: differences between models can generate wide ranges of possible outcomes, increasing uncertainty in impact estimates.
   - Sectoral estimates: estimates of impacts on specific sectors (such as agriculture, infrastructure or health) may be based on simplified models or scenarios of impacts without adequately considering the interactions between them.
2. Regulation. The speed and extent of regulatory implementation may vary according to the geopolitical and economic context.
3. Availability of sustainable materials. The transition to sustainable/resilient infrastructures will depend on many factors over which the Elecnor Group has no control, availability, future costs of materials with a low carbon footprint, global demand that may also be affected, etc.
4. Uncertainty of technological solutions, which may ultimately fail or be economically unviable.

Uncertainty in the analysis of climate risks and opportunities affects both the prediction of climate change and the calculation of its financial impacts. Sources of uncertainty stem from climate models, socio-economic projections and adaptive capacities, which need to be taken into account when calculating financial impacts, especially when considering the different origins of the data and the nature of the estimates.

The assessments of the analysis have a degree of uncertainty, which is why the Elecnor Group is working to reduce it, as it is not possible to relate impact calculations with high uncertainty to financial statements that must be accurate. In the first year of analysis and quantitative assessment, this connection cannot be made, which is why the Group is considering whether to carry out further analysis and improve the maturity of the calculation, for example through the application of metrics or targets and a specialised working group. It is a forward-looking objective: as uncertainty is reduced, quantitative assessment will become more accurate and can be linked to financial statements.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

According to the Climate Risk and Opportunities Analysis completed in 2024, the material risks and opportunities for the Elecnor Group are as follows:

Transitional risk	Political and legal risks	Border adjustment mechanism
Transitional risk	Political and legal risks	Climate-related mandates and new regulations (carbon targets, carbon pricing, etc.)
Physical risk	Acute physical risk	Storm (including blizzards, dust storms and sandstorms)
Physical risk	Acute physical risk	Heat wave
Opportunity	Energy sources	Returns on investment in low-emission technology

The climate resilience analysis carried out by the Elecnor Group is comprehensive in scope and addresses both physical risks (such as extreme weather events or resource scarcity) and transitional risks (regulatory changes, consumer expectations and market developments) and climate opportunities. This analysis focuses on how these factors impact the company's overall strategy, governance, supply chain and operations.

The scope of this exercise is limited to direct operations, as described in section IRO-1 of this chapter.

In terms of the value chain, this was done during the qualitative and quantitative analysis of the most material risks and opportunities for the company, for example:

- The effects of the CBAM (Carbon Border Adjustment Mechanism) on suppliers and its impact on Elecnor's direct operations.
- The impacts on customers of storms and extreme events, with their effects on the Elecnor Group's project revenues.
- The consideration of increased reputational valuation by stakeholders, customers and other stakeholders, arising from the implementation of low-emission technologies and their return on investment.

The Group's climate resilience analysis follows a robust and structured methodology designed to identify, assess and manage climate change-related risks and opportunities, as detailed in IRO-1. The applied time horizons and climate scenarios are also described in detail in IRO-1 of this chapter.

For this resilience analysis, the actions explained in detail in section E1-3 of this chapter were taken into account.

The results of the study identify the following physical risks, transition risks and opportunities as material:

- Storms and extreme weather events. The Elecnor Group has identified that storms and other extreme weather events will directly affect both the operation of the photovoltaic parks and the works in progress. In the case of photovoltaic parks, such events could cause damage to equipment, disrupt power generation and make maintenance difficult, which would decrease production and increase operating costs. In addition, construction activity could be affected, which could stop the works and delay the progress of projects. This situation would result in lower productivity, longer construction times, and additional repair and replacement costs. The prolongation of projects due to these events would also lead to a loss of revenue due to the non-availability of facilities. In addition, insurance costs are expected to increase due to the potential damage that could be caused by storms and other extreme weather events.

  This physical risk occurs in projects that are most vulnerable in Panama, Brazil, Mozambique, Norway, Brazil, Australia, Dominican Republic and Spain.

- Heat wave. Based on climate scenarios SSP1-2.6, SSP2-4.5 and SSP5-8.5, the company has assessed a progressive increase in the number of days with temperatures above 35°C, which will increase the risk of production stoppages due to labour regulations and the well-being and comfort of workers. Possible fines for non-compliance with working conditions related to high temperatures were identified. In addition, the remote possibility of loss of employees due to extreme working conditions is analysed. Financial impacts include:

  - Production slowdown or shutdown. Loss of revenue or delayed deliveries, especially during the hours of maximum sunshine (12 to 14 h).

  - Fines. Possible fines for non-compliance with occupational risk regulations.

  - Reputational risks. Loss of staff or difficulty in attracting new employees due to poor working conditions.

  - Interruptions in the value chain. Possible supplier defaults, requiring alternative material supply mechanisms, raising costs.

  The projects most affected by this risk are located in the following countries: Ghana, Brazil, Gambia, Guinea Bissau, Guinea Conakry, Mozambique, Colombia, Cameroon, Angola, Australia, Mexico and Spain.

- Border adjustment mechanism. The Elecnor Group's construction, energy and infrastructure activities will be the most affected by the CBAM risk, due to their dependence on materials with a high carbon footprint. This could generate additional costs for the company in the form of tariffs for carbon emissions associated with its imported products, which would increase operating costs.

  The affected locations will be all non-EU areas from which CBAM-affected materials are imported.

- Increased stringency or obligations of environmental legislation and regulations. This risk may affect the Elecnor Group's entire activity due to its wide diversity (circular economy, carbon price, value chain requirements, etc.). For the specific carbon price risk, it would mainly affect the company's activity in the EU, mostly construction projects.

  The area affected will be mainly Europe, although more and more countries and regions are setting up their own CO_2 schemes/markets.

- Returns on investment in low-emission technology. The adoption of sustainable practices and the production of environmentally friendly products by the Elecnor Group could have a significant impact.

It could improve brand perception, boost customer loyalty and open up new opportunities in sustainable growth markets. The growing demand for sustainable services could result in increased sales and market share expansion, positioning the company as a leader in the construction industry with a responsible and sustainable approach.

All of the company's projects could be affected by this opportunity.

The uncertainty of the resilience analysis is the same as for the analysis of climate risks and opportunities described in detail in IRO-1.

Based on the risks and opportunities identified and assessed, the Elecnor Group has designed adaptation and mitigation strategies that it can use as action plans to address climate risks or to help maximise the benefits of climate opportunities.

- Mitigation. It involves taking measures to reduce the company's carbon footprint, such as adopting renewable energy, improving energy efficiency, reducing emissions, and optimising the supply chain to minimise environmental impacts.
- Adaptation. This involves modifying the company's operations, processes or infrastructure to cope with the impacts of physical hazards, such as building facilities that are more resilient to climate disasters or changing business models to ensure the supply of essential resources.

The specific mitigation and adaptation plans proposed in this year are:

Description	Time horizon	Scope	Action plan
Increased stringency or obligations of environmental legislation and regulations	Short-term	Operations and projects in Spain, Mexico, Colombia and Brazil	Improve energy efficiency and promote the adoption of clean technologies in Elecnor Group operations. Its SBTi target by 2034 is to reduce absolute Scope 1 and 2 GHG emissions by 59%. In addition, the organisation undertakes, also within this time horizon, to adopt sustainable practices to achieve its SBTi target of a 35% reduction in Scope 3 emissions. The base year for both targets is 2023.
Border adjustment mechanism	Short-term	Purchases of the organisation from the European Union to external countries.	A set of strategic measures is planned to be implemented between 2024 and 2035. These actions will include supplier diversification, process optimisation and close collaboration with strategic partners. The main objective will be to reduce reliance on materials subject to the 'green tariff', thus ensuring continuous adaptation to emerging climate regulations and improving operational efficiency.
Heat wave	Short-term	Some constructions in Panama, Brazil, Mozambique, Norway, Australia, Dominican Republic and Spain	Measures such as constant monitoring of working conditions and the adoption of safety protocols, including regular breaks and adequate provision of water and shade, are proposed. In addition, increased investment in infrastructure would be considered to ensure optimal working conditions (2024-2035).
Storms and extreme events (including blizzards, dust and sandstorms)	Short-term	Various projects under construction in Ghana, Brazil, Gambia, Guinea Bissau, Guinea Conarky, Mozambique, Colombia, Cameroon, Angola, Australia, Mexico and Spain	Measures such as the strengthening of infrastructure and the review and updating of insurance policies to cover possible damages will be considered (2024-2035). Priority will also be given to establishing a methodology for monitoring climate variables (2024-2035) and early warning systems (2030-2035) to minimise impacts on operations.
Returns on investment in low-emission technologies	Long-term	Global	Implementation of sustainable practices and develop eco-friendly services to improve its brand perception, drive customer loyalty and capitalise on opportunities in growing sustainable markets, thereby strengthening its competitive position and increasing its share of the construction market.

The Elecnor Group has begun to incorporate climate resilience into its corporate strategy, understanding that climate change represents a long-term strategic challenge. The company is aware that its business model must evolve to ensure its viability in an environment where climate conditions, regulations and market expectations are constantly changing.

To meet this challenge, the Group has begun to integrate climate resilience into its strategic planning. In the short-term, the focus is on strengthening the capacity to respond to the most immediate climate impacts, ensuring operational continuity through mitigation measures and process optimisation. However, the adaptation of the company goes beyond one-off actions and requires a medium and long-term vision to ensure that its activity remains viable in more demanding future scenarios.

In the medium-term, the company plans to continue to adjust its strategy in line with the evolution of the regulatory framework and climate risks in the different regions where it operates. To this end, it is exploring ways to optimise its construction processes, reduce its exposure to stricter environmental regulations and improve the sustainability of its projects. In addition, it analyses how changes in demand for sustainable infrastructure and services can impact its project portfolio and open up new business opportunities.

In the long-term, the Elecnor Group plans to consolidate a business model more aligned with a low-carbon and climate-resilient economy. While some adjustments will depend on market and technological developments, the company is alert to trends that could influence its strategy in the coming decades. As more information on climate scenarios and regulatory policies becomes available, it will continue to adapt its approach to maintain its competitiveness and ensure future growth.

The Elecnor Group is in a favourable position to face climate challenges and take advantage of the opportunities offered by the transition to a more sustainable economy. By strengthening its sustainability strategy, aligning with new climate regulations and investing in innovative technologies, the company can minimise climate change-related risks and, at the same time, improve its competitiveness.

E1-2: Policies related to climate change mitigation and adaptation

Sustainability Policy

The Elecnor Group's Sustainability Policy includes the principles of action in terms of climate change adaptation and mitigation. The company plans to develop and implement a specific climate change policy by 2025, given its materiality for the Group's activities and its value chain.

In this Policy, combating climate change is established as a strategic priority for the organisation. The Elecnor Group contributes to building a sustainable, low-carbon future by generating renewable energy, promoting energy efficiency, mitigating the adverse effects of climate change and providing adaptation mechanisms.

The Board of Directors of Elecnor, S.A. is the body responsible for approving this policy and, therefore, for ensuring compliance with it. Likewise, through its Appointments, Remuneration and Sustainability Committee, it evaluates, reviews and ensures its implementation in the Group and its companies in all the countries in which it operates.

The various companies and business units of the Group ensure that the principles of the Policy are applied to their services and projects, as well as to those which, by virtue of a commercial agreement with the companies of the Group, contribute as part of the Group's chain of activities to the provision of its services or the execution of its projects.

The Sustainability Policy is aligned with the United Nations Sustainable Development Goals (SDGs). It is also closely linked to the Group's other internal policies on sustainability, such as the Code of Ethics and Conduct, the Human Rights Policy and the Local Communities Policy, among others.

In implementing the principles of this Policy, the companies of the Group work closely with those stakeholders or interested parties that may affect or be affected by the activity of the Group and its business partners, in order to establish channels of communication, consultation and contacts that contribute to their better performance.

Integrated Management System Policy

The Elecnor Group has an Integrated Management System that includes, among others, environmental and energy management aspects. All of them comprise the Group’s Integrated Management System Policy and encompass the organisation’s common goal of ongoing improvement.

In this way, the Group’s activity is set within context of its Environmental Management System and Energy Management System, certified in accordance with ISO 14001:2015 and ISO 50001:2018 standards, respectively. With them, the Group assumes as an intrinsic part of its business certain activities that contribute to the protection of the natural environment and its resources, including the generation of renewable energies, the treatment and recycling of water and energy efficiency in each of its actions.

In light of this, it should be noted that in 2024 80% of turnover was certified in accordance with the international ISO 14001 standard.

Furthermore, in 2024, the Board of Directors approved the update of the Integrated Management System Policy, strengthening the Elecnor Group's commitment to the principles that govern the operation of the entire organisation.

Climate Change Strategy

Without prejudice to the fact that the Group will develop a specific policy on climate change in the next financial year, it is worth mentioning its Climate Change Strategy 2020-2035 which, based on the structure of the Task Force on Climate-Related Financial Disclosures (TCFD), sets greenhouse gas emission reduction targets aligned with the Science-Based Targets (SBT) initiative, with a commitment to achieving climate neutrality by 2050.

With the comprehensive approach of this Climate Change Strategy, the organisation effectively analyses and manages both physical and transitional risks associated with climate change, while identifying and capitalising on associated opportunities. Thus, and backed by a diversified business, the Elecnor Group is firmly positioned to reduce GHG emissions, decarbonise its business model and strengthen its resilience to climate impacts.

This strategy is approved and supervised by Group Management.

The above Policies and the Climate Change Strategy are available to all stakeholders on the Group's website and on the corporate intranet Buenos Días.

E1-1: Transition plan for climate change mitigation

The Elecnor Group plans to design and establish a transition plan for climate change mitigation with a holistic approach during 2025. This plan will be part of the company's overall strategy, and will integrate climate objectives and actions needed to transition to a low-carbon economy. The plan will capture past, current and future mitigation efforts to ensure that the strategy and business model are compatible with the goal of limiting climate change to 1.5°C in line with the Paris agreement and moving towards climate neutrality, which must be achieved by 2050.

In view of the above, the measures will seek to ensure absolute emission reductions of 90%, which are currently not planned. The remaining 10% (residual emissions) will be offset by carbon credits until carbon neutrality is achieved in 2050.

During 2024, the Elecnor Group made numerous efforts and significant progress, laying a solid foundation for the full development of the aforementioned climate transition plan. Among the milestones achieved, the following stand out:

- Setting climate targets aligned with the Paris Agreement. The Elecnor Group has updated its emissions reduction targets using the Science-Based Targets Initiative (SBTi), increasing its level of climate ambition and the proportion of emissions from its value chain covered by these goals, a route that will allow it to set goals in the future to achieve climate neutrality by 2050. Elecnor's emission reduction targets defined for 2034 are in line with limiting global warming to 1.5ºC in line with the Paris Agreement, while the target set for 2030 does not achieve the reductions necessary to be considered in line due to the timeframe for implementing measures (2025-2027). This is ensured by following up on the definition and establishment of the SBTi methodology. This corporate climate action organisation enables companies and financial institutions worldwide to contribute meaningfully and ambitiously to the fight against the climate crisis by developing standards, tools and guidelines that enable companies to set emissions reduction targets aligned with the ambition needed to keep global warming below catastrophic levels and achieve climate neutrality by 2050. It is considered an international gold standard for the corporate fight against climate change, with the support of public bodies and the scientific community.

Specifically, the Elecnor Group's targets have been established in accordance with the SBTi corporate criteria for setting short-term emission reduction targets (SBTi Corporate Near-Term Criteria) and the corresponding calculation tool (SBTi Corporate Near-Term Tool), covering the company's Scope 1, 2 and 3 emissions according to the GHG Protocol (GHG Protocol Corporate Standard, Scope 2 Guidance, and Corporate Value Chain Scope 3 Accounting and Reporting Standard).

Thus, the Elecnor Group has set its targets for reducing absolute Scope 1 and 2 emissions by 58.8% in 2034 with respect to the base year 2023, under the decarbonisation pathway aligned with the 1.5ºC. It also undertakes to reduce its absolute Scope 3 emissions from the purchase of goods and services, capital goods, business travel, employee commuting and investments by 35% over the same time period, under the 2ºC decarbonisation pathway (well-below 2, WB2). The targets cover 100% of the total absolute emissions of Scope 1 and 2 and 93.5% of the total absolute emissions of Scope 3. These targets were sent to SBTi in 2024 to start the official validation process during 2025.

Furthermore, Scope 1 and 2 targets meet the SBTi-established "Forward Looking Ambition" (FLA) criterion, which ensures consistency with future target setting for achieving net zero emissions by 2050, assuming a linear absolute reduction between the most recent year and 2050. This ensures that targets drive continued mitigation during a company's transition to net zero emissions, in line with SBTi's net zero emissions standard. Under this methodology, the zero net emissions or climate neutrality targets for 2050 imply an absolute emissions reduction of 90% or more, with the remaining 10% being offset.

More detail on decarbonisation targets is included in section E1-4.

- Decarbonisation levers. Decarbonisation levers have been defined and are planned to be implemented mostly from 2025 onwards, although some of the component initiatives have been implemented during 2024, contributing to GHG emission reductions. These decarbonisation levers focus on the use of renewable energy, mobility and working with third parties. In addition, they materialise in the following main actions:

  1. Transition from direct consumption of fossil fuels to photovoltaics at stationary sources, within scope 1. Includes the action of installing photovoltaic modules in portable units.
  2. Transition from direct consumption of fossil fuels to renewable sources and improvement of consumption efficiency in mobile sources, within scope 1. It includes complementary actions such as efficient driving policies, replacement of heavy machinery and traditional vehicles with hybrids and electric vehicles, and transition from fossil fuels to alternative fuels (biodiesel, LPG and ethanol).
  3. Acquisition of 100% renewable energy and installation of photovoltaic for self-consumption, within scope 2.
  4. Sustainable mobility plan, to reduce emissions associated with commuting, in scope 3.
  5. Sustainable corporate travel, to reduce emissions associated with the travel of teams in the course of their work, in scope 3.
  6. Supplier engagement programme to progressively reduce emissions associated with the purchase of goods and services, within scope 3. This lever is highly relevant within the actions contemplated to reduce the company's Scope 3 emissions and achieve the reduction target established, as suppliers make a major contribution to the Group's corporate carbon footprint and, therefore, their

alignment with the decarbonisation commitments established will be key to achieving its objectives.

In the coming years, the Elecnor Group plans to continue making significant efforts to implement this programme, launched in 2024, as a cornerstone of its emissions reduction strategy.

7. Emission reduction plans in the Group's investee companies, within scope 3. It includes actions aimed at aligning these companies with the organisation's decarbonisation goals.

Detailed information on the identified decarbonisation levers and the key actions planned in relation to the GHG emission reduction targets are included in sections E1-3 and E1-4 of this chapter.

- Financial resources. Elecnor has carried out a detailed study of the investments required and the savings associated with each of these decarbonisation levers referred to in scope 1 and 2, to ensure that the company's financial planning adequately reflects the progressive implementation of the decarbonisation plan. The cumulative investment required over the entire period (2023-2034) has been estimated at around Euros 51 million, and the estimated savings at around Euros 14 million. Detailed information for each of the levers is included in section E1-3.

  Most of the decarbonisation levers proposed for achieving the Elecnor Group's SBTi targets will begin to be implemented progressively from 2025, as indicated in sections E1-3 and E1-4. The Elecnor Group will disclose progress as they are implemented. However, during 2024, different subsidiaries and locations have already achieved progress related to some of these levers, which are explained and quantified in section E1-3.

With regard to the approval of the climate change transition plan by the governing, management and supervisory bodies, the Board of Directors of Elecnor, S.A. is the body responsible for this approval and, therefore, for ensuring compliance with it. Likewise, through its Appointments, Remuneration and Sustainability Committee, it is in charge of evaluating and reviewing it periodically, and ensuring its strategic implementation led by the Sustainability Committee.

The company's locked-in emissions are those derived from the use of machinery, the most relevant being therefore those derived from fuel consumption in scope 1. In particular, it is estimated that 20% of the scope 1 emissions from mobile sources, as well as 100% of the scope 1 emissions from stationary sources, can be considered as locked-in, as most of them are heavy machinery using fossil fuels and have a long lifetime (around 15 years).

It is relevant to note that 95% of the fleet is leased or owned by subcontractors, but the associated emissions are considered within the company's scope 1. These include:

- Electric generators
- Mobile cranes
- Braking machine for laying
- Winches/laying machine
- Self-propelled cranes
- Backhoe loaders
- Draisines
- Derricks
- Laying wagon

- Ferro trucks
- Rail excavator

Failure to reduce these locked-in emissions could affect the achievement of the scope 1 and 2 reduction target detailed in section E1-4. Furthermore, these emissions are related to one of the climate transition risks identified for the company, such as a potential increase in the price of carbon in the locations where it operates, which could have a significant economic impact due to its potential application to the Group's activities.

Although these emissions can be considered locked-in because they are associated with long-lived assets, and could affect the achievement of the aforementioned target, the Elecnor Group considers the progressive replacement of the use of fossil fuels with low-emission alternative fuels to be one of its main lines of action in the field of decarbonisation. Achieving these reductions will be subject to making the necessary investments to carry them out, and to the availability of these alternative fuels in the different locations where it operates. More detail is provided in section E1-3.

The Elecnor Group is included in the Paris Agreement-aligned benchmarks, as it meets the criteria set out in Delegated Regulation (EU) 2020/1818, Art. 12.1. As described in the EU Taxonomy of Environmentally Sustainable Economic Activities chapter of this report, a significant part of the Elecnor Group's activities, mainly the construction or provision of services related to the operation of electricity transmission or distribution systems and the construction of electricity generation facilities from renewable sources, contribute to mitigating the effects of climate change. The Group aims to continue to grow in these areas, taking advantage of the major trends that are driving global economic development, including environmental and social sustainability and the energy transition and electrification of the economy. In this regard, and as mentioned above, the Elecnor Group plans to design and establish a transition plan for climate change mitigation during 2025.

Metrics and targets

E1-4: Targets related to climate change mitigation and adaptation

The 2034 emission reduction targets set by the Elecnor Group are aligned with the Paris Agreement and with the decarbonisation pathway that science indicates must be followed at corporate level to achieve climate neutrality by 2050. These targets are consistent with those set out in the company's sustainability strategy on climate change, which states that the company must progressively decarbonise and become carbon neutral by 2050.

The emissions reduction targets set by the Elecnor Group are absolute, measured in tonnes of CO_2 equivalent and are near-term targets (or short-term). The target year 2034 represents a 37% reduction in absolute scope 1, 2 and 3 emissions compared to the base year 2023. The organisation undertakes to carry out annual monitoring to compare the trend of reductions achieved with the decarbonisation pathway set out in the SBTi methodology. If any deviations are detected, it will make the necessary adjustments to the decarbonisation plan to bring it back in line with the required reduction levels.

These targets have been calculated covering the entire GHG inventory of the Group, which also includes its value chain through the full scope 3 calculation. Specifically, the targets set cover 100% of scope 1 and 2 emissions and 93.5% of scope 3 emissions. The main countries where the company operates are therefore included, which are: Spain, Germany, Angola, Argentina, Australia, Cameroon, Chile, Colombia, Brazil, the US, Honduras, Italy, Mexico, Panama, Peru and Dominican Republic.

It should also be noted that the reference value corresponds to the full inventory of the base year 2023.

Table 2. Base year GHG emissions

t CO_2e	2023
Scope 1 and 2	81,461.31
Scope 3	719,259.77
Total	800,721.08

According to the decarbonisation pathway, the target set for 2034 is aligned with science and with limiting global warming to 1.5ºC, but the company has set an intermediate milestone in 2030 which, although equally ambitious, does not achieve the necessary reductions to be considered aligned due to the timeframe for implementing measures (2025-2027). By 2030, scope 1 and 2 emissions should be reduced by 37.4% and scope 3 emissions by 22.3%, compared to the base year 2023.

As detailed in section E1-1, the SBTi methodology used ensures alignment with the Paris Agreement, through the "Forward Looking Ambition" (FLA) approach, which ensures consistency with achieving net zero emissions by 2050, assuming a linear absolute reduction between the most recent year and 2050. This ensures that the targets outlined above drive continued mitigation to net zero emissions.

In addition, the Elecnor Group has considered a business growth scenario in accordance with its internal and strategic forecasts for business development and activity, adjusting the decarbonisation plan and the different levers not only to the emissions of the base year, but also to the emissions projected at the end of the period in a business as usual (BAU) growth scenario.

As mentioned above, the company undertakes to annually monitor the evolution of its emissions in relation to its progress towards achieving the targets. As the target was set in 2024, the first detailed monitoring analysis will be carried out in 2025 through the carbon footprint results (see section E1-6 of this chapter).

Table 4. GHG emission reduction targets

	Base year	Target year	% reduction	Target year	% reduction
Reporting period	2023	2030	-	2034	-
Scope 1 and 2 (market based) t CO_2e	81,461.31	50,979.97	37.4%	33,562.06	59%
Scope 3 t CO_2e	719,259.77	559,061.00	22.3%	467,518.85	35%
Total t CO_2e	800,721.08	610,040.97	23.8%	501,080.91	37%

The following was taken into account in defining the emission reduction targets:

- Types of gases. The targets have been calculated on the company's absolute emissions in tonnes of CO_2 equivalent, including all gases covered by the GHG Protocol, i.e., the six GHGs listed in the Kyoto Protocol: carbon dioxide (CO_2); methane (CH4); nitrous oxide (N_2O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF6).
- Scope and categories included in the targets:
    - Scope 1 and 2: 100%

- Scope 3: 93.5% including the following categories
  - Category 3.1. Purchased goods and services: 100%
  - Category 3.2. Capital goods 3.2: 100%
  - Category 3.6. Business Travel: 100%
  - Category 3.7. Employee Commuting: 100%
  - Category 3.15. Investments: 70%

- Decarbonisation levers. Detailed information on the decarbonisation levers is reported in section E1-3, where it is indicated to which scope/category of the footprint each lever contributes to reducing. No removals, carbon credits or avoided emissions are considered as means to achieve the short-term targets.
- The 2030 and 2034 targets are defined in absolute value according to the SBTi methodology, and are therefore not reported in intensity value.
- A joint target is set for scope 1 and 2, in accordance with the SBTi methodology.
- In relation to scope 2, the targets are market-based calculated, according to the SBTi methodology, therefore they are not reported based on location.
- The GHG inventory boundaries have been used for the calculation of emission reduction targets, with no discrepancies between the two. The SBTi methodology allows the scope 3 emission reduction target to only partially cover these emissions, as long as it includes 67% or more of the emissions. However, the Elecnor Group has covered almost all of these emissions within the target (93.5%) to increase its level of climate ambition and the impact of its decarbonisation actions. This ensures consistency of GHG emission reduction targets with GHG inventory boundaries.
- The inventory of the selected base year, 2023, is taken as the reference value for setting reduction targets. It is considered a representative year with no relevant anomalies in the activity or caused by external factors that could significantly influence the results of the inventory. In any case, a criterion of potential recalculation in subsequent years is established, should there be any relevant change in terms of activity, external or methodological factors, which would imply a change of more than 5% in the total inventory of the base year. In this case, both the base year and the set reduction targets should be recalculated.

Below is a breakdown of the contribution of the Elecnor Group's different decarbonisation levers:

Table 5. Decarbonisation levers and contribution to reduction

	Reduced emissions (Cumulative) (t CO_2e)	
Levers	2030	2034
Renewable energy use	-3,230.80	-5,592.94
Mobility	-33,497.07	-60,976.46
Working with third parties	-199,926.83	-332,332.24

Note. The decarbonisation levers include additional reductions to offset the expected growth in the company's activity during the period.

Actions

E1-3: Actions and resources in relation to climate change policies

As indicated in section E1-1 of this chapter, the decarbonisation levers are mostly planned to be implemented from 2025 onwards. For this reason, their progress will be monitored in the following years.

However, during 2024 the Elecnor Group's different subsidiaries and locations carried out various initiatives that have begun to contribute to the reduction of GHG emissions. These actions are detailed below, grouped under the different decarbonisation levers and indicating the reduced (cumulative) emissions and the economic estimate for each action, to 2030 and 2034, respectively:

				Reduced emissions (Cumulative)		Economic estimate	
Levers	Reduction actions	Scope	Impact category	2030	2034	2030	2034
Renewable energy use	M1 - Stationary sources	Scope 1	Stationary sources	-2,345.78	-4,060.85	1,847,418	3,198,121
	M3 - Electricity	Scope 2	Purchased electricity	-885.02	-1,532.08	323,791	560,525
Mobility	M2 - Mobile sources	Scope 1	Mobile sources	-31,632.14	-55,730.87	27,193,050	47,318,416
	M4 - Sustainable mobility plan	Scope 3	3.7 Employee Commuting	-1,604.73	-3,392.75	-	-
	M5 - Corporate travel	Scope 3	3.6 Business Travel	-260.20	-1,852.84	-	-
Working with third parties	M6 - Supplier Engagement Plan	Scope 3	3.1. Purchased goods and services	-183,644.80	-303,024.58	-	-
	M7 - Investees	Scope 3	3.15 Investments	-16,282.03	-29,307.66	-	-

- **Action M1 - Stationary sources: transition to renewables (scope 1)**

This measure consists of the implementation of generator sets with portable photovoltaic modules, replacing the use of C diesel. The measure applies to scope 1 emissions, specifically stationary sources.

This project has begun to be implemented in some Elecnor Group centres in Spain and it is estimated that it will be implemented progressively at a rate of 10% per year from 2025 to 2034. This measure applies to the following organisations: Central Regional Office, Elecnor Angola, Elecnor Australia, Elecnor Chile and Elecnor Honduras.

This project requires a significant initial investment for its implementation and is therefore highly dependent on the availability of resources.

- **Action M2 - Mobile sources: eco-driving, electrification and transition to renewables (scope 1)**

The organisations involved in this project are the Energy Unit, North-Eastern Regional Office, Eastern Regional Office, Southern Regional Office, Audeca and Elecnor Mexico.

The main objective is the acquisition of vehicles, machinery or tools with technologies conducive to lower fuel consumption and the generation of lower GHG emissions, thus replacing or renewing existing fossil fuel-dependent ones.

To this end, the project is further broken down into 4 different measures, which are described below:

  - Implementation of efficient driving policies in Elecnor Group vehicles to achieve low fuel consumption and reduce environmental pollution. It is applicable to diesel and petrol vehicles in all locations where the Group operates, both in Spain and internationally.

  - Implementation of green procurement policies to prioritise the replacement of heavy machinery engines with electric motors. It is applicable to diesel and petrol vehicles in all locations where the Elecnor Group operates, both in Spain and internationally.

  - Implementation of green procurement policies to prioritise the purchase of low-emission vehicles. For the time being, it is applicable to diesel and petrol vehicles only in Spain.

  - Transition from fossil fuel consumption (diesel and petrol) of the vehicle fleet to alternative fuels (biodiesel, LPG and ethanol). Applies to Spain and the Brazilian fleet.

This project requires a significant initial investment for its implementation, in terms of the acquisition of machinery and electric and hybrid vehicles. Therefore, it is highly dependent on the availability of resources, as well as on the development of affordable technologies in the different locations where the Elecnor Group operates. Also, there is a dependence on the availability of alternative fuels, mainly in Spain and Brazil, to be able to make this transition progressively.

Although the measures are expected to be implemented progressively from 2025 to 2034, it should be noted that in 2024 the Elecnor Group continued to make progress in renewing its fleet of vehicles and machinery in favour of more sustainable alternatives. This effort included the incorporation of electric and hybrid vehicles that reduce GHG emissions and fossil fuel consumption, as well as the replacement of conventional machinery with more efficient electric versions. These actions are of vital importance to the organisation's commitment, as the Group has a varied and constantly updated fleet of vehicles.

- **Action M3 - Renewable Electricity (scope 2)**

The objective of this measure is to reduce the emissions impact of purchasing non-renewable electricity from the grid. To this end, priority is given to the acquisition of energy with renewable energy certificates and the expansion of installed capacity for self-consumption with renewable technologies.

The Elecnor Group currently consumes part of its electricity from renewable sources. Thus, most of the installations in Spain obtain their electricity from renewable sources. In fact, some of the Group's organisations already have generation and self-consumption facilities.

However, this measure seeks to increase this consumption to cover 100% of electricity from renewable sources in all the locations where the Group operates, both in Spain and internationally. It is estimated that 20% of the electricity from renewable sources will be obtained through self-consumption photovoltaic installations for locations where this is feasible, and 80% through the acquisition of guarantees of origin or equivalent mechanisms.

Accordingly, the project applies to scope 2 emissions and is expected to be implemented progressively from 2025 to 2034.

This measure requires a high investment, in the case of the implementation of self-consumption installations. Furthermore, although the purchase of renewable electricity through the grid does not require initial investment, it will have a low to medium dependence on economic resources depending on the associated costs in each location. There is also a high dependence on renewable electricity production policies in each of the countries where the Elecnor Group operates.

- **Action M4 - Sustainable Mobility Plan (scope 3 category 3.7)**

This measure consists of developing a sustainable mobility plan for the entire Elecnor Group workforce, promoting more efficient travel through initiatives that encourage the use of public transport, carpooling and/or the adoption of electric or hybrid vehicles. The draft applies to scope 3 emissions, specifically to categories 3.7 on commuting.

The measure includes all locations where the Group operates, both in Spain and internationally, and is expected to be implemented progressively from 2027 to 2034.

Furthermore, no high dependence on economic or technological resources has been detected in relation to this measure.

- **Action M5 - Sustainable Corporate Travel (scope 3, category 3.6)**

The objective of this measure is to reduce GHG emissions associated with business travel. To this end, policies will be implemented to reduce corporate travel using various forms of transport, establishing criteria for the reduction of corporate air travel and promoting less emissive means of transport. In addition, it is intended to encourage the use of virtual platforms for business meetings across the Group, minimising the need for unnecessary travel and encouraging remote working where possible.

In this respect, the installation of video conferencing systems, televisions, large screens and laptops in meeting rooms has facilitated the adoption of video calls as a regular means for holding meetings. Thanks to the investments made in 2023, during 2024 investment needs were significantly lower in most centres.

This measure applies to all the locations where the Elecnor Group operates, both in Spain and internationally, and is expected to be implemented progressively from 2026 to 2034. It should be noted that no high dependence on economic or technological resources has been detected in relation to this measure.

- **Action M6 - Supplier Engagement Plan (scope 3, categories 3.1, 3.2, 3.4, 3.6 and 3.8)**

The Elecnor Group is developing a Supplier Engagement Programme, which is of major importance in the organisation's scope 3 emissions. This programme aims to collect primary data on the supplier's activity and associated emissions, as well as to assess its maturity and commitment on climate matters. In addition, tools and resources will be provided to enable suppliers to progressively align and make a relevant contribution to the Group's climate targets.

This measure greatly impacts the organisation's decarbonisation route, as supplier-related categories play an important role in the Elecnor Group's carbon footprint. Furthermore, this measure is highly dependent on third parties (in this case, suppliers), and in turn on the availability of the resources and technologies they require to reduce their own emissions.

The Supplier Engagement Programme started in 2024. The suppliers included in the Programme this year represent 35% of the Elecnor Group's total expenditure on purchases and investments, as well as 47% of the emissions of these scope 3 categories. In this respect, the number of suppliers is expected to increase progressively in the coming years, with the aim of covering more than 60% of these emissions.

Although in 2024 the information gathered has enabled a detailed qualitative analysis of the Elecnor Group's value chain, the quantification of the savings achieved by suppliers in the Group's carbon footprint will not begin to be carried out until 2025, and will be done progressively on an annual basis, prioritising those suppliers with the most impact.

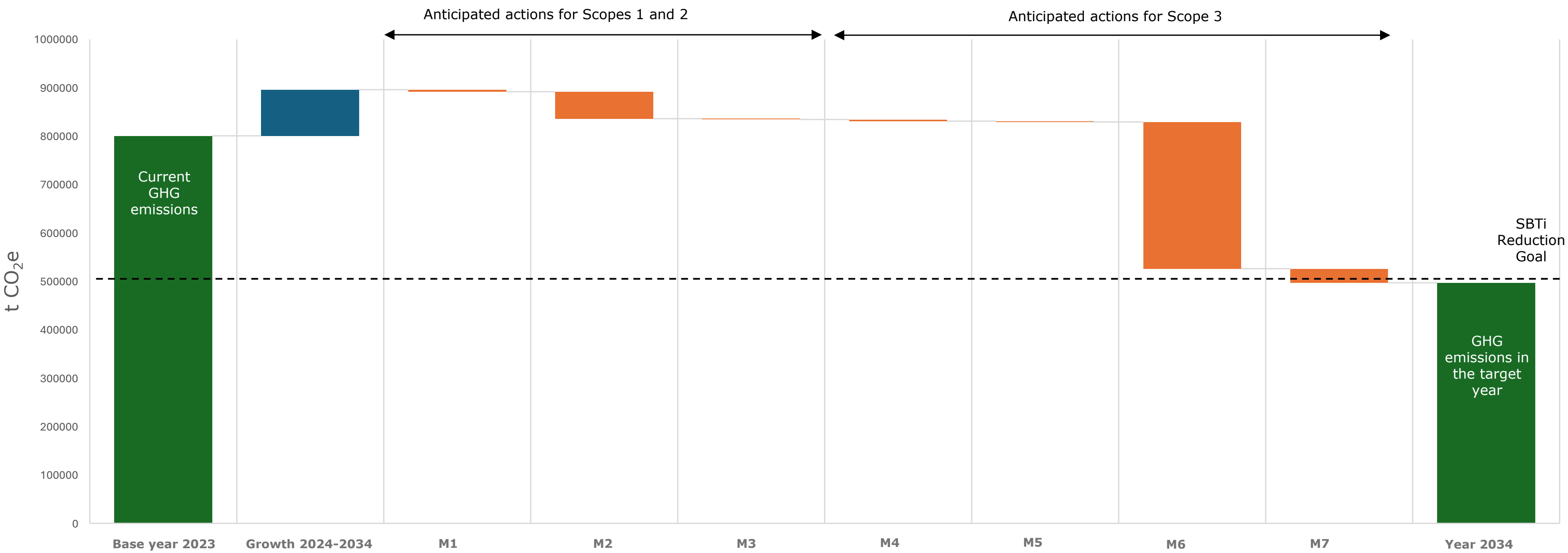
To this end, as part of the Programme, the Elecnor Group asks suppliers to report annually on the emissions associated with their activity related to the organisation, as well as additional information on their calculations and verifications, established reduction targets and commitments, and progress made. The Group classifies its suppliers according to their climate maturity and organises training sessions with content adapted to their current status. In this way, the aim is to help them make progress with their own decarbonisation routes, so that they are progressively aligned with the Elecnor Group's climate commitments. Through this Programme, the Group will gradually improve the quality of its scope 3 calculations with direct data, while promoting greater collaboration and joint innovation within the supply chain.

- **Action M7 - Emission reduction in investee companies (scope 3, category 3.15)**

This measure consists of including the Group's investee companies in the Supplier Engagement Programme, so that they contribute to the decarbonisation of the Group. The project applies to scope 3 emissions, in particular to investment category 3.15. It is estimated that it will be implemented progressively from 2026 to 2034. This measure has a significant impact on the Group's decarbonisation pathway, but is highly dependent on third parties (in this case, investee companies) and on the availability of resources and technologies that they require to reduce their own emissions.

Having explained the existing actions, grouped into the Elecnor Group's decarbonisation levers, below is a waterfall chart showing the contribution of these measures to the Group's decarbonisation:

Figure 1. Decarbonisation actions, waterfall chart



M1 – scope 1	Stationary sources: transition to renewables
M2 – scope 1	Mobile sources: eco-driving, electrification and transition to renewables
M3 – scope 2	Renewable Electricity
M4 – scope 3 (3.7)	Sustainable Mobility Plan
M5 – scope 3 (3.6)	Sustainable Corporate Travel
M6 – scope 3 (3.1 & 3.2)	Supplier Engagement Plan
M7 – scope 3 (3.15)	Emission reduction in investee companies

Energy consumption

E1-5: Energy consumption and mix

This section presents the Elecnor Group's total energy consumption in 2024, in accordance with the criteria established in disclosure requirement E1-5 of the CSRD:

Name	Value
Fossil fuel sources	
Fuel consumption from coal and coal derivatives (MWh)	-
Fuel consumption from crude oil and petroleum products (MWh)	387,584.98
Natural gas fuel consumption (MWh)	919.12
Fuel consumption from other fossil fuel sources (MWh)	-
Consumption of electricity, heat, steam or cooling purchased or acquired from fossil fuel sources (MWh)	4,579.40
Total energy consumption from fossil fuel sources (MWh)	393,083.49
Share of fossil fuel sources in total energy consumption (%)	97.26%
Renewable Sources	
Consumption of fuel from nuclear sources (MWh)[1]	519.42
Share of nuclear sources in total energy consumption (%)[1]	0.13%
Fuel consumption from renewable sources (MWh)	3,958.48
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh)	6,330.57
Renewable energy production (MWh)	792.37
Total energy consumption from renewable sources (MWh)	11,081.42
Share of renewable sources in total energy consumption (%)	2.74%
Total energy consumption (fossil fuel + renewable sources) (MWh)	404,164.91

Note 1. It should be noted that the Elecnor Group does not directly consume energy from nuclear sources. The figure of 519.42 MWh comes from an estimate of indirect consumption by the corresponding proportion of the residual electricity mix in the various countries where the Group operates. For this reason, the figure for indirect nuclear energy consumption is not included in the total sum of energy consumed in 2024, as it is an indirect consumption that is already considered in the amount of non-renewable electricity. If considered, this would be double counting.

In terms of electricity consumption, the following should be noted:

- The 100% renewable electricity purchased was 6,330,566.44 kWh. This represents 54.1% of the total electricity consumed.

- Self-consumption electricity (photovoltaic panels) amounted to 792,371.28 kWh and accounted for 6.8% of the total electricity consumed.
- The contractual instruments were through the contracting of 100% Renewable Guarantees of Origin (GdO) in the case of Spain, Portugal and Italy. For Brazil and Chile, it was through I-REC Certificates.

Furthermore, the information on the energy intensity (total energy consumption by net income) of the Elecnor Group in 2024 is detailed below, in accordance with the criteria established in disclosure requirement E1-5 of the CSRD:

Energy intensity by net income	2024
Total energy consumption from activities in sectors with high climate impact by net income from activities in sectors with high climate impact (MWh)[1]	404,164.91 MWh
Net income from activities in sectors with high climate impact used to calculate energy intensity (€)[1]	3,810,102 million €
Net income (other) (€)	-
Total net income (financial statements) (€)[2]	3,810,102 million €
Calculation of energy intensity based on net income (kWh/€)	0.0001061 kWh/€

Note 1. All of the Elecnor Group's activities are considered to be in sectors with a high climate impact.

Note 2. Information on total net income can be found in note 23 of the Consolidated Annual Accounts.

GHG emissions and removals

E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions

This section presents the emissions generated in 2024 by the Elecnor Group's activity, according to the different emission sources of the 3 scopes. The calculation used reference emission factors published by recognised entities and differentiated into categories, in accordance with The Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard.

The operational control approach was also considered. In other words, all those facilities and activities in which the Elecnor Group exercises authority to decide and take any decision are considered.

Below is the summary table that includes the distribution of carbon emissions for 2024, by scope and emission category:

	Retrospective		
	2023	2024	Changes
Scope 1 GHG emissions			
Scope 1 gross GHG emissions (t CO_2eq)	82,322.10	98,972.42	20.23%
Stationary sources	6,208.55	3,933.55	-36.64%
Mobile sources	74,038.00	94,541.55	27.69%

	Retrospective		
	2023	2024	Changes
Fugitive emissions - Refrigerant gases	2,074.00	497.32	-76.02%
Percentage of scope 1 GHG emissions from regulated emissions trading schemes (%)	0%	0%	--
Scope 2 GHG emissions			
Scope 2 gross GHG emissions (t CO_2eq) (Location based)	3,251.23	2,131.71	-34.43%
Scope 2 gross GHG emissions (t CO_2eq) (Market based)	1,510.86	1,403.98	-7.07%
Significant scope 3 GHG emissions			
Total gross indirect GHG emissions (scope 3) (t CO_2eq)	760,602.57	476,952.65	-37.29%
1. Purchased Goods and Services	587,892.84	342,410.63	-41.76%
2. Capital goods	50,959.49	46,523.81	-8.70%
3. Fuel and energy-related activities (not included in scope 1 or 2)	19,623.95	24,877.64	26.77%
4. Upstream transportation and distribution	9,208.34	14,925.50	62.09%
5. Waste generated in operations	3,327.55	4,618.15	38.79%
6. Business travel	15,963.88	14,078.78	-11.81%
7. Employee commuting	39,114.19	12,274.32	-68.62%
8. Upstream leased assets	9,135.34	262.79	-97.12%
9. Downstream transportation and distribution	N/A	N/A	--
10. Processing of sold products	N/A	N/A	--
11. Use of sold products	N/A	N/A	--
12. End-of-life treatment of sold products	43.25	46.15	6.71%
13. Downstream leased assets	N/A	N/A	--
14. Franchises	N/A	N/A	--
15. Investments	25,333.74	16,934.88	-33.15%
Total GHG emissions			
Total GHG emissions (Location Based) (t CO_2eq)	846,175.90	578,056.78	-31.69%
Total GHG emissions (Market Based) (t CO_2eq)	844,435.53	577,329.05	-31.63%

The 36.64% reduction in direct emissions from stationary combustion is mainly due to the fact that, in 2023, Elecnor Australia had projects underway that required diesel C generators. However, in 2024, these projects were in the operation and maintenance phase, which has resulted in a decrease in their consumption. This situation can be observed in other centres, although the change between 2023 and 2024 is not as significant.

In relation to fugitive emissions of fluorinated gases in air-conditioning and refrigeration equipment, the accuracy of the data has been improved by reporting the actual charging carried out during 2024. By contrast, by 2023, at sites where this information was not available, charging was estimated on a per area basis.

Furthermore, indirect emissions derived from purchased electricity, using the location-based methodology, have decreased by 34.43%. In this respect, it should be noted that this methodology accounts for all electricity purchased, whether from electricity traders or generated by photovoltaic panels for self-consumption. Total electricity consumption in 2024 also fell by 36% compared to 2023. This reduction corresponds mainly to the significant decrease in electricity consumption due to the reduction of operating activity in Brazil, as well as the exit of Enerfín from the Group in 2024.

Indirect emissions from "Upstream transmission and distribution" have increased, due to more economic items associated with this impact category in 2024 compared to 2023. It should be noted that, in addition to Adhorna, the rest of the upstream distribution transport is calculated using the input-output method. This increase can also be attributed to the updating of emission factors, which are reviewed annually. In this case, Defra Input-Output data was used for the update.

A decrease occurred in indirect emissions from "Employee commuting", because, during the calculation of the carbon footprint in 2024, it was identified that the reported data on the number of workers in 2023, used to extrapolate the results of the mobility survey, was erroneous.

Indirect emissions from the "Upstream leased assets" category have decreased significantly. This category includes emissions from electricity consumption in the temporary camps that the Elecnor Group provides for its workers on construction sites, covering the costs of the energy used. In 2024, accurate primary data was obtained by collecting electricity bills. By contrast, in 2023, as this detailed information was not available, electricity consumption was estimated as a percentage of total electricity purchased. The availability of actual data for 2024 not only improved the accuracy of the inventory, but also revealed lower actual consumption compared to previous projections.

Biogenic CO_2 emissions from biomass combustion or biodegradation not included in scope 1 GHG emissions, are equivalent to 1,017.96 tCO_2 biogenic emissions.

In addition, emissions from two companies were included in category 3.15 of scope 3 investments: Celeo Group and Wayra, in which the Elecnor Group has a percentage of ownership. In this case, the focus is on shareholding.

The breakdown by scope and category was performed according to the GHG protocol. In this regard, scope 3 categories that are significant for the Elecnor Group's activity are:

- 3.1. Purchased goods and services.
- 3.2. Capital goods.
- 3.3. Fuel and energy-related activities (not included in scope 1 or scope 2) (upstream).
- 3.4 Upstream transportation and distribution.
- 3.5 Waste generated in operations.
- 3.6 Business travel.
- 3.7 Employee commuting.

- 3.8 Upstream leased assets.
- 3.12 End-of-life treatment of sold products.
- 3.15 Investments.

It should be noted that the main changes in 2024 were the incorporation of Elecnor United States in scopes 1 and 2, as well as the Wayra investee in scope 3. With regard to Elecnor United States, for this report it has not been possible to include this organisation in categories 1, 2, 4 and 5 of scope 3, because this data on this organisation was not available. However, work is ongoing to obtain the information for this category in order to be able to include them in next year's footprint calculation.

Nevertheless, it should be noted that the data collection process by the different locations has been improved.

Furthermore, the milestones and target years that the Elecnor Group has set for its GHG emissions and reduction goals are shown below:

	2025	2030	2034	2050	Target % annual/base year
Scope 1 & 2	78,254.85	54,659.87	33,162.18	--	-59%
Scope 3	703,057.04	568,696.11	463,829.81	--	-36%
Total	781,311.89	623,355.99	496,991.99	--	-38%

On scope 2 GHG emissions, table 6 below provides details of the gross market-based scope 2 GHG emissions in metric tonnes of CO_2equivalent:

Table 6. Market-based GHG emissions 2024

Emissions 2024 (market-based)	t CO_2e	%
Scope 1	98,972.42	17%
Scope 2	1,403.98	0.2%
Scope 3	476,952.65	83%
Total	577,329.05	100%

The Elecnor Group's total GHG emissions inventory in 2024, derived from underlying scope 2 GHG emissions, measured using the market-based method, was 577,329.05 t CO_2e. In addition, indirect scope 3 emissions represent 83% of total emissions, specifically category 3.1. "Purchase of goods and services". This is the main contributor to the carbon footprint, accounting for 59% of the total.

The scenario considered in the calculation of the Group's carbon footprint is market-based. This means that, in case of guarantees of origin, in those centres that have them, the emission factor is zero, since it is assumed that the electricity consumed is 100% renewable. By contrast, in centres that do not have these guarantees, the corresponding factor of the electricity supplier is chosen if it is available or, failing that, the country’s residual mix (energy not certified as renewable).

It should be noted that GHG emissions have also been calculated using the location-based method. This scenario does not take into account the guarantees of origin or renewable energy contracts that each organisation may have taken out with its marketer. The emission factors used are those of each country's electricity mix, provided by the International Energy Agency (IEA). Total GHG emissions from underlying scope 2 GHG emissions, measured using the location-based method, were 578,056.78 t CO_2e. Although this result is not the one considered for the organisation's total carbon footprint, it is useful information for Elecnor Group stakeholders.

Table 7. Location-based GHG emissions 2024

Emissions 2024 (location-based)	t CO_2e	%
Scope 1	98,972.42	17%
Scope 2	2,131.71	0.37%
Scope 3	476,952.65	83%
Total	578,056.78	100%

Intensity Ratios

The GHG emission intensity ratios in 2024 are as follows:

- Market-based: 151.53 t CO_2e /Million €
- Location-based: 151.72 t CO_2e /Million €

In order to calculate this figure, the net turnover is used in accordance with note 23 of the Consolidated Annual Accounts.

Regarding the methodologies, significant assumptions and emission factors used to calculate or measure GHG emissions in 2024, the following should be noted:

Scope 1: direct GHG emissions

- Direct emissions from stationary and mobile combustion: activity data was provided through the calculation tool by the different stakeholders of each organisation. These fuel consumptions are, where possible, derived from invoices and if not possible, from internal records. There are some centres which, since they do not have the annual consumption data (for the whole of 2024), estimated the last months of the year based on the average of the months for which they do have actual invoices.

  Accordingly, the stationary combustion consumption of Diesel C (litres), Petrol (litres), Natural Gas (kWh), LPG (kg), Diesel B (litres) and Butane (kg) was reported for the different centres of the organisation.

  Furthermore, the mobile combustion consumption of Diesel (litres), Petrol (litres), LPG (litres), Biodiesel (litres) and Ethanol (litres) is reported for the different centres of the organisation.

  The emission factors used are taken from "Emission factors. Carbon footprint registration, offsetting and carbon dioxide absorption projects. MITECO (May 2024. V4)", for fuels consumed in Spain. For the rest of the countries, the emission factors of "DEFRA Guidelines 2024. GHG Conversion Factors (Version 1.1)" were used.

Scope 2: indirect GHG emissions by purchased energy

Electricity consumption data was taken from electricity bills. There are some centres which, since they do not have the annual consumption data (for the whole of 2024), estimated the last months of the year based on the average of the months for which they do have actual invoices.

In this sense, the consumption of non-renewable electricity (kWh), 100% renewable electricity (kWh) and self-consumption (kWh) was reported.

As indicated in "The Greenhouse Gas Protocol", emissions from imported electricity consumed by the Elecnor Group must be quantified using a location-based approach. Likewise, the emission factor from electricity generation, according to the Spanish Electricity Grid (REE) for Spain in 2024, and the "International Energy Agency (IEA) 2024 Emissions Factors", for the rest of the countries, was applied.

Furthermore, the Elecnor Group also used a market-based approach. In the 2024 GHG emissions inventory, the non-renewable electricity emission factors used for Spain are from the "National Commission on Markets and Competition (CNMC), labelling of remaining electricity from trading companies that have redeemed guarantees of origin on their customers, relating to energy produced in 2023". The non-renewable electricity emission factors used for the remaining countries come from the "Association of Issuing Bodies (2024). European Residual Mixes 2023" and the "International Energy Agency (IEA) 2024 Emissions Factors".

Scope 3: Other indirect GHG emissions

- Purchased goods and services:
    - Water consumption (m^3)

      Water consumption entails an energy cost associated with the processes linked to its use. Based on data on the total volume of water consumed (m^3) in the different centres of the organisation, obtained from invoices, the emissions derived from the corresponding treatments were calculated. Water consumption entails an energy cost associated with the processes linked to its use. Based on data on the total volume of water consumed (m^3) in the different centres of the organisation, obtained from invoices, the emissions derived from the corresponding treatments were calculated.

    - Paper purchase (kg)

      The emissions associated with the purchase of virgin paper and recycled paper from the different centres of the organisation are recognised, calculated based on the amount of paper consumed (kg).

    - Other tangible goods and services (€)

      Consumption of intangible goods (services) and tangible goods purchased in monetary units (€) excluding VAT are included.

  Elecnor USA could not be included in this category this year because it was not possible to obtain this record. Work is underway to obtain data from this category for inclusion in next year's footprint.

- Capital goods: generated through purchases made during 2024. All amounts have been converted to euros for further processing.

- Fuel and energy-related activities (not included in scope 1 or scope 2): information related to fuel and electricity consumption has been provided by the same source as mentioned in categories 1 and 2. In other words, the input data for fuels and energy consumed are the same as the data used for the calculation of categories 1 and 2 and, therefore, this data was obtained by means of invoices.
    - Fossil fuel value chain

      Includes fuel consumption from stationary and mobile sources. These emissions arise from the extraction, refining and transport of fuels consumed by the organisation during 2024.

    - Value chain of electricity consumption and transmission and distribution of consumed electricity

      Emissions associated with the extraction, refining and transport of primary fuels prior to their use in electricity generation.

In the case of electricity from 100% renewable sources, these GHG emissions are considered to be zero.

    - Losses in transmission and distribution of electricity consumption.

      These emissions result from the loss of electrical energy due to inefficiencies in the distribution network. They are calculated with the kWh consumption of electricity and the factor associated with the kWh lost from each National Grid.

      The emission factor for grid losses is considered to be zero when the energy consumed comes from self-consumption by photovoltaic panels.

- Upstream transportation and distribution: this impact category has been calculated using two calculation methodologies:
    - By means of tonnes per km.
    - By invoicing (euros excluding VAT): the items associated with this type of subcontracted transport have been selected from the Elecnor Group's data on purchases of goods and services. In this case, they were calculated using the euros paid by the organisation for this type of service.

- Waste generated in operations: the data on waste generation comes from the report on own operations, and is based on its description and the type of treatment associated with it, distinguishing between hazardous and non-hazardous waste.

  Elecnor USA could not be included in this category this year due to the inadequate availability of these records. Work is underway to obtain this data so that it can be incorporated into next year's calculation.

- Business travel: the activity data was provided through the Quality and Environment area of the Elecnor Group's Corporate Services Department. The data provided correspond to the km travelled in the different forms of transport used for passengers.

- Employee commuting: the total distance was calculated using the results of the employee mobility survey, which asked employees how many days a week they commute to work, the means of transport they use and the distance travelled each way. Based on these results and the number of structure workers in the organisation in 2024, the corresponding calculation was made.

- Upstream leased assets: emissions from electricity generation purchased and consumed by the organisation's leased assets are included. This impact category was calculated using the electricity consumed in the homes provided by the Elecnor Group for Works staff at Elecnor Do Brasil and Elecnor República Dominicana.

- End-of-life treatment of sold products: waste generated at the end of the useful life of products sold by the Elecnor Group is included. The products marketed by the Elecnor Group are: concrete, fibreglass lighting poles and columns and photovoltaic panels.

- Investments: as in previous reports, the company Celeo is included as an investee with a 51% percentage of ownership. Wayra was also included in 2024 as an investee company, with a 50% percentage of ownership.

  For Wayra, emissions were estimated through 2024 turnover and considering the corresponding percentage of ownership (50%). In the case of the subsidiary Celeo, two calculations were made due to the difference in criteria between the verification of the certificate according to the GHG Protocol and this report according to the CSRD:

- For the GHG Protocol verification: Celeo's 2023 scope 1 and 2 emissions (direct and indirect GHG emissions derived from purchased electricity) were used as the starting point, taking into account Elecnor's percentage of ownership (51%).

- For this CSRD report: Emissions were estimated using Celeo's 2023 scope 1 and 2 emissions, extrapolating this value based on its turnover in 2024 and taking into account the corresponding percentage of ownership (51%).

All Scope 3 categories were calculated with primary data, with the exception of "Commuting" and "Investments", which accounts for 94.72% of the total scope 3.

It should be noted that several emission streams were excluded due to their low significance. The GHG Protocol stresses the importance of justifying that these excluded emission streams are not significant. For this study, emissions considered to be of low influence for the calculation and for which information was not reliable or easily accessible were discarded. These excluded streams, together with their justification, are described below:

- 3.6 Business travel: overnight hotel stays are not incorporated in the calculation in accordance with SBTi requirements.

- 3.10 Processing of sold products: the Elecnor Group's activity focuses on the provision of services related to energy services, the construction of facilities, operational maintenance, plant operation, etc. The percentage of the activity as a whole relating to product sales is less than 5%.

- 3.11 Use of sold products: this category includes emissions from the use of infrastructure and products sold by the Group in 2024. Emissions from infrastructure use are emissions from the construction of infrastructure. However, they are excluded from the calculation because the infrastructures are considered to have a long useful life (over 50 years) and, in any case, an indirect use to the Elecnor Group. It should also be noted that access to this information is not available and the Group is not responsible for these activities.

  As for the products sold, these are produced by Atersa and Adhorna, organisations that do not have emissions associated with their use as they are prefabricated or parts that do not in themselves have an associated energy consumption in their useful life after being placed on the market. Therefore, it does not apply.

- 3.13 Downstream leased assets: not applicable as there are no downstream leased assets.

- 3.14 Franchises: not applicable as there are no franchises.

E1-7: GHG removals and GHG mitigation projects financed through carbon credits

In the Elecnor Group's Climate Change Strategy, GHG emission mitigation measures have been progressively established to achieve the reduction targets by 2034, which means an absolute reduction of 90%. The remaining 10% (residual emissions) will be offset by carbon credits until carbon neutrality is achieved in 2050.

E1-8: Internal carbon pricing

Although the Elecnor Group does not currently have internal carbon pricing systems in place, there are plans to move towards this system in the coming years.

ESRS E4. Biodiversity and ecosystems

Strategy

E4-1: Transition plan and consideration of biodiversity and ecosystems in strategy and business model

In relation to biodiversity and ecosystems, the resilience of the Elecnor Group's current business model is assessed through financial risk analysis. In this respect, the risks identified relate to own operations and the upstream value chain.

This risk analysis assesses the magnitude and likelihood to determine the scale. In addition, it hypothesises continuing trends of biodiversity loss, degradation of ecosystem status and declining flows of ecosystem services at the global level. It is also seen as a continuing trend towards greater transparency requirements, awareness of information on potential and actual impacts, and greater stakeholder sensitivity and oversight. Also, three time horizons are used: short, medium and long-term.

The resilience analysis carried out in 2024 involved the participation of the Quality and Environment areas of the entire Elecnor Group present in the different countries, which therefore have indigenous and local knowledge of the sites where the Group's projects are carried out.

Furthermore, in the 2024 dual materiality analysis explained in the IRO-1 section of the ESRS 2 chapter of this report, no material risk on biodiversity and ecosystems was identified that could affect the Elecnor Group's own operations, or its value chain.

It should be noted that the Elecnor Group does not currently have a transition plan, but is considering developing one in the coming years in order to align its strategy with the main global biodiversity frameworks.

Management of material impacts, risks and opportunities

IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

The process for determining the Elecnor Group's material impacts, risks and opportunities (IROs), including those related to biodiversity and ecosystems, was carried out in a general manner. This process is explained in the IRO-1 section of the ESRS 2 chapter of this report.

In the case of biodiversity IROs, additional analysis was carried out using the LEAP (Locate, Evaluate, Assess and Prepare) approach.

Impacts and dependencies

For the analysis of actual and potential impacts on biodiversity and ecosystems in the Elecnor Group's own operations, the main impacts established in the Environmental Impact Studies of the Group's locations during 2024 were taken into account. The analysis also considered Elecnor Group organisations that have some interaction with biodiversity and ecosystems. These organisations are involved in the construction of power transmission and distribution lines, the construction of wind farms and the construction of solar PV plants. For the assessment of impacts and dependencies, the criteria set out in the CSRD disclosure requirement "E4 SBM-3, 16 a" on material sites were taken into account. In view of this, the ecosystem services that are or may be disturbed were taken into account.

With regard to the upstream value chain, the SASBs of construction materials, metals and mining were taken into account, as these are the main resource inflow sectors for the Elecnor Group.

Risks and opportunities

The Group assessed its IROs by determining the magnitude and likelihood of risks and opportunities, following the methodology described in the IRO-1 section of the ESRS 2 chapter of this report.

In this regard, some physical risks were identified and assessed, such as: damage from landslides, storms, floods or fires resulting from the loss of vegetation, protective ecosystems or climate change, which cause interruptions and higher repair costs; as well as water scarcity or contamination that impacts industrial processes, forcing additional investments in infrastructure or treatment.

Additionally, transitional risks associated with regulations such as the Global Biodiversity Framework; future regulatory requirements for increased biodiversity monitoring needs; increased environmental concerns or reluctance of the local community regarding biodiversity impacts; and, increased requests from investors, shareholders, customers and government on biodiversity and ecosystem-related risks in the initial stages were taken into account.

To identify risks and opportunities, some examples established in the "Additional guidance for the engineering, construction and real estate sector" of the TNFD (Taskforce on Nature-related Financial Disclosures) were taken into account, as well as the expert opinion of the Quality and Environment area of the Elecnor Group. In the 2024 dual materiality analysis, no systemic risks were identified that could affect the Elecnor Group's own operations or its value chain.

Consultations with affected communities

As indicated in the IRO-1 section of the ESRS 2 chapter of this report, direct consultation with external stakeholders on sustainability assessments of biological resources and shared ecosystems was not included in 2024. However, expert judgement was taken into consideration from the start of the dual materiality analysis. In the area of biodiversity and ecosystems, the Group's Quality and Environment area was involved. In addition, throughout the entire dual materiality process, we collaborated with third parties with expertise in sustainability.

It should be noted that the Elecnor Group maintains a commitment to all its stakeholders, aimed at creating long-term shared value. It also involves all its stakeholders in generating a favourable impact on the natural and social environment of the communities where the Group's activities are carried out.

Communication, ongoing dialogue and proper management of impact on local communities are essential to maintain social legitimacy and ensure the success of the Group’s projects. In the context of the Environmental Assessment Studies of the projects, there are stakeholder outreach processes, the goal of which is to outline the main characteristics of projects, their design and planning to communities that might be affected. Queries are also fielded and their comments taken on board so as to minimise the projects’ negative impact on their territory.

The main channels of communication with affected groups are open meetings with the local community, landowners and other people affected by the projects.

In the dual materiality analysis, no material impacts were detected on ecosystem services for the communities affected by the Elecnor Group's own operations.

Furthermore, it should be noted that the Elecnor Group has sites located in or near sensitive areas in terms of biodiversity, in accordance with the criteria established in the disclosure requirement "E4 SBM-3, 16 a" of the CSRD. For this reason, it is possible that activities on these sites may adversely affect these ecosystems and the species found there. In this regard, mitigation measures such as those set out in section E4-3 of this chapter are implemented.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Material sites

The Elecnor Group considers material sites to be those locations which, based on the criteria established by the TNFD framework, are material and sensitive, as detailed below:

- Material locations: locations where the Elecnor Group has identified material dependencies, impacts, risks and opportunities related to nature in its own operations, as well as in its value chain.
- Sensitive locations: locations where the assets or activities of the Elecnor Group's own operations - and, where possible, in its value chain - interact with nature in one of the following areas:
    - Important biodiversity areas; or
    - Areas of high ecosystem integrity; or
    - Areas of rapidly declining ecosystem integrity; or
    - Areas of high physical water risk; or
    - Areas of importance for the provision of ecosystem services, including benefits to indigenous peoples, local communities and stakeholders.

An image of the TNFD illustrating this explanation is shown below:

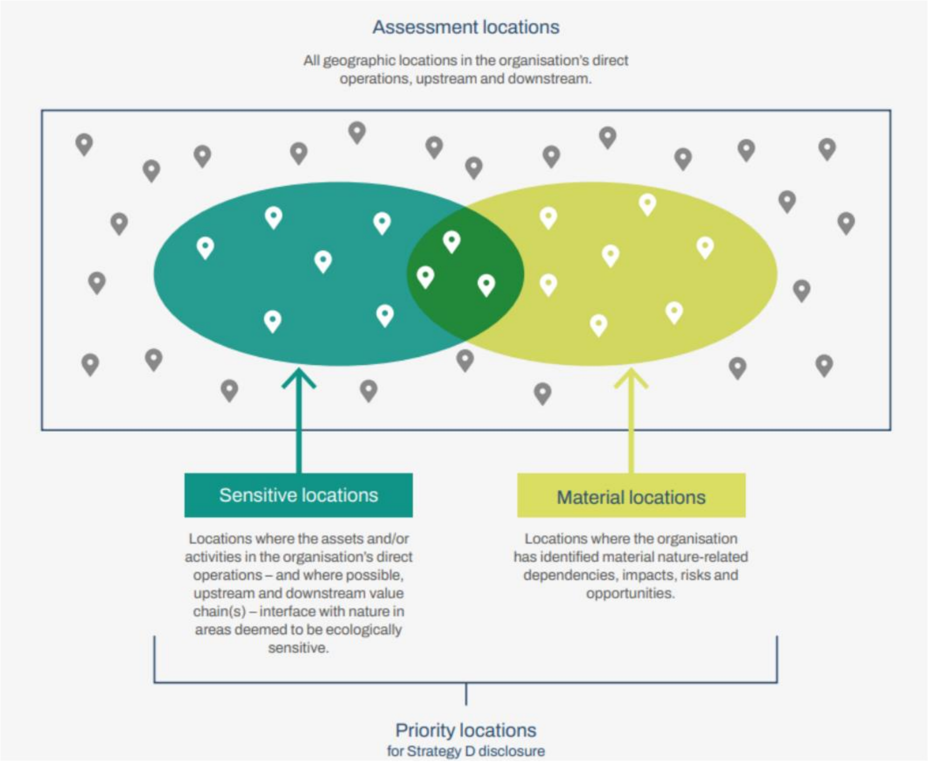


Figure 1. Recommended prioritisation of sensitive locations and materials recommended by TNFD (Source: TNFD)

Each part of the analysis contains its own indicators and specific methodology, so each can be considered independently to obtain a clear and detailed view of the different aspects of ecological sensitivity and impacts and dependencies at Elecnor Group locations.

To assess the sensitivity of each location, specific indicators associated with these criteria are integrated, applying a threshold based on the 0.66 percentile. This allows the prioritisation of those high values that can have a significant impact on the state of nature.

Furthermore, the materiality analysis assesses the scope, scale and severity of the impacts and dependencies of each location. For this purpose, impact and dependence values for ecosystem services are calculated, also using the 0.66 percentile for the different scores for each factor assessed.

Based on the scores obtained in the sensitivity and materiality analyses, a final value is calculated for each location. Subsequently, a normalisation process is applied using the mean and standard deviation of all final values.

This integrates the fact that companies are not only conditioned by their impact on nature, but also by external factors that affect the state of nature and subsequently impact the company in terms of its unique interactions and dependencies with nature. Details of this information can be found in table ESRS E4. Biodiversity and ecosystems located in Appendix II of this report.

Based on this methodology, the Elecnor Group has identified 30 material sites. Of these, only 12 are located in or near protected areas or key biodiversity areas and may be adversely affected as a result of the Group's activities.

The activities of the 12 material sites that could negatively affect biodiversity, as well as the impact on endangered species, the ecological status and the hectares of the different sensitive areas affected, are listed in Table 1 below:

Table 1. Elecnor Group priority locations by activity for 2024

Type of activity	Location	Sensitive Areas Affected and Competent Authority	Ecological Status	Hectares affected	Affect on Threatened Species
Construction of power transmission and distribution lines	Spain	Domestic: Secans de Mas de Melons - Alfés (ZEC code ES5130040 and ZECA code ES0000021); Vall la Vinaixa (ZEC and ZECA code ES5130039); Sistema Prelitoral Central (ZEC and ZECA code ES5110015); Montmell - Marmellar (ZEC and ZECA code ES5140018); Sierras del Litoral Central (ZEC and ZECA ES5110013)	Average	Domestic: 38.62	Yes
	Portugal	Domestic: Reserva Agrícola Nacional (RAN); Reserva Ecológica Nacional (REN); Ribeira do Vascão (Ramsar); ZEC Rio Lima (PTCON0020); ZEC Rio Minho (PTCON0019); ZEC Peneda/Gerês (PTCON0001) Nearby: ZPE Piçarras (PTZPE0058)	Average and Deteriorated	Domestic: 167.46 Adjacent: 0.81	Yes
	Dominican Republic	Cañón Río Gurabo Wildlife Refuge	Deteriorated	Domestic: 14.08	Yes
	Chile	Laguna Verde Priority Conservation Site	Deteriorated	Domestic: 87.04	No
	Angola	IBA Caconda	Average	Nearby: 58.75	No
	Peru	Tambopata National Reserve	Deteriorated	Nearby: 320	No
	Brazil	Migratory bird rich area	Deteriorated	Domestic: 310.4	Yes
Wind farm construction	Spain	Domestic: IBA 429 Llanos de Plasencia Nearby: ZEC Sierra de la Tesla-Valdivielso (ES4120094); IBA 429 Llanos de Plasencia	Average and deteriorated	Domestic: 20.98 Nearby: 33.4	No
Construction of solar PV plants	Spain	Domestic: IBA (Important Bird Area) No. 57 Nearby: ZEPA Valles del Voltoya and Zorita (ES0000188); Barranco Hondo IBA 455	Deteriorated	Domestic: 16.00 Nearby: 239.50	No
Construction of wastewater treatment plants	Spain	Domestic: LIC/ZEC (ES3110005) Guadarrama river basin	Deteriorated	Domestic: 16.00	No

Biodiversity Sensitive Areas

Through Environmental Impact Assessments, the Elecnor Group determines the protected areas affected by the execution of its projects, either because they are adjacent, partial (only part of the project) or inside the project.

Biodiversity "sensitive areas" are being taken into account: Natura 2000 network of protected areas, UNESCO World Heritage sites and key biodiversity areas ("KBAs"), as well as other protected areas as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139.

Material negative impacts in relation to land degradation, desertification or soil sealing

In the 2024 dual materiality analysis, the following material negative impacts were detected in relation to land degradation, desertification or soil sealing:

Description of the Impact	Positive/Negative Actual/Potential	Location in the value chain	Time horizon
Pressure on biodiversity and ecosystems due to changes in land use.	Negative / Actual	Upstream Own operation	Medium-term
Land degradation due to excavation and use of heavy machinery.	Negative / Actual	Upstream Own operation	Medium-term
Reduction in the extent of natural ecosystems.	Negative / Actual	Upstream Own operation	Medium-term

Impact on endangered species

The Environmental Impact Assessments include the threatened species in the areas where the projects are to be implemented. Therefore, all species that are critically endangered, endangered and vulnerable according to national and international legislation must be listed. In this regard, the Elecnor Group collects information on species classified according to the IUCN Red List of Threatened Species or national conservation lists. Table 1 of this chapter lists the Group's activities affecting endangered species.

E4-2: Policies related to biodiversity and ecosystems

The Elecnor Group recognises the impact of its activities on the ecosystem and the importance of conserving biodiversity, and is committed to respecting it in all its projects. In response to this, the Group has an Integrated Management System Policy, approved by the Board of Directors in February 2024, which is applicable to the entire Elecnor Group, covering all the locations in which it operates. This Policy fosters the protection and conservation of biodiversity and the natural environment, implementing the necessary measures in order to mitigate, offset and even avoid the negative impacts produced by the Group's activities, promoting those that generate positive impacts. However, it should be noted that the organisation does not currently have a specific biodiversity policy that addresses issues such as deforestation or sustainable land use.

In this regard, the Elecnor Group is committed to drafting and implementing a specific biodiversity policy by 2025 to help the organisation manage, among other things, material impacts on biodiversity and ecosystems.

Targets

E4-4: Targets related to biodiversity and ecosystems

The Elecnor Group is aware that it does not currently have a single, widely accepted indicator for measuring biodiversity. As a result, there are no specific corporate biodiversity targets. In this respect, it should be considered that the Group's type of activity, characterised by a temporary presence in the locations where it operates, and the clear limitations of influence on the means and place in question (for example, more or less close to protected areas), are factors that mean that the Elecnor Group cannot currently have corporate targets related to biodiversity.

Notwithstanding this, as part of its analysis, the Group has identified that some of its activities are likely to affect certain species and ecosystems. To manage these impacts, the mitigation hierarchy was followed to anticipate and address the environmental and social effects of the Elecnor Group's projects.

Based on this analysis, the organisation has set itself the objective of avoiding and reducing such impacts, as well as carrying out restoration measures to offset any damage, always seeking to achieve a positive result for the environment. For this reason, the Elecnor Group will develop an action plan.

In addition, the Group will work to set and have targets related to biodiversity and ecosystems.

Actions

E4-3: Actions and resources related to biodiversity and ecosystems

The Elecnor Group has actions related to biodiversity and ecosystems, which contribute to:

- Target 15 of the Kunming-Montreal Global Biodiversity Framework. A related example is the "Reporting and monitoring of biodiversity initiatives in the different business units", which reinforces the monitoring and sustainable management of the ecosystems in which the Elecnor Group operates.
- The EU Taxonomy for sustainable activities. The action "Development and consolidation of a procedure and system for identifying eligible and environmentally sustainable activities and projects in accordance with the EU Taxonomy regulation" exemplifies the Elecnor Group’s commitment to this regulatory framework.

In addition, through the Environmental Impact Assessments, restoration and regeneration are being carried out, which are aligned with:

- Target 2 of the Kunming-Montreal Global Biodiversity Framework.
- European Biodiversity Strategy Plan 2030.
- European Nature Restoration Law.
- Law 21/2013, of 9 December, on environmental assessment.
- State strategic plan for natural heritage and biodiversity for 2030.

These actions related to biodiversity and ecosystems are carried out by the Elecnor Group in its projects, as part of compliance with the Environmental Impact Studies and Environmental Monitoring Plans. The measures carried out can be grouped into three types of actions:

1. Protection of fauna and flora: with a total cost of Euros 1,200,825 and a dispersed geographical location (Spain, Portugal, Chile, Mexico and Honduras). Some of the measures are:
    - Installation of bird beacons to avoid collision and electrocution of birdlife.
    - Installation of flight deterrents in sectors where high bird abundance and flight paths have been observed.
    - Installation of strike markers on the hunting fence to prevent birds from colliding with it.
    - Painting of power line structures in opaque green for greater visual exposure.

- Diversion of the "El Naranjo - Guayubin" line, to avoid passing through the Gurabo River (wildlife refuge) where the Island Pigeon "Patogioenas squamosa" is found.
- Implementation of a Wildlife Rescue and Relocation Programme, which aims to implement various actions and measures to help protect, rescue and relocate wildlife found within areas subject to land use change.
- Carry out controlled disturbances in the project site sectors, with the aim of scaring off low-mobility wildlife.
- Training of technical and operational staff in best management practices and transplanting of native tree species, ensuring the proper implementation of the relocation plan.
- With the help of students from Centro de Educación Básica La Gran Villa, several reforestation days were held with the aim of creating a closer relationship with nature and raising awareness of the origin of the earth's products through the planting of trees. In this way, environmentally responsible learning is promoted.
- Installation of gates in photovoltaic parks to prevent larger wildlife from accessing the project and becoming trapped.

2. Avoidance of soil degradation: with a total cost of Euros 12,744 and a unique location in Chile. The measures include:
    - Construction of infiltration trenches in sectors associated with "Very severe" erosion risk in order to avoid the loss of capacity to sustain biodiversity due to soil degradation.
3. Protection of historical heritage: with a total cost of Euros 47,040 and a unique location in Chile. The measures include:
    - Paleontological monitoring during the construction of works involving excavation or earthworks on fossil-bearing paleontological units.

With regard to the aforementioned actions, the Elecnor Group undertakes to include the geographical scope, costs, time horizon and performance indicators for each one. The level of detail will also be expanded and it will be indicated whether these actions require significant OpEx or Capex, in accordance with disclosure requirement "MDR-A: Actions and resources in relation to material sustainability matters" of the CSRD ESRS 2.

The actions carried out by the Elecnor Group can be structured according to the hierarchy of environmental impact mitigation (Figure 2).

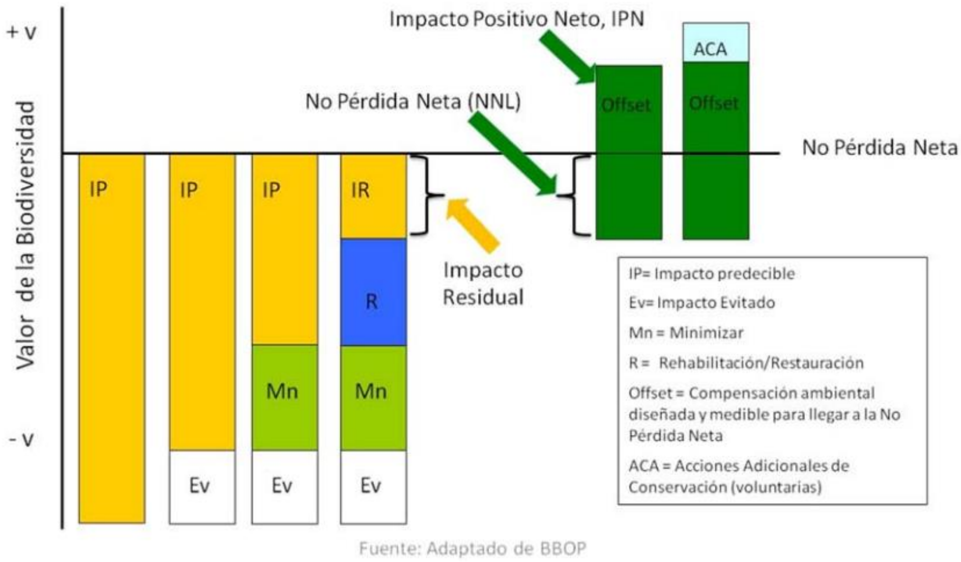


Figure 2. Impact mitigation hierarchy (Source: CONAMA 2016)

The first level called "Avoid" focuses on preventing the generation of impacts from the initial planning. An example of this strategy is the introduction of ESG criteria in the evaluation of the supply chain, which makes it possible to anticipate and avoid practices that are harmful to the environment or society.

The second level called "Minimise" involves reducing impacts that cannot be completely avoided. This is exemplified by the deployment of a Quality and Environment System as a tool to manage and mitigate adverse effects through more sustainable standards and practices.

Biodiversity offsets

The Elecnor Group lists the offsetting actions it implements in its projects as part of compliance with the Environmental Impact Studies and Environmental Monitoring Plans, including the type of activity carried out, the objective and the costs. These offsetting actions include exclusively reforestation and planting measures, such as those detailed below:

- Planting of a number of specimens equivalent to 150% of those removed during the construction phase of the project (317 specimens of Adesmia balsamica and 35 specimens of Citronella mucronata).
- Reforestation of 145 hectares affected by felling and clearing. According to Peruvian regulations, particularly the Forestry and Wildlife Law No. 29763 and its regulations, this type of offsetting seeks to restore ecological functionality, promote carbon sequestration and conserve biodiversity. This helps ensure compliance with the environmental obligations established in the environmental management tools.

These measures entail a total cost of approximately Euros 521,358 and were carried out in Chile and Peru, respectively.

The Elecnor Group undertakes to establish, for future reports, the key performance indicators used, the quality criteria applied, the area offset and the standards met by the biodiversity offsets implemented.

Incorporating local and indigenous knowledge and nature-based solutions into biodiversity and ecosystem action

The Elecnor Group carries out biodiversity-related actions arising from the Environmental Impact Studies. Local and indigenous knowledge is taken into account during the preparation of these studies. However, the Group is not directly involved in this process, as it is part of the customer's scope.

Metrics

E4-5: Impact metrics related to biodiversity and ecosystems change

Regarding the number and area (in hectares) of sites located in or near biodiversity sensitive areas, this data is shown in table 1 in section SBM-3 of this chapter.

Furthermore, according to the dual materiality study and the analysis of material sites, in the dual materiality analysis, the Elecnor Group identified the following negative impacts on land use change and freshwater use, although it does not assess them in terms of metrics:

- Pressure on biodiversity and ecosystems due to land use changes caused by infrastructure development, oil & gas extraction and production, as well as quarrying and mining for construction materials.
- Sedimentation and erosion and the mobilisation of pollutants could affect native vegetation and adjacent aquatic habitats, if not properly managed, especially when works are carried out in the vicinity of rivers, streams and key fish habitats. These impacts have the potential to temporarily reduce habitat viability for aquatic and semi-aquatic species.

ESRS E5. Resource use and circular economy

Management of material impacts, risks and opportunities

IRO-1: Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The process to identify material impacts, risks and opportunities related to resource use and the circular economy, in particular in relation to resource inflows, resource outflows and waste, was conducted in a general manner as outlined in the section Materiality Assessment IRO-1 "Description of the processes to identify and assess material impacts, risks and opportunities" of ESRS 2 "General Disclosures". The considerations taken into account for the identification and assessment of IROs related to resource use and the circular economy are detailed below.

For resource inflows, the different business areas listed the main materials and equipment purchased, as well as the main subcontracted services, in order to firstly identify the main resource inflows that make up the Group's upstream value chain.

In addition, each of the Elecnor Group's subsidiaries and branches included in a standardised model the most relevant suppliers and subcontractors by turnover in 2023 and in the first half of 2024. This is the approach that was used for 2024 information reporting, as the company context is similar. In this model, the type of materials or equipment purchased was specified, as well as the predefined types of services purchased. This approach made it possible to identify material resource inflows for the Group.

The procedure was similar for waste management. To determine the quantities of hazardous and non-hazardous waste, as well as their destination in 2024, the information for 2023 in each of the countries in which the Elecnor Group operates was analysed, since the Group's circumstances are similar in both years. The results showed that, although waste is generated in all countries, Brazil and Spain stand out for their materiality, accounting for more than 80% of the total waste generated by the Group.

Due to its significance, a detailed analysis of waste generation in these two countries was carried out below. The activities with the highest waste generation were identified as the construction of electricity transmission and distribution lines, transformer stations and associated substations, as well as the construction of renewable energy generation plants.

It should be noted that the Elecnor Group prioritises the application of the best available techniques for waste recovery, whenever possible, optimising the resources used at its work sites and workplaces. This approach has led to the identification of a positive material impact, with approximately 80% of the waste generated destined for recovery processes.

Furthermore, as part of the process of identifying and assessing impacts, risks, and opportunities related to resource use and the circular economy, the SASB (Sustainability Accounting Standards Board) standards corresponding to strategic sectors linked to the Elecnor Group's main resource inflows were consulted. These include engineering and construction services, electrical and electronic equipment, construction materials, iron and steel producers, and metals and mining. The conclusions of this analysis were that major infrastructure construction is among the largest consumers of natural resources in the economy, highlighting that the supply of construction materials can contribute to global or local resource constraints. As a result, customer pressures and regulatory developments are expected to demand sustainable projects that can provide a competitive advantage and the opportunity to increase revenues. Furthermore, the sector generates waste during project construction, mainly from clearing, levelling and excavation activities.

The analysis of SASB standards has also incorporated the guidelines and obligations set out in European waste legislation, as well as key EU strategies aimed at promoting a sustainable built environment and accelerating the transition to a circular economy.

All these considerations were assessed to take into account their impact on the Group's activities in order to identify impacts, dependencies, risks and opportunities, as well as for further evaluation.

As indicated in the section Materiality Assessment IRO-1 "Description of the processes to identify and assess material impacts, risks and opportunities" of the ESRS 2 "General Disclosures", no direct consultation with external stakeholders has been included this year; however, from the beginning of the process, expert judgement was taken into consideration, and in the area of resource inflows, resource outflows including waste, specifically environment, quality and sustainability area. The Elecnor Group, was also assisted by third parties with expertise in sustainability.

E5-1: Policies related to resource use and circular economy

The Elecnor Group recognises the significant impact of its activities on the use of natural resources and the generation of waste, both non-hazardous (mainly construction and demolition waste) and hazardous. As part of its commitment to sustainability, it has integrated key principles into its Integrated Management System Policy, approved by the Board of Directors in February 2024.

This Policy sets out a clear commitment to: "making sustainable use of resources, fostering responsible consumption, waste minimisation and the circular economy."

While this Policy does not explicitly address material IROs in own operations as well as in its value chain as its approval predates the dual materiality process, a preliminary exercise was undertaken to align the Policy's commitments to material IROs for the purposes of this reporting. In addition, although the Policy does not currently explicitly address the transition away from the use of virgin resources, including the relative increase in the use of secondary (recycled) resources, the Elecnor Group, as described in the section on actions, is incorporating concrete with recycled materials and the use of recycled aggregates as filler in some projects. Furthermore, the current Policy also does not reflect the use of renewable resources, but has references to sustainable supply, through sustainable use of resources, and responsible consumption. A review of the Policy is foreseen in 2025 to bring it into line.

However, the Policy is related to the IROs, as it covers issues such as:

- Sustainable use of resources: ensuring efficiency in the use of resources such as iron and steel products, copper, cement, concrete, etc., respecting their regenerative capacity to avoid their depletion, as well as to reduce environmental impact.
- Responsible consumption: promoting practices that encourage a conscious use of resources through optimisation at work sites and workplaces, minimising waste and favouring sustainability.
- Waste minimisation: implementing strategies aimed at reducing the generation of hazardous and non-hazardous waste with a focus on prevention, segregation and appropriate treatment.
- Circular economy: maximising the value of materials through reuse and recycling (80% used for recovery in 2023) and the use of long-life materials to reduce replacements and repairs, as well as the demand for new resources.

Likewise, it also involves all stakeholders (employees, shareholders, customers, suppliers and society at large) in the joint quest for useful solutions to the challenges of preserving and developing the environment and using natural resources sustainably.

The commitments set out in this Policy meet the requirements established in the ISO 14001:2015 environmental management system standard, which the Elecnor Group has implemented and certified, and which implicitly entails compliance with environmental legislation.

The Elecnor Group's Integrated Management System Policy is widely available and accessible to stakeholders through the following channels:

- Elecnor Group website: allows public access to the Policy, guaranteeing accessibility and transparency for any interested or potentially affected party.
- "Buenos Días" corporate intranet: with this tool, Elecnor Group employees can access the Policy and related procedures, ensuring that everyone is informed and aligned with the Group's objectives and guidelines.
- General Terms and Conditions (GTC): provided to subcontractors in the contractual framework, to ensure that they are aware of their responsibilities.
- FullStep platform: through this platform, suppliers and subcontractors explicitly accept the General Procurement Conditions, which include the Policy and the principles to be followed.

In addition, the Integrated Management System Policy is shared in the customer qualification processes and in the corresponding Environmental Management Plans.

All these channels ensure that both potentially affected stakeholders and those responsible for applying the Policy have effective and clear access to it, ensuring that these commitments extend throughout the Group's value chain and are applicable to all the geographical areas where the Elecnor Group is present.

The Group also has a Sustainability Policy that was updated and approved by the Board of Directors in 2024, which establishes principles of action related to material impacts and opportunities in the use of resources and the circular economy, such as the development of sustainable infrastructures as a display of the Group's commitment to the decarbonisation of the economy, the efficient consumption of resources and the protection and conservation of the environment.

This Policy is applicable to all companies that make up the Elecnor Group, including joint ventures and other equivalent associations in which any Elecnor Group company has management control, within the limits established by law.

In addition, the various companies of the Group will ensure that the principles of this Policy are applied to the services and projects and, to the extent appropriate, to the natural or legal persons who, by virtue of a commercial agreement with the companies of the Group, contribute as part of the Group's chain of activities to the provision of its services or the execution of its projects as Business Partners. This Policy is available on the Group's website and internal communication channels for all employees.

Metrics and targets

E5-3: Targets related to resource use and circular economy

The Elecnor Group has established targets aligned with the commitments indicated in its Integrated Management System Policy. These commitments include responsible consumption, minimising waste generation and promoting the circular economy, as well as efficient consumption of the resources set out in the Sustainability Policy. These targets address the material impacts related to waste management, including preparation for appropriate treatment, as well as within the waste hierarchy focusing on prevention, preparation for reuse, recycling and other types of recovery.

It should be noted that none of the targets set by the Group address increasing the rate of circular use of materials or the minimisation of primary raw materials. These targets also fail to address the sustainable supply and use of renewable resources, as well as other issues related to resource use or the circular economy. Furthermore, stakeholders have not been involved in defining the targets set.

However, as part of its Management System, the Elecnor Group defines annual goals related to resource inflows and waste management, and there are no defined medium- and long-term goals in these areas.

Likewise, these targets are supported by a systematic approach based on the "Waste Management Procedure", which guarantees:

- Protection of human health and the environment: ensuring proper waste management and preventing adverse impacts.
- Legal compliance: all waste is managed in accordance with applicable legislation by authorised waste managers.

The targets are set out below:

Increasing waste recovery in own operations

Within the framework of the Environmental Management System, a voluntary target was set for 2024 to achieve a recovery rate of 80% of the waste generated in the Elecnor Group's operations, including all its activities and countries. This is in order to improve on the results of the base year 2023, in which a 79% recovery rate was achieved.

This rate is calculated by dividing the kilograms of waste recovered by the total waste generated, expressed as a percentage. Waste for which the final destination is not disposal, including reuse and preparation for reuse, recycling, and other recovery operations (such as soil treatment and energy recovery) are considered as recovered waste.

The following significant assumptions were taken into account in defining the target:

- Improvement in waste management processes: an optimisation of waste sorting and separation was undertaken in the operations to increase waste recovery.
- Agreements with authorised waste managers: the possibility of formalising agreements with waste managers to redirect certain typologies towards more sustainable recovery routes was considered.

- Availability of infrastructure: it was assumed that recovery facilities would be available in the countries where the Elecnor Group operates.
- Limitation of scientific evidence: the definition of the target was not based on conclusive scientific evidence, but on a reasonable estimate derived from operational experience and historical analysis of valuation data.
- External factor: risk associated with the availability of managers and possible regulatory changes that impact on the recovery of certain waste.

The data for monitoring the target comes from the digital waste management platform, which is the centralised system used by the different countries where the Group operates to ensure the traceability of waste and the monitoring of its recovery. The records entered in this technological solution are verified by means of waste transfer documents provided by authorised waste managers, which specify the quantities managed and the type of final treatment applied.

By 2024, the Elecnor Group achieved an 80% recovery rate in waste management, thus meeting the target set despite the logistical challenges in regions with limited infrastructure. Examples are the desert areas of Australia or certain regions in countries such as Angola, Brazil, Honduras and the Dominican Republic, where the lack of waste management infrastructure has been a significant challenge.

Reducing fibreglass waste in the manufacture of Adhorna columns and poles

Within the framework of the Elecnor Group's Environmental Management System, a voluntary target was established for 2024 for the subsidiary Adhorna, a division specialising in the engineering and manufacture of precast concrete and fibreglass products (GRP).

This target was to reduce the generation of fibreglass waste from resin consumption by at least 3% compared to the base year 2022, which recorded a consumption of 499.31 tonnes of resin and a waste generation of 181.52 tonnes.

The following significant assumptions were taken into account in defining the target:

- Historical analysis: operational data on resin consumption and waste generation during previous years was considered to identify trends and assess areas for improvement.
- Baseline setting: 2022 was chosen as a reference year due to its operational stability, with a resin consumption of 499.31 tonnes and waste generation of 181.52 tonnes, equivalent to an indicator of 36.4%.
- Projection criteria: the 3% target was defined on the basis of a reasonable estimate, without conclusive scientific evidence, but supported by the operational experience and technical capacity of the plant.
- Implementation of best practices: taking of measures to optimise resin use and reduce waste in the manufacture of columns and poles, including adjustments to mixing metrics to minimise waste and ongoing staff training.

The information for monitoring the target comes from the plant's operational data on resin consumption and waste generation in tonnes, in addition to the Elecnor Group's Environmental Management System documentation, as it forms part of the environmental management indicators reported periodically.

In 2024, Adhorna achieved an 8.5% reduction in the resin consumption waste indicator, far exceeding the initial target of 3%. The data is as follows:

Adhorna Subillabide goal: to reduce waste vs. consumption by at least 3%				
	Resin consumption (t)	Waste generated (t)	Indicator	Reduction
2022	499.31	181.52	36.4%	
2024	253.77	84.5	33.3%	8.5%

Actions

E5-2: Actions and resources related to resource use and circular economy

The Elecnor Group has designed action plans and allocated resources to achieve its commitments to the sustainable use of resources, responsible consumption, circular economy and waste minimisation, which are set out in its Integrated Management System Policy and Sustainability Policy. To this end, the Group's actions encompass the optimisation of waste management in line with the waste hierarchy, mainly through prevention, preparation for reuse, recycling and other types of recovery, as opposed to disposal. In addition, actions consider higher levels of resource efficiency, increased use of (recycled) raw materials, minimisation of primary raw materials, as well as the application of circular design through optimisation of use, with higher reuse rates of materials, equipment and tools.

These actions are fully aligned with the Elecnor Group's sustainability and environmental responsibility objectives, reaffirming its commitment to protecting the environment and continuously improving its environmental practices.

The main actions are set out below:

Waste recovery in own operations

For several years, the Elecnor Group has been implementing measures focused on optimising the use of resources at its work sites and workplaces, promoting the application of the best available techniques to minimise the generation of waste and maximise its recovery in all its operations.

This action is measured annually, although the Elecnor Group will maintain and strengthen the time horizons of this action in the coming years in order to continue increasing its recovery rate and thus contribute to environmental sustainability.

To this end, both in 2024 and in future years, the measures that will be reinforced are those established in the section of the objective "Increase waste recovery in own operations": improvement in waste management processes and agreements with authorised waste managers to redirect certain types of waste towards more sustainable recovery routes.

Reducing fibreglass waste in the manufacture of Adhorna columns and poles

To address the target set by Adhorna for 2024, explained in the targets section of this chapter, the following main measures have been implemented:

- Daily adjustment of machine metrics at the start of each production run.
- Preheating of the resin used in the manufacture of poles.

Use of low CO_2 concrete

The Elecnor Group, in collaboration with Endesa, has developed in 2024 a technical specification for the use of HM-20 concrete, which contains a 20% composition of recycled materials, such as recycled aggregates and industrial by-products. To this end, technical studies were carried out to approve and validate the concrete in accordance with current regulations (EN 206 and UNE-EN 12620) to guarantee its quality and resistance, as well as to develop documentation (technical instructions) on the acquisition, handling and application of the concrete, ensuring traceability and compliance with environmental standards.

The application of this concrete will be in the eligible works of the framework contract with Endesa (2025-2026) for the backfilling of trenches in underground medium and low voltage conduits, as well as for floor screeds and pavements without high structural requirements.

The expected results of this action are:

- Decarbonisation of materials: reducing the carbon footprint in the medium and low voltage works of the contract signed with Endesa by replacing traditional concrete, thereby reducing CO_2 emissions in the life cycle of the concrete.
- Circular economy: promoting the reuse of industrial by-products and the use of secondary materials in concrete to avoid the extraction of virgin raw materials, contributing to circularity.

Internal system for reusing materials from some centres or sites in others

In 2024, the Directorate of Major Facilities and Networks, specifically the Southern Regional Office, began developing an internal system, based on SharePoint, to optimise the use of materials, equipment and tools within this business unit. This system will allow the centres and work sites of this Office to publish items that will not be used in the short-term, promoting their redistribution to other centres and work sites, thus preventing them from becoming obsolete or accumulating space in warehouses. Inventories and programme development are currently being finalised for launch in early 2025.

Re-use and recycling of recycled aggregates

The use of recycled aggregates in new works aims to give a new use to these resources

(construction and demolition waste), avoiding contamination, disposal in natural areas and limiting the use of new natural resources. In this way, through reuse, additional value is created and a contribution is made to the circular economy.

For this reason, the Elecnor Group decided to use materials from construction and demolition waste (CDW) for the execution of 8 construction roads during 2024, covering more than 7 kilometres in the Peñaflor solar PV plant project (Valladolid, Spain).

Resource inflow

E5-4: Resource inflows

Given the Elecnor Group's multi-activity nature, the inflow of materials and equipment resources used in its own operations depends on the nature of the activity carried out. The main inflows of materials and equipment used by the Group by line of activity are detailed below:

Line of activity	Resource inflows
Electricity	Metal structure (steel and iron), fittings and electrical switchgear, cable (copper and aluminium), cement, concrete, cells, electrical panels and power transformers.
Energy efficiency	Cable (copper and aluminium), cement, concrete, columns/posts, lamps, lighting and fittings, and PVC pipe.
Power generation	Photovoltaic panels, inverters, metal structure (steel and aluminium), blades (glass fibre and carbon fibre reinforced with epoxy resin), rotors, gas turbines, steam turbines, recovery boilers, biomass boilers, batteries, electrical hardware and switchgear, cable (copper and aluminium), cement, concrete, cells, electrical panels and power transformers, and various spare parts for electricity generation facilities.

Line of activity	Resource inflows
Railways	Fittings and electrical switchgear, cable (copper and aluminium), cement, concrete, cells, switchboards and power transformers.
Maintenance	Fittings and electrical switchgear, cable (copper and aluminium), electrical panels, air-conditioning equipment, fire protection equipment, automation and control equipment, plumbing and sanitation equipment.
Construction	Cement, concrete, steel and iron, enclosure elements (windows, doors, shutters...), fittings and electrical switchgear, cable (copper and aluminium), electrical panels, air-conditioning equipment, fire protection equipment, automation and control equipment, plumbing and sanitation equipment, furniture.
Facilities	Enclosure elements (windows, doors, blinds...), fittings and electrical switchgear, cable (copper and aluminium), electrical panels, air conditioning equipment, fire protection equipment, automation and control equipment, security and video surveillance equipment, telecommunications equipment, plumbing and sanitation equipment, furniture, concrete, signalling and road protection equipment and elements, and electric vehicle charging equipment.
Environment and Water	Cement, concrete, metal structure (steel and iron), pumps/pressure units, pumping equipment, fittings and electrical switchgear, electrical panels, reagents and piping.
Oil & Gas	Pipelines, cement, concrete, pumps/pressure units, pumping equipment, pipes, drill holes, cement and concrete.
Telecommunications	Pipes (aluminium, steel, polyethylene and PVC), cable (optical fibre, copper and aluminium), cement, concrete, switches, relays and antennas.

In the previous stages of the value chain, most of these materials and equipment come from the metals and mining industry, which is engaged in the extraction of metals and minerals, the production of minerals, the extraction of stones and the smelting and manufacture of metals, which are then transformed by the steel, copper, aluminium and iron industries into the different products acquired by the Elecnor Group, such as transformers, pipes, cables, metal structures, etc.

As for subcontracting of work on site, resource inflows are similar to those described in the Elecnor Group's own operations, as they are mainly mechanical assemblies, civil works, electrical assemblies and maintenance.

Information on quantities of technical and biological products and materials used for Elecnor Group services

As described in section SBM-1 of the ESRS 2 chapter of this report, the Elecnor Group's activity consists mainly of the provision of essential services in the areas of energy distribution, telecommunications, maintenance and installations, as well as the execution of construction, operation and maintenance projects for energy generation and transmission infrastructures.

In this way, the Elecnor Group, as a supplier of specialised infrastructure and energy services, does not directly acquire raw materials from its suppliers to be consumed as part of a production process, nor does it carry out any transformation on most of the resources it acquires. Therefore, the Group's resource inflows mainly correspond to products manufactured by its suppliers (sometimes complex products/equipment with multiple components), with these products and equipment being the materials used by the Group to carry out its activity.

Furthermore, it should be noted that the Elecnor Group's activity is not particularly intensive in materials consumed, with in-house labour, subcontractors and external services having a greater weight in the Group's cost structure.

Among the resources acquired by the Group, the following can be highlighted: different types of cables, fittings, metal structures, pumping equipment, power transformers, electrical panels, transformer stations, switchgear, batteries and statcom, cells, cement, photovoltaic panels, pressure units, accessories, inverters, pipes, generators, instrumentation and control, lighting and accessories, iron and concrete.

In this context, the Elecnor Group does not currently have precise information on the weight of the materials that make up its materials consumed. However, the nature of these has been identified, including steel, iron, aluminium and copper, among others.

In this respect, the Elecnor Group is involved in different initiatives in order to make progress in obtaining and analysing this information. Thus, the organisation has started to develop a report, through a business intelligence tool. This report will provide a reliable estimate of the weight of the main materials that make up the materials consumed. This is done by applying conversion factors to the monetary units purchased in each period of the main materials consumed.

In addition, a project to improve supply chain due diligence processes is planned to be designed and launched in 2025. Likewise, among other issues, the project envisages the possibility of obtaining more precise information on the materials that make up its materials consumed.

Waste generation

E5-5: Resource outflows

The Elecnor Group mainly classifies waste according to the European List of Waste (LoW), which is a standard system widely used in the European Union. This classification has also been referenced in the legislation of countries outside the European Union for the management of industrial and construction waste, such as Chile, Colombia, Peru and Mexico. The adoption of this system has made it possible to ensure traceability and uniform waste management in the Elecnor Group's international operations. Also, given its relevance, the Brazilian List of Waste according to IN No. 13 of 18 December 2012, and the National Waste Policy 2018 establishing a framework for waste management in Australia were also taken into account.

The following is a contextual analysis of the most relevant waste flows, considering the nature of the Elecnor Group's specific activities and the sector in which it operates:

- **Construction and demolition waste (CDW)**

  This waste flow is one of the most significant due to the construction activities carried out by the Elecnor Group. These include civil works, electrical infrastructure and telecommunications projects. This type of waste mainly consists of materials such as concrete, cement, bricks, rubble, ceramics and other debris generated in civil works activities (mainly construction and demolition).

  In projects, CDW is destined for recycling or reuse for secondary uses such as landfill on construction sites, where possible.

  In the construction sector, there are a number of local waste management regulations and practices, which set out the requirements for certain types of waste. For example, Royal Decree 105/2008 of 1 February 2008 regulating the production and management of construction and demolition waste in Spain. In Brazil, on the other hand, the management of construction and demolition waste is mainly regulated by CONAMA Resolution No. 307/2002.

- **Metal waste**

  This waste stream is particularly relevant, as it is generated in the activities of installation of power lines from wiring, assembly of metal structures, electrical equipment and dismantling of components or surplus. This waste contains steel, iron, aluminium, copper and other metals.

  It is managed as a priority for recovery and recycling.

- **Plastic waste**

  The generation of this waste is frequent on construction sites due to the use of packaging materials, temporary protections, auxiliary materials and electrical conduits. This waste is properly segregated and then treated for recycling, where possible.

- **Waste from electrical and electronic equipment (WEEE)**

  It is relevant in the maintenance or replacement of electrical equipment, and in the installations of energy infrastructure projects. This waste includes components such as transformers, switchboards and lighting.

  WEEE is treated by specialised authorised handlers for the recovery of valuable materials as well as to maximise recovery and recycling. This is because they contain metals that are key raw materials and rare earth elements.

- **Hazardous waste**

  This waste stream is relevant in the maintenance or replacement of electrical equipment, and in the installations of energy infrastructure projects. The main type of hazardous waste generated is used oils, solvents, paints, batteries, machinery filters and other chemicals used in operations.

  This waste is managed in accordance with current regulations, in order to ensure adequate treatment and minimisation of potential environmental impacts.

- **Organic waste and biomass**

  It is relevant in energy infrastructure maintenance and land preparation projects, generating plant remains and biomass during clearing and pruning activities.

  This waste is used for composting or energy recovery.

- **Packaging waste:**

  It comes from packaging used for the transport and storage of materials and equipment. Packaging consists of plastic containers, cardboard and other materials.

  This waste is properly segregated and destined for recycling.

Information on quantities and destination of hazardous and non-hazardous waste

2024 (kilograms)	Hazardous waste	Non-hazardous waste	Total
Total quantity of waste not destined for disposal	202,912	57,995,831	58,198,743
Preparation for reuse	24,579	9,928,409	9,952,988
Recycling	84,385	41,535,827	41,620,212
Other recovery operations	93,948	6,531,595	6,625,543
Total quantity of waste destined for disposal	302,210	14,602,095	14,904,305
Incineration	79,711	427,692	507,403
Landfill	81,186	13,198,278	13,279,464
Other elimination operations	141,313	976,125	1,117,438

2024 (kilograms)	Hazardous waste	Non-hazardous waste	Total
Total amount of waste generated	505,122	72,597,926	73,103,048
Total amount of waste not recycled		31,482,836	
Percentage of waste not recycled		43%	
Total quantity of radioactive waste		0	

This waste report includes not only waste generated directly by the Elecnor Group's own operations, but also waste associated with subcontractors and customers in projects where the Group exercises significant control over environmental management or where there is a contractually shared responsibility.

Data relating to the Elecnor Group's waste management is reported on a digital platform by the vast majority of the countries in which the Group operates. This data is consolidated through this digital platform. Waste management information is mainly obtained from waste transfer documents, apart from data for the United States, for which an estimate has been made based on its turnover[2]. The waste transfer documents are provided by the authorised waste managers, who are contracted to manage the waste generated at work sites and workplaces. These documents include details on the type of waste (hazardous or non-hazardous, as well as its classification), the quantity by direct measurement and the final destination of the waste. This ensures complete traceability and compliance with the applicable regulations in each country in which the Elecnor Group operates.

The total amount of waste destined for disposal is mainly due to the following factors related to the nature of the waste generated in the infrastructure construction sector:

- **Waste that is not recoverable:** Some waste generated, such as certain types of debris, contaminated materials or hazardous waste (e.g., waste construction materials contaminated with chemicals or oils), cannot be destined for recycling or reuse due to its composition or hazardousness.
- **Local regulations and restrictions:** there are local regulations that limit or prohibit the disposal of certain types of waste in landfills, such as hazardous waste or contaminated materials. In these cases, such waste must be specifically treated and, in some cases, destined for safe disposal. There are also local regulations that establish specific requirements for the destination of certain types of waste. For example, as mentioned above, Royal Decree 105/2008 of 1 February 2008 regulating the production and management of construction and demolition waste in Spain.
- **Lack of specific recycling infrastructure from authorised recyclers:** some regions where the Elecnor Group operates do not have authorised recyclers with specific recycling infrastructure, or these infrastructures are not accessible for some of the waste generated (electronic components, equipment containing complex materials, etc.). For this reason, this type of waste must be disposed of in a controlled manner.

[2] This estimate was made based on the United States' turnover, with respect to a Department of Elecnor Servicios y Proyectos, whose activities are similar, resulting in a relationship factor.

15.3. Social information

ESRS S1. Own Workforce

People management is a fundamental area for the Elecnor Group. Keeping a committed team, attracting the most qualified people and supporting their professional development, while fostering good working practices, equal opportunities and a safe and healthy working environment are the keys to the integrated Human Resources management.

This management is mainly based on two major levers: the Identity Reinforcement Project and the Health and Safety Culture.

The Identity Reinforcement Project is part of one of the Elecnor Group's main goals: to consolidate itself as an employer brand that guarantees the incorporation and retention of the best talent through an attractive and differential value proposition closely aligned with its purpose. Under this premise, the Group defined the Identity Reinforcement Project in Spain, which includes various lines of action in different areas of people management, aimed at attracting, developing and retaining talent.

The health and safety of everyone involved in its activities are core values for the Group. Prevention of work-related accidents has been part of the organisation's DNA since it was founded.

Throughout this chapter, reference will be made to these two levers.

Strategy

SBM-2: Interests and views of stakeholders

In the chapter on the ESRS 2 of this report, it has been explained how the Elecnor Group takes into account the interests and opinions of its own workforce in its strategy and business model.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

The material impacts, risks and opportunities on its own workforce identified during dual materiality assessment, in accordance with the process described in disclosure requirement IRO-1 of ESRS 2, are detailed in each of the relevant sections of this chapter.

All of Elecnor's own workforce who could be significantly affected by the Elecnor Group have been included in the scope of this topical standard.

In this context, the Elecnor Group defines its own workforce as those persons who have an employment relationship with the Group (employees). On the other hand, self-employed and temporary agency workers are non-employees.

Employees comprise Structure staff and Works staff. Structure staff includes the professional categories of management, executive and technical staff with multidisciplinary profiles. Works staff are the core group that implements field projects.

In addition, there are also people without employment ties (non-employees) who work on the Group's premises.

In this respect, it should be noted that no material impacts on own workforce have been identified that could result from the transition plans to reduce negative environmental impacts and to achieve greener and climate-neutral operations. Nor have any material impacts on the company's own workforce been identified that could result from the company's plans and actions to reduce carbon emissions, in line with international agreements.

Management of material impacts, risks and opportunities

S1-2: Processes for engaging with own workforce and workers' representatives about impacts

The Elecnor Group engages with both its staff and its representatives through different communication channels, described in disclosure requirement SBM-2 of ESRS 2 of this report.

In this context, internal communication is key in the Group as it is the link between the company and its people. The main objective is to promote dialogue, collaboration and understanding between the different areas, as well as the participation of the workforce in order to know and respond to their expectations, and to respond to incidents.

This communication is carried out continuously through various channels, including regular meetings, working groups, conferences and training courses, the Buenos Días intranet, the eTalent platform and awareness-raising campaigns, among others.

As far as employee representation is concerned, workers elect their representatives through union elections, under the figure of Staff Delegates (workplaces with less than 50 workers) or Works Councils (workplaces with more than 50 workers). Negotiation and dialogue with the company is channelled through them, as they represent the Group's workers and are associated with the various trade unions or groups of independent workers.

The Elecnor Group holds regular ordinary and extraordinary meetings with the different Workers' Legal Representations (RLT), which it informs about the evolution of the company and the workforce they represent, in order to negotiate and reach agreements. In addition, they are notified of new hires and terminations of contracts. Furthermore, the majority unions are informed about the development of new policies or procedures, as well as modifications to existing ones. These meetings are held at least four times a year.

All communication with the RLT is done through negotiation and consultation processes. Agreements reached can be at company level, such as the development of a new policy, or at workplace level. In the sectoral environment, where collective agreements and sectoral wage tables are negotiated, the company is present through business associations, which negotiate with the trade unions. The results are communicated directly to the workforce.

Responsibility for relations with worker representatives lies with the Human Resources Sub-Directorate, mainly the Labour Advisory Department, together with the Human Resources departments of the business units. In certain areas, the results of this dialogue are communicated to the management team or to those ultimately responsible for production.

Specifically, in the area of health and safety, engagement with our own workforce takes place mainly through the following channels:

- Health and Safety Committees: 92% of the Group's workers are represented on these Committees, which address issues such as work procedures, protective equipment, etc. In Spain, the Committees are specific to workplaces, while in other countries they may be specific to workplaces or work sites.

  On the other hand, in countries where a Health and Safety Committee has not been set up, the Elecnor Group has worker participation committees that deal with health and safety issues. These committees are made up of worker and company representatives. They are equal consultative and participatory bodies. The frequency of the meetings is that established in applicable legislation, but they normally meet monthly or quarterly.

  In work places or countries where there is no worker representation, consultation and participation is by means of other mechanisms, such as awareness meetings, notice boards, circulars, e-mails, among others.

  In all the above-mentioned committees, the agreements between the parties are recorded in the minutes of the meetings.

  The responsibility for conducting the Health and Safety Committees lies with the heads of the business units, communicating the results of the dialogue to the management team.

- Monthly meetings between site managers and Works staff: in Spain, meetings, incidents, accidents, action plans and corrective measures are recorded in the Core tool. In all other countries, registration is done manually according to local requirements.

In relation to the self-employed, as with subcontracted staff, incidents are channelled through safety inspections in which possible non-compliances are detected and they are told how to correct them. Likewise, any incident or improvement proposal can be registered in the Notific@ application. This application is available in Angola, Argentina, Brazil, Chile, Spain, Mexico, Italy and Uruguay. During 2024, 1,133 improvement proposals were registered, of which 449 were implemented.

Furthermore, it is worth mentioning that the Business Activity Coordination meetings also deal with health and safety issues.

With regard to the talent management of our own workforce, training needs are reflected annually in the Management System.

In addition, special attention is given to training aimed at ensuring that employees are aware of the importance of their activities and how they contribute to the achievement of objectives. For this reason, training is provided in health and safety, quality, environmental management, energy management, information security, R&D&I, compliance management and sustainability.

For Structure staff, training is based on the results of performance management. Based on this, each manager defines the development actions that he/she considers appropriate for the employee, and may define the implementation of a Training Itinerary.

On the other hand, for Works staff, the Training Plan is designed by the Training Department based on the needs detected by the Delegates, Managers and Area Heads of each Directorate or General Sub-Directorate. These needs are recorded in the Human Resources Manager tool.

The Performance Management, Training and Development department is responsible for validating and implementing training based on identified needs.

S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns

The Elecnor Group provides its own workforce with several communication channels that facilitate two-way dialogue, while at the same time allowing it to be aware of and respond to the concerns, needs and any labour-related issues that may arise with its workers. The Group ensures that these channels are accessible and known to all its own workers.

The Ethics Channel, which is confidential in nature, is the main means of communication through which Elecnor Group employees and/or third parties with a legitimate interest can communicate and report in good faith any conduct contrary to or non-compliance with the provisions of the Code of Ethics and Conduct.

Access to this channel can be obtained through the following email address codigoetico@elecnor.com or from apartado de correos (P.O. Box) no. 77-48008 (Bilbao, Vizcaya - Spain) (FAO: "Ethics Channel").

In addition, the subdireccionrrhh@elecnor.com email account is made available to the worker (or interested third party), with the Human Resources Sub-Directorate channelling the information and providing a response.

Periodically, the Elecnor Group launches initiatives aimed at raising awareness of these channels among the workforce. Within the framework of the Code of Ethics and Conduct, as set out in the ESRS G1 chapter of this report, integrity and compliance training is provided and campaigns are conducted for employees to expressly confirm their knowledge of and commitment to the principles of action set out in the Code and other related policies.

An additional channel for dialogue and employee participation are the meetings with the RLTs and the Equality Plan monitoring committee[3], who inform the workforce through the notice board or by holding Workers' Assemblies.

Furthermore, as explained in disclosure requirement S1-2, the Group has other communication channels through which it interacts with its workers, enabling it to be aware of and respond to their concerns and needs. These channels include regular meetings, working groups, social networks and the Buenos días intranet, among others.

In addition, it maintains communication channels with self-employed workers or temporary employment agencies with which it has a relationship, including management platforms and corporate and financial reports.

Periodically, the Group monitors whether its own workforce has raised any material impacts through any of these channels.

Regarding the processes to redress or help redress negative impacts on members of its own workforce, the following is described:

- In terms of the work-life balance, the Elecnor Group has an Expatriate Policy that establishes certain measures aimed at minimising the potential negative impacts that could affect expatriate staff. These measures include the possibility of two flights per year to the country of origin for the family group, medical insurance for the expatriate employee, housing assistance and school assistance, among others.
- With regard to health and safety, the Elecnor Group will redress any negative impacts in the event of being involved in a serious accident or death of its own employees by means of the corresponding financial compensation.
- Remediation around human rights issues, such as child labour or forced labour, is reflected in the Human Rights Policy and the Sustainability Due Diligence Policy.
- With regard to the impacts derived from a high level of temporary contracts in fixed-term projects, which is inherent to the Group's business model, no remedial mechanisms were identified. However, whenever feasible, the policy of converting temporary contracts into open-ended contracts prevails.

S1-1: Policies related to own workforce

The Elecnor Group has various corporate policies in place to manage its material impacts, risks and opportunities related to its own workforce. These policies are available on the Group's different websites and on the internal communication channel Buenos Días.

In this regard, the following are the main Group policies that strengthen the Group's commitment to and management of the following material topics identified in the dual materiality analysis: secure employment, working time, social dialogue, work-life balance, equality, training and skills development, forced labour, child labour and privacy. Policies relating to the material health and safety issue are explained in the relevant section.

[3] At the end of 2023, the negotiating table for the Equality Plan was formed, and throughout 2024, work has been ongoing to try to agree on a new plan before 31 December 2025.

Code of Ethics and Conduct

The Elecnor Group's Code of Ethics and Conduct establishes the company's commitment to ensuring that its employees are treated fairly, with respect, dignity, and impartiality, and to creating conditions that allow them to grow professionally and personally within the organisation.

The Code also includes a specific section on the Defence of Human Rights, in which the Group is committed to the abolition of child labour and forced labour, while fully respecting the labour rights in force in the countries where it operates, defending and promoting freedom of association and collective bargaining.

This commitment extends to business partners, whereby the Group adopts due diligence measures in the contracting and supervision processes for the execution of its projects to identify and assess any risk of human rights violations, making reasonable efforts to prevent them, mitigate them and remedy any adverse impact that may arise.

Likewise, the Code of Ethics and Conduct defines the Group's commitment to equal treatment, both in recruitment processes and in the development of the professional careers of its employees, applying non-discrimination and equal opportunities criteria.

Race, colour, nationality, social origin, age, sex, marital status, sexual orientation, ideology, religion and kinship are excluded as factors for professional assessment. The only professional differentiation features used are merit, effort, the results of hard work, training, experience and future potential.

Promoting equality entails a special area concerning gender balance, as evidenced in the selection and recruitment practices, professional promotion procedures, training and general work conditions.

There is also a chapter on a harassment-free environment, in which the Elecnor Group strives to achieve a safe working environment free of all threats or manifestations contrary to persons' dignity or security, in particular the various forms of harassment: job-related, sexual, physical, moral and psychological. Nor will unwanted or annoying behaviour that harasses others be tolerated.

In the area of work-life balance, the Code of Ethics and Conduct includes the concept in section 3. Motivating, safe and fair working environment, and specifically in sub-section 3.4 on equal opportunities, where it stipulates: "The Elecnor Group has gradually introduced, and will continue to introduce, measures to foster a balance between professional obligations and personal and family life."

Likewise, in this same section, there is a sub-section on the protection of assets and information that refers to the requirement that all professionals forming part of the Elecnor Group must comply with applicable legislation on personal data protection and the procedures implemented in this area. The Group professionals undertake to maintain confidentiality and to make discreet use, in accordance with internal and external regulations, of the data and information to which they have access in the performance of their duties.

The Code of Ethics and Conduct was updated and approved by the Group's Board of Directors in November 2024. It is applicable to all employees of the organisation and extends to all companies that collaborate and relate to the Elecnor Group in the carrying out of its activity in any of the countries in which it operates.

General Sustainability Policy

This Policy, which was updated in 2024, is based on the corporate values set out in the Group's Code of Ethics and Conduct, and its main purpose is to establish the principles that should govern the strategy and management guidelines on sustainability.

Among the principles of action, it includes a commitment to respect and protect human rights through a continuous and dynamic process that allows for the taking of appropriate measures to identify and manage actual or potential adverse effects in this area. Furthermore, the Elecnor Group adopts a proactive approach by implementing action frameworks and procedures to reduce the likelihood of incidents and exposure to potential risk.

The scope of the General Sustainability Policy applies to all companies in the Elecnor Group, as well as to joint ventures and other equivalent associations and business partners throughout the chain of activities.

Its application is the responsibility of the Board of Directors and the Appointments, Remuneration and Sustainability Committee is responsible for evaluating, reviewing and ensuring its implementation in the Group and its companies.

Human Rights Policy

Also in 2024, the Group reviewed and updated its Human Rights Policy, which includes the following principles of action:

- Promote a culture of respect for human rights and actions to raise awareness of human rights among professionals.
- Guarantee non-discrimination on grounds of sexual or gender orientation or identity, age, race, disability or any other personal or social circumstance susceptible to discrimination, promoting equal opportunities and respect for diversity.
- Reject forced labour in all its forms, any abuse of authority and the use of child labour.
- Recognise the freedom of assembly and association of its workers.
- Ensure the confidentiality and right to privacy of stakeholders and guarantee respect for privacy and data protection regulations, establishing the relevant information security measures.
- Take the appropriate measures as soon as possible in the event of detecting a violation of human rights in the facilities, centres or places where the Group's companies or their business partners carry out their activities, and inform the competent public authorities in the terms under the applicable regulations in this regard.

In implementing the principles of this Policy, Group companies will engage constructively with stakeholders or interested parties who may affect or be affected by the activities of the Group and its business partners, as well as with national human rights institutions and the legitimate representatives of such persons and communities.

The policy is aligned with the Code of Ethics and Conduct, the General Sustainability Policy and, in particular, with the Sustainability Due Diligence Policy, as well as with relevant international norms and standards, such as the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, the principles underpinning the UN Global Compact, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy and the conventions of the International Labour Organization (including Convention 169) and the Sustainable Development Goals adopted by the UN, among others.

The Human Rights Policy applies to all companies within the Elecnor Group, as well as, where applicable, to joint ventures and other equivalent associations and business partners throughout the chain of activities.

The level of the organisation that assumes the responsibility and functions of compliance with these Policies is, on the one hand, the Board of Directors and the Appointments, Remuneration and Sustainability and Audit Committees and, on the other hand, the Sustainability Committee and the person responsible for the sustainability function.

Sustainability Due Diligence Policy

During 2024, the Sustainability Due Diligence Policy was developed and approved with the aim of establishing the principles that govern the Group's due diligence management strategy and guidelines on human rights, in order to identify, evaluate, prioritise, prevent, mitigate and, where appropriate, remedy the actual or potential adverse effects on human rights derived from the Group's services and projects and, to the extent appropriate, those of natural or legal persons, pursuant to a commercial agreement.

Like other policies, the Sustainability Due Diligence Policy applies to all companies within the Group, as well as to joint ventures and other equivalent associations and business partners throughout the chain of activities.

Likewise, the Board of Directors and the Appointments, Remuneration, and Sustainability and Audit Committees, the Sustainability Committee, and the person responsible for the sustainability function are the bodies responsible for compliance with the Policy.

Business partner Code of Ethics and Conduct

In its Code of Ethics and Conduct for Business Partners, the company extends its commitment to human, social and labour rights to this group by requiring them to apply the following principles:

- Support and respect the protection of internationally acknowledged basic human rights.
- Reject forced labour in all its forms, any abuse of authority and the use of child labour.
- Maintain labour practices and conditions in relation to its employees that observe all national and international reference standards.
- Acknowledge freedom of association and assembly and the right of their employees to collective bargaining.

The Code applies to the Elecnor Group's business partners, as they are an extension and fundamental part of its chain of activities. It has been approved by the Board of Directors.

Compliance Policy

In its Compliance Policy, the Group fully embraces the Universal Declaration of Human Rights, with special attention to equal opportunities regardless of people's characteristics. The staff of the Elecnor Group and its business partners shall adopt all appropriate measures to safeguard these rights in all their actions.

This Policy applies to all employees and business partners in all countries in which the Elecnor Group and its subsidiaries and associated companies operate, and therefore to all organisations that are part of the Elecnor Group, with the appropriate adaptations based on the legal particularities that exist in these other countries.

It has been approved by the Board of Directors.

Equality plan

In the Equality Plan and in the Remuneration Policy, the Elecnor Group reflects its commitment to equal opportunities between men and women and non-discrimination in its principles of action, establishing several main areas of work: selection and recruitment, professional classification, training, promotion, working conditions, work-life balance, female representation and remuneration.

In the Plan, the Group also states its rejection and zero tolerance for any behaviour or actions that constitute any form of sexual, moral or sexually-based harassment, and undertakes to actively, effectively and resolutely collaborate in the prevention, detection, correction and sanctioning of any conduct constituting harassment.

It is worth noting that one of the pillars of the Equality Plan is work-life balance, in which the entitlement to this is acknowledged. Accordingly, attempts will be made to foster greater co-responsibility between men and women when it comes to family obligations.

For its part, the Elecnor Group's remuneration aspects respect the criteria of objectivity, fairness and non-discrimination, recognising and rewarding merits.

The Group uses salary surveys as a benchmark to obtain information relating to the salaries and social benefits in the sector or at similar companies. These surveys are a tool to gauge how competitive positions are as compared to the same positions in the market. Furthermore, the Group also accesses other market research to achieve this purpose.

The Elecnor Group remunerates men and women performing jobs with equal responsibility with equal pay. As outlined in its Equality Plan and its Remunerations Policy, The Group implements a remuneration system that guarantees neutrality at all times with no conditioning factors whatsoever on the basis of gender, a circumstance that will continue over time.

The Elecnor Group has a remuneration register adapted to the requirements of Royal Decree 902/2020 of 13 October on equal pay for men and women.

The Equality Plan was approved by the Board of Directors and is applicable to the Group's employees in Spain. The Group is currently in negotiations in order to approve a new Equality Plan by 31 December 2025.

The Elecnor Group has not assumed specific political commitments related to inclusion or positive action for people belonging to groups at particular risk of vulnerability in its own workforce.

Procedures for reporting, investigating and assessing possible cases of sexual and workplace harassment

The company prevents harassment through two specific procedures for the prevention of workplace and sexual harassment.

Specific measures are therefore adopted, including the following:

- Identification or assessment of psychosocial risks.
- Training actions for executives, managers and employees on how to deal with people at work.
- Health surveillance of the mental health of workers.

The taking of preventive measures begins to create a harassment-free working environment, which develops a working climate and working environment that respects human rights and human dignity.

These procedures apply to all activities carried out by the Group and its subsidiaries, and are enforced by the Compliance Committee, the staff of the Joint Prevention Service and the Human Resources area.

Social Responsibility Management System Manual

In the Corporate Social Responsibility Management System Manual, which governs the System in accordance with the IQNet SR10 standard, to which the Group is certified, there is a specific section on the work-life balance. In this section, the organisation undertakes to establish measures to improve the quality of employment, family support, professional development, equal opportunities and flexibility, taking into account the circumstances of the company, country and worker.

The Manual describes the initiatives implemented by the Group to promote work-life balance. The scope of the Manual is for all business units in Spain, Brazil and Angola. It has been approved by the Sustainability Committee.

Digital Disconnection Policy

The Group has a Digital Disconnection Policy to address the need to establish a clear demarcation between working time and rest time for the organisation's staff.

With this Policy, the Group undertakes to promote measures to enhance rest time at the end of the working day, recognising the right to digital disconnection as a fundamental element to achieve a better organisation of working time in order to respect private and family life, improve the work-life balance and help optimise the occupational health of all employees.

The Policy was approved by Management in 2024 and is applicable to all companies belonging to the Elecnor Group in Spain.

Procedure for Training Management

The Elecnor Group has a Procedure for Training Management applicable to the entire workforce and available on the Buenos Días intranet which defines the way to pinpoint and meet the training needs of everyone who makes up the Group.

In this Procedure special attention is paid to training intended to ensure that staff are aware of the suitability and importance of their activities and how they contribute to achieving its growth, competitiveness and profitability goals, as well as aspects of occupational risk prevention, quality, environmental management, energy management, information security, R&D&I, and compliance and sustainability management.

Likewise, this Procedure documents, on the one hand, how the Training Itineraries are established, which are programmes and modules that a Structure employee can take throughout their professional career to ensure that they do their job as successfully as possible; and, on the other hand, it defines the Training Plan which includes the training needs identified, the training and awareness-raising actions for Works staff.

The Training Plan is designed annually by the Training Department based on the needs detected by the Delegates, Managers and Area Heads of each General Directorate.

The procedure has been approved by the Human Resources training managers.

Information Security Regulations

In order to safeguard the data of its own workforce, the Group has developed the Information Security Regulations, a document that has emerged as an organisational tool to make each member of the organisation aware of the importance and sensitivity of the information, as well as to identify critical data and services and procedures for action.

These Regulations form part of the organisation's Security Policy and must be complied with by all Elecnor Group staff, as well as external workers who use the systems and/or have access to information belonging to the Group.

This document contains the user security regulations derived from applying the principles of the Elecnor Group's Integrated Management System Policy to the area of the information systems user, which comprises all staff.

The Information Security Policy is as an organisational tool to raise awareness of the importance and sensitivity of information, as well as to identify critical data and services and procedures for action.

The Elecnor Group's strategic objectives within the information security framework consist of ensuring the confidentiality, integrity and availability of information:

- Ensuring the protection of data and systems against unauthorised access.
- Protecting data and systems against possible catastrophes and/or partial loss.
- Recovering information support systems through the established contingency plan.
- Complying with current regulations.

The standard has been approved and reviewed by the Safety Committee.

In addition to all these policies that establish the Elecnor Group's commitments, values and corporate culture with respect for the labour rights and freedom of affiliation and association of its workers, the Group meets periodically with the Workers' Legal Representatives, where it provides the information required by the Workers' Statute and any other information considered relevant.

The meetings, which can be of an ordinary or extraordinary nature, deal with issues of concern to workers or production departments, as well as negotiate new agreements and try to resolve disagreements.

The Human Resources areas of the Group's various business units and companies are responsible for ensuring compliance with and application of the applicable legislation in the countries where the company operates.

Labour relations at the Group are managed on the basis of provincial collective bargaining agreements within the sector. In certain cases, specific agreements are signed with particular groups.

With regard to working time, the Elecnor Group does not have a specific policy, as the maximum annual working day, rest periods between working days, weekly rest periods and holidays are legally established and improved in the sector's collective bargaining agreements.

Thus, there is an internal standard on how this is implemented and the basis for the Group's work schedules, which applies to 100% of the employees.

On the one hand, the work schedules are available all year round on the notice boards of each workplace and on the corporate intranet. On the other hand, internal regulations stipulate that up to three long weekends (linked to public holidays), flexible working hours and short working day on Fridays and in summer are allowed.

Responsibility for working time rests with the company's management for the rules for drawing up the work schedule, and with the Labour Advisory and Human Resources departments of the organisations for drawing up the schedule, its dissemination and control.

Working conditions

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

As a result of the Elecnor Group's dual materiality assessment, the material impacts, risks and opportunities for the company on its own workforce were identified. In this respect, for the development of this section, the material impacts, risks and opportunities in the areas of secure employment, working time, social dialogue and work-life balance will be considered. And this, taking into account that the other material areas for the Elecnor Group regarding its own workforce will be developed in the corresponding sections of this report.

This being the case, the material impacts, risks and opportunities in the areas of secure employment, working time, social dialogue and work-life balance are detailed below:

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Temporary hiring for fixed-term infrastructure projects	Impact	Negative Actual	Own operation	Medium-term
Contribution to the economic development of workers, their families and the community	Impact	Positive Actual	Own operation	Short-term
Work-life balance for expatriates or project workers	Impact	Negative Potential	Own operation	Short-term

Description	Impact Risk Opportunity	Financial effects	Location Value chain	Time horizon
Potential non-compliance with applicable regulations regarding temporary hiring	Risk	Impact on cash flow and profitability	Own operation	Medium-term
Inadequate work-life balance measures compared to market standards can negatively affect the ability to attract and retain professionals	Risk	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/maintain volume of activity	Own operation	Short-term
Potential labour unrest due to insufficient social dialogue	Risk	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/maintain volume of activity	Own operation	Medium-term
Improving the ability to attract and retain qualified professionals by improving working hours over the established norm	Opportunity	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/maintain volume of activity	Own operation	Medium-term

The hiring of temporary workers, mainly in fixed-term infrastructure projects, must be considered as inherent to the business model and sectors in which the Elecnor Group operates. This has a real negative impact in terms of job instability and insecurity for temporary workers.

In turn, this impact may lead to a risk of non-compliance with the applicable regulations on temporary hiring. This could result in lawsuits, fines and penalties, as well as labour unrest and reputational damage.

Although this negative impact and material risk have been identified in relation to temporary hiring, it should be pointed out that construction and engineering activities are some of the main economic drivers in the countries where the Elecnor Group operates, making a positive contribution to the economic development of its own workers, their families and the community.

The materiality assessment identified a potential negative impact and risk related to the subtopic of the work-life balance of its own workforce. Based on the analysis of the Group's activities, a potential negative impact was identified in terms of work-life balance, mainly in the case of expatriates and workers who move to certain locations for long periods of time. The impact identified is related to the business model, strategy and the sectors in which the Elecnor Group operates.

A risk was also identified arising from a potential insufficiency of work-life balance measures compared to market standards, which could negatively affect the Group's ability to attract and retain qualified professionals, undermining their commitment and motivation. This, in turn, could lead to a decrease in the company's competitiveness and productivity. It should be noted that this risk has not resulted in any material impact for the Group.

In this respect, it should be considered that one of the main lines of action of the Identity Reinforcement Project is the emotional salary. In this area, the Elecnor Group works on the development of activities that promote the well-being of the workforce, insofar as it has been identified as a relevant aspect of attracting and retaining talent.

Furthermore, the Elecnor Group considers as a material risk that the lack of free-flowing and constructive dialogue with workers and/or their representatives may lead to labour conflicts, negatively affecting the normal performance of activities and the organisation's reputation. This risk has not resulted from any material impact identified in the dual materiality process.

In addition, the Elecnor Group has identified as a material opportunity that the improvement of working hours with respect to those established in the applicable regulations would improve the capacity to attract and retain qualified professionals, as well as their commitment and motivation, which could increase its competitiveness and productivity. This opportunity has not arisen specifically from a material positive impact.

Actions

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Elecnor Group has established a series of initiatives aimed at achieving the provisions of the Code of Ethics and Conduct and its various policies on its own workforce in the following areas: secure employment and working time, social dialogue and work-life balance. The main actions carried out during the year are detailed below:

Promoting job stability and improving working conditions

In order to mitigate and remedy incidents derived from temporary hiring and to continue to have a positive impact on the economic development of employees, the Elecnor Group establishes measures to promote job stability and secure employment, such as:

- Maintaining a policy of changing temporary contracts to open-ended contracts and giving priority to open-ended contracts, unless this is not possible for productive reasons.
- Organisation of working time in accordance with sector-specific standards and applicable agreements, negotiating work schedules with worker representatives at each workplace, which are approved with the Workers' Legal Representation. The schedules are available to all staff on the notice boards in the workplaces.
- Time and attendance system and/or time sheets for the recording of clock-in and clock-out times.

Dialogue and participation with employees

In order to mitigate risks derived from inadequate social dialogue, the Elecnor Group also has Human Resources Departments to ensure compliance with and application of applicable legislation throughout all the countries where it operates.

The work centres in Spain with between 10 and 49 employees have staff delegates, with Workers' Committees representing employees at centres with 50 workers or more.

Both the staff delegates and the Committees members are chosen in trade union elections, in which both unions and independent groups may field candidates. At present, the majority union is Comisiones Obreras (CCOO), but others are also represented: UGT, ELA, LAB, USO, ESK and independent groups. In the rest of countries the Group is compliant with legislation in force in each of them.

Labour relations at the Group are managed on the basis of provincial collective bargaining agreements within the sector and, for certain cases, specific agreements are signed with specific groups. The company holds periodically meetings with each and every one of the Workers' Legal Representations (RLT), in which it provides the information required by both the Workers' Statute and the Organic Law on Trade Union Freedom. However, extraordinary meetings may be held at the request of either the Group or the RLT themselves.

The Group has various channels for employee dialogue and participation, such as meetings with workers' representatives, Equality Plan Monitoring Committee, the Buenos Días Elecnor intranet, the platform eTalent and the email addresses codigoetico@elecnor.com and subdireccionrrhh@elecnor.com, among others.

In the above context, the following measures were established in 2024:

- Signing with workers' representatives of two agreements to improve conditions (on-call and standby, bonuses, working hours, etc.) for the business units of Eastern Andalusia and Vizcaya Distribution. The Metal Collective Bargaining Agreement of Huesca, Teruel, Zamora, Seville, Lleida and Madrid was also reviewed.
- Registration of the Equality Plan with the Ministry of Labour and Social Economy.
- Beginning of the process of negotiating a new Equality Plan with the RLT.

Promoting work-life balance

In order to prevent a potential risk of employees leaving the company due to a lack of sufficient measures for work-life balance, within the framework of the Identity Reinforcement Plan, the Elecnor Group has established a line of work called emotional salary, which promotes initiatives for the well-being of the workforce aimed at improving the capacity to attract and retain qualified staff.

The company considers that the concept of work-life balance encompasses measures to improve quality of employment, support for families, professional development, equality of opportunities and flexibility in accordance with framework agreements such as family-friendly company.

To this end, the Group implemented the following measures in 2024:

- Approval of the Digital Disconnection Policy with the commitment to promote measures to enhance rest time after the end of the working day.
- Carrying out of activities that promote the health and well-being of the workforce, including the following:
    - Agreements with insurers.
    - Monthly information with health and wellness tips sent through the Buenos Días intranet.
    - Promotion and encouragement of sport, subsidising participation in sports activities and company races. 311 people participated in the races in Bilbao, Barcelona, Madrid, San Sebastian, Valencia, Valladolid and Zaragoza.
    - 108 flats were made available to employees in Spain to enjoy for 15 days during the summer.
    - Moana surf camp in Vizcaya, where 44 children, children of Group employees, attended for a week.
- 1,114 people joined the Flexible Compensation Plan to which Structure staff in the Spanish market with open-ended contracts have access. This Plan includes health insurance (employees may include their spouse and children), meal cards, retirement insurance, transport passes, pension plans and kindergarten.
- 3,142 employees enjoyed the study support programme available to all Group staff in Spain who have children aged 4 to 16. The only requirement is to have been at the company for at least one year.

The company continuously encourages the implementation of practices that facilitate work-life balance, such as training during the working day, the right to breastfeeding leave, flexible working hours, an intensive working day every Friday of the year and during the summer or, where appropriate, reductions in working hours, applying all those measures defined in the different applicable regulations. Other social benefits granted by the organisation are life insurance and accident insurance, travel insurance for employees who travel, medical insurance for employees in positions of responsibility, medical check-up for all employees, company car for those whose work requires them to travel by car and a retirement plan for Management.

The Elecnor Group offers the following benefits specifically for its expatriate staff, which help promote the work-life balance and their well-being:

- International medical insurance for the expatriate and his/her family group.
- Housing and housing supply assistance.
- Health, safety and psychological counselling (International SOS).
- The Group covers the school expenses of the employee's children in the host country.
- Two return trips for the employee and his/her family to his/her home country.
- Support with legal formalities (work visas, tax advice services and preparation of tax returns at origin and destination).

The Elecnor Group is committed to the prevention and mitigation of negative impacts, both in the workplace and in other relevant areas, in relation to public procurement, sales and the use of data. For this reason, it continuously monitors its actions to ensure that they do not cause or contribute to any material negative impact on its own workforce.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Elecnor Group has not established specific targets related to managing impacts, risks and opportunities identified for secure employment, working time and social dialogue, beyond what is stipulated in collective bargaining agreements and applicable legislation.

On the other hand, within the framework of the 2023-2025 Strategic Sustainability Plan, in Spain, objectives related to the work-life balance measures described above were established in 2024 with the aim of attracting and retaining talent. These include participating in fun runs (311 participants), increasing the number of participants at surf camps (44 participants) and promoting the use of apartments for summer use (108 participants).

These objectives do not have measurable targets associated with them in accordance with the metrics established in the CSRD, as they were established by the Elecnor Group prior to carrying out the dual materiality analysis and the applicability of the Directive to the organisation.

These indicators are monitored every six months and reported to the Sustainability Committee.

In the process of setting this goal, the Elecnor Group has not collaborated directly with its employees or their representatives.

S1-6: Characteristics of the undertaking's employees

The Elecnor Group has an international, multicultural and diverse profile with a presence in more than 50 countries across five continents.

At the end of 2024, the Group's total number of employees stood at 24,655, distributed equally between Spain (12,261) and the international market (12,394), with 50% in each area.

The Elecnor Group's workforce comprised 28% Structure staff and 72% Works staff.

The data detailed in this section was calculated at the end of the year (31 December).

Information on the workforce is provided below, which is obtained from the SAP Success Factors tool. Figures are reported according to the headcount criteria and at the end of the year.

Also, in accordance with the CSRD, no comparative data is provided as this is the first reporting year.

In addition, it should be noted that the following metrics have not been validated by an external body other than the verification supplier.

Number of employees by gender

Men	21,589
Women	3,062
Other	1
Not notified	3
Total number of employees	24,655

In line with historical trends in the sector, men are more widely represented in the Group, due to the greater representation among Works staff. Men make up 87% (21,589) of the total number of employees and women 13% (3,062).

This information is set out in paragraph 27. Information on employees in the Group's Consolidated Annual Accounts.

Number of employees by country

The total number of employees in countries where the Group has 50 or more employees is shown below:

Country	Number of employees
Spain	12,261
Europe	1,699
Italy	992
Lithuania	256
Portugal	281
United Kingdom	170
North America	1,093
United States	1,093
Latin America	7,031
Argentina	126
Brazil	4,032
Chile	927
Honduras	112
Mexico	304
Panama	267
Peru	435
Dominican Republic	646
Uruguay	182
Africa	1,222
Angola	919
Cameroon	234
Senegal	69
Oceania	1,187
Australia	1,187
Total	24,493

The countries in which the Group has the largest presence are Spain (50%), Brazil (16%), Australia (5%), Angola (4%), Chile (4%), the United States (4%) and Italy (4%).

Number of employees by type of contract and sex

The Elecnor Group is committed to stable employment, a commitment that is reflected in the fact that 84% of contracts at the end of the year were open-ended.

	Women	Men	Other	Not notified	Total
Number of employees	3,062	21,589	1	3	24,655
Number of permanent employees	2,633	17,947	1	2	20,583
Number of temporary employees	429	3,642	0	1	4,072
Number of non-guaranteed hourly wage earners	0	0	0	0	0

Number of employees by type of contract and region

Employees by type of contract and region	Spain	Europe	North America	Latin America	Africa	Asia	Oceania	Total
Number of employees	12,261	1,715	1,093	7,066	1,311	22	1,187	24,655
Number of permanent employees	12,156	1,198	218	6,063	192	3	753	20,583
Number of temporary employees	105	517	875	1,003	1,119	19	434	4,072
Number of non-guaranteed hourly wage earners	0	0	0	0	0	0	0	0

Workforce rotation[4]

The total number of employees who left the company was 5,841, taking into account employees who left voluntarily, dismissals, retirements and deaths in service.

Workforce turnover this year reached 25.07%. Calculation of turnover corresponds to the number of departures, as indicated above, over the total average workforce, which is calculated taking into account the workforce at the end of each month.

S1-8: Collective bargaining coverage and social dialogue

Percentage of employees covered by collective bargaining agreements

The Elecnor Group's coverage of collective bargaining is 98% and of social dialogue 96%.

In Spain, 100% of the workforce is covered by collective bargaining agreements.

In the other countries where the Group is present, all employees are supported by the labour relations framework established in the relevant local labour legislation. Although not of the same nature as in Spain, employees are covered by comparable legislation in Argentina, Brazil, Cameroon, Lithuania, Portugal, Italy, Uruguay, the United States, Ivory Coast, Peru, Panama, Germany, Norway and Finland.

[4] Turnover is determined as total departures (sum of voluntary redundancies, retirements, deaths and dismissals) /average employment * 100

Information on collective bargaining coverage and social dialogue

	Collective bargaining coverage		Social dialogue
Coverage rate	Employees -EEA (for countries with > 50 employees, representing 10% of total employees)	Employees -Non EEA (for regions with > 50 employees, representing 10% of the total number of employees[5])	Workplace representation (EEA only) (for countries with > 50 employees, representing 10% of total employees)
0%	Lithuania	--	Lithuania and Portugal
100%	Spain, Italy and Portugal	--	Spain and Italy

The metrics included in the above table have not been validated by an external body other than the verification supplier.

In the Elecnor Group there is no agreement with workers for representation by a European Works Council (EWC), by the Works Council of a European Company (SE) or by the Works Council of a European Cooperative Society (SCE).

Equal treatment and opportunities for all

Training and skills development

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

For the development of this section, we will consider the material impacts, risks and opportunities in the area of training and skills development of the Elecnor Group's own workforce.

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Ongoing training programmes	Impact	Positive Actual	Own operation	Short-term

Description	Impact Risk Opportunity	Financial Effect	Location Value chain	Time horizon
Attracting and retaining talent through investment in training	Opportunity	Effect on competitive positioning and ability to increase/maintain volume of activity	Own operation	Medium-term

One of the Elecnor Group's main lines of action of integrated human resources management is to develop its human capital, working on training, retaining and developing it.

[5] The Elecnor Group chooses not to report this information in the first year of preparing its Statement of Non-Financial Information and Sustainability Information, in accordance with Appendix C of ESRS 1.

The materiality assessment identified one actual positive impact (ongoing training programmes) and one opportunity (attracting and retaining talent) related to the Training and Skills Development sub-subtopic. The positive impact identified contributes to the Elecnor Group's strategy and impacts all employees.

In this sense, the existence of ongoing training programmes in the Group enables both Works and Structure staff to improve their skills and to obtain and maintain the necessary qualifications to carry out the work assigned to them. In this way, it contributes to their professional and personal development and to improving their employability.

Investment in training and career plans has been identified as an opportunity derived from the positive impact of ongoing training in attracting and retaining talent. This could have a medium-term impact on competitiveness, lower voluntary turnover rates, as well as on the company's revenues.

Actions

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Elecnor Group carries out different actions that are in line with the fulfilment of its strategic objectives, the expectations of its employees and the needs of the business. Some lines of work aimed at attracting, developing and retaining talent in the Group are part of the Identity Reinforcement Project.

The Group also aims to ensure that employees are motivated, develop professionally and are equipped with knowledge and skills in line with advancements in business, society and new technologies.

To achieve these objectives, the Elecnor Group allocates the necessary resources (human and financial) to carry out the different actions. A team of 13 people is in charge of monitoring the development and training of employees in the areas of Management, Performance, Training and Development and On-Site Training.

During 2024, a total of Euros 11,305,508 was allocated for the implementation in Spain of different training actions aimed at continuing to offer training to employees on an ongoing basis.

Boosting the Performance Management process

Performance management is the process of analysis of the actions and results of each person in their job, as well as the identification of improvement areas. The aim is a maximum commitment to existing potential in the Group in order to offer employees opportunities for growth and improvement over the course of their career.

The Group is committed to managing talent by identifying key posts and talent groups (high potential, key people and successors), thereby helping to devise specific development and career plans.

In 2024, the performance management process continued to be implemented for new university graduates from Madrid, Barcelona and Valencia within the framework of the Career Plan. In total, 163 graduates took part in the evaluation process.

Progress was also made in the design of the Group's new performance management model based on the achievement of business objectives and competencies for the Structure staff. In January 2025, 4,506 people were assessed on the objectives set in 2024, taking into account the aspects of job development and attitudes towards customer service, teamwork and communication/interaction.

In Spain, 3,737 people were assessed. In addition, 2024 was the first year in which assessments were conducted in Brazil (485 people), the United States (191 people) and Italy (93 people).

Implementation of the Leadership Programme

During the year, the Elecnor Group began implementing the Leadership Programme to ensure that leadership profiles incorporate the following attributes:

- Vision for the future: clear vision of the company in the short and medium term.
- Understand employees: be up-to-date, flexible and take into account new expectations and needs of employees and society.
- More frequent communication: increase its presence and visibility, convey the company's vision and establish clear and open communication with the team.
- Team planning: building team spirit.
- Adapting to new times: importance of leaders acquiring a professional and multidisciplinary profile.

The training given to Management, the category identified as the leading profiles, has been divided into three main themes:

- Lead yourself
    - Module I. Emotional intelligence and self-leadership. 55 attendees.
- Lead others
    - Module II. Communication and influence, and Conflict resolution. 55 attendees.
    - Module III. Team management and development. 51 attendees.
- Lead change
    - Module IV. Innovation, change management and impact. 55 attendees.

This programme was attended by 224 leaders from the Elecnor Group.

Training plan

The Training Plan is designed annually by the Training Department based on the needs detected by the Delegates, Managers and Area Heads of each Directorate or General Sub-Directorate.

The Elecnor Group is committed to training and developing its workers as key factors for the organisation’s success, expanding on training and professional growth opportunities.

Structure and Works training for staff tailored to the needs of their job descriptions:

- Structure. In 2024, 10,775 people attended training events, such as: management, technology, IT, languages, quality and environment, and occupational risk prevention.
- Works. Works staff are trained in electricity, installations, maintenance, vehicle and machine operation. This continuous training makes it possible to acquire and maintain the necessary qualifications to perform specialist tasks involving execution risk. In total, 42,835 people have received some of the aforementioned training.

In 2024, of note are the following training itineraries, designed according to existing positions and needs:

- Executive itineraries. The fourth edition of the ESADE Management Development Programme was held, aimed at those holding the position of Delegate, Deputy Directors, CP Heads, Department Heads and Project Managers, with 49 attendees in two groups.

  In addition, the Senior Management Programme (SMP) for Managers continued at the IESE Business School. Currently, 6 managers are participating in the programme.

- Itineraries on management skills. They include courses related to leadership, finance, sales, communication, negotiation and strategies, work, project management, quality and Manager School, among others. A total of 1,659 attendees took part.
- Specialised itineraries. They consist of courses related to the most specific aspects of each position, which have been attended by 1,033 people (674 through the Pharos digital training tool).
- Office automation/technical IT. 302 attendees have taken a course to update or learn new office automation tools. In addition, Office and Google Workspace training sessions were held for 960 participants.

Besides classroom training, training courses with the following methodologies are offered:

- Online live: live training where attendees interact with the speaker and participants.
- Online: various training contents are hosted on digital platforms. On the main online platform Pharos, 580 participants have completed some of the available courses on technical or specific training.

Through the Buenos Días intranet, all employees can access a training catalogue by requesting it through their line manager and the line manager can request it from the Development, Performance and Training area.

Furthermore, Elecnor Group continues with the Manager School initiative, whose objective is to provide the necessary know-how to people who occupy or will occupy the position of manager, to enable them to carry out their duties and achieve the established goals.

To this end, a Training Plan has been established that addresses the following skills: management functions, digital, technical, occupational risk prevention and management systems. In 2024, the following courses were given to Managers and Skilled Workers Team Leaders:

- It is also up to me: sessions on occupational risk prevention aimed at works managers with a participation of 181 attendees in 12 sessions.
- Being a manager in Elecnor: sessions on key issues, challenges and performance skills. 3 sessions were held with a total of 55 attendees.
- Team efficiency: sessions on topics such as organising, coordinating and monitoring activities. 1 session was held with a total of 13 attendees.
- Building engaged teams: sessions on leadership and engagement management. Programme scheduled to start in 2025.

The Elecnor Group is committed to the prevention and mitigation of negative impacts, both in the workplace and in other relevant areas, in relation to public procurement, sales and the use of data. For this reason, it continuously monitors its actions to ensure that they do not cause or contribute to any material adverse impact on its own workforce.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Elecnor Group has not established measurable goals aimed at monitoring the policies and actions described above, although it does monitor certain metrics, such as training hours, which enable it to monitor the training plans and programmes it implements.

It also has other tools to help it monitor and evaluate training. For example, in Spain, for example, there is a post-training control of how employees are applying training on the job. Control is carried out by the Delegates/Area Heads, who are informed by the Production Centres Managers or the corresponding Department Head of the on the job application and the results of the training carried out.

Similarly, at the end of each half year, they report the results of the monitoring and evaluation of the training carried out in the Execution of the Training Plan and Evaluation of Results report.

S1-13: Training and skills development metrics

During the year, 4,506 performance evaluations were carried out on Structure staff. Below is a breakdown of the percentage of employees who received performance and development evaluations by gender:

Gender	2024
Women	49%
Men	14%
Other	0%
Not notified	0%

As regards evaluations by professional category, during 2024:

Professional category	2024
Management	94%
Executive	78%
Technician	60%
Basic	1%
Total number of employees	18%

*Calculated on the total of each professional category. The Elecnor Group evaluates the performance of men and women on a proportional basis. In 2024, the evaluation was performed mostly for Structure staff.

In terms of training during the year, the Group provided a total of 447,466 hours of training with a total of 53,610 attendances, equating to 18.7 hours per employee. The number of attendees measures the number of people who have received training, and one person may have completed several courses.

Average number of training hours by gender and professional category

The average number of training hours by gender and professional category was calculated as the total number of training hours by gender and professional category over the total number of employees by gender and professional category at the end of the year.

Gender	2024
Women	12.24
Men	19.62
Other	0.00
Not notified	0.00
Total number of employees	18.70

Professional category	Male	Female	Other	Not notified
Structure	17.30	14.86	0.00	0.00
Management	15.63	19.21	0.00	0.00
Executive	17.27	18.46	0.00	0.00
Technician	17.37	14.37	0.00	0.00
Works	20.24	4.85	0.00	0.00
Basic	20.24	4.85	0.00	0.00
Total number of employees	19.62	12.24	0.00	0.00

For total training hours, an estimate of 2.6% was made based on the number of courses for each workforce in each country.

The metrics included have not been validated by an external body other than the verification supplier.

Equality

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

For the development of this section, the material impacts, risks and opportunities in the area of gender equality and equal pay for work of equal value for the Elecnor Group's own workforce will be considered.

Description	Impact Risk Opportunity	Financial effect	Location Value chain	Time horizon
Discriminatory treatment on grounds of gender	Risk	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/mainta in volume of activity	Own operation	Short-term
Paying different remuneration for work of equal value	Risk	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/mainta in volume of activity	Own operation	Medium-term

The materiality assessment identified two potential risks related to equal opportunities. On the one hand, discriminatory treatment on the basis of gender (unequal treatment) could result in fines and penalties, lawsuits from workers and reputational damage, as well as loss of qualified staff, which could reduce the company's competitiveness and productivity.

On the other hand, paying significantly different remuneration for jobs of equal value could negatively affect the Elecnor Group's ability to retain qualified professionals by affecting their commitment and motivation, which could reduce the organisation's competitiveness and productivity.

It should be noted that the risks identified in terms of equal opportunities and equal treatment for all have not arisen from any material impact.

The Elecnor Group strives for the utmost fairness in the duties, remuneration and recognition of posts of equal value within the Group, regardless of the characteristics of the person occupying the post.

Actions

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Group’s Gender Equality Plan reflects its commitment to equal opportunities for men and women as well as non-discrimination in its guiding principles.

The Equality Plan establishes various working areas to boost equality between men and women in the following areas of action: selection and recruitment, professional classification, training, promotion, work conditions, work-life balance, female representation, remuneration, improvements in labour and social protection, and communication.

In 2024, the Group did not take specific actions on equality in terms of gender and pay discrimination. However, in 2025, actions in this area will be implemented following the resumption of the negotiation of the Equality Plan with workers' representatives.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Elecnor Group has not established specific goals for the identified material risks on equal opportunities due to the fact that the actions carried out within the framework of the Equality Plan have been postponed until the following financial year.

S1-9: Diversity metrics

During 2024, the total number of people in the management team was 9, being 11% female and 89% male.

The Elecnor Group understands management team to be the group of executives who report directly to the Board of Directors, the Chairman, the Chief Executive Officer or the Executive Committee, as well as those who have regular access to privileged information of the Group and the power to make management decisions that may affect the future development and business prospects of the organisation.

Management team by gender	Number	Percentage
Men	8	89%
Women	1	11%
Total number of employees	9	100%

In terms of the workforce by age range, the largest number of employees is between 30 and 50 years old, followed by those over 50 years old and finally by employees under 30 years old.

Age	2024
>50	5,108
From 30 to 50	14,818
<30	4,729
Total number of employees	24,655

The metrics included have not been validated by an external body other than the verification supplier.

S1-16: Compensation metrics (pay gap and total compensation)

The Elecnor Group calculates the pay gap of the workforce for the entire year as the difference between the average hourly wage paid to men and the average hourly wage paid to women over that paid to men. Thus, in 2024, the gender pay gap was 19%.

The annual remuneration ratio of the organisation's highest paid person to the median annual remuneration of all employees (excluding the highest paid person) is 122. This ratio includes the Chief Executive Officer's full compensation package, including the extraordinary incentive as a result of his special involvement and performance in the extraordinary corporate transaction consisting of the sale of the subsidiary Enerfín Sociedad de Energía, S.L.U.

The metrics included have not been validated by an external body other than the verification supplier.

Other work-related rights

Child labour and forced labour

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

For the development of this section, we will consider the material impacts, risks and opportunities in the area of child labour and forced labour among the Elecnor Group's own workforce.

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Child labour in developing countries	Impact	Negative Potential	Own operation	Medium-term
Forced labour in developing countries	Impact	Negative Potential	Own operation	Short-term

In relation to other labour rights[6], the Group has identified child labour, affecting the development of children, and forced labour, harming the health of workers and their ability and that of their families to live a dignified life, as potential negative impacts that cut across its activities. These impacts affect its entire own workforce (employees and non-employees) and are linked to specific geographical areas, namely developing countries where the Group operates, and are not specifically linked to the business model.

Actions

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

In 2024, the Elecnor Group continued to work on the design of its human rights due diligence process, which makes it possible to continue to identify potential adverse impacts that could be generated on its own workforce. Thus, the Group has continued with initiating actions aimed at preventing and mitigating negative impacts in this area, such as:

- Approval of the Sustainability Due Diligence Policy
- Update of the Human Rights Policy
- Update of the Code of Ethics and Conduct

The Elecnor Group is committed to the prevention and mitigation of negative impacts, both in the workplace and in other relevant areas, in relation to public procurement, sales and the use of data. For this reason, it continuously monitors its actions to ensure that they do not cause or contribute to any material adverse impact on its own workforce.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In 2024, no measurable targets were set for the prevention of potential impacts of child labour and forced labour, as priority has been given to advancing in the design and updating of policies to strengthen the due diligence process.

[6] Consider that the material scope of privacy of own workforce will be developed in another section of this chapter.

S1-17: Incidents, complaints and severe human rights impacts

Number of cases of discrimination (including harassment)

During 2024, no cases or complaints of discrimination based on gender, racial or ethnic origin, nationality, religion, disability, age, sexual orientation, or other relevant forms of discrimination (including harassment) were reported through the available channels.

In this respect, it should be noted that these reported metrics have not been validated by an external body other than the verification supplier.

In any case, both cases and complaints are treated with absolute confidentiality, in accordance with the Procedure for the notification and evaluation of possible cases of sexual harassment gender-based discrimination.

Complaints can be made through an informal or formal procedure. On the one hand, in the informal procedure, the Compliance Committee receives the notification via email: codigoetico@elecnor.com.

Once received, the Committee processes the complaint, which will lead to the immediate opening of an investigation by Management. To this end, a committee is set up with staff from the Joint Prevention Service and HR. If the person concerned so requests, a member of the Workers' Legal Representation with the appropriate training in these matters could also be included.

A person from the Health and Safety or Human Resources department will be appointed as the person in charge of the investigation of the case, with whom the whistleblower, if he/she so wishes, will only deal once the procedure has been initiated.

Once the investigation has been carried out, the report is drafted and the conclusions and any necessary measures are passed to the Audit Committee. Subsequently, the Committee assesses the consistency of the complaint, indicating whether or not the purpose of the procedure has been fulfilled. In addition, if necessary, appropriate action will be proposed, such as the initiation of formal proceedings. The entire informal procedure will be urgent and confidential, protecting the dignity and privacy of the persons concerned.

As for the formal procedure, this involves the preparation of a clear and precise action, complementary or alternative to the informal procedure, for reporting and investigating situations of harassment. This procedure should be used when informal procedures have failed or are not recommended.

The formal procedure will be initiated through a written complaint or as a continuation of the informal procedure that must be submitted to the Compliance Committee.

The measures set out in the procedures are as follows:

- Possible interim measures. For example, a change of position and/or work shift for the whistleblower, if so requested; medical attention from a doctor assigned to the occupational risk prevention service, among others.
- Taking of actions by the person responsible in the company and disciplinary framework. For example, the imposition of a sanction in accordance with the qualification established in the disciplinary framework of the State Collective Bargaining Agreement for Industry, Technology and Services in the Metal sector, or of the agreement applicable to the worker.

In 2024, the Elecnor Group did not receive any fines, penalties or had to pay damages as a result of discrimination and/or harassment cases and complaints.

Number of serious human rights cases

During 2024, no complaints were received through the channels established for the members of the company's own workforce to raise concerns that revealed a serious human rights issue.

In addition, no fines, sanctions or compensation for damages were received for serious human rights cases involving its own workforce.

Privacy

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

For the development of this section, the material impacts, risks and opportunities in the area of privacy of the Elecnor Group's own workforce will be considered.

Description	Impact Risk Opportunity	Financial effect	Location Value chain	Time horizon
Exposure to identity theft and data breaches	Risk	Impact on cash flow and profitability	Own operation	Short-term

The dual materiality assessment identified a risk related to the subtopic of privacy of own workforce, insofar as the lack of sufficient security mechanisms for the protection of workers' data would expose workers to identity theft and private data breaches. This may result in penalties, fines, litigation and reputational damage to the Group. It should be noted that the identified risk of the privacy subtopic has not arisen from a material impact.

Actions

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Strengthening data privacy

The Elecnor Group ensures compliance with the law on data protection and minimises exposure to identity theft and data breaches of its employees. For this reason, it includes the information security aspect in its Integrated Management System, as well as in the Integrated System Policy.

To this end, the following measures were implemented in 2024:

- Maintenance of the Information Security Management System certification pursuant to the ISO 27001 standard. Through this system, security measures are conveyed in order to reduce the possibility of threats materialising and to ensure that the security incidents detected are resolved as soon as possible to prevent them from affecting the information processed or the services provided by the Group.

- Two audits of the IT area and the Telecommunications area. Within the scope of the audits, visits and interviews were carried out on a sample basis with partners with responsibility for the processing of personal data.

  The issues raised were extracted from current data protection regulations, as well as from the methodologies and tools published and recommended by the doctrine of data protection supervisory bodies.

  Where appropriate, a specific item on corrective actions and the action plan to implement them is included in the audit report. Priority levels of resolution are also indicated in order to determine and specify timeframes and persons responsible to facilitate the implementation of the proposed solutions.

In 2024, no identity theft and/or data breaches were detected. In addition, it should be noted that the Elecnor Group has not been subject to any sanction in terms of personal data protection during the year reported.

The Elecnor Group is committed to the prevention and mitigation of negative impacts, both in the workplace and in other relevant areas, in relation to public procurement, sales and the use of data. For this reason, it continuously monitors its actions to ensure that they do not cause or contribute to any material adverse impact on its own workforce.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In order to comply with the Law on Data Protection and the Group's Code of Ethics and Conduct and to prevent the risk of identity theft, the Group has set two internal audits and data protection training for employees in Spain as an objective for the coming year.

This is an absolute target and is measured in units (number of audits and people trained).

The goals have been defined by Human Resources without having considered the direct participation of stakeholders.

Health and safety

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

For the development of this section, the material impacts, risks and opportunities in the area of health and safety of the Elecnor Group's own workforce will be considered.

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Deaths and serious injuries from exposure to hazardous activities	Impact	Negative Actual	Own operation	Short-term
Strengthening of health and safety culture	Impact	Positive Actual	Own operation	Short-term

Description	Impact Risk Opportunity	Financial effects	Location Value chain	Time horizon
Reputational damage, injury and death costs	Risk	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/maintain volume of activity	Own operation	Short-term
Reduction in the rate of occupational accidents and diseases	Opportunity	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/maintain volume of activity	Own operation	Short-term

As a result of the dual materiality assessment, two actual impacts (one negative and one positive), one risk and one opportunity related to the occupational health and safety of its own workforce were identified. In addition, it should be noted that the impacts (positive and negative) identified mainly affect its own workforce working in the higher-risk activities.

The impacts, risks and opportunities identified are related to the business model and the activity sectors in which the Elecnor Group operates, due to the fact that they are characterised by a high accident rate as a result of the exposure of its workforce to risk activities. In this line, the occurrence of deaths and serious injuries of Group employees due to exposure to activities with risk derived from working at heights, electrical risk, handling large loads, road safety or working in confined spaces was identified as a negative impact.

In this regard, and in an attempt to counteract the high accident rate in these sectors, the Elecnor Group has a positive impact thanks to its firm commitment to maintaining a strong health and safety culture among its employees, thus improving their ability to prevent accidents at work and reduce accident rates.

From the impact of fatalities and injuries, a potential risk has been identified: if adequate protective conditions are not met within the Group, serious incidents may result in prosecutions, fines and penalties, workers' compensation costs, higher insurance premiums and stricter regulatory compliance costs.

Furthermore, the Group has identified health and safety training as an opportunity as it helps to reduce the rate of occupational accidents and diseases, helping to reduce costs related to compensation, absences and staff replacement. Other positive consequences of health and safety training are the increase in operational efficiency and the competitiveness of the company in the market, as well as the avoidance of regulatory sanctions and the reduction in insurance premiums associated with occupational hazards.

The Elecnor Group considers that this opportunity arises from the positive impact identified of strengthening the health and safety culture of employees, mainly impacting its own workforce working in the highest risk activities.

S1-1: Policies related to own workforce

Our commitment to employee health and safety has been a priority for the Elecnor Group since the outset. Along these lines, the Group conducts work to achieve the goal of zero accidents, zero tolerance to any breaches of preventive measures and the continuous fostering of safe conduct among employees.

Firstly, the importance of this priority is recorded in the Group's Code of Ethics and Conduct, through the commitment to promote the adoption of occupational health and safety policies and the preventive measures necessary to guarantee the health and safety of its workers and sub-contractors, not confining itself merely to compliance with applicable legislation, especially in countries or jurisdictions that are less developed in this sphere, and providing a working environment that is respectful of employees' health and dignity.

The Code was updated in 2024 and approved by the Board of Directors. It applies to all employees and extends to all persons providing services for the Elecnor Group in workplaces under their responsibility and supervision, and is available on the Group's websites and on the corporate intranet Buenos Días.

Likewise, this commitment is formalised in the Group's Integrated Management System, which comprises the aspects of environment, quality, health and safety, energy management, R&D&I management, information security and risk management. These seven vectors comprise the Elecnor Group's Integrated Management System Policy, each with its specific objectives and strategies, but all with a common mission: the ongoing improvement of the organisation.

The most significant general principles of the health and safety policy are as follows:

- Strict compliance with applicable legislation and any other requirements binding upon the Company in all the markets in which it operates.
- The prevention of any injuries to and deterioration in the health of the Group's workers, improving work conditions to provide them greater health and safety protection.

The specific Health and Safety performance principles of the Integrated Management System Policy are as follows:

- Provision of the necessary material resources
- Focus on training in prevention techniques
- Eliminate hazards and minimise risks
- Development of awareness campaigns for the entire Group
- Continuous performance of inspections and audits on site and adoption of the appropriate corrective measures

In addition, all employees and non-employees are included in this section with the following reference: "The health and safety of everyone involved in its activities and products are core values for the Elecnor Group".

This Policy has been approved by the Board of Directors.

In addition, there is another series of Policies that include Health and Safety as part of their principles.

One of the principles of the Human Rights Policy is "Protecting the safety and health of its employees by making safety a non-negotiable value and committing to zero accidents and harm to people's health".

As specified above, this policy applies to all companies that make up the Elecnor Group, as well as to joint ventures and other equivalent associations and Business Partners throughout the chain of activities.

The level of the organisation that assumes the responsibility and functions of compliance with these Policies is, on the one hand, the Board of Directors and the Appointments, Remuneration and Sustainability and Audit Committees and, on the other hand, the Sustainability Committee and the person responsible for the sustainability function. They are also available on the Group's website, as well as through internal communication channels for all employees.

The commitment to health and safety also extends to workers who are not employees of the company through the Code of Conduct for suppliers, subcontractors and collaborators, and they must comply with the following sections:

- Incorporate occupational health and safety into their activities and tasks.
- Provide their employees with material resources to ensure their safety.
- Train their employees and ensure that they are made aware of these occupational health and safety measures and that they implement them.
- Have preventive measures in place and implemented to avoid occupational health and safety risks and responses to tackle emergency situations for potential accidents during the working day.
- Report immediately any accident, injury, illness or unsafe condition that may arise or be detected within the framework of their business relationship with the Elecnor Group.

This Code applies to the Elecnor Group's business partners, as they are an extension and fundamental part of its chain of activities. It is available on the Group's website and the corporate intranet Buenos Días, and has been approved by the Board of Directors.

S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Health and safety is an unwavering commitment for the Elecnor Group. Thus, its entire strategy and actions are aimed at achieving the goal of zero accidents.

The Group's Health and Safety area is structured on the basis of the Joint Prevention Service (JPS), which is broken down into the Head Office and Health and Safety Technicians. The latter are present in the different countries where the Group operates.

At the end of the year, the Head Office JPS consisted of 13 people, structured as follows:

- Technical Office Department: which prepares and maintains the Group's occupational risk prevention (OPR) documentation, campaigns, etc. Furthermore, it ensures that internal audits are conducted in Spain and some countries in the international market.
- Internal Work Audit Department: which conducts this kind of control in Spain as well as certain other countries.
- International OPR Coordinator: coordinating with all the Group's international organisations by means of reviewing reports, meetings, monitoring implementation of the Safety Excellence Plan, and software rollout, among others.
- Activity coordinators, telecommunications and utilities (electricity and gas): they undertake coordination tasks with customers and with the Group's organisations in the domestic market, preparing reports, monitoring, etc.

Health and Safety Technicians provide services to the various business units on a day-to-day basis. Their duties include, inter alia, technical support to customers, inspections and training, coordinating the application of the Management System in their business unit.

In the Spanish market, there are 146 technicians[7], with different specialities (most of them have the three specialities required by Spanish legislation), mainly dedicated to health and safety tasks. In the international market, there are 326 technicians from different categories, depending on the legislation of each country, and 93 people with a health profile (including doctors, nurses, paramedics, etc.).

[7] They do not include health technicians hired specifically for large projects.

A total budget of Euros 46.5 million (Euros 16.5 million in Spain and Euros 30 million for the international market) was allocated for the development of health and safety activities during 2024. A large part of these amounts are earmarked for the Health and Safety Technicians, the purchase of protective equipment and health and safety training. The budget is broken down below by type of activity:

Health and Safety Technicians	24,251,546
External prevention service agreement for health surveillance and auxiliary activities	8,354,318
Budget for the purchase of personal and collective protective equipment	4,620,000
Occupational risk prevention training	7,799,914
Other costs	1,462,808
Total	46,488,586

Health and safety management

Health and safety management in the Elecnor Group is conducted with the conviction of minimising or eliminating the main risk that may occur as a result of undertaking a project: a major or fatal accident. This risk is mainly related to working at heights, electrical risk, handling large loads, confined spaces, etc. Furthermore, the risk of traffic accidents is representative due to the high number of vehicles constantly on the move.

Each of the Group's activities involves other types of risks, which are identified, and minimised/eliminated with the preventive measures provided for in the risk assessment.

The Company has implemented a Health and Safety Management System encompassed within the Integrated Management System, which applies to all workers, activities and places of work. Its goal is to remove or minimise the risk situations that people might face when executing their activity. To this end, the following actions are conducted:

- Safety inspections and internal work audits to monitor the conditions in which work is executed.
- Information and training on health and safety for all workers.
- Monitoring and awareness meetings.
- Campaigns to increase awareness and change behaviours.

All Health and Safety Management System activities have been strengthened during the year with the implementation of the Digital Transformation and Safety Excellence projects, which continue to make progress.

Such Management System includes the initial risk assessment procedures (adapted to the legal requirements of each country) identifying the risks associated with activities, the probability of those risks emerging and the severity of the consequences of their materialising. Below are the corrective/preventive measures to eliminate or reduce risk.

By means of controlling work conditions (safety inspections, internal work audits, system audits, principal risk permits or spontaneous observations), the environment in which activities are conducted is monitored and corrective measures are implemented. These measures may include reassessment of the work to be carried out. If there has not been a re-assessment, such risk assessment is reviewed and, where applicable, it is modified every 3-5 years.

The risk assessments are performed by Health and Safety Technicians. The safety inspections involve the entire hierarchical structure to foster integration of health and safety in people’s everyday routines. Those directly responsible for projects are in charge of the principal risk permits, observations and other activities. In addition, all these aspects are monitored in conjunction with the Group’s Management.

The Elecnor Group's Health and Safety Policy includes the right of workers not to carry out work in which there is a serious and imminent risk. In these cases, workers are requested to stop the work and consult with their superior or the Health and Safety Technician in order to carry out the work safely. This right can be exercised without any penalty. Employees can report such situations through various mechanisms such as spontaneous risk observations, PRP, safety inspections, etc.

Within the Health and Safety Management System there is a procedure for the investigation of workplace incidents and accidents. This procedure defines responsibilities and actions, including the implementation of corrective measures to avoid a recurrence of the event or to minimise its consequences. The findings of accident and incident investigations are analysed on a monthly basis, and the advisability of reviewing the Management System is assessed.

Additionally, there are two other procedures. On the one hand, the Improvement Management procedure, which defines the process for providing improvement opportunities. On the other, the of Ideas + Management procedure, which establishes reward mechanisms to encourage participation with new initiatives by workers in continuous improvement.

As can be seen, the actions implemented by the Elecnor Group are in line with the IROs identified in the dual materiality analysis. Thus, they are aligned with the main objective of reducing accidents and promoting a health and safety culture.

Training in workplace occupational health and safety

In 2024, the Elecnor Group continued with health and safety training to further foster a culture of prevention in the workplace. Depending on the activity, training is given on the following aspects:

- Management systems.
- Ab initio or induction when joining the company or project.
- Significant specific risks: height, electrical hazards, machinery, confined spaces, etc.
- Action in case of emergency: first aid, evacuation, fire prevention, etc.

The attendees who have received health and safety training in 2024, as well as the hours dedicated by type of market, are set out below:

	Attendance	Hours
Spain	37,612	214,873
International	570,872	521,989
Total	608,484	736,862

Training actions were undertaken in Spain for a collective of 37,612 attendees (35,436 men and 2,176 women), most of whom attended more than one training action. A total of 214,873 training hours were provided (201,456 hours by men and 13,417 hours by women). There are also other technological and management training, which also have a clear impact on prevention, and which are not included in this total (qualifications/electrical permits, machinery operators, etc.).

The most notable training actions in Spain are:

Courses	Participants	Hours
Basic course	1,027	61,620
First cycle of the TPC	2,035	16,280
Second cycle of the TPC	3,802	24,104
Working at heights	3,933	32,630
Confined spaces	1,612	13,119
First aid	1,754	7,687
Leadership courses	1,252	9,219
Control your Risks course	2,896	19,614
Total	18,311	184,273

Training actions were held internationally for a collective of 570,872 attendees (541,396 men and 29,476 women), most of whom attended more than one training action. In terms of total training hours, the figure stood at 521,989 hours (492,910 hours by men and 29,078 hours by women). These figures include the induction actions given for entry to the major projects.

One of the most significant initiatives in 2024 was the World Day for Safety and Health at Work campaign, titled "Keep saving lives" ("Sigue salvando vidas"), held on 28 April. The campaign video received more than 30,000 views on the Group's social media channels.

In line with the health and safety awareness-raising of all employees, it is worth highlighting the implementation of the named Safety Contacts. This entails —at all meetings, training sessions, etc.— the person in charge of the meeting beginning by talking about health and safety. The topics addressed can be related to both occupational safety and the non-occupational sphere, since the goal is to raise the level of risk perception in general and to generate a behavioural change towards an interdependent safety culture.

Occupational health and safety services

The Elecnor Group is committed to the health of its workers, providing them access to health services at work so as to identify and eliminate hazards and minimise risks. As a result of the monitoring of these services, actions considered necessary are taken and, in extreme cases, may lead to a change of service.

Depending on where the activity is conducted, a different type of service is offered:

- Presence of an adequate medical service on site (doctor, nurse, paramedic or trained personnel).
- If necessary, workers may be transported in their own vehicles if their injuries permit or via ambulance to the nearest hospital.
- If workers use their own transport, the resulting expenses will be reimbursed.

In any event, workers are given the necessary information for their use in the local language or, where applicable, in the language in which said indications are understandable to them.

For workers who are in another country (expatriates/posted), an emergency notification service has been contracted that channels the action to enable the worker to receive information on where to go. Furthermore, the care service for other non-medical emergencies is also included: security events, natural catastrophes, etc. In extreme cases, this service includes the necessary actions for individual or collective repatriation.

Health monitoring

In general terms, the Elecnor Group employees do not perform activities with a high rate or risk of occupational illnesses. In those activities in which there is a possibility of developing an occupational disease (work in nuclear power plants, with asbestos, phytosanitary products, etc.), the necessary preventive measures are taken. Health surveillance is also carried out by monitoring physiological metrics, which can detect any task performance related problems that may be detrimental to the health and safety of workers. There were no significant cases in 2024.

When Elecnor employees are working in areas where there are endemic diseases (malaria, dengue, yellow fever, typhoid, AIDS, etc.), these are tackled through vaccines or preventive/prophylactic measures, backed by the relevant information campaigns. Workers and their families can obtain information and training on health risks in the countries where they work through the International SOS health service contracted by the Group.

During 2024, awareness-raising initiatives were continued to focus on the implementation of campaigns related to the fight against AIDS and venereal diseases in various countries. As well as actions and campaigns related to healthy habits (cardiopulmonary, musculoskeletal disorders, healthy and balanced diet, etc.), back training and prevention of endemic diseases in countries on the international market, among others.

Likewise, campaigns against breast and prostate cancer were conducted to coincide with World Breast Cancer Day and World Prostate Cancer Day.

Safety Excellence Project (SEP)

The SEP has set the goal of zero accidents in health and safety by implementing various initiatives in this area. During 2024, the implementation of the SEP was completed in Mexico, and significant progress was made in Brazil, Italy, Portugal, the Dominican Republic and the United Kingdom. In other countries, several lines of action are being implemented in order to continue unifying the Group's actions.

The digital transformation of health and safety

The digital transformation in health and safety enables the optimisation of processes, the most appropriate technology to be applied and efficiency to be gained.

In 2024, initiatives were launched and consolidated within the framework of the Group’s Digital Transformation project. Some of the most notable initiatives include:

- The Principal Risk Permit (PRP) tool is fully implemented in Spain.
- Progress in the process of implementing the various health and safety IT tools (SegurT, Notific@, PRPs, e-coordina) in various countries in the international market, adapting them to applicable legislation and their specific characteristics. This process will be completed in successive years. In the Group, a total of 346,350 PRPs were carried out.
- Development of various modules of the Core tool, which groups together the processes of the Integrated Management System: planning, goals, risks and action plans, improvement management, internal audits, monitoring of corrective measures, etc.
- The artificial intelligence and big data application project is still under way to improve the monitoring and use of several of the applications (SegurT, Notific@ and PRP), harnessing the potential of the huge amount of data they contain and detecting any possible misuse of the tools in order to correct it. During 2024, artificial intelligence and big data started to be applied in countries in the international market where computer software are regularly used (Angola, Argentina, Chile and Uruguay).
- Progress was made in the preparation of the Virtual Reality Training Project modules. In this respect, the SF6 Transformer Substation for SF6 cells in precast concrete is already available. This will improve the training of our workers in the local operation of medium- and low-voltage networks. In addition, the installation of an overhead transformer and a transformer with conventional switchgear and open busbars was initiated.

The Elecnor Group is committed to the prevention and mitigation of negative impacts, both in the workplace and in other relevant areas, in relation to public procurement, sales and the use of data. For this reason, it continuously monitors its actions to ensure that they do not cause or contribute to any material adverse impact on its own workforce.

Metrics and targets

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In the area of health and safety, targets are defined annually, which are related to compliance with the limit values of the frequency and severity rates defined by the Health and Safety area and approved at management level.

The objective of the target is to comply with the commitments defined by the Group in its Integrated Management System Policy, with the zero accident policy and with the various actions implemented. Monitoring is carried out on a monthly basis by country and by branch office.

In 2024, the targets were set at 2.6 for the frequency rate and 0.10 for the severity rate.

Thus, in terms of the Group's consolidated figures, the frequency rate[8] obtained a value of 2 during the year and the severity rate[9] reached a value of 0.16, both being the second best values obtained in the historical series. Thus, the target set at the beginning of the year for the frequency rate was met. However, the established severity rate was exceeded.

In the Spanish market, the final frequency rate was 3.3 and the severity rate was 0.20, with no fatal accidents among employees.

In the international market, the final frequency rate was 1, while the severity rate was 0.04. Unfortunately, in 2024, a fatal accident occurred in Italy.

[8] Frequency rate:
(Number of accidents involving more than one day's leave, not counting those on way to or from work/hours worked) x 10^6

[9] Severity rate: (Number of days lost/hours worked) x 10^3

S1-14: Health and safety metrics

	Employees	Non employees	Workers in the value chain at employer sites
Percentage of members of own workforce covered by the health and safety management system	100%	N/A	N/A
Number of deaths resulting from work-related injuries and health problems	1	--	1
Number of recordable occupational accidents of own workforce	102	--	71
Recordable occupational accident rate for own workforce (FR)	2	--	3.2
Number of cases of recordable work-related health problems of employees	12	N/A	2
Number of days lost due to work-related injuries and fatalities, work-related health problems and deaths due to work-related health problems of employees and non-employees.[10]	8,537	--	1,838
Percentage of own workforce that is covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines and that has been internally audited and/or audited or certified by an external party.	82.4%	N/A	N/A

The metrics included have not been validated by an external body other than the verification supplier.

Description of the underlying standards for internal audit or external certification of the health and safety management system

The Elecnor Group's Health and Safety Management System is based on the ISO 45001:2018 standard and on compliance with local legislation where the Group operates. 75% of turnover is certified in accordance with international ISO 45001 standard. In 2024, Spain, Argentina, Australia, Brazil, Chile, Italy, Mexico, the United Kingdom, and Uruguay have been certified in accordance with the requirements of this standard.

During 2024, 34 internal audits were carried out in Spain as part of the requirements of this ISO. Regarding the external audits, these were conducted for Elecnor and the subsidiaries included in the Multi-site Certificate: Elecnor Servicios y Proyectos, Adhorna, Atersa, Ehisa, Elecnor Infrastructure, Elecnor Seguridad and Jomar Seguridad, and all with satisfactory

[10] This indicator is calculated according to Spanish regulations, which indicate that only working days are counted. However, in order to comply with ESRS S1, an estimate has been made considering that there are 7 calendar days and 5 working days in a week. Therefore, the calculation formula for the estimate consists of multiplying the lost working days by 7 and dividing the result by 5.

results. Similarly, Audeca, which has independent certification, obtained satisfactory results in its audits.

In the international market, 27 internal audits and 8 external audits were conducted in various countries, also with satisfactory results.

Among other actions, 95,056 safety inspections were carried out throughout the Group, resulting in 79,602 corrective measures. In addition, 680 internal work site audits were carried out as a control measure and in-depth analysis of the safety environment at work sites.

ESRS S2. Workers in the value chain

Strategy

SBM-2: Interests and views of stakeholders

Stakeholders' interests and views are described in the ESRS 2 chapter on disclosure requirement SBM-2.

The Elecnor Group works with an extensive value chain in a large number of countries, which is mainly made up of subcontractors and suppliers of materials and equipment. In this context, the Group understands that, through these business relationships, there could be impacts on workers in the value chain in terms of working conditions and labour rights. This is reflected and identified in its 2024 dual materiality exercise.

Therefore, respect for human rights is a key aspect of the Elecnor Group's strategy and business model. In this regard, the Group extends this commitment to its value chain, seeking to ensure that it complies with the demanding labour and safety standards that the Elecnor Group applies in its own operations.

For this reason, the Group has integrated various initiatives and procedures into its strategy and operations, to prevent possible violations of workers' rights in the value chain, as well as mitigate any negative impact that may arise. Examples include the specific procedure for contracting, control and monitoring with subcontractors; acceptance by business partners of specific clauses on integrity and compliance; the inclusion of social indicators in supplier evaluation; and the acceptance by third parties of the Elecnor Group's Code of Ethics and Conduct for Business Partners.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

The global presence of the Elecnor Group in more than 40 countries is also reflected in its value chain, which mainly involves local suppliers and subcontractors. Both are key players in the development of the Group's projects.

The scope of disclosure of this chapter includes all workers in the value chain who are or may be significantly affected by the Elecnor Group and/or through its value chain. In this respect, subcontractors' workers working at the Group's facilities with the greatest exposure to risks of injury (e.g., work at heights or electrical hazards) were especially assessed in their various activities. So too were those located in countries with laxer labour regulations or with less development in this area, such as, for example, the African continent (Angola, Cameroon, etc.).

Material impacts, risks and opportunities on workers in the value chain were identified during the dual materiality assessment, in accordance with the process described in the IRO-1 disclosure requirement in the ESRS 2 chapter of this report.

The impacts identified are considered to be widespread or systemic in the contexts where the Elecnor Group operates. They are therefore not related to individual cases or specific business relationships.

The risks identified regarding working conditions and the health and safety of workers in the value chain are related to the Group's business model. This is due to the fact that, because of the nature of their activities, temporary hiring is opted for and there is a high exposure of subcontracted workers to safety incidents.

The Elecnor Group considers that, at present, its strategy and business model are sufficiently resilient to the material IROs identified through the implementation of the corresponding strategic sustainability plans.

The material IROs identified in the dual materiality analysis are as follows:

Working conditions

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Job creation in the communities where the value chain participates in Elecnor's projects and operations, contributing to the economic and social development of the workers in the value chain and their families	Impact	Positive Actual	Upstream Downstream	Short-term

Description	Impact Risk Opportunity	Financial effects	Location Value chain	Time horizon
Failure of the subcontracted company to comply with the applicable regulations on temporary workers could lead to labour disputes that could harm the development of Elecnor's projects, as well as indirectly affect the Group in the event that it is associated with the image of this business partner	Risk	Impact on cash flow and profitability Effect on competitive positioning and ability to increase/maintain volume of activity	Upstream	Short-term
Liability for health and safety incidents involving subcontractors' employees resulting in legal proceedings, fines, penalties and extraordinary expenses	Risk	Impact on cash flow and profitability	Own operation	Short-term

The materiality assessment identified one positive impact and one risk in the area of secure employment, and two impacts, one of them positive, and one risk in the area of occupational health and safety.

As mentioned in the ESRS S1 chapter on own workforce, the construction and engineering sector is one of the main economic drivers of countries, contributing positively to the economic development of local communities. Due to the Elecnor Group's business model and global presence and, therefore, that of its value chain, especially subcontractors, job creation and the contribution to the development of workers in the value chain has been identified as a real positive impact.

On the other hand, the hiring of temporary workers, mainly in fixed-term infrastructure projects, is inherent to the business model and sectors in which the Elecnor Group operates. In this context, potential non-compliance with the applicable regulations on temporary contracts by subcontractors has been identified as a material risk. Such non-compliance could result in lawsuits, fines and penalties, as well as labour unrest and reputational damage to the Group. However, it should be noted that this risk does not arise from any material impact of the organisation.

The health and safety of workers in the value chain is a priority for the Elecnor Group, as is the health and safety of its own workforce. The sectors of activity in which the Group operates are characterised by a high accident rate. Therefore, joint and several liability for the occurrence of incidents related to employees in the value chain, which may result in legal proceedings, fines, penalties, etc., has been identified as a material risk. However, it should be noted that this risk does not arise from any material impact identified as part of the Group's dual materiality analysis.

Other work-related rights

Description	Impact Risk Opportunity	Positive/Negative Actual/Potential	Location Value chain	Time horizon
Hiring workers below the legal minimum age for employment in value chain activities, especially in underdeveloped countries without effective controls and where child labour tends to be more likely, can contribute to perpetuating situations of child exploitation and negatively affect children's personal development (school drop-out and health impairment).	Impact	Negative Potential	Upstream Downstream	Medium-term
The imposition of particularly harmful working conditions on workers in the value chain in situations of particular vulnerability (which may include migrant workers) by taking advantage of their status and other coercive measures (restrictions on movement, withholding of documents, etc.), can contribute to perpetuating situations of exploitation and forced labour, as well as negatively affecting the health of these workers and their ability and that of their families to live a decent life.	Impact	Negative Potential	Upstream Downstream	Short-term

Within the framework of the dual materiality analysis, in relation to other labour rights, the Elecnor Group has identified child labour, affecting the development of children, and forced labour, damaging the health of workers and their ability, as well as that of their families, to have a decent life, as a potential negative impact among workers in the value chain. Forced labour may occur to a greater extent for workers in situations of particular vulnerability, including migrant workers. However, these potential negative impacts are not directly related to the Group's strategy and business model, but to the geographical contexts in which it operates, as they are more likely to occur in developing countries.

Management of material impacts, risks and opportunities

S2-1: Policies related to value chain workers

The Elecnor Group has a Code of Ethics and Conduct for business partners (available to interested parties on the Group's website), developed on the basis of the Code of Ethics and Conduct, which is the main tool for promoting that its business partners carry out their activities in accordance with best business practices and ethical standards. In addition, this Code of Ethics and Conduct for business partners takes into account the principles established in the corporate policies and rules that make up the Elecnor Group's Corporate Governance system. For these purposes, business partners are those natural or legal persons who, under a commercial agreement, make a decisive contribution to the provision of services or the execution of Group projects.

The principles of the Code are applicable to all business partners of the Elecnor Group, which reserves the right to verify compliance by requesting supporting documentation or through audits, carried out both internally and with the collaboration of independent third parties.

The principles of conduct set out in the Code in relation to the working conditions and other labour rights of employees of business partners are as follows:

- Defence of human, social and labour rights. The Elecnor Group fully subscribes to the United Nations Universal Declaration of Human Rights, laying particular emphasis on equality of opportunities regardless of people's characteristics. Although it does not currently explicitly address human trafficking, it focuses on the abolition of child and forced labour and respect for the human rights of ethnic or indigenous minorities. Moreover, the Elecnor Group fully observes the labour rights in force in the countries where it operates and defends and promotes freedom of association and collective bargaining.

  The Group therefore expects its Business Partners to:

  - Support and respect the protection of internationally acknowledged basic human rights.
  - Provide for effective systems for the identification, assessment, prioritisation, prevention, monitoring, management and, where appropriate, remediation of the main adverse human rights impacts of their activities.
  - Ensure non-discrimination on the grounds of race, nationality, social status or origin, age, sexual orientation, sexual or gender identity, ideology, religion, disability or any other circumstance open to discriminatory acts, encouraging equal opportunities and respect for diversity.
  - Promote and guarantee a work environment in which the dignity and safety of persons is respected, avoiding any threat or expression contrary to the said dignity and safety and, especially, the different forms that harassment may take (job-related, sexual, physical, moral and psychological).
  - Reject forced labour in all its forms, any abuse of authority and the use of child labour.

- Respect the rights of local communities, particularly as regards the most vulnerable groups, such as ethnic minorities and indigenous peoples, fostering initiatives and continuous engagement.
- Maintain labour practices and conditions in relation to its employees that observe all national and international reference standards.
- Acknowledge freedom of association and assembly and the right of their employees to collective bargaining.
- Ensure the right to privacy of all those persons with whom they interact and the confidentiality of all the personal data they hold.

- Health and safety. Worker health and safety are essential factors for the Elecnor Group, which has set itself the goal of zero accidents. The Group fosters the adoption of occupational health and safety policies and implements the preventive measures to guarantee the health and safety of its employees and sub-contractors, not confining itself merely to compliance with applicable legislation, especially in countries or jurisdictions that are less developed in this sphere, and providing a working environment that is respectful of employees' health and dignity. The Group therefore expects its business partners to:
    - Incorporate occupational health and safety into their activities and tasks.
    - Provide their employees with material resources to ensure their safety.
    - Train their employees and ensure that they are made aware of these occupational health and safety measures and that they implement them.
    - Have preventive measures in place and implemented to avoid occupational health and safety risks and responses to tackle emergency situations for potential accidents during the working day.
    - Report immediately any accident, injury, illness or unsafe condition that may arise or be detected within the framework of their business relationship with the Elecnor Group.

Value chain management procedures in the area of integrity and regulatory compliance are specified primarily in this Code of Ethics and Conduct for business partners, which requires suppliers to adhere to the Code when signing contractual relationships.

The Elecnor Group also carries out due diligence procedures on certain third parties through a Compliance Questionnaire and by consulting specialised databases on possible incidents of integrity and regulatory compliance. The clauses of standard contracts with third parties and the general procurement conditions and general terms and conditions of business also include the requirement for ethical behaviour and compliance with the law.

In addition, there are other policies (Human Rights Policy, Sustainability Due Diligence Policy, General Sustainability Policy and Integrated Management System Policy) which also address human rights, labour and health and safety issues that also apply to business partners. For more information, see the chapter on ESRS S1, specifically disclosure requirement S1-1.

The Group's human rights policies are in line with the most relevant international human rights norms and standards, such as the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, the principles underlying the UN Global Compact, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy and the conventions of the International Labour Organization (including Convention 169), the Sustainable Development Goals adopted by the UN, as well as documents and texts that may replace or complement the aforementioned.

Specifically, the Elecnor Group is committed to human rights by supporting the Universal Declaration of Human Rights and asks both its employees and all its business partners to respect these principles in their daily activities.

In addition, as a member of the United Nations Global Compact, the Group promotes the adoption and dissemination of the principles of this Compact, as well as other international instruments, including the provisions of the International Labour Organization's Core Conventions that refer to respect for freedom of association and the right to collective bargaining.

With regard to remedying human rights incidents, in accordance with its Human Rights Policy, the Elecnor Group will take the appropriate measures as soon as possible in the event of detecting a human rights violation at the facilities, centres or places where the Group's companies or their business partners carry out their activities, and will inform the competent public authorities in the terms deriving from the applicable regulations in this regard.

Currently, there is no reporting process for human rights violations involving workers in the value chain.

In the policies described in this section, value chain workers have not been involved.

S2-2: Processes for engaging with value chain workers about impacts

The Elecnor Group does not have a general process for engaging directly with workers in the value chain about impacts. However, aspects related to the working conditions and labour rights of the workers in the value chain are dealt with, within the framework of the approval and evaluation process, by the Quality and Environment area with the suppliers and subcontractors classed as important. Engagement takes place mainly through information requests, including labour issues. Likewise, in the audits carried out with suppliers considered relevant, human rights (working conditions, child labour and forced labour) and health and safety aspects, among others, are also assessed. Audits are carried out every three years.

S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns

In the Elecnor Group, the main channel for stakeholders, including workers in the value chain, to raise their concerns is the ethics channel. According to the Code of Ethics and Conduct for business partners, they can report irregular practices or breaches through this channel (codigoetico@elecnor.es), where they can also raise concerns about the established principles. The Elecnor Group does not tolerate reprisals against those who, in good faith, use this channel to report misconduct. More information is included in the ESRS G1 chapter of this report.

This channel has been established and designed by the Group within the framework of the Integrity and Regulatory Compliance Internal Reporting System, which is part of the Group's Compliance System.

At present, the Elecnor Group does not have information regarding the accessibility of the ethics channel in the workplace for workers in the value chain.

In terms of health and safety, subcontractors' workers can also raise their concerns through safety inspections, monthly on-site meetings with the works manager and in Business Activity Coordination meetings.

The Elecnor Group does not have a mechanism to assess whether workers in the value chain trust the channels made available to them to raise their concerns.

The monitoring of the issues addressed through the ethics channel and their effectiveness is set out in the procedure for managing communications received through the Elecnor Group's ethics channel. It establishes the guidelines for action with regard to the reception, registration of communications, analysis and decision on their admission, the investigation process, resolution, closure of the investigation and the adoption of disciplinary or contractual measures, where appropriate.

Periodically, a report is submitted to the Audit Committee on the communications received and, where appropriate, on the investigations in progress and the conclusions reached.

The Elecnor Group contributes to the remediation of negative incidents by implementing corrective actions for practices or conduct that could involve a breach of the provisions of the Code of Ethics and Conduct for Business Partners, and in particular, any breach of human rights related to forced labour and child labour. In the event of non-compliance, and in any case where circumstances so require due to their nature or seriousness, the Group reserves the right to suspend or terminate the contractual relationship with its business partners. Furthermore, the Group assumes as a principle the proportionality of measures according to the severity of the adverse effects, as set out in the Due Diligence Policy.

S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

The Elecnor Group has established a series of initiatives as part of its management of the material impacts identified on value chain workers. The main actions carried out during the year are detailed below:

Extending the culture and commitment to health and safety

In order to manage and mitigate the risk of safety incidents among value chain workers, the Elecnor Group applies the same controls and actions to subcontractors' staff as it does to its own workers, carrying out inspections, training, meetings, etc. The following are some of the measures in force in 2024 aimed at creating a culture and commitment to health and safety among subcontracted workers:

- The Group's Integrated Management System includes a series of procedures, such as the evaluation process of companies, the drafting of contracts and orders, the control of the conditions under which work is carried out and their corresponding reflection in the performance monitoring system maintained with them, the investigation of incidents/accidents that may occur and the taking of coercive actions in the event of non-compliance.
- In countries where Management Systems are not in place, there are local systems adapted to local legislative requirements for the management of subcontractors.
- In Spain, there is a procedure for subcontractor assessment and a model for tracking their health and safety performance using the computer software Evalu@. This procedure enables the actions carried out to be analysed and the action plans to be established in the event that they fail to meet the health and safety standards established by the Elecnor Group.
- Through the "Rating of subcontractors and self-employed workers from the point of view of occupational risk prevention" procedure, subcontractors are assessed using a scoring system. As the subcontractor carries out its work for the Group, it is subject to control criteria, the compliance or non-compliance with which leads to an increase or decrease in the score.

  Above a certain threshold, subcontractors must submit an action plan to ensure that they meet the Elecnor Group's health and safety standards. If it is not submitted, they will have to go through the rating process again. Furthermore, if the score drops to the lowest level, the subcontractor will be terminated, disqualified from performing work and will have to repeat the rating process.

  The criteria that are penalised are Elecnor Group or customer inspections, accidents at Group work sites, unreported incidents and failure to attend business activity coordination meetings.

  The Elecnor Group formally recognises subcontractor companies that achieve the highest score during a year.

The Elecnor Group regularly monitors the accident rate of subcontractors. In the ESRS chapter S1, the health and safety metrics for value chain workers are set out (S1-14).

Improving the Human Rights Due Diligence Process

In 2024, the Elecnor Group worked on the design of its Human Rights due diligence process, which makes it possible to continue identifying potential adverse impacts that it could be causing to its value chain workers.

Thus, the Group has continued with initiating actions aimed at preventing and mitigating negative impacts in this area, such as:

- Approval of the Elecnor Group's Sustainability Due Diligence Policy, which is described in disclosure requirement S1-1 of ESRS 1 on Own workforce.
- Update of the Code of Ethics and Conduct for business partners.
- Control and monitoring in the Fullstep platform of the number of suppliers that in 2024 (3,142) accepted both the General Procurement Conditions that establish ethical, labour, social and environmental criteria, as well as the Code of Ethics and Conduct for business partners and the Information Security Policy.

The Group has not had to take any action to mitigate or remedy a damage caused by an actual negative impact on value chain workers, nor has it implemented any specific action to promote the identified positive impact of job creation to subcontractors.

The Elecnor Group has not received any notifications of serious human rights cases related to upstream and downstream in its value chain.

Metrics and targets

S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Inclusion of sustainable criteria in supply chain assessment

In order to move forward in the inclusion of sustainability criteria in the supply chain to facilitate the prevention and mitigation of potential adverse impacts on value chain workers, including potential human rights violations (forced labour and child labour), the Elecnor Group will progressively incorporate its relevant suppliers in its auditing processes.

Within the framework of the Strategic Sustainability Plan, a target of auditing 50% of relevant suppliers was set for 2024, compared to 35% achieved in the previous year. Relevant suppliers are understood to be those whose purchase volume over the last four years is greater than Euros three million and are related to an essential service of the Group. By the end of the year, 62% had been achieved. The indicator is monitored every six months and reported to the Sustainability Committee.

In the target setting process, the Elecnor Group did not collaborate directly with the value chain workers or their representatives.

In terms of health and safety, the Elecnor Group's ambition and unwavering commitment is to reach the goal of zero accidents, a commitment that is visible in the adoption of health and safety policies, as well as preventive measures among the workers of its subcontractors.

Although no measurable goal has been established to minimise accidents among subcontracted workers, the Elecnor Group monitors the effectiveness of the measures implemented for this purpose by controlling and monitoring certain metrics such as accidents and training hours, among others.

ESRS S3. Affected communities

Through its various initiatives, the Elecnor Group has a positive impact on employment, progress and the social well-being of the communities affected by its projects. It also acts as a driving force for development in the countries in which it operates, while contributing to resolving specific major global challenges reflected in the 2030 Agenda, such as the reduction of the energy gap and secure access to essential resources such as energy and drinking water, among others.

Strategy

SBM-2: Interests and views of stakeholders

The interests and views of the affected communities are described in the ESRS 2, SBM-2 chapter of this report.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Based on solid values, the Elecnor Group's commitment consists of fostering a culture of respect, generating relationships of trust and promoting the generation of value with the communities in the countries where it operates. To this end, it promotes initiatives and establishes a continuous dialogue with these communities, with special focus on the most vulnerable groups such as ethnic minorities and indigenous populations.

Thus, communication, ongoing dialogue and proper management of impact on local communities are essential to maintain social legitimacy and ensure the success of the Group's projects. In this regard, within the framework of the Environmental Assessment Studies of the projects, the Elecnor Group carries out a process of identification and approchement with the main communities affected to explain to them the main characteristics of the projects, their design and planning. Queries are also fielded and their comments taken on board so as to minimise the projects' impact on their territory.

The affected communities identified in the Environmental Assessment Studies include landowners, indigenous communities, farmers, stockbreeders, local suppliers, sometimes indigenous people, etc. In addition, sites of high value to the local community are listed, such as schools, health centres and areas of cultural and environmental interest.

It can therefore be verified that the main types of communities affected by the Elecnor Group's projects are the following:

- Local communities living and/or working at Group project sites. For example, in the Gove-Matala project (Angola) for the construction of an overhead transmission line, the local communities of the municipalities of Caála, Chicomba, Caconda and Matala were identified as communities affected by this project. This is because these communities are located in the project's area of influence, especially those close to the transmission line and substations. These local communities include farmers, owners of land to be acquired or impacted, as well as local workers employed on the project.
- More remote communities that could be affected by activities at such sites. For example, in the project for Lots 1 and 2 (Honduras) for the extension of the Miraflores and Laínez electricity substations, it was indicated that no human settlements were located in the area of direct influence. However, Alameda, Humuya, Miramontes and Miraflores were identified as communities that would be indirectly affected by the project. In this way, the development of the project will increase the rates of electricity coverage in the region, improving trade in these communities, the business of renting houses, food, purchase of supplies, etc.

- If applicable, indigenous peoples who may be affected by the Group's projects. For example, in the EnergyConnect-PEC project (Australia) to provide a high-voltage electricity interconnection, traditional owners and other Aboriginal communities and their representatives (Wakool Indigenous Corporation, NSW Indigenous Chamber of Commerce, among others) were identified as affected communities. In response to this situation, the Elecnor Group carried out a number of engagement activities, including attendance at community events, such as the repatriation events for Aboriginal artefacts found. This act was carried out together with the Aboriginal community in order to integrate and respect them throughout the implementation of the project. In this respect, the Group is aware of the importance of traditional owners, their families and the community being able to preserve these objects to share with future generations.

As can be seen from these examples of projects (which will be developed in greater detail in section S3-4 of this chapter), the Elecnor Group's activity with the greatest impact on the communities affected is the construction of transmission lines and electricity generation plants. The main reason is that these are projects that occupy large tracts of land, especially transmission lines.

The aforementioned type of affected communities was considered in the dual materiality analysis of the Elecnor Group, from which the following material negative impact on the rights of indigenous peoples was determined:

Description of the Impact	Positive/Negative Actual/Potential	Location in the value chain	Time horizon
The lack of adequate information for representatives of indigenous peoples affected by projects on the impacts of these projects on their rights and environment can leave them defenceless and vulnerable, as well as negatively affect their capacity to defend and claim their rights.	Negative / Potential	Own operation	Short-term

In this regard, it should be considered that this is a potential impact for the Elecnor Group thanks to the communication measures and continuous dialogue with the affected communities, including indigenous peoples and their representatives. However, in the construction and engineering sector this impact is widespread. This is due to the lack of prior consultation and communication with indigenous peoples, often the result of exclusion and marginalisation in both the planning and implementation of infrastructure projects.

Faced with this situation, the Elecnor Group has implemented policies and practices that are inclusive and respectful of the rights of indigenous peoples, along with a sustainable and equitable approach.

The following material positive impacts on the affected communities were identified in the dual materiality analysis:

Communities' economic, social and cultural rights

Description of the Impact	Positive/Negative Actual/Potential	Location in the value chain	Time horizon
Projects aimed at the local communities' social, environmental and economic development	Positive / Actual	Own operation	Medium-term
Training and recruitment of people from local communities	Positive / Actual	Own operation	Medium-term

Communities' civil and political rights

Description of the Impact	Positive/Negative Actual/Potential	Location in the value chain	Time horizon
Transparent communication to the community, respecting the right of communities to access relevant information about the company's activities.	Positive / Actual	Own operation	Short-term

Rights of indigenous people

Description of the Impact	Positive/Negative Actual/Potential	Location in the value chain	Time horizon
Participation in projects that help indigenous peoples preserve their cultural and economic autonomy.	Positive / Actual	Own operation	Short-term

These impacts are a clear example of the Elecnor Group's objective of contributing to the economic progress, social well-being and sustainable development of the communities where it is present. Such a contribution is always accompanied by the promotion of and respect for the rights of local communities, with special focus on the most vulnerable groups.

In addition, these material positive impacts are visible in the projects described in section S3-4 of this chapter.

From the above list of positive and negative impacts, the following material opportunities and risks have been derived:

Communities' economic, social and cultural rights

Description	Risk Opportunity	Financial effects	Location in the value chain	Time horizon
Favour the obtaining of the necessary authorisations and permits for the development of investment projects in community programmes	Opportunity	Competitive positioning and the ability to increase/maintain the volume of activity	Own operation	Medium-term

The identified opportunity derives from the related positive impacts on the economic, social and cultural rights of the affected communities.

Communities' civil and political rights

Description	Risk Opportunity	Financial effects	Location in the value chain	Time horizon
Free-flowing, transparent and constructive dialogue with local communities and/or their representatives is conducive to early identification and resolution of conflicts	Opportunity	Competitive positioning and the ability to increase/maintain the volume of activity	Upstream Own operation Downstream	Medium-term
Protests and/or complaints due to negative repercussions on the community (labour practices, environmental aspects, etc.)	Risk	On cash flow and profitability Competitive positioning and the ability to increase/maintain the volume of activity	Own operation	Short-term

The identified opportunity derives from the positive impact "Transparent communication towards the community respecting the right of communities to access relevant information about the company's activities".

Furthermore, the risk of protests and/or complaints due to negative repercussions on the community does not result in a material negative impact.

Rights of indigenous people

Description	Risk Opportunity	Financial effects	Location in the value chain	Time horizon
Free-flowing, transparent and constructive dialogue with indigenous peoples' representatives and a commitment to obtaining their prior consent is conducive to early identification and resolution of conflicts.	Opportunity	On cash flow and profitability Competitive positioning and the ability to increase/maintain the volume of activity	Own operation	Medium-term
Imposition of penalties, both national and international, for the violation of fundamental rights of indigenous peoples.	Risk	On cash flow and profitability Competitive positioning and the ability to increase/maintain the volume of activity Effect on the cost of capital Impact on access to finance	Own operation	Short-term
Failure to adequately inform and/or consult indigenous peoples' representatives and obtain their prior consent can lead to local conflict, causing delays and increasing project costs.	Risk	On cash flow and profitability Competitive positioning and the ability to increase/maintain the volume of activity	Own operation	Short-term

On the matter assessed of indigenous peoples' rights, one opportunity and two material risks were identified. The opportunity has not arisen from any material impact.

The risk of penalties (national or international) for the violation of fundamental rights of indigenous peoples has not resulted in any material impact. On the other hand, the risk of delays and increased project costs due to local conflicts could arise from the negative impact of the lack of adequate information to the representatives of indigenous peoples affected by the projects.

As can be seen in the impacts, risks and opportunities identified and assessed in the dual materiality analysis, the Elecnor Group has considered indigenous peoples as an affected group with specific characteristics in order to determine the particular risks to which they are exposed.

Management of material impacts, risks and opportunities

S3-1: Policies related to affected communities

Since it commenced its activities, the Elecnor Group has been fully committed to supporting, respecting and safeguarding human rights in all spheres of action, based on its ethical principles and its corporate social responsibility.

In this respect, the Elecnor Group has established a series of policies that foster a culture of respect and generate relationships of trust with the communities in the countries in which it operates. Above all, with special focus on the most vulnerable groups, such as ethnic minorities and indigenous populations.

The Elecnor Group's policies that address the management of material impacts, risks and opportunities related to affected communities include the following:

Local Communities Policy

The Local Communities Policy was reviewed, updated and approved by the Board of Directors in November 2024. It establishes the following pillars as a general framework for its relationship with the communities in the countries where it operates:

- Contribute to the sustainable development and well-being of the communities in the territories in which it operates.
- Respect the right of local communities to an adequate, healthy and sustainable environment, taking into account their expectations and needs.
- Build solid relationships based on trust and mutual respect, promoting free-flowing and continuous dialogue that allows the opinions and concerns of the different stakeholders that affect or may be affected by the Group's activities to be adequately managed.
- Ensure a framework of conduct in accordance with the Group's principles and values and, in particular, with those set out in the Code of Ethics and Conduct, the General Sustainability Policy, the Sustainability Due Diligence Policy, the Compliance Policy and the Human Rights Policy.
- Obtain the social legitimacy of all stakeholders involved in project development.
- All relations with stakeholders will be conducted in full compliance with privacy and data protection regulations, and appropriate information security measures will be implemented.

The Local Communities Policy is applicable to all the companies that make up the Elecnor Group, regardless of the country or region in which they are located. The Policy also applies to joint ventures, temporary business associations and other equivalent associations in which any Group company has management control.

In non-controlled associations, the Group promotes principles consistent with those of the Policy, maintaining information channels to ensure awareness and monitoring of these associations' rules on relations with local communities.

In any case, the various Group companies ensure that the principles of the Policy are reflected in their services and projects, as well as in the value chain. In addition, Group companies collaborate with stakeholders who may affect or be affected by their activities and/or those of their business partners. To this end, communication, consultation and contact channels are established to contribute to the best sustainability performance of the Group and its business partners.

Notwithstanding the fact that all members of the Group have an obligation to comply with the Local Communities Policy, at the Group governance level, the Board of Directors is the highest level of the organisation responsible for overseeing the implementation, development and application of the Policy through the internal supervisory and control committees.

Likewise, in order to guarantee dissemination of and compliance with the Policy by the affected stakeholders, it is available on the Elecnor Group's website (www.grupoelecnor.com) and on the internal communication channels for all employees. In this way, it is intended that the

Policy will be known by all affected communities to which it applies, with special focus on the most vulnerable groups such as ethnic minorities and indigenous populations.

Therefore, the impacts on affected communities and, in particular, on indigenous peoples, are specifically addressed in this Policy through the following principles to safeguard the human rights of affected communities and to develop a relationship of trust with them:

- Identify the communities potentially affected by the service or project to be developed in order to understand the local context.
- Assess the environmental, social and economic issues that may arise from service or project in the community.
- Comply with laws, regulations, the highest ethical standards and voluntary commitments that impact the community.
- Engage in dialogue, inform and encourage community participation in the different phases of the projects through consultation processes aimed at understanding their needs and expectations.
- Establish a direct relationship and systematic communication with communities to ensure that they receive information in a transparent, up-to-date and effective manner.
- Manage opportunities, actual and potential positive and adverse impacts on communities responsibly and maintain strong, trusting and mutually respectful relationships to promote sustainable value creation.
- Respect the values, traditions and cultures of local communities.
- Periodically review and, if necessary, update the measures adopted in order to identify areas for improvement and implement reinforcement actions.

In addition, with respect to the rights of indigenous peoples and ethnic minorities present in the places where it operates, the Group makes the following commitments:

- Recognise and respect the unique nature of indigenous, tribal, Aboriginal and native peoples and their social and economic organisation and structure.
- Encourage a two-way, transparent and respectful dialogue that integrates different cultural frameworks and fosters consensus.
- Provide each project with the necessary and appropriate means to ascertain the possible impact on the life, habits and customs of the affected population and offer proposals for prevention and/or mitigation.
- Comply with and respect national and international regulations in this area that are applicable at the place of operation.

In this sense, the Elecnor Group establishes the principles described above both to guarantee respect for the human rights of the affected communities and to build a relationship of trust with the communities where it operates. To this end, as the aforementioned principles indicate, the Group cooperates with the affected communities through free-flowing and continuous dialogue, establishing a direct relationship and systematic communication with these communities, providing the corresponding information in a transparent, up-to-date and effective manner. The Group also encourages the participation of affected communities in the different phases of projects through consultation processes to better understand their needs and expectations.

However, if, despite the Group's responsible management of actual and potential impacts on communities, any negative impact should occur, the Human Rights Policy sets out how to act in such cases. In this way, the organisation - in compliance with its due diligence obligations - undertakes to identify, assess, prioritise, prevent, mitigate and, where appropriate, remedy any form of adverse human rights impacts that may arise from its services and projects or from its business partners in the value chain.

Also, these remedial measures would be taken as soon as possible and the competent public authorities would be informed, pursuant to the applicable regulations.

The Elecnor Group's commitments regarding affected communities and respect for their human rights, which are the subject of the Local Communities Policy and are explained above, are based mainly on the Group's General Sustainability Policy, Sustainability Due Diligence Policy and Human Rights Policy.

General Sustainability Policy

The Group's General Sustainability Policy was reviewed, updated and approved by the Board of Directors in November 2024. This internal standard establishes corporate due diligence as one of its operating principles. This principle reflects the Elecnor Group's commitment to respecting and protecting the environment and human rights (including those of affected communities).

Sustainability Due Diligence Policy

The aforementioned corporate due diligence principle is further developed in the Group's Sustainability Due Diligence Policy, which was approved by the Board of Directors in November 2024. The Policy contains the metrics established for the Elecnor Group's corporate due diligence management with regard to the environment and human rights (including those of the affected communities). This is done through a continuous and dynamic process that enables appropriate measures to be taken to identify, assess, prioritise, prevent, mitigate and, where necessary, remedy actual or potential adverse effects in these areas.

Human Rights Policy

The Group's Human Rights Policy was reviewed, updated and approved by the Board of Directors in November 2024. This policy is aligned with the Code of Ethics and Conduct, the General Sustainability Policy and, in particular, with the Group's Sustainability Due Diligence Policy. The Policy is also aligned with international norms and standards, such as: the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact principles, the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, ILO Conventions (including Convention 169), and the UN-approved Sustainable Development Goals.

The Policy established that all organisations in the Elecnor Group have a strong commitment to the defence and fulfilment of human rights in their activities in all countries in which they are active. Accordingly, the various organisations of the Group seek to ensure that the principles of the Human Rights Policy are implemented in their services and projects, as well as, to the extent appropriate, by their business partners along the value chain.

In implementing the principles of this Policy, Group companies will collaborate with stakeholders who may affect or be affected by their activities and/or those of their business partners. These stakeholders include local communities, indigenous peoples and/or their representatives. Along these lines, the principles of the Policy include the following:

- Respect the rights of local communities, particularly as regards the most vulnerable groups, such as ethnic minorities and indigenous peoples, fostering initiatives and continuous engagement with them. In particular, the right of these communities to an adequate, healthy and sustainable environment will be respected, taking into account their expectations and needs.

For this purpose, specifically with regard to local communities and indigenous peoples, the Elecnor Group has the Local Communities Policy explained above.

Like the Local Communities Policy, the General Sustainability Policy, the Sustainability Due Diligence Policy, and the Human Rights Policy apply to all companies within the Elecnor Group, as well as, where applicable, to joint ventures and other equivalent associations and business partners throughout the value chain.

Furthermore, the level of the organisation that assumes the sponsored ability and functions of compliance with these policies is, on the one hand, the Board of Directors and the Appointments, Remuneration and Sustainability and Audit Committees; and, on the other hand, the Sustainability Committee and the person responsible for the sustainability function. These internal rules are also available on the Elecnor Group's website, as well as on the internal communication channels for all employees.

Finally, as mentioned above, the Local Communities Policy, General Sustainability Policy and Human Rights Policy were updated in November 2024. These policies have been updated in response to the relevance of the regulatory developments promoted by European Union bodies in the area of sustainability, as well as to the dissemination of standards and recommendations by supervisory authorities and bodies related to sustainability. This has led to a transformation of the market's duties and expectations regarding business conduct in the area of sustainability.

S3-2: Processes for engaging with affected communities about impacts

As indicated in this report, one of the Elecnor Group's main objectives is to contribute to the economic progress, social well-being and sustainable development of the communities where it is present. For this, the Group positions itself as a generator of change and well-being by deploying infrastructure, energy and services to territories all over the world in order to develop their potential.

To achieve this goal, the Group's organisations engage constructively with those local communities, indigenous peoples and/or ethnic minorities that may be affected by the Group's activities and those of its business partners. To this end, communication, consultation and contact channels have been established to contribute to the responsible management of actual and potential impacts for the affected communities.

As such, the Local Communities Policy provides for building and maintaining free-flowing and continuous dialogue with affected communities, and their legitimate representatives or credible spokespersons who are aware of their situation. In this way, we seek to establish a direct relationship and systematic communication with local communities, indigenous peoples, and their representatives or spokespersons, to ensure they receive information in a transparent, up-to-date, and effective manner.

This collaboration with the affected communities is mainly through consultations, management of complaints received through forms, mailboxes, door to door, Works staff, etc. In addition, we collaborate with the community by carrying out projects that favour social, economic and environmental development, as well as training and hiring people from the local communities. Actions are also taken to ensure that indigenous peoples preserve their cultural and economic autonomy. For example, in the EnergyConnect – PEC project (Australia), Aboriginal artefacts were repatriated.

Collaboration with the affected communities is carried out at the beginning of the projects, through information and dissemination work with the communities, associations, organisations and representatives that may be impacted by the implementation of the project. This is an essential step to avoid future community complaints. In addition, this dialogue continues at every stage of the project so that the affected communities are kept informed through mailboxes, forms, open days, leaflets, etc.

At the operational level, the person responsible for ensuring dialogue and collaboration with the affected communities is the Project Manager, who is supervised by different figures within his/her organisation, such as the Production Centre Manager, as well as the Delegates or Directors, as the case may be.

Likewise, in order to ensure dialogue and collaboration with the affected communities, and that the results are taken into account in the Group's approach, the Local Communities Policy - referring to the Elecnor Group's General Sustainability Policy - establishes that the Board of Directors is the highest level of the organisation responsible for this, through the internal supervisory and control committees.

The effectiveness of the dialogue and collaboration with the affected communities, as well as the measures adopted on the basis of this dialogue, are periodically reviewed and, if necessary, updated in order to identify areas for improvement and to implement reinforcement actions. In this respect, the different ways established to review this effectiveness include, for example, surveys of the population, or review of complaints received through questionnaires or complaint/suggestion boxes.

In accordance with the Local Communities Policy, special attention is paid to the most vulnerable groups such as ethnic minorities and indigenous populations. For this reason, greater emphasis is being placed on ensuring communication with these communities and their representatives, so that they receive timely information and to understand their needs and expectations.

During this process of dialogue and collaboration with indigenous peoples, the Elecnor Group considers and ensures respect for their specific rights. To this end, as indicated in section S3-1 of this chapter, collaboration processes with indigenous peoples are within the same framework of dialogue as with the affected communities, respecting the particular characteristics of said communities (organisation, social and economic structure, cultural framework, habits and customs, applicable national and international regulations, etc.).

S3-3: Processes to remediate negative impacts and channels for affected communities to raise concerns

The Sustainability Due Diligence Policy sets out the principles that must govern the basis of the Elecnor Group's corporate due diligence. The aim is to implement adequate measures for the identification, assessment, prevention, mitigation and, where appropriate, remediation of the consequences of actual or potential negative impacts on human rights and the environment. Such negative impacts may arise from the Group's business activities and/or those of its business partners in the value chain.

In line with the above and in compliance with its due diligence obligations, the Elecnor Group undertakes to responsibly manage the actual and potential negative impacts on local communities and indigenous peoples. Such management includes, where appropriate, the remediation of any form of adverse impact on the rights of affected communities that may arise from the Group's activities or those of its business partners in the value chain.

Such remediation must be in accordance with the principle of proportionality set out in the Group's Sustainability Due Diligence Policy. In accordance with this principle, the Group will take appropriate measures proportionate to the severity and likelihood of actual or potential adverse effects. In addition, where the nature or necessary measures so require, this will include the adoption of preventive or corrective action plans, taking into account the degree of involvement of the Group or its subsidiaries in this respect and, where appropriate, the ability to influence the business partner.

Remedial measures are also determined in the processes of citizen participation established in the Environmental Assessment Studies, such as, for example, financial compensation, resettlement, etc.

In view of the possible impacts that the Elecnor Group's activities may have on affected communities, the General Sustainability Policy establishes the principle of participation and involvement of stakeholders (such as local communities and indigenous peoples). This principle is ensured through the provision of channels, mechanisms or tools that enable constant, two-way communication. This facilitates the identification and understanding of the concerns, expectations, and needs of affected communities regarding sustainability issues related to the Group's activities that impact them.

For this reason, the Elecnor Group makes the Ethics Channel available to the affected communities and their representatives. It can be accessed confidentially via email codigoetico@elecnor.com or the post office box no. 72-48008 (Bilbao, Vizcaya - Spain) (for the attention of: "Ethics Channel").

In addition, in the areas where the Elecnor Group carries out its projects, various communication channels are made available to the communities, such as telephone lines, mailboxes, forms, interviews, emails, among others.

The provision of the Ethics Channel as a means of communication with affected communities is also in line with the principle of stakeholder engagement, as set out in the Group's Sustainability Due Diligence Policy. Through this principle, the Group is committed to maintaining complaint, participation and consultation mechanisms that are free, accessible and free of reprisals so that stakeholders can communicate and participate in the management of adverse effects.

Thus, as the principles of this Policy also apply to business partners across the value chain, the Group seeks to ensure the availability of the Ethics Channel in its business relationships. In this way, affected communities will be able to report concerns, expectations and needs involving the activities of business partners.

Regarding the monitoring of the issues raised through the Ethics Channel and how it seeks to ensure its effectiveness, this information is outlined in the G1 Business Conduct chapter of this report.

In this respect, the Elecnor Group recognises that in order to guarantee the effectiveness of a communication channel, it must first be known by the stakeholders. In this sense, the aforementioned communication channels are made known to the affected communities so that they can express their concerns and needs. In this regard, and as examples of the fact that the affected communities know, trust and make use of these communication channels, the following cases from 2024 are indicated:

- Within the framework of the PEC (Australia) project for engagement with local industry, 102 requests and complaints concerning school partnerships were handled. Regarding heritage protection actions or other environmental actions, two heritage-related incidents were received and handled, as well as eight complaints from Aboriginal stakeholders.
- In the Gove-Matala project (Angola), the effectiveness of the actions carried out is evaluated through regular surveys and interviews with local leaders. These activities help to identify areas for improvement and ensure that concerns are addressed in a timely and effective manner.
- In the Lots 1 and 2 project (Honduras) there is a complaints and grievance mechanism document, which ensures transparency and engagement between stakeholders and affected parties.

Finally, in accordance with the provisions of the Sustainability Due Diligence Policy and the Elecnor Group's Code of Ethics and Conduct, no reprisals will be tolerated against those persons who, in good faith, make use of the channels and procedures established for reporting potential misconduct, as well as their concerns and needs.

S3-4: Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

The Elecnor Group's activities boost both the organisation's economic performance and the development and progress of society, having a positive impact on the communities and the environment in which they operate. Accordingly, for responsible and appropriate management of IROs, the Group has established as a general action the contribution to improving the living conditions of people, as well as the economic and social progress of the communities in which it has a stable presence.

On that basis, in order to be able to carry out this general action and the management of IROs, different resources are allocated at Group level. On the one hand, as indicated in section S3-2 of this chapter, each project manager is established as the person in charge, and is supervised by different figures within his/her organisation, such as the Production Centre Manager, as well as the Delegates or Directors, as the case may be. On the other hand, each measure or project aligned with the overall action has a separate budget.

Below is a description of some of the most representative projects of the Elecnor Group's activities carried out during 2024, which correspond to the material impacts, risks and opportunities for the Elecnor Group with respect to the affected communities:

Gove-Matala Project (Angola)

The Gove-Matala project consists of the construction of a 220 kV overhead transmission line of approximately 220 km in length, connecting the Gove substation in the province of Huambo in Angola. In addition, the project includes the installation of a static synchronous compensator at the Matala substation and the adaptation of protection, automation and telecommunications systems at the Gove substation. The aim is to strengthen energy infrastructure and promote sustainable regional development. The total project budget was Euros 557,218 for OpEx and Euros 235,571 for CapEx[11].

The project covers the municipalities of Caála, Chicomba, Caconda and Matala, located in the provinces of Huambo and Huíla in Angola. Its duration is estimated at 36 months, including the following activities: environmental studies, obtaining licences, demining, earthworks, erection of towers and commissioning.

Within the framework of this project, the affected communities identified are the local communities in the area of influence, especially those close to the transmission line and the Gove and Matala substations. These communities include farmers, landowners, local workers employed in the project and vulnerable communities that may face social, economic and environmental risks due to construction and operational activities. Also, places such as schools, health centres, and areas of cultural and environmental interest were identified within the location of the project.

In this respect, the Elecnor Group has contributed positively to local communities by creating local jobs; implementing training programmes for workers, promoting the development of their skills; and, engaging with communities through public consultations and participation mechanisms, ensuring that their concerns are considered in the development of the project. In addition, fair compensation for affected people has been prioritised, including measures for the restoration of their livelihoods. All of the above has boosted regional economic development, improved employment opportunities and promoted the integration of communities into the project.

For those negative impacts that may arise such as delays in resettlement compensation and grievances related to limited access to natural resources during construction, transparent grievance mechanisms have been established along with corrective action plans. For example, resettlement plans were updated to ensure adequate compensation, as well as the implementation of measures to minimise disruptions in access to resources.

In addition, the effectiveness of the project is monitored through a comprehensive environmental and social monitoring system. This system includes key performance indicators that assess aspects such as implementation of resettlement plans, socio-economic impact on local communities, grievance management, and compliance with International Finance Corporation ("IFC") environmental and social standards.

In addition, regular audits, field visits and community consultations are carried out to gather direct feedback and ensure that the measures taken are generating the intended results. The data collected is analysed and reported periodically, allowing for real-time adjustments to improve efficiency and address any problems identified.

[11] In principle, the project budget is in US dollars, being US$ 580,556 for OpEx and US$ 245,438 for CapEx. To convert the figures into euros, the exchange rate at 5 February 2025 of 0.95980 was taken.

Bita Project (Angola)

The project consists of the implementation of a distribution network and associated household connections in Bita DC, in the province of Luanda in Angola. The project is divided into two phases: a pre-construction phase, with a budget of Euros 119,000, and a construction phase, with a budget of Euros 300,000. The pre-construction phase began in 2024, during which activities related to the impact on local communities were carried out, such as 2,306 household questionnaires and various air quality and noise studies.

As the project is a facility within a neighbourhood in the city, there are several affected communities identified within the community, such as schools, private homes, businesses, etc. Vulnerable population groups have also been identified, such as: indigenous peoples, ethno-linguistic groups, foreigners, people with disabilities, women and children.

Within the framework of the project, satellite images were produced of populated and unpopulated areas as well as biodiversity protected areas in the project catchment area. In principle, no archaeological or historical remains were identified in the area. However, it has been established that any "chance finds" will be taken into account in the work.

The main positive impacts identified in the project were: economic impacts with the creation of local jobs, an improvement in the quality of life of the local communities with the implementation of the water network, as well as a decrease in the likelihood of endemic diseases associated with the conditions of the houses and the neighbourhood in general. In addition, it has been ensured that existing services (e.g. roads, pipelines, power lines and telephone services) are not damaged or interrupted during project implementation.

The negative impacts associated with the project and the mitigation measures implemented are described below:

- Noise nuisance: information signs have been posted in the affected neighbourhoods on the problems that noise, vibrations or other social impacts can cause, including schedules.
- Interruptions in streets and accesses: awareness-raising actions were carried out on traffic and machinery associated with the project.
- Potential misinformation: regular communication with communities is maintained, as well as dissemination of information on potentially disruptive activities. Such communication is developed and done together with a local social technician who knows the community environment.

Quiminha Project (Angola)

The Quiminha Dam project is located in the municipality of Icolo e Bengo, in the province of Luanda in Angola. This has an 18-month implementation period and comprises the following components:

- Water catchment facilities: access to the resource from a natural water reservoir, thanks to the comprehensive rehabilitation of the hydro-mechanical infrastructure of the Quiminha dam.
- Water transmission, storage and distribution infrastructure: includes a pumping station, a water treatment plant, water storage tanks, pipes, units and house connections.
- Ancillary electrical infrastructure: this is necessary to operate the water access and distribution infrastructure, including the transmission line from the Catete substation, auxiliary generators and electrical distribution network.

With the aforementioned components, a project has been defined that will have a positive social and economic impact on the population, distributing and regulating drinking water, as well as water for local agriculture.

The main social impact identified has been job creation. In addition, the project ensures that activities are designed and implemented with respect for the human dignity, rights and cultural uniqueness of nearby indigenous peoples. This ensures that these vulnerable communities receive culturally compatible social and economic benefits and do not suffer adverse effects during project implementation.

The measures taken to contribute to the positive impacts, or to minimise the negative impacts associated with the project, are described below:

- Preparation of a human rights checklist to assess compliance by the project's social technician every 3 months.
- Local hiring of employees for the project, through the implementation of an Employment and Labour Management Plan. This plan includes the following principles: freedom of association, non-discrimination, no child and forced labour, adequate working conditions, access to grievance mechanisms, training on health and safety issues (including HIV/AIDS), etc. In addition, a Code of Conduct has been provided with the employment contract and must be signed by the employee.
- A follow-up programme has been established with the community, where meetings are held and awareness-raising carried out in cooperation with community representatives and the project's social technician. Minutes or photographic reports of these activities are taken and shared with the Elecnor Group project customer on a monthly basis.
- A community-specific grievance mechanism has been defined.

Project EnergyConnect - PEC (Australia)

Transgrid and ElectraNet will provide a high voltage electricity interconnection between the South Australian and New South Wales electricity grids, with an additional connection to Victoria (Red Cliffs). This project is collectively known as the EnergyConnect Project. The project involves the construction of a new 330 kilovolt (kV) overhead transmission line with a transfer capacity of approximately 800 MW and 900 km in total. Its implementation will be completed by the end of 2026 with a budget of Euros 3.5 billion[12].

The project includes a new substation and the upgrading of two substations, reducing the cost of safe and reliable electricity transmission between New South Wales and South Australia in the short-term. This will facilitate the transition of energy in the Australian electricity market to low-emission energy sources.

The main affected communities identified for the project are the directly impacted landowners, Aboriginal groups, the farming community, stockbreeders and suppliers in the area.

Regarding the communities identified, one of the main actions carried out in 2024 was the participation of the Elecnor Group in the Legacy 100 programme. This initiative offers up to 100 people the opportunity to complete a certificate in Transmission Line Construction, while providing on-the-job experience with pay above award wages.

In this way, the Legacy 100 programme helps reduce youth unemployment and supports the local economy by hiring people from the community or from Indigenous (Aboriginal) communities. It also develops skills and supports the cultural pride of these Aboriginal communities.

The main results of this programme in 2024 include: 25% of participants were people from local communities, 87 people were hired and 37 employees obtained the II certificate in Transmission Line Construction.

Other actions developed within the framework of the PEC project had a positive impact on the indigenous peoples or Australian Aboriginal communities in the area, recognised as First Nations. They are named after the Aboriginal and Torres Strait Islander communities who are the first peoples of Australia. These actions include the following initiatives:

[12] In principle, the project's budget is in US dollars, being 3.6 billion. To convert the figure into euros, the exchange rate at 5 February 2025 of 0.95980 was taken.

- First Nations recruitment programme. Its aim was to provide employment and training opportunities to help people acquire skills and improve their lives and communities. Since the start of the project, 44 First Nations people have been hired.
- Participation in and sponsorship of cultural events to highlight the Elecnor Group's commitment to inclusion and the support of local companies to promote local suppliers and job creation.
- Approximately 10 cultural awareness sessions were held for employees and subcontractors (4,031 sessions since the start of the project).
- Participation in five local programmes to raise awareness of the Legacy 100 initiative among the community.
- Participation in and sponsorship of cultural events in order to create jobs, training and business development for indigenous peoples.
- Learning support and mentoring for the indigenous programme.

In addition, to ensure the protection of Aboriginal cultural heritage, the following actions were carried out in 2024:

- A cultural event was organised with the participation of the Aboriginal community to integrate and respect this community.
- Exclusion zones were established to prevent direct damage to registered Aboriginal heritage sites or features located outside or within the development area, but which remain in place.

  If potential Aboriginal artefacts, human remains or any items of potential non-Aboriginal archaeological significance are discovered at any point during construction, the Unexpected Heritage Finds procedure is followed.

Pedras Transmissora-Lot 6 Project (Brazil)

The project consists of the extension of one 500 kV transmission line and the extension of two substations. The project covers 17 municipalities, of which three are in the state of Sergipe and 14 in the state of Bahia, with an indirect impact on five Quilombola communities. No communities directly or indirectly affected by the project were identified. Of the project budget, it was estimated that Euros 590,287 will be allocated to actions for the benefit of the Quilombola communities.

As part of the licensing process, Quilombola Component Studies (QCS) were carried out. For 2025 it has been agreed to develop and carry out socio-environmental programmes in the Quilombola communities, considering the causes and effects of the project.

Communication with the Quilombola communities during the pre-construction phase was carried out with an external environmental consultant, together with the Brazilian governmental body INCRA.

Projects in Lots 1 and 2 (Honduras)

The project for Lots 1 and 2 consists of the extension of the Miraflores and Laínez electrical substations, as well as the construction of the Single Line Transmission Line between these electrical substations. The completion date for the project in Lot 1 was 15 April 2024, while for Lot 2 it was 22 December 2024.

The affected communities identified are the staff of the communities in the direct area of influence of the project, who may be directly impacted by a consequent project activity. These impacts can be positive or negative. Individuals or groups who have expressed support or concern regarding the implementation of the project have also been included.

Depending on the nature of the project, unforeseen impacts may occur, which requires constant communication between the affected communities and the parties interested in the project's implementation (e.g., the customer, municipal officials, etc.). In this sense, by establishing mechanisms for a transparent and bilateral relationship between the parties, the concerns and demands of the affected communities can be fully understood. In this way, timely and appropriate action can be taken to avoid conflict situations.

In the event of a negative impact on the community, the Elecnor Group has defined a schedule establishing the activity, how it will be monitored and its frequency:

- Informative talk: call, attendance list, inventory of actors, photographic material (first quarter).
- Distribution of information material: newsletters, brochures, flyers, material register, photographic material (second, fourth and sixth half-year).
- Reception of complaints and claims: social logbook, complaint reception form, monthly report and photographic material (throughout the project).

Furthermore, it should be noted that during 2024, no complaints were received through the Ethics Channel or other available channels in which human rights violations were identified and, in particular, violations of the rights of local communities and/or indigenous peoples, either in the company's own operations or upstream and downstream in the value chain.

Metrics and targets

S3-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

With regard to some of the initiatives described above, different objectives have been established within the framework of their Environmental Assessment Studies, which contribute to enhancing the positive impacts and minimising the negative impacts that may be generated by the projects developed. To this end, as indicated in section SBM-3 of this chapter, within the framework of the Environmental Assessment Studies of the projects, the Elecnor Group gathers the comments of the affected communities and/or their representatives in order to manage these impacts.

In addition, these targets comply with the commitments established in the Elecnor Group's various policies, mainly in the Local Communities Policy described in section S3-1 of this chapter.

These targets include the following:

Gove-Matala Project (Angola)

The aim of the project is to compensate 100% of the communities affected by the route of the line and areas of the substations. During 2024, 23% of those affected were compensated and community acceptance improved by 100%.

The methodology used to set the targets was through censuses, community satisfaction surveys and monitoring of social indicators. In addition, evidence from Environmental Assessment Studies and expert-approved mitigation models were taken into account.

Quiminha Project (Angola)

In the project's Environmental and Social Management Plan, a monitoring schedule was established that includes different measurement frequencies to evaluate compliance, such as, for example:

- Level of implementation of corporate policies and integrated system: the frequency of this initiative is monthly. Monitoring of quality, environmental and social management on site.

- Level of implementation of the ESMP: it is carried out bimonthly, monitoring quality and environmental management, checklist of human rights and number of meetings with the community.
- Monitoring of the project's legal compliance: this is carried out quarterly with the Environmental Control Action Plan documents or the Worldlex platform report.

Project EnergyConnect - PEC (Australia)

The objectives set in the different initiatives developed within the framework of the PEC project are described below:

- Legacy 100: recruit a minimum of 100 people (absolute number) for the programme. A total of 87 people were hired in 2024, of which 37 obtained Certificate II in Transmission Line Construction. The objective is expected to be completed by October 2025.
- First Nations Group: to achieve by the end of the project a total financial investment in recruitment, training and local business development of the First Nations Group of 2.5% of the total PEC project budget.

15.4. Governance Information

In relation to disclosure requirements for Sustainability Governance information, in ESRS 2. General disclosures, including information dissemination aspects related to:

- The role of governing, management and supervisory bodies.
- Information provided to the company's governing, management and supervisory bodies and sustainability issues addressed by them.
- Integration of sustainability-related performance in incentive schemes.
- Risk management and internal controls on sustainability information.

ESRS G1. Business conduct

G1-1: Business conduct policies and corporate culture

The Elecnor Group’s responsible management and ethical, honest and transparent conduct with stakeholders is underpinned by a firm commitment, solid corporate values and the implementation of robust ethical management and regulatory compliance systems. At present, the Company has the necessary tools to ensure compliance with legislation in force and responsible management in its relations with shareholders, employees, customers, suppliers, competitors and social representatives.

Our mission

We generate change and well-being by deploying infrastructure, energy and services to territories all over the world in order to develop their potential.

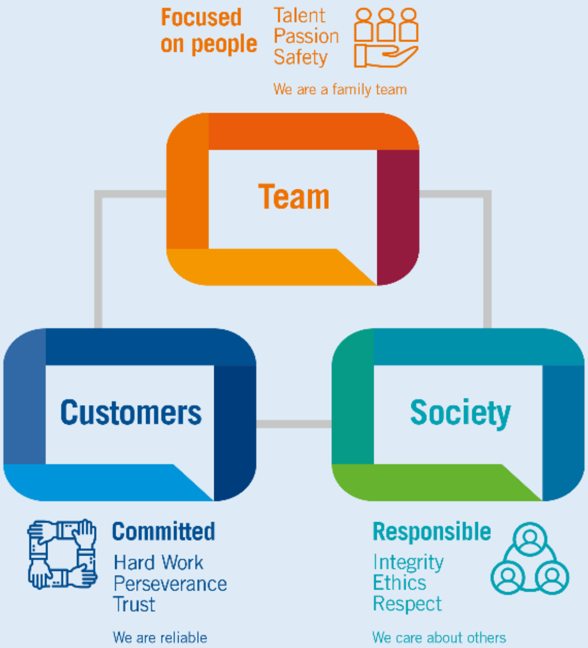
We place engineering and technology at the service of people.

Vision

A global enterprise whose purpose is developed through a people-centric business model and that believes in generating shared value and sustainability.

Efficiency, diversification and robustness are our levers for growth and expansion.

Values



From its beginnings more than 65 years ago, the Elecnor Group has remained unwaveringly committed to implementing the highest ethical standards in the course of its activities, a commitment that is the embodiment of its business culture and philosophy and the abovementioned solid values upon which its way of conducting business and relating to the environment is based. This has earned it a national and international prestige that allows it to develop projects around the world for public and private customers of the highest level.

This commitment to ethical behaviour and doing the right thing is not optional. No specific business circumstance may ever justify acting unlawfully or behaving in a manner that is contrary to its ethical values and standards. Everyone at the Elecnor Group must accept and foster the values and principles laid out in its Code of Ethics and Conduct. The Elecnor Group takes a zero tolerance approach to malpractice in connection with ethics and integrity.

The Elecnor Group's Code of Ethics and Conduct (hereinafter, the Code of Ethics) is the cornerstone of its ethical and compliance culture and is designed to serve as a guide for the personal and professional behaviour of everyone belonging to the organisation, as well as the rest of persons and companies collaborating and having relations with the Group in the course of its activities.

The Code of Ethics and the other policies that develop it, such as the Anti-Corruption Policy, the Competition Law Policy and the Human Rights Policy, among others, are applicable to all its directors, managers and employees (hereinafter, employees) and to all persons and companies that collaborate with and relate to the Elecnor Group in the course of its activities, such as suppliers, subcontractors, consultants or advisors, partners and collaborators in general (hereinafter, business partners), as well as to all countries in which the Elecnor Group and its subsidiaries and investee companies operate and, therefore, to all organisations forming part of the Elecnor Group, with the due adaptations based on the legislative or socio-economic singularities existing in those other countries.

The content of the Code of Ethics is structured in two large blocks, which develop the behavioural guidelines that all Elecnor Group employees and any third party that establishes commercial relations with the Elecnor Group must assume and respect:

A motivating, safe and fair working environment	Integrity in the performance of our activities and our relations with third parties
• Motivating environment • Health and safety in the workplace • A harassment-free environment • Equal opportunities and non-discrimination • Protecting our assets and data • Personal data protection and privacy	• Legal compliance • Combating bribery and corruption • Upholding free competition • Respect for Human Rights • Sustainable business model and environmental protection • Transparency, accuracy and completeness of information • Conflicts of interest • Impartiality • Confidentiality and prohibition of insider trading

The Code of Ethics and other related policies, which are duly approved by the Board of Directors, are available on the Elecnor Group's website and on the internal communication channels available to employees.

To ensure that these policies and the main risks related to integrity and compliance are adequately known and understood by its employees, the Group promotes different initiatives, such as regular compliance training sessions, the publication of a brochure summarising the main messages and elements underpinning the Compliance System ("Compliance at a glance"), the sharing of "compliance pills" or regular internal communications at various internal meetings.

Periodically, the Elecnor Group designs and develops campaigns aimed at obtaining formal confirmation from its employees that they are aware of its compliance policies and procedures and are fully committed to carrying out their responsibilities in accordance with the Group's principles and values. In addition, employment contracts include a specific clause for employees to confirm that they are aware of the Elecnor Group's Code of Ethics and Conduct and other related policies and that they undertake to behave in accordance with the aforementioned principles and values.

Likewise, the Elecnor Group is firmly committed to disseminating its principles and values throughout its value chain. This objective is achieved mainly through the following actions and procedures:

- As mentioned above, all the key documents and policies of the Elecnor Group's Compliance System are available on the website.
- Third parties with whom we have commercial relations as part of our chain of activities are obliged to formally declare their commitment to complying with the principles and values of the Elecnor Group by signing the Code of Ethics and Conduct for Business Partners and/or the Elecnor Group's general procurement conditions and the general terms and conditions of business, which include a specific clause on "integrity and regulatory compliance".

- Based on the general (and specific) compliance risk analysis conducted, various third parties, such as potential business partners to be brought in for project development, commercial and business advisors, or certain suppliers, must complete the corresponding "Compliance Questionnaire" as part of the due diligence process.

- As with the general procurement conditions and the general terms and conditions of business, the standard templates for third-party contracts, which serve as the basis for their preparation, include a specific "Integrity and Compliance" clause.

- The Elecnor Group's annual Integrated Report and other public information highlight its commitment to carry out its activity according to the highest ethical standards and to demand a similar commitment from the third parties with which it establishes business relations.

- At the end of 2019, the IE Foundation (IE Business School) and the Elecnor Foundation signed an agreement to launch the "*IE-Elecnor Observatory on Sustainable Compliance Cultures*", an initiative whose main objective is to analyse the degree of development and adoption of a culture of sustainable compliance in small and medium-sized companies in order to fully understand the reality of their challenges, study possible solutions and disseminate the knowledge generated.

Elecnor Group management leads the communication of the main initiatives in the field of integrity and regulatory compliance, such as calls for training sessions or other internal communications in this area. In addition, the Group's commitment to compliance is highlighted by its Chairman and Chief Executive Officer in the Group's main publications, such as its annual Integrated Report or the Code of Ethics and Conduct.

Although the Elecnor Group does not systematically evaluate its corporate culture, it does develop certain initiatives that help improve Management's perception of the extent to which this corporate culture is effectively consolidated among its employees. Some of these initiatives include regular meetings between employees to reinforce the corporate culture (team building).

G1-3: Prevention and detection of corruption and bribery

Committed against bribery and corruption

Corruption and bribery hamper economic growth, undermine democracy and jeopardise social justice and the Rule of Law, severely damaging the economy and society, and often facilitating the operations of organised crime.

The Elecnor Group's Compliance System is its main tool to combat corruption and bribery.

As with the other areas included in the scope of the Elecnor Group's Compliance System, the management of risks related to corruption and bribery is based on their proper identification and assessment. In particular, and with regard to this area, the Elecnor Group gives special importance to tender processes, to those related to managing claims or collection procedures (for instance, with customers), and those related to administrative procedures or claims before public entities or the courts, in addition to others, whether these processes are undertaken exclusively by the Group's own employees or with the support of third parties.

Both the Elecnor Group's Code of Ethics and Conduct and the Compliance Policy establish that, under no circumstances shall the employees of the Elecnor Group and its partners resort to unethical practices that could be construed as being conducive to a lack of impartiality, transparency and integrity in the decisions of any third party with whom they have dealings, whether they belong to the public sector (authorities, civil servants or persons involved in the performance of public duties) or the private sector.

In order to reaffirm, reinforce and encourage the Elecnor Group's commitment and develop the behaviour expected of its employees to promote the fight against bribery and corruption and to ensure compliance with all laws and other anti-bribery and anti-corruption regulations as well as with the recommendations of international bodies in this area such as the OECD and the United Nations, in 2021 the Board of Directors approved the Elecnor Group's Anti-Corruption Policy.

In particular, and in accordance with this Policy, the Elecnor Group strictly prohibits:

- Offering, promising or granting, directly or indirectly, bribes to any third party, whether in the public or private sector.
- Offering, promising or granting, directly or indirectly, facilitation payments to commence or facilitate administrative processes or procedures.
- Offering, promising or granting, directly or indirectly, gifts, presents or courtesies to any third party who breaches the provisions of the Elecnor Group's Policy on Gifts, Presents and Courtesies.
- Offering, promising or performing, directly or indirectly and on behalf of the Elecnor Group, contributions for political purposes.
- Using sponsorships or donations as a means of obtaining favourable treatment.
- Requesting, accepting or receiving any kind of unwarranted benefit or advantage with a view to unduly favouring a third party in the acquisition or sale of products, contracting of services and any other commercial or business dealings.
- Establishing business relationships with third parties without complying with the duty of minimum due diligence in getting to know them.

In order to promote respect for these guiding principles by its employees and partners, the Elecnor Group is firmly committed to:

- Acting and requiring others to act at all times in accordance with the provisions of the applicable legislation on combating bribery and corruption, its Anti-Corruption Policy and the rest of regulations, policies and complementary internal procedures, applying, where necessary, the applicable disciplinary framework, in accordance with labour regulations and collective bargaining agreements in force, in the event of non-compliance in this sphere.
- Disseminating the organisation's commitment to strict compliance with legislation, in particular in combating bribery and corruption, among both its employees and its partners.
- Disseminating among its employees, by means of suitable communication and training programmes, the importance of discharging their duties and responsibilities in accordance with the highest ethical standards and in strict compliance with the law.
- Providing Elecnor Group employees the necessary knowledge and tools to detect, prevent and properly manage any situations that may lead to a breach of the law or that may contravene the principles and values of the Elecnor Group and the Anti-Corruption Policy.
- Encouraging and requiring its partners to have the utmost respect for the principles and values of the Elecnor Group.
- Making available to its employees proper communication channels to enable them to convey any queries they may have in connection with the Anti-Corruption Policy and to fulfil their duty to report and inform of any irregular conduct of which they are aware or which they suspect.

The Elecnor Group carries out various actions to share and disseminate this anti-corruption and bribery commitment among its employees and third parties, such as public communications and statements, the design of a specific section on the website, and specific "compliance pills" shared in various internal meetings, among others, in addition to the training activities that are periodically designed and implemented.

During 2024, there were no breaches of anti-corruption and anti-bribery laws and no convictions or fines for violations of this nature.

Compliance System

With a view to preventing and adequately managing the compliance-associated risks, including, as already mentioned, risks related to corruption and bribery, the Elecnor Group has a fully operational Compliance System that is designed and operates according to the best national and international practices and is applicable to all the Group's subsidiaries and employees.

The Compliance System is certified according to the following standards: UNE-ISO 37001 for Anti-Bribery Management Systems, UNE 19601 for Criminal Compliance Management Systems and UNE 19603 for Compliance Management Systems in free-competition matters.

Certification to UNE-ISO 37001 anti-bribery management systems standard

This is the most updated and stringent international standard on anti-bribery management systems and the adoption of compliance protocols in general.

Certification to UNE 19601 criminal compliance management system standard

A national standard based on the requirements of UNE-ISO 37001. This standard establishes the requirements to implement, maintain and continuously improve the criminal compliance management system in order to prevent crimes being committed inside the organisation and to reduce criminal risk by fostering a culture of ethical behaviour and compliance.

Certification to UNE 19603 compliance management system in free competition matters standard

National standard that establishes the requirements and guidelines for developing an effective free competition compliance management system in organisations that is aligned with applicable legislation and national and international best practices in this area.

The main elements of the Compliance System

The Compliance System of the Elecnor Group is based on and structured using the appropriate identification of compliance risks and the controls established or necessary to ensure their correct management.

To identify these risks, the Group first analyses situations in which legal entities may be criminally liable for certain offences committed by their employees or by certain related parties, pursuant to the provisions of the Spanish Criminal Code in force and equivalent local regulations.

Similarly, for each of these situations, the main areas in which the organisation may be exposed to them are identified, with the Group conducting impact and probability analyses in order to establish the degree of criticality associated with each of these areas of exposure, which facilitates the appropriate design of the corresponding procedures and controls and the effective allocation of resources for their management. With a view to reducing the Group's exposure to such risks and areas to an acceptable level, the Elecnor Group has specific controls, such as:

- The publication and dissemination of the Code of Ethics and Conduct and the Compliance, Anti-Corruption, Antitrust and Human Rights Policies, among others.
- Specific training on compliance matters.
- Ethics Channel.
- Establishment of procedures in relation to procurement and supply chain compliance risk management, payment management, comprehensive management of large projects, and the establishment of joint ventures/consortia...
- Mandatory models of contracts with subcontractors and of collaboration agreements for joint tendering.
- Centralised management and control of powers of attorney.
- Different corporate policies.
- Structured and homogeneous selection and recruitment process.
- Supplier evaluation system, among others.

All these procedures and controls can be classified as financial and non-financial. The latter includes certain due diligence procedures, both in relation to Group employees and third parties.

With regard to employees, the main due diligence measures planned involve the design of the personnel recruitment process and compliance training and awareness-raising activities. Similarly, the Elecnor Group has a well-defined structure of powers and responsibilities.

In order to ensure that these due diligence measures are adequately designed and applied to those employees who are particularly exposed to risks related to regulatory compliance, the Compliance function regularly analyses the degree of exposure of its professionals to the main risks of this nature, such as those related to corruption and bribery, money laundering and the financing of terrorism, non-compliance with antitrust regulations or the violation of human rights, among others. The following criteria are taken into consideration to identify this group:

- Employees with Management functions, who will generally have powers and/or duties, in accordance with the established power structure, that may result in commitments being made by the organisation or involve the commitment of resources and who are subject to a level of general supervision.
- Other employees who, without having these powers, belong to departments and areas of special exposure or relevance in the area of regulatory compliance, provided that they have a sufficient level and autonomy in the performance of their duties.

In accordance with these criteria, the categories or positions particularly exposed to compliance risks are listed below:

- Members of the Management Committee.
- Heads of production branches.
- Heads of departments or support areas (commercial, bids, legal advice, administration, purchasing, human resources, IT and technology, finance and treasury, tax and management control, among others), both at corporate level and at the level of the different business units or organisations.

With regard to the third parties with which the Group has relations (business partners), the corresponding due diligence measures are devised according to the assessment of the risk associated with each of them. Thus, at present, the main due diligence measures with third parties are intended for possible partners with whom collaboration agreements, temporary business associations or joint ventures are signed, for consultants of a commercial nature, business development and for subcontractors.

The Compliance organisation or function, led by the Chief Compliance Officer with the support of the Compliance Committee, is responsible for supervising, monitoring and controlling compliance with integrity and regulatory compliance obligations and for ensuring the proper design, implementation and operation of the Elecnor Group's Compliance System in the different areas in which it is structured (prevention, response, reporting and monitoring). Specifically, and in general terms, the Compliance Committee is the body in charge of leading the process of identifying and assessing compliance risks, as well as guaranteeing, through its actions, compliance with the objectives established in the different areas in which this system is structured.

The Compliance Committee, which functionally reports to the Audit Committee, currently comprises the Chief Compliance Officer and eight other members representing the areas of corporate services, human resources and the different business divisions of the Group, through the corresponding legal counsel areas.

The main actions that guarantee the ongoing improvement and correct operation of the Compliance System are as follows:

- Establishing on an annual basis and conducting ongoing monitoring on compliance goals, which are reported to and approved by the Audit Committee.
- Regularly reporting to the Audit Committee on any aspect or matter related to compliance (ongoing projects, initiatives, etc.).
- Designing, developing and deploying the annual compliance and awareness training plan.

- Operating the ethics channel and regularly reporting to the Audit Committee regarding the communications received and, where applicable, the investigations in progress and the conclusions reached.
- Conducting an ongoing review and audit of identified key controls related to compliance risks.
- Two annual external audits of the Compliance System conducted by two different audit/consultancy firms.

The Compliance Committee compiles an Annual Report describing the main actions conducted during the year in the spheres of prevention and monitoring of and response to compliance risks, which is submitted to the Audit Committee and the Management to help them in their duties of supervision of the System.

The Board of Directors, through the Audit Committee, is responsible for supervising the effective implementation of the Compliance System. To this end, the Audit Committee meets regularly with the Chief Compliance Officer in order to adequately monitor the annual Compliance objectives, to be permanently informed of regulatory developments and best practices in this area and to be informed as soon as possible of any incidents that may have occurred in the area of integrity and regulatory compliance. In particular, the main tasks carried out by the Audit Committee in this area are as follows:

- Reviewing and approving the Annual Compliance Report.
- Approval and regular monitoring of compliance objectives.
- Monitoring the main Compliance risks to which the Group is exposed.
- Follow-up of the main initiatives and training actions in the area of compliance.
- Follow-up of Ethics Channel activity.

The members of the Audit Committee and the Board have extensive experience in different management areas and business sectors, as well as in-depth knowledge of the Elecnor Group's activity and the risks to which it is exposed, both of a financial and non-financial nature. Their regular interaction with the Chief Compliance Officer and the training sessions they receive on different issues related to corporate governance, the risks and procedures established in the Group and the main regulatory developments, enable them to be permanently updated and trained to adequately perform their responsibilities in the area of regulatory compliance.

In the chapter on ESRS 2 of this report, it has been explained how the Elecnor Group describes the processes for terminating and assessing material incidents, risks and opportunities.

Integrity and Regulatory Compliance Internal Reporting System

The Elecnor Group believes that, in order for a solid corporate culture of integrity and compliance to exist and be present in the daily decision-making process, it is essential to create an environment and conditions in which all people feel motivated and confident to share their opinions, doubts or concerns regarding any situation they may encounter or witness in the context of their relationship with the Elecnor Group.

In order to facilitate this consultation and communication process, the Elecnor Group has set up an Integrity and Regulatory Compliance Internal Reporting System (as part of the Group's Compliance System), which is designed and operates in accordance with the principles of action and commitments assumed by Elecnor itself, set out in the Policy of the Elecnor Group's Integrity and Regulatory Compliance Internal Reporting System.

In particular, and in accordance with this policy, the Elecnor Group embraces, among others, the following principles of action and commitments in order to ensure the proper functioning of this System and to guarantee the rights of the persons involved and affected by the communications that may occur within it:

- To give adequate publicity, disclosure and visibility to the internal communication channels set up, in particular the Elecnor Group's Ethics Channel, and promote their access and use, providing appropriate and readily available information on their operation both on the corporate website and through any other means deemed effective.
- To protect against any type of retaliation against persons who, in good faith, use these channels to report irregular conduct or conduct contrary to the principles and values of the Elecnor Group or applicable legislation (hereinafter, whistleblowers).
- To guarantee the confidentiality of the identity of the whistleblowers and of any third parties mentioned in the communications, of the facts described therein and of the actions taken to manage and process them.
- Allow anonymous communications.
- To guarantee the rights of the persons to whom the communications refer. In particular, their right to be presumed innocent and to have their honour respected, to be defended and to have access to the file under the conditions laid down in the internal procedure for implementing this Policy, as well as the same protection afforded to whistleblowers, preserving their identity and guaranteeing the confidentiality of the facts and data of the proceedings.
- To allocate the necessary resources and guarantee due independence and autonomy in the management of the Integrity and Regulatory Compliance Internal Reporting System to ensure its proper functioning and the proper management and processing of any investigations that may be launched as a result of the communications received.

Without prejudice to other mechanisms and communication channels that may be used by interested parties for the same purpose, since 2011 the Elecnor Group's Ethics Channel has been the main confidential communication channel through which its professionals and/or third parties with a legitimate interest may, in good faith, communicate and report any irregular behaviour or conduct contrary to applicable legislation or to the provisions established in its Code of Conduct and Ethics, the regulations on which it is based and the policies and procedures that implement it, as well as express any doubts in this regard or propose improvements to the existing internal control systems. All Elecnor Group professionals are obliged to immediately report any irregular practice or unlawful or unethical conduct of which they become apprised or which they witness.

Access to this channel can be obtained through the following email address codigoetico@elecnor.com or from apartado de correos (P.O. Box) no. 77-48008 (Bilbao, Vizcaya - Spain) (FAO: "Ethics Channel"). The Elecnor Group's website includes direct access to the Ethics Channel and to the aforementioned policy and procedure that develops it.

Communications received through this channel are analysed and processed in accordance with the provisions of the Elecnor Group's Procedure for managing communications received through the Ethics Channel, which establishes the guidelines for action with respect to the receipt, registration of communications and analysis and decision on their admission and the process of investigation, resolution, closure of the investigation and adoption of disciplinary or contractual measures, where appropriate.

The Board of Directors is responsible for implementing the basics of the system by approving the aforementioned policy and procedure, and the Audit Committee is responsible for its effective implementation and for monitoring and overseeing its proper operation.

The System Manager of the Integrity and Regulatory Compliance Internal Reporting System, who reports functionally to the Audit Committee, is responsible for the diligent management of the system in accordance with the provisions of this procedure. The appointment, dismissal or removal of the System Manager will be the responsibility of the Board of Directors, which will ensure, through its Audit Committee, that the System Manager has the necessary resources, independence and autonomy to ensure the proper operation of the System and the proper management and processing of any procedures that may be initiated as a result of the reports received. The System Manager reports regularly to the Audit Committee on the performance of this system and on the nature and processing of the communications received through it.

As already mentioned, the Elecnor Group will not tolerate retaliation against anyone who, in good faith, uses the channels and procedures established to report potential misconduct. If the System Manager determines that the whistleblower is entitled to appropriate protection against retaliation simply by virtue of their status, he will inform the organisation's human resources Manager and the identified members of management so that appropriate measures can be taken to prevent and avoid possible retaliation, always ensuring the utmost confidentiality.

The Integrity and Regulatory Compliance Internal Reporting System is designed in accordance with the provisions of Law 2/2023 of 20 February, regulating the protection of persons who report regulatory infringements and the fight against corruption, which represents the transposition into Spanish law of Directive (EU) 2019/1937 of 23 October 2019 of the European Parliament and of the Council on the protection of persons who report breaches of Union law.

In addition to this internal reporting system, the organisation has various mechanisms through which it can identify potentially irregular, inappropriate or unlawful conduct or actions, such as periodic reviews of its procedures and controls and of transactions carried out in the course of its activities. Any investigations that may be initiated in response to indications or suspicions that any conduct or action of this nature may have been committed and that have been identified through means other than the Elecnor Group's Ethics Channel, will be carried out in accordance with the same principles and procedures that govern the Integrity and Regulatory Compliance Internal Reporting System.

Training

Compliance training is designed, planned and executed by the Compliance area within the framework of the establishment and development of the function's annual objectives. The target group of the training and the content and format of the different sessions planned are defined according to the periodic risk analysis carried out by the Compliance function. In addition, since mid-April 2021, all new employees (Structure staff) in Spain must complete and pass specific Compliance training during their onboarding process.

Compliance training in the Elecnor Group has so far been designed to explain what regulatory compliance is and why it is a key strategic objective for the Elecnor Group, as well as to facilitate understanding of the main elements of its Compliance System (main documents and policies, risks, organisation, hierarchical lines and main procedures and controls, etc.). The Elecnor Group's Compliance System covers different types of compliance risks and criminal offences, which is why these training sessions include a global and joint review of these risks.

In any case, the Elecnor Group has begun to design training materials on more specific areas of regulatory compliance. In particular, from 2021-2023, the Elecnor Group designed and carried out, with the support of an external consultant, different training sessions on competition law aimed at both first- and second-level management staff belonging to both the production and support areas, and other staff belonging to areas with exposure to risks of this nature (around 550 employees have been trained on this specific subject).

The Elecnor Group is currently working with an external advisor on the design and development of a long-term compliance training plan that will allow for better planning of this training and greater effectiveness and efficiency. In particular, specific training material on corruption and bribery was designed during 2024, which, in order to ensure better use of the training provided based on this material, has an interactive and audiovisual format. Work is also underway to convert the material already developed in previous years on free competition into the same format. Specific training based on these materials is planned for 2025.

Below are details of the number of employees who were part of the Group’s workforce at the end of 2024 and who have received this kind of training in the last 3 years (since the end of 2021), broken down by professional category:

Professional category	2024	2023	2022
Management	6	4	8
Executive	23	64	208
Technician	563	376	310
Total (*) (**)	592	444	526

(*) Compliance training is intended for structure staff. Works staff, given their lower exposure to Compliance risk, are not included in these specific training plans.

(**) Includes a total of 502 employees in 2024 (385 in 2023 and 287 in 2022), mainly included in the professional category "Technician" who have joined the Elecnor Group in each one of these years and who have received specific training on compliance as part of the on boarding phase training.

During 2024, in addition to other initiatives developed by the Group's various organisations and subsidiaries, the following training activities were carried out:

- A total of 26 people, belonging to the Legal Counsel area, received a specific training session on competition law, which was given by an external professional of recognised standing.
- In addition, training sessions on the main aspects to be considered in relation to integrity and regulatory compliance were given to 38 people working in Chile and to another 24 employees belonging to the Southern Business Division.
- Lastly, a total of 502 new employees have completed during the onboarding phase the specific training in compliance through the corresponding digital platform, training which is compulsory for Structure staff joining any of the organisations domiciled in Spain.

Actions and objectives and action plans for improving the Compliance System

As mentioned above, the Compliance System of the Elecnor Group is subjected to an ongoing improvement process to guarantee the adequate management of the risks identified in terms of prevention and detection, correction and monitoring, which, among other matters, encompasses the implementation and/or review and ongoing improvement of its procedures and controls.

To this end, the Compliance Committee proposes to the Audit Committee its annual objectives and action plans to improve the System, which, after due approval by the latter, form the basis of this process.

Below is a description of the main actions carried out during 2024 as well as the planned objectives for 2025:

Main actions in 2024

- Obtaining certification for the Elecnor Group's Competition Compliance System under the UNE 19603 standard for Free-Competition Compliance Management Systems.
- Review and update of the Code of Ethics and Conduct and the policies on Compliance, Anti-Corruption, Antitrust and Human Rights, among others.
- Continuing the process of rolling out improvements in compliance risk management and due diligence procedures in relation to third parties (mainly partners, suppliers and subcontractors).
- Development of specific training material on corruption and bribery in interactive and audiovisual format, conversion to the same format of the training material developed in previous years in relation to the area of free competition and design of the corresponding training actions to be developed in 2025.

- Updated Compliance training materials supporting the training of new Structure staff in Spain during the onboarding phase and implementation of the new module starting 1 January 2025.
- Completion of the project to review the maturity level of the Free-Competition Compliance System by an external consultant in the second half of 2023 and implementation of the identified improvement opportunities.
- Consolidation of the procedure for the authorisation and monitoring of participation in associations, especially those of a sectoral nature.
- Completion of the project to diagnose and improve the processes, procedures and controls in place for risk management in the area of international sanctions and export controls carried out in collaboration with an external consultant during the second half of 2023 and development of a specific policy on international sanctions and export controls (pending approval by the Board of Directors).
- Improving the system for managing risks related to the protection and defence of human rights.
- Integration of the management of risks associated with workplace and sexual harassment in the Compliance System.
- Continuation of the consolidation and improvement of the Compliance System at the various subsidiaries and organisations belonging to the Group, in accordance with the Compliance System Rollout Plan.
- Execution of the work plan of the IE-Elecnor Observatory on Sustainable Compliance Cultures, of the Elecnor Foundation, highlighting the preparation of the study "Do ESG strategies create value for firms? A study of businesses with purpose and their "substantive ESG-strategies", the recording and publication of new video podcasts ("Compliance Matters: We care about a sustainable future") with various personalities from the business, academic and judicial worlds, to discuss various aspects related to business ethics, compliance, sustainability and organisational culture, and the continuous improvement of the Observatory's website content (articles written by compliance experts, "Compliance Pills", etc.).

Goals in 2025

In 2025, the work of the Elecnor Group will be continued in relation to the following goals in terms of Compliance, among others:

- Finalising the roll-out process in different organisations of the enhancements developed and implemented in 2022 and 2023 in relation to compliance risk analysis and third-party due diligence procedures.
- Development and implementation of specific training actions in the area of corruption and bribery based on the training materials developed in 2024.
- Design of the long-term compliance training plan and improved monitoring of use of the onboarding training.
- Improving the systematic approach to the design, development and implementation of awareness-raising initiatives in the field of compliance.
- Review of the design and content of the sections related to regulatory compliance on the website and corporate intranet Buenos días.
- Implementation of the improvement opportunities identified in 2024 in relation to the processes, procedures and controls in place for risk management in the area of international sanctions and export controls, and implementation of the training activities planned in this area.
- Consolidation of the improvements identified in 2024 for the management of risks related to the defence and protection of Human Rights.

- Consolidation of the use of the digital GRC solution (Governance, Risk and Compliance) implemented in 2024 for the management of the Compliance System (assessment of risks and controls, documentation of evidence of effectiveness on identified controls and management of action plans).
- Continuation of the consolidation and improvement of the Group's Compliance System at the various subsidiaries in accordance with the "Compliance System Rollout Plan".
- Development and implementation of the scheduled activities of the *IE-Elecnor Observatory on Sustainable Compliance Cultures*.

On the other hand, the Elecnor Group uses certain indicators (KPIs) to conduct better monitoring on the correct operation and performance of its Compliance System. The key indicators are concentrated on aspects such as training or awareness-raising, the scope of the review of procedures and controls, the activity of the Ethics Channel and the management of compliance risk associated with third parties. The Group also uses certain indicators with respect to the main compliance risks identified.

Committed to upholding competition law

The Elecnor Group seeks to compete effectively in all the countries in which it operates, within the legal framework and without the risk of violating competition law.

Under no circumstances shall the Elecnor Group and/or its employees undertake any isolated or concerted initiative that violates antitrust law, a principle that is also applicable to any natural or legal person with whom the Group establishes a business relationship. In particular, and as established in its Antitrust Policy, approved by the Board of Directors in 2021, the Elecnor Group strictly prohibits:

- Entering into agreements or engaging in concerted or consciously parallel practices between competitors which, by their object or effect, may restrict competition between economic operators (e.g., fixing prices or other trading conditions, sharing markets or customers, limiting or controlling production, etc.).
- Anti-competitive public or private bid rigging, whether through unjustified joint ventures or subcontracting, making offers of cover, accompaniment, courtesy, etc., or any other means.
- Accepting or implementing collective recommendations or decisions issued or adopted by associations that could restrict competition between economic operators.
- Exchanging commercially sensitive information with competitors or third parties, including individual and disaggregated data on strategic variables such as current or future prices, discounts, quantities or present and future sales volumes.
- Carrying out actions that could constitute abuse of a dominant position by means, among others, of setting unfair or discriminatory prices or commercial conditions, or unwarranted refusal or restriction of supply.
- Engaging in acts of unfair competition which, due to affecting the public interest, could potentially affect the general interest (for example, acts of fraud and deliberate misleading, aggressive practices, selling at a loss, breach of secrecy, unlawful advertising, etc.).

In order to promote respect for these principles of action by its employees and business partners, the Elecnor Group is firmly committed to disseminating its commitments and requirements in this area, to training and to establishing appropriate communication channels with its employees and other interested third parties.

Likewise, and particularly with regard to this area, the Elecnor Group is committed to ensuring the utmost diligence in the context of public procurement, avoiding any type of irregularity that could be interpreted by the competent authorities as a manipulation of the procedure and to collaborating with official bodies, such as the Spanish National Commission on Markets and Competition (CNMC) and other competition authorities.

In order to prevent, detect and adequately manage any risk relating to competition to which the organisation might be exposed, the Elecnor Group has set up an antitrust compliance system (integrated in the Group's overall Compliance System), fully effective and subject to a continuous review and improvement process to ensure its proper operability and its alignment with the best practices in the matter. This system is certified to the UNE 19603 free-competition compliance management system standard.

Appendix I. Index of disclosure requirements

IRO-2: Disclosure requirements in ESRS covered by the undertaking's sustainability statement

The following table details all material disclosure requirements from the result of the 2024 dual materiality analysis. The Elecnor Group has not reported the disclosure requirements of topical standards E2, E3 and S4, because no material issues were considered according to the process described in the previous section IRO-1. These topical standards were not considered material mainly because of the following:

- **E2 - Pollution:** although the activities carried out by the Elecnor Group could result in a very specific environmental pollution incident episode, its probability of occurrence is very low. Furthermore, thanks to the environmental impact studies and declarations of the projects, as well as the Group's Environmental Management System, certified in accordance with international standard ISO 14001, this standard is not material.
- **E3 - Water and marine resources:** in the activities carried out by the Elecnor Group, water consumption is not permanent nor is it in large quantities. Furthermore, the Group does not extract or use marine resources. However, although this standard is not material, the Elecnor Group monitors and manages this aspect as part of its commitment to sustainability and its scope 3 carbon footprint reduction.
- **S4 - Consumers and end-users:** Because of the types of activities carried out by the Elecnor Group, all of its customers are companies and public and private organisations. This applies both to the company's own operations and its value chain. In this regard, the S4 standard is oriented towards the individual as a consumer and end user, and is not material for the Group.

Index of material disclosure requirements

IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	55
IRO-2: Disclosure requirements in ESRS covered by the undertaking's sustainability statement	204
MDR-P: Policies adopted to manage material sustainability matters	69, 87, 112, 117, 130, 157, 168, 178, 189
MDR-A: Actions and resources in relation to material sustainability matters	69, 94, 113, 121, 138, 145, 150, 152, 154, 158, 171, 183, 200
MDR-M: Metrics in relation to material sustainability matters	69, 91, 112, 119, 141, 148, 151, 152, 155, 163, 172, 188
MDR-T: Tracking effectiveness of policies and actions through targets	69, 91, 112, 119, 141, 148, 151, 152, 155, 163, 172, 188
ESRS E1 - Climate Change	78
GOV-3: Integration of sustainability-related performance in incentive schemes	78
SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	83
IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities	78
E1-1: Transition plan for climate change mitigation	88
E1-2: Policies related to climate change mitigation and adaptation	87
E1-3: Actions and resources in relation to climate change policies	94
E1-4: Targets related to climate change mitigation and adaptation	91
E1-5: Energy consumption and mix	99
E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions	100
E1-7: GHG removals and GHG mitigation projects financed through carbon credits	107
E1-8: Internal carbon pricing	107
ESRS E4 - Biodiversity and ecosystems	108
SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	110
IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	108

ESRS G1 - Business Conduct	189
IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities	189
G1-1: Business conduct policies and corporate culture	189
G1-2: Management of relationships with suppliers	Not material
G1-3: Prevention and detection of corruption and bribery	192
G1-4: Confirmed incidents of corruption or bribery	194
G1-5: Political influence and lobbying activities	Not material
G1-6: Payment practices	Not material

List of disclosure requirements for progressive implementation. Appendix C ESRS 1

The Elecnor Group adheres to Appendix C: List of ESRS 2 phased-in disclosure requirements, which are set out below:

ESRS E1 - Climate Change
E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
ESRS E4 - Biodiversity and ecosystems
E4-6: Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities
ESRS E5 - Resource use and circular economy
E5-6: Anticipated financial effects from resource use and circular economy-related risks and opportunities
ESRS S1 - Own workforce
S1-7: Characteristics of non-employee workers in the undertaking's own workforce
S1-8: Collective bargaining coverage and social dialogue
S1-11: Social protection
S1-12: Persons with disabilities
S1-15: Work-life balance metrics

List of data points included in cross-cutting standards and topical standards derived from other EU legislation

This table, which is part of ESRS 2, illustrates the data points covered in ESRS 2 and in the topical ESRS derived from other EU legislation.

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 13 in Appendix 1, Table 1 Benchmarks Regulation(3): Commission Delegated Regulation (EU) 2020/1816(5), Annex II	Material	GOV-1: The role of governing, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21(e)	Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II	Material	GOV-1: The role of governing, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 10 in Appendix 1, Table 3	Material	GOV-4: Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 4 in Appendix 1, Table 1 Pillar 3 reference (2): Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453(6), table 1: Qualitative information on environmental risk and table 2: Qualitative information on social risk Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II	Material	SBM-1: Strategy, business model and value chain
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 9 in Appendix 1, Table 2 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II	Material	SBM-1: Strategy, business model and value chain
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 14 in Appendix 1, Table 1 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	Material	SBM-1: Strategy, business model and value chain
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	Material	SBM-1: Strategy, business model and value chain
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	European Climate Legislation(4): Regulation (EU)2021/1119, Article 2(1)	Material	E1-1: Transition plan for climate change mitigation

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Pillar 3 reference [(2)]: Article 449(a) of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking portfolio - Climate change transition risk: credit ratings of exposures by sector, issues and residual maturity Benchmarks Regulation[(3)]: Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)	Material	E1-1: Transition plan for climate change mitigation
ESRS E1-4 GHG emission reduction targets paragraph 34	Regulation on sustainability disclosures in the financial services sector[(1)]: Indicator no. 4 in Appendix 1, Table 2 Pillar 3 reference [(2)]: Article 449(a) of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking portfolio - Climate change-related transition risk: harmonisation metrics Benchmarks Regulation[(3)]: Delegated Regulation (EU) 2020/1818, Article 6	Material	E1-4: Targets related to climate change mitigation and adaptation
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Regulation on sustainability disclosures in the financial services sector[(1)]: Indicator No. 5 in Table 1 and Indicator No. 5 in Table 2 of Appendix 1	Material	E1-5: Energy consumption and mix
ESRS E1-5 Energy consumption and mix paragraph 37	Regulation on sustainability disclosures in the financial services sector[(1)]: Indicator no. 5 in Appendix 1, Table 1	Material	E1-5: Energy consumption and mix
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Regulation on sustainability disclosures in the financial services sector[(1)]: Indicator no. 6 in Appendix 1, Table 1	Material	E1-5: Energy consumption and mix
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions paragraph 44	Regulation on sustainability disclosures in the financial services sector[(1)]: Indicators 1 and 2 in Appendix 1, Table 1 Pillar 3 reference [(2)]: Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking portfolio - Climate change-related transition risk: credit quality of exposures by sector, emissions and residual maturity Benchmarks Regulation [(3)]: Delegated Regulation (EU) 2020/1818, Article 5, paragraph 1, and Articles 6 and 8(1)	Material	E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS E1-6 Gross GHG emission intensity paragraphs 53 to 55	Regulation on sustainability disclosures in the financial services sector[1]: Indicator no. 3 in Appendix 1, Table 1 Pillar 3 reference[2]: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking portfolio - Climate change-related transition risk: harmonisation metrics Benchmarks Regulation [3]: Delegated Regulation (EU) 2020/1818, Article 8(1)	Material	E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56	European Climate Legislation[4]: Regulation (EU)2021/1119, Article 2(1)	Material	E1-7: GHG removals and GHG mitigation projects financed through carbon credits
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Benchmarks Regulation[3]: Delegated Regulation (EU) 2020/1818, Annex II Benchmarks Regulation[3]: Delegated Regulation (EU) 2020/1816, Annex II	Material	The Company adheres to Appendix C: List of ESRS 2 phased-in disclosure requirements.
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) Location of significant assets at material physical risk paragraph 66 (c).	Pillar 3 reference[2]: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5. Banking portfolio. Climate change-related physical risk: exposures subject to physical risk.	Material	The Company adheres to Appendix C: List of ESRS 2 phased-in disclosure requirements.
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Pillar 3 reference[2]: Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; template 2: Banking portfolio - Climate change-related transition risk: loans secured by collateral consisting of real estate - Energy efficiency of collateral.	Material	The Company adheres to Appendix C: List of ESRS 2 phased-in disclosure requirements.
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	Benchmarks Regulation[3]: Delegated Regulation (EU) 2020/1818, Annex II	Material	The Company adheres to Appendix C: List of ESRS 2 phased-in disclosure requirements.
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Regulation on sustainability disclosures in the financial services sector[1]: Indicator No. 8 of Table 1 of Appendix 1, Indicator No. 2 of Table 2 of Appendix 1, Indicator No. 1 of Table 2 of Appendix 1, Indicator No. 3 of Table 2 of Appendix 1	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS E3-1 Water and marine resources paragraph 9	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 7 in Appendix 1, Table 2	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS E3-1 Dedicated policy paragraph 13	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 8 in Appendix 1, Table 2	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS E3-1 Sustainable oceans and seas paragraph 14	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 12 in Appendix 1, Table 2	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 6.2 in Appendix 1, Table 2	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 6.1 in Appendix 1, Table 2	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS 2 - IRO 1 - E4 paragraph 16(a) i	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 7 in Appendix 1, Table 1	Material	IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities
ESRS 2 - IRO 1 - E4 paragraph 16(b)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 10 in Appendix 1, Table 2	Material	IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities
ESRS 2 - IRO 1 - E4 paragraph 16(c)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 14 in Appendix 1, Table 2	Material	IRO-1: Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 11 in Appendix 1, Table 2	Material	E4-2: Policies related to biodiversity and ecosystems
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 12 in Appendix 1, Table 2	Material	E4-2: Policies related to biodiversity and ecosystems

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS E4-2 Policies to address deforestation paragraph 24(d)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 15 in Appendix 1, Table 2	Material	E4-2: Policies related to biodiversity and ecosystems
ESRS E5-5 Non-recycled waste paragraph 37(d)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 13 in Appendix 1, Table 2	Material	E5-5: Resource outflows
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 9 in Appendix 1, Table 1	Material	E5-5: Resource outflows
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 13 in Appendix 1, Table 3	Material	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS 2 - SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 12 in Appendix 1, Table 3	Material	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S1-1 Human rights policy commitments paragraph 20	Regulation on sustainability disclosures in the financial services sector(1): Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Appendix 1	Material	S1-1: Policies related to own workforce
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816 Annex I	Material	S1-1: Policies related to own workforce
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 11 in Appendix 1, Table 3	Material	S1-1: Policies related to own workforce
ESRS S1-1 Workplace accident prevention policies or management system paragraph 23	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 1 in Appendix 1, Table 3	Material	S1-1: Policies related to own workforce
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 5 in Appendix 1, Table 3	Material	S1-3: Processes to remediate negative impacts and channels for own workforce to raise
ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 2 in Appendix 1, Table 3 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816 Annex I	Material	S1-14: Health and safety metrics
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 3 in Appendix 1, Table 3	Material	S1-14: Health and safety metrics

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS S1-16 Unadjusted gender pay gap, paragraph 97(a)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 12 in Appendix 1, Table 1 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II	Material	S1-16: Compensation metrics (pay gap and total compensation)
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 8 in Appendix 1, Table 3	Material	S1-16: Compensation metrics (pay gap and total compensation)
ESRS S1-17 Incidents of discrimination paragraph 103(a)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 7 in Appendix 1, Table 3	Material	S1-17: Incidents, complaints and severe human rights impacts
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Regulation on sustainability disclosures in the financial services sector(1): Indicator No. 10 in Table 1 and Indicator No. 14 in Table 3 of Appendix 1 Benchmarks Regulation (3): Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1	Material	S1-17: Incidents, complaints and severe human rights impacts
ESRS 2 - SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Regulation on sustainability disclosures in the financial services sector(1): Indicators 12 and 13 in Appendix 1, Table 3	Material	SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S2-1 Human rights policy commitments paragraph 17	Regulation on sustainability disclosures in the financial services sector(1): Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Appendix 1	Material	S2-1: Policies related to value chain workers
ESRS S2-1 Policies related to value chain workers paragraph 18	Regulation on sustainability disclosures in the financial services sector(1): Indicators 11 and 4 in Appendix 1, Table 3	Material	S2-1: Policies related to value chain workers
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 10 in Appendix 1, Table 1 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1818, Article 12, paragraph 1	Material	S2-1: Policies related to value chain workers
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II	Material	S2-1: Policies related to value chain workers

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 14 in Appendix 1, Table 3	Material	S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
ESRS S3-1 Human rights policy commitments paragraph 16	Regulation on sustainability disclosures in the financial services sector(1): Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Appendix 1	Material	S3-1: Policies related to affected communities
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 10 in Appendix 1, Table 1 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Art. 12, paragraph 1	Material	S3-1: Policies related to affected communities
ESRS S3-4 Human rights issues and incidents paragraph 36	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 14 in Appendix 1, Table 3	Material	S3-4: Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Regulation on sustainability disclosures in the financial services sector(1): Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Appendix 1	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 17	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 10 in Appendix 1, Table 1	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
	Benchmarks Regulation (3): Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.

Disclosure requirement and context data point	Reference to standards derived from other EU legislation	Material/ Not Material	Section
ESRS S4-4 Human rights issues and incidents paragraph 35	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 14 in Appendix 1, Table 3	Not material	See: IRO-2: Disclosure Requirements in ESRS covered by the undertaking's sustainability statement.
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 15 in Appendix 1, Table 3	Material	G1-1: Business conduct policies and corporate culture
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 6 in Appendix 1, Table 3	Material	G1-1: Business conduct policies and corporate culture
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 17 in Appendix 1, Table 3 Benchmarks Regulation(3): Delegated Regulation (EU) 2020/1816, Annex II	Material	G1-4: Confirmed incidents of corruption or bribery
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Regulation on sustainability disclosures in the financial services sector(1): Indicator no. 16 in Appendix 1, Table 3	Material	G1-4: Confirmed incidents of corruption or bribery

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation, "CRR") (OJ L 176, 27.6.2013, p. 1).

(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

(5) Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

(6) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1).

(7) Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Appendix II. Supplementary information

Profiles of members of the governing, management and supervisory bodies

Jaime Real de Asúa Arteche

President. Proprietary

Member of the Appointments, Remuneration and Sustainability Committee

Degree in Industrial Engineering, specialising in Industrial Organisation, from the ETSII in Bilbao.

He currently holds the position of Vice-Chairman and Coordinating Director of the Board of Directors of Viscofan, S.A. and Chairman of its Appointments, Remuneration and Sustainability Committee. In addition, he is a member of the Committee of Elecnor Servicios y Proyectos, S.A., Vice-Chairman of Cantiles XXI, S.L., and Director of Onchena, S.L.

He is also a member of the Advisory Board of BBVA for northern Spain and of the Círculo de Empresarios. He is also a trustee of Fundación ADEY and a director of Racaz Seis, S.L.

Regarding his professional career, he has been Director of Celeo Concesiones e Inversiones, S.L.U. and of Enerfín Sociedad de Energía, S.L.U. In turn, from 1981 to 2011 he was linked to the Cementos Portland Valderrivas Group, holding various management and board positions in several of its companies.

Ignacio Prado Rey-Baltar

Vice-Chair. Proprietary

Member of the Audit Committee

Member of the Executive Committee

He holds a degree in Economics and Business Administration from the Deusto Business School and has completed the Senior Management Programme (PADE) at the IESE Business School of the University of Navarre.

Currently, he is the natural person representative of the director Maturin, S.A. in the Celulosas Moldeadas, S.A. Group.

Regarding his professional career, he has been Deputy General Manager of Subsidiaries, Director of Domestic Subsidiaries and Director of Human Resources at Elecnor, S.A., and has also been a member of the Technology and New Products Department for Gas and Water and the Gas Branch Office of Elecnor, S.A. He has been Member and Secretary of the Board of Trustees of the Elecnor Foundation, Director of Enerfín Sociedad de Energía, S.L.U. and Director of Celeo Concesiones e Inversiones, S.L.

Furthermore, he has been Administrative Financial Director at Prado Hnos., S.A. and has been a member of the Board of Directors of Cemopol - Celuloses Moldeadas Portuguesas, S.A.

Rafael Martín De Bustamante Vega

Chief Executive Officer. Executive

Member of the Executive Committee

Degree in Physics from the UNED and a graduate of the PADE Programme from the IESE Business School of the University of Navarre (Spain).

He currently holds the position of Joint and Severally Director of Elecnor Servicios y Proyectos, S.A.U. and is a member of the Advisory Board of the Elecnor Foundation.

Regarding his professional career, he has been General Manager of Elecnor, S.A., General Manager of Networks and Installations of Elecnor, S.A., General Manager of Management of Elecnor, S.A., has belonged to the International and National Commercial Management of Elecnor, S.A., has been Director of Celeo Concesiones e Inversiones, S.L., Director of Enerfín Sociedad de Energía, S.L.U. and, lastly, has been President of ADEMI (Association of Industrial Assembly Companies).

Cristóbal González de Aguilar Alonso-Urquijo

Deputy-Secretary. Proprietary

Member of the Executive Committee

He holds a degree in Aeronautical Engineering from the Higher Technical School of Aeronautical Engineers (Escuela Técnica Superior de Ingenieros Aeronáuticos) of the Universidad Politécnica de Madrid, an Upper Level Diploma from The British Institute of Madrid and a Diploma in Business Administration, Business Finance and Stock Market Analysis from CEPADE of the Universidad Politécnica de Madrid. He has also completed the Management Development Programme (PDD) at the IESE Business School of the University of Navarre.

He currently holds the position of Director of Cantiles XXI, S.L.

Regarding his professional career, he has been a director of Celeo Concesiones e Inversiones, S.L., Elecdey, S.L., Enerfín Sociedad de Energía, S.L.U., Managing Director of Ingeniería, Estudios y Proyectos NIP, S.A. and has been a member of the Commercial Department of Ingeniería, Estudios y Proyectos NIP, S.A. and of the Operational Department (Seville Airport), AENA.

Miguel Cervera Earle

Member. Proprietary

Member of the Appointments, Remuneration and Sustainability Committee

Graduate of the Centre for Computer Studies (Centro de Estudios Informáticos) of Madrid, with a master's degree in business programming from SPHNIX, Ltd. (London) and MP - Programme for Directors. Keys to successfully tackling the new challenges facing Boards of Directors, Esade Business School Madrid.

He is currently a Director of María Del Mar Manca, S.L., Director of Clonsila Inversiones, S.L. and of Inversiones Berretin, S.L.

Regarding his professional career, he has been Founder and Manager of Solución Dental, S.L. and Solución Salud S.L., Partner and founder of SMI España Infoclinic and Mirco LTD, as well as Director of Echepolita S.L., of Ingeniería, Estudios y Proyectos NIP, S.A., Director of Celeo Concesiones e Inversiones, S.L. and Deputy Secretary of Enerfín Sociedad de Energía, S.L.U.

Isabel Dutilh Carvajal

Member. Independent

Member of the Audit Committee

Member of the Appointments, Remuneration and Sustainability Committee

Graduate in Law from CEU, Universidad Complutense, she has a Master's Degree in Maritime Business from ICADE. Spanish Maritime Institute, a Master in Maritime Law (LLM), University of Cardiff, Wales and the Leadership in law firms programme, Harvard.

She is currently a founding partner of Argali Abogados, S.L., a firm specialising in mergers and acquisitions, an independent director of Millenium Hospitality Real Estate Socimi and a member of the Appointments and Remuneration Committee and Chair of the Audit Committee, an independent director of Banco de Alcalá, S.A., Chair of the Audit and Supervision Committee and member of the Appointments and Remuneration Committee, as well as Vice-Chair of the Círculo de Empresarios and legal advisor and, lastly, an arbitrator.

Regarding her professional career, she has been Chair of the Audit Committee of Elecnor, S.A.

She has been a founding partner and director of the multidisciplinary business law firm Dutilh Abogados, has been Secretary of the Board of Directors and of the Executive Committee of Prosegur and Secretary of the Board of Directors of several unlisted companies.

Joaquín Gómez de Olea Mendaro

Member. Proprietary

Member of the Executive Committee

Industrial Engineer from Madrid's Industrial Engineering Faculty (Escuela Superior de Ingenieros Industriales de Madrid). (U.P.M.)

Currently, Member of Celeo Concesiones e Inversiones, S.L. and Director and Chairman of the Board of Directors of Cantiles XXI, S.L.

Regarding his professional career, he has been Secretary of the Board of Directors of Elecnor, S.A. and Tubos Reunidos, as well as Member of the Appointments and Remuneration Committee and Chairman of the Audit Committee of Tubos Reunidos. He has also been a Member of the Audit Committee of Tubos Reunidos, non-executive Chairman of Celeo Redes, S.L.U. and Secretary-Director of Enerfín Sociedad de Energía, S.L.U.

Irene Hernández Álvarez

Member. Independent

Member of the Audit Committee

Member of the Appointments, Remuneration and Sustainability Committee

Degree in E-2 Economics and Business Studies at ICADE, obtaining the Extraordinary End of Degree Award, as well as the Second National Economics Award and the VI Carlos Cubillo Valverde Award (1988), sponsored by Price Waterhouse.

She is currently a founding partner of Impulsa Capital, S.L., a company specialising in corporate financial advisory services in the private equity/venture capital segment and Registered Advisor to BME Growth and Listing Sponsor of Euronext Growth, Coordinating Director, Chair of the Appointments, Remuneration and Sustainability Committee; and Member and Secretary of the Audit Committee of Saint Croix Holding Immobilier SOCIMI, S.A. and lastly, Coordinating Director; member of the Executive Committee; Member of the Audit Committee; and Member of the Appointments and Remuneration Committee of Ence Energía y Celulosa, S.A.

Regarding her professional career, she has been Chair of the Audit Committee of Elecnor, S.A. and has worked at J.P. Morgan.

Juan Landecho Sarabia

Member. Proprietary

Degree in Economics and Business Administration from the Universidad Pontificia de Comillas, ICADE 2.

Currently, he is a Director of CANTILES XXI, S.L.

Regarding his professional career, he has been Head of various departments of Elecnor, S.A., of Ingeniería, Estudios y Proyectos NIP, S.A., of Enerfín Sociedad de Energía, S.L.U. and of Celeo Concesiones e Inversiones, S.L., He has been Director of Enerfín Sociedad de Energía, S.L.U. and Celeo Concesiones e Inversiones, S.L. He has also been Director and Vice President of the Club de Exportadores e Inversores, Director and member of the Board Committee of the Asociación de Fabricantes de Bienes de Equipos Sercobe and has belonged to Internacional de Desarrollo Energético, S.A., being responsible for contracting electricity transmission and generation projects and installations abroad. He has also worked at Credit Suisse and Electrowatt Engineering.

Santiago León Domecq

Member. Proprietary

Degree in Law and MBA from the University of Cadiz.

He is currently a Director of Probigraf, S.L., F León Manjón, S.L., Agropecuaria del Trevegil, S.L., as well as Director and Secretary of the Board of Directors of JUVER XXI, S.L. and Director and Chairman of the Board of Directors of Bodegas León Domecq, S.L. He is also sole Director of Saucillo, S.L., Maluza, S.L., Aoban 27, S.L. and of Megaler XXI, S.L.

Regarding his professional career, he has been Director of Ingeniería, Estudios y Proyectos NIP, S.A., Elecdey, S.L., Enerfín Sociedad de Energía, S.L.U., Deimos Space, S.L.U., Elecdey Carcelern, S.L., Elecdey Ascoy, S.A., Europapel, S.A., Graficartón, S.A., Jerez Industrial, S.A., Contiform, S.A., as well as Agent for large assets at Bankinter, Chairman of Volvo Turismos La Raza, Territorial Director of private banking at Banesto, Vice-Chairman of Chase Manhattan Bank and Manager of Manufactures Hanover Trust CO.

Miguel Morenés Giles

Member. Proprietary

Member of the Executive Committee

Member of the Audit Committee

Degree in Political, Economic and Business Sciences, specialising in Business, from the Universidad Complutense de Madrid and Master's Degree in Economics and Business Management (MED) from the IESE Business School of the University of Navarre in Barcelona. He has completed the Senior Management Programme (SMP) at the IESE Business School of the University of Navarre in Barcelona.

He is currently non-executive Chairman of Celeo Concesiones e Inversiones, S.L., Director of Cantiles XXI, S.L., Chairman of the Board of Directors of Fincas Cultivadas, S.L., Director of Acerca Partners, S.L., Director of Kerow Inversiones, S.L., of Inversiones Transitorias con Inmuebles, S.L. and natural person representing Administrador Fincas Cultivadas Agrícola Capdepon, S.L.

Regarding his professional career, he has been Secretary of the Audit Committee of Elecnor, S.A., Director of Enerfín Sociedad de Energía, S.L.U., Chairman and Chief Executive Officer of Freigel Foodsolutions, S.A., Director and Chief Executive Officer of Grupo Agrovic Alimentación, Chairman and Chief Executive Officer of Tinamenor, S.A., Deputy to the Managing Director of Constructora Internacional, S.A., Director of the International Division of Williams & Humbert, S.A., Deputy General Manager and Deputy Director of Garvey, S.A., and provided Strategic Consultancy services for various companies. He has also been a Director of Eguiluz Equipamientos S.L. and Edificios Eguiluz, S.L.

Francisca Ortega Hernández-Agero

Member. Independent

Chair of the Audit Committee

Degree in Economics and Business Studies from CUNEF and MBA, IESE.

Currently, Proprietary Director, member of the Audit and Control Committee and member of the Sustainability Committee of Merlin Properties Socimi, S.A., Director of PBI Gestión Agencia de Valores, S.A., Director and Chairman of the Audit Committee and member of the Appointments and Remuneration Committee of Haizea Investment, S.L. and joint and several Director of Retumba, S.L.

Regarding her professional career, at Banco Santander she has been Head of Global Credit Watch: responsible for the restructuring of Corporate Investment Banking customers in Spain, as well as large Retail Banking customers and coordination of international customers, Head of Acquisition Finance and Head of Monitoring and Control of the Structured Finance Area and Head of Corporate & Investment Banking Risks.

She has also been a member of the Board of Directors, the Audit Committee and the Support Committees of Sareb (Sociedad de Gestión de Activos procedentes de la Reestructuración Bancaria) and a member of the Board and Audit Committee of Metrovacesa, S.A. She has also been a Joint and Several Director of Deva Capital Advisory. Finally, she has been Financial Director and Fund Manager of PBI Gestión Agencia de Valores, S.A. and head of the Risk and Investment Department of Caja Naval de Crédito.

Rafael Prado Aranguren

Member. Proprietary

Degree in Economics and Business Studies from the Universidad de Complutense de Madrid, Business Studies, specialising in Auditing, studies completed entirely at CUNEF and diploma in Qualified Insurance Brokerage.

He is currently a member of the Board of Directors and Secretary of TEAM Ingeniería y Consultoría, S.L. and Territorial Director of the Basque Country PIB Group Iberia.

Regarding his professional career, he has been Secretary of the Board of Directors of Elecnor, S.A., member of the Audit Committee of Elecnor, S.A., Chairman of the Equity Committee of Subsidiaries of Elecnor, S.A. He has also been a member of the Board of Directors of Celeo Concesiones e Inversiones, S.L. and Enerfín Sociedad de Energía, S.L.U. and has held various positions of responsibility in the firms Alexander & Alexander and AON Gil & Carvajal.

He has also been Director and Founding Partner of Servicio y Asesoramiento de Riesgos Empresariales, S.L. (SARE, S.L. Correduría de seguros) and Director and Founding Partner of Sarelan Consultores, S.L.

Emilio Ybarra Aznar

Member. Independent

Chairman of the Appointments, Remuneration and Sustainability Committee

Degree in Law from the Universidad Complutense de Madrid, a certificate in Business Management and Administration from Harvard University and a diploma in the PADE Programme from IESE.

Currently, Director and Vice-Chairman of the Board of Directors of Tubos Reunidos, S.L., founding partner and sole director of The Kemet Corner, S.L. and Director and Chairman of Mezouna, S.L.

Regarding his professional career, he has been Coordinating Director to the Chairman of Elecnor, S.A. and Member of its Audit Committee. He has held various positions of responsibility in the Vocento Group such as General Manager of Communication and Institutional Relations, President of Comercial Multimedia Vocento, Deputy to the Chief Executive Officer and General Manager of Development at Diario ABC, General Manager at Diario El Correo, Bilbao and Diario La Rioja, as well as Marketing Manager at CM XXI and Deputy Commercial Representative at Grupo Correo. He has also worked in the international expansion area of the Prisa Group and has been an Analyst in Corporate Finance at JP Morgan (Madrid, New York and London).

European taxonomy of environmentally sustainable economic activities

In 2020, the European Parliament and the Council of the European Union adopted Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, amending Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (RSFDR) (hereinafter referred to as the *Taxonomy Regulation (TR)*).

The requirements on how and to what extent the activities of companies are associated with economic activities that are deemed environmentally sustainable are specified in Article 8 of the TR which, in its first two paragraphs, states:

1. Any company required to disclose non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU will include in its consolidated non-financial statement information on how and to what extent the activities of the company are associated with economic activities that are deemed to be environmentally sustainable in accordance with Articles 3 and 9 of this Regulation.
2. In particular, non-financial companies will disclose the following information:
   a. The proportion of their turnover that comes from products or services related to economic activities that are deemed environmentally sustainable pursuant to Articles 3 and 9.
   b. The proportion of its capital expenditure and the proportion of its operating expenses related to assets or processes associated with economic activities that are deemed environmentally sustainable pursuant to Articles 3 and 9.

Furthermore, five delegated regulations have been published to implement the TR:

- Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (referred to as the *1st Delegated Act*).
- Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation (referred to as the *2nd Delegated Act*).
- Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards public disclosure of specific information on these economic activities. Specifically, this Delegated Regulation includes technical selection criteria that enable some activities in the fossil gas and nuclear energy sectors to be deemed environmentally sustainable activities (the *3rd Delegated Act*).
- Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Regulation (EU) 2021/2139 by establishing the additional technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (referred to as the *4th Delegated Act*).

- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to the prevention and control of pollution, or to the protection and recovery of biodiversity and ecosystems, and to determine whether such economic activity does not cause significant harm to any of the other environmental objectives, and amending Commission Delegated Regulation (EU) 2021/2178 as regards disclosure of specific public information on these economic activities (referred to as the *5th Delegated Act*).

In this way, the European Taxonomy is set up as a classification system for environmentally sustainable economic activities to assist in informing investors —under a single, official criterion— about which investments are sustainable.

Eligible and ineligible activities

The following tables contain a list of the activities and sub-activities that the Elecnor Group has deemed eligible and ineligible pursuant to the regulations:

			Taxonomy		
Activity	**Sub-activities**	**NACE Code**	**Taxonomy Activity**	**Activity Description**	**Activity Goal and Type**
Electricity	Distribution and transmission networks, substations, transformer stations and live working	3512: Electricity transmission 3513: Electricity distribution	4.9. Transmission and distribution of electricity	Construction and operation of: transmission systems that transport electricity on the very high voltage and high voltage interconnected system; and distribution systems that transport electricity on high, medium and low voltage distribution systems	Mitigation (enabling activity)
Energy efficiency	Street lighting	3312: Machinery repair	7.3. Installation, maintenance and repair of energy-efficient equipment	Individual renovation measures comprising installation, maintenance or repair of energy-efficient equipment	Mitigation (enabling activity)

Activity	Sub-activities	NACE Code	Taxonomy Taxonomy Activity	Activity Description	Activity Goal and Type
Power generation	Wind farms, solar photovoltaic, power generation and self-consumption plants	3511: Wind, hydroelectric and other electricity production 4321: Electrical installations 2711: Manufacture of electric motors, generators and transformers	4.1. Generation of electricity using solar photovoltaic technology 4.3. Electricity generation from wind energy 4.5. Electricity generation from hydropower 4.10. Electricity storage 4.29. Electricity generation from solid gaseous fuels 7.6. Installation, maintenance and repair of renewable energy technologies	Construction and operation of solar photovoltaic (PV), concentrating solar-power, wind, hydro or fossil fuel electricity generation facilities, installation, maintenance and repair of renewable energy technologies, in situ, and manufacturing of renewable energy technologies	4.1, 4.3 and 7.6 Mitigation (direct contribution activity) 4.5 and 4.10 Mitigation (enabling activity) 4.29 Mitigation (transition activity)
Railways	Catenary, traction substations, signalling and interlocking, and communications	4212: Construction of aboveground and underground railway lines 4321: Electrical installations	6.14. Rail transport infrastructure	Construction, modernisation, operation and maintenance of aboveground and underground railways, bridges and tunnels, stations, terminals, railway service facilities, safety and traffic management systems, including the rendering of architectural, engineering, draughting, building inspection, surveying and mapping services, in addition to services performing physical, chemical and other analytical testing of all types of materials and products	Mitigation (enabling activity)

Activity	Sub-activities	NACE Code	Taxonomy Taxonomy Activity	 Activity Description	 Activity Goal and Type
Maintenance	Urban services	3811: Non-hazardous waste collection	5.5. Collection and transport of non-hazardous waste in source-segregated fractions 2.3. Collection and transport of hazardous and non-hazardous waste	Separate collection and transport of non-hazardous waste in individual or mixed fractions to prepare it for reuse or recycling Separate collection and transport of hazardous and non-hazardous waste destined for preparation for re-use or recycling, in particular the construction, operation and upgrading of facilities dedicated to the collection and transport of such waste, such as clean points and waste transfer stations, as a means of recovering materials	Mitigation (direct contribution activity) Transition to a circular economy
Facilities	Electricity and instrumentation, air-conditioning, HVAC, PCI and plumbing and comprehensive installations	4120: Construction of buildings 4321: Electrical installations 4322: Plumbing, heating and air-conditioning systems installations 4531: Electrical installations	7.1. Construction of new buildings 7.2. Renovation of existing buildings 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy efficiency of buildings	Construction of complete residential or non-residential buildings Construction and civil engineering works or preparation of such works Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy efficiency of buildings.	7.1. Mitigation (direct contribution activity) 7.2. Mitigation (transition activity) 7.5. Mitigation (enabling activity)
Construction	Non-residential buildings	4120: Construction of buildings	7.1. Construction of new buildings 7.2. Renovation of existing buildings	Construction of complete residential or non-residential buildings Construction and civil engineering works or preparation of such works	7.1. Mitigation (direct contribution activity) 7.2. Mitigation (transition activity)

Activity	Sub-activities	NACE Code	Taxonomy Taxonomy Activity	 Activity Description	 Activity Goal and Type
Environment and Water	Waterworks, distribution networks and water treatment plants and environmental works	4291: Water works 4299: Construction of other civil engineering projects n.e.c.	5.1. Construction, expansion and operation of water catchment, purification and distribution systems 2.2. Urban wastewater treatment 1.1. Conservation, including the restoration of habitats, ecosystems and species	Construction, expansion and operation of water collection, purification and distribution systems and centralised waste-water systems, including collection (sewerage) and treatment and their renewal Economic activity includes the abstraction of water resources, the treatment necessary to ensure that water quality complies with applicable legislation and the distribution, in pipe networks, to the population and to food business operators. Economic activity does not include irrigation and the abstraction of water resources for desalination of seawater or brackish water Construction, extension, upgrading, operation and renewal of urban waste water infrastructure, including treatment plants, sewerage networks, storm water management structures, connections to wastewater infrastructure, decentralised waste water treatment facilities, such as individual systems and other appropriate systems, as well as treated effluent discharge structures. The activity may include innovative and advanced treatments, including removal of micropollutants.	Mitigation (direct contribution activity) Sustainable use and protection of water and marine resources Protection and restoration of biodiversity and ecosystems

Activity	Sub-activities	NACE Code	Taxonomy: Taxonomy Activity	Taxonomy: Activity Description	Taxonomy: Activity Goal and Type
				Initiation, development, and implementation, on its own account or on a commission or contract basis, conservation activities, such as restoration activities aimed at maintaining or improving the condition and trends of terrestrial, freshwater and marine habitats, ecosystems and related populations of species of fauna and flora. The economic activity includes: a) on-site conservation activities, defined by the Convention on Biological Diversity as the conservation of ecosystems and natural habitats and the maintenance and recovery of viable populations of species in their natural surroundings; (b) recovery activities, defined as activities that actively or passively contribute to the recovery of (i) an ecosystem to or towards good condition, (ii) a habitat type to the highest possible level of condition and its favourable reference area or natural extent, (iii) a habitat of a species to a sufficient quality and quantity, or (iv) populations of species to satisfactory levels. Economic activity does not include off-site conservation of biodiversity components, in particular in botanical gardens, zoos, aquariums or seed banks.	

Furthermore, the following activities of the Elecnor Group are not described in the delegated acts implementing the TR and have therefore been catalogued as ineligible activities:

Activity	Sub-activities	NACE Code
Power generation	Combined cycle thermal power plants and on-line sales of PV solar equipment	3516: Production of conventional thermal electricity 2711: Manufacture of electric motors, generators and transformers
Oil & Gas	Distribution and transmission, infrastructure operations (domestic grid), domestic services and miscellaneous facilities of gas and oil	3522: Distribution of gaseous fuels through pipelines 3523: Trade in gas by pipeline 4950: Pipeline transport 0610: Extraction of crude oil
Telecommunications and systems	Network creation, customer registration, internal plant and equipment, network engineering and maintenance, projects and maintenance of communications, security and automation and control systems, special and unique installations, product engineering and development, smart cities (systems)	2630: Telecommunications equipment manufacturing 4222: Construction of electrical grids and telecommunications networks 6110: Cable telecommunications 6120: Wireless telecommunications 6130: Satellite telecommunications 6190: Other telecommunications activities 8020: Security systems services
Maintenance	Comprehensive maintenance of buildings, electrical and instrumentation, air conditioning, HVAC, plumbing, mechanical, industrial maintenance and maintenance of transport infrastructure and green areas	3314: Repair of electrical equipment 3320: Installation of industrial machinery and equipment 4211: Construction of roads and motorways 4213: Construction of bridges and tunnels 4322: Plumbing, heating and air-conditioning systems installations 8130: Landscaping activities 9104: Activities of botanical gardens, zoos and nature reserves
Facilities	Interior design	7410: Specialised design activities
Construction	Posts and pre-fabricated in glass reinforced polyester	4211: Construction of roads and motorways 4213: Construction of bridges and tunnels 4299: Construction of other civil engineering projects n.e.c. 2361: Manufacture of concrete elements for construction purposes
Space	Space	6190: Other telecommunications activities 8030: Research activities

Proportion of turnover from products or services related to environmentally sustainable economic activities

2023

Economic activities	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
	Codes	Turnover (€ thousand)	Proportion of turnover, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy-eligible turnover (A.2.), 2022	Category of enabling activity	Category of transition activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Generation of electricity using solar photovoltaic technology	CCM 4.1	378,191	9.97%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	13.64%		
Electricity generation from wind energy	CCM 4.3	275,532	7.26%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	10.46%		
Transmission and distribution of electricity	CCM 4.9	1,113,571	29.36%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	26.30%	F	
Electricity storage	CCM 4.10	23,352	0.62%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.00%	F	
Collection and transport of non-hazardous waste in source-segregated fractions	CCM 5.5	3,230	0.09%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.08%		
Rail transport infrastructure	CCM 6.14	218,068	5.75%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	2.56%	F	
Construction of new buildings	CCM 7.1	1,307	0.03%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.06%		
Renovation of existing buildings	CCM 7.2	48,863	1.29%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.36%		T

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	Turnover (€ thousand)	Proportion of turnover, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy-eligible turnover (A.2.), 2022	Category of enabling activity	Category of transition activity
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	2,014	0.05%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	1.81%	F	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	5,520	0.15%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.07%	F	
Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)		2,069,648	54.57%	54.57%	0%	0%	0%	0%	0%	S	S	S	S	S	S	S	55.34%		
Of which: facilitators		1,362,525	35.92%	35.92%	0%	0%	0%	0%	0%	S	S	S	S	S	S	S	30.74%	F	
Of which: transitional		48,863	1.29%	1.29%						S	S	S	S	S	S	S	0.36%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities)																			
Generation of electricity using solar photovoltaic technology	CCM 4.1	7,927	0.21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.76%		
Electricity generation from wind energy	CCM 4.3	8,103	0.21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.05%		
Electricity generation from hydropower	CCM 4.5	26,932	0.71%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.75%		
Electricity generation from bio-energy	CCM 4.8	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.35%		
Transmission and distribution of electricity	CCM 4.9	417,847	11.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9.29%		

Economic activities	Year: Codes	Year: Turnover (€ thousand)	Year: Proportion of turnover, 2023	Substantial contribution criteria: Climate change mitigation	Substantial contribution criteria: Climate change adaptation	Substantial contribution criteria: Water	Substantial contribution criteria: Pollution	Substantial contribution criteria: Circular economy	Substantial contribution criteria: Biodiversity	Do No Significant Harm (DNSH) criteria: Climate change mitigation	DNSH: Climate change adaptation	DNSH: Water	DNSH: Pollution	DNSH: Circular economy	DNSH: Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy-eligible turnover (A.2.), 2022	Category of enabling activity	Category of transition activity
Construction, expansion and operation of water catchment, purification and distribution systems	CCM 5.1	12,692	0.33%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.93%		
Rail transport infrastructure	CCM 6.14	7,235	0.19%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.09%		
Construction of new buildings	CCM 7.1	10,353	0.27%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.37%		
Renovation of existing buildings	CCM 7.2	9,338	0.25%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.78%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Turnover from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities) (A.2)		500,427	13.19%	13.19%	0%	0%	0%	0%	0%								14.37%		
A. Turnover from taxonomy-eligible activities (A.1+A.2)		2,570,075	67.76%	67.76%	0%	0%	0%	0%	0%								69.71%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover from taxonomy non-eligible activities (B)		1,222,831	32.24%														30.29%		
TOTAL		3,792,906	100%														100.00%		

	Proportion of turnover/total turnover	
	that are taxonomy-aligned by objective	that are taxonomy-eligible by objective
CCM	54.57%	67.76%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

2024

Economic activities	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
	Codes	Turnover (€ thousand)	Proportion of turnover, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy-eligible turnover (A.2.), 2023	Category of enabling activity	Category of transition activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Generation of electricity using solar photovoltaic technology	CCM 4.1	265,450	6.81%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	9.97%		
Electricity generation from wind energy	CCM 4.3	265,141	6.80%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	7.26%		
Transmission and distribution of electricity	CCM 4.9	1,356,922	34.80%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	29.36%	F	
Electricity storage	CCM 4.10	44,578	1.14%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.62%	F	
Collection and transport of non-hazardous waste in source segregated fractions Collection and transport of	CCM 5.5 / CE 2.3	0	0%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.09%		
Rail transport infrastructure	CCM 6.14	180,298	4.63%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	5.75%	F	
Construction of new buildings	CCM 7.1	0	0%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.03%		
Renovation of existing buildings	CCM 7.2	30,484	0.78%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	1.29%		T
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	6,166	0.16%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.05%	F	

Economic activities	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
	Codes	Turnover (€ thousand)	Proportion of turnover, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy-eligible turnover (A.2.), 2023	Category of enabling activity	Category of transition activity
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy efficiency of buildings	CCM 7.5	533	0.01%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	2,232	0.06%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.15%	F	
Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)		2,151,804	55.19%	55.19%	0%	0%	0%	0%	0%	S	S	S	S	S	S	S	54.57%		
Of which: facilitators		1,590,729	40.80%	40.79%						S	S	S	S	S	S	S	35.93%	F	
Of which: transitional		30,484	0.78%	0.78%						S	S	S	S	S	S	S	1.29%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities)																			
Conservation, including the restoration of habitats, ecosystems and species	BIO 1.1	1,861	0.05%	N/EL	N/EL	N/EL	N/EL	N/EL	EL								0%		
Urban wastewater treatment	WTR 2.2	27,892	0.72%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0%		
Generation of electricity using solar photovoltaic technology	CCM 4.1	9,471	0.24%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.21%		
Electricity generation from wind energy	CCM 4.3	12,203	0.31%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.21%		
Electricity generation from hydropower	CCM 4.5	4,777	0.12%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.71%		

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	Turnover (€ thousand)	Proportion of turnover, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy-eligible turnover (A.2.), 2023	Category of enabling activity	Category of transition activity
Collection and transport of non-hazardous waste in source segregated fractions Collection and transport of	CCM 5.5 / CE 2.3	2,156	0.06%	EL	N/EL	N/EL	N/EL	EL	N/EL								0.00%		
Transmission and distribution of electricity	CCM 4.9	394,090	10.11%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11.02%		
Electricity storage	CCM 4.10	522	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from gaseous fossil fuels	CCM 4.29	92,964	2.39%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction, expansion and operation of water catchment, purification and distribution systems	CCM 5.1	11,227	0.29%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.33%		
Rail transport infrastructure	CCM 6.14	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.19%		
Construction of new buildings	CCM 7.1	16,886	0.43%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.27%		
Renovation of existing buildings	CCM 7.2	7,563	0.19%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.25%		
Turnover from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities) (A.2)		581,612	14.92%	14.15%	0%	0.72%	0%	0%	0.05%								13.19%		
A. Turnover from taxonomy-eligible activities (A.1+A.2)		2,733,416	70.11%	69.34%	0%	0.72%	0%	0%	0.05%								67.76%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover from taxonomy non-eligible activities (B)		1,165,610	29.89%														32.24%		
TOTAL		3,899,026	100%														100%		

	Proportion of turnover/total turnover	
	that are taxonomy-aligned by objective	that are taxonomy-eligible by objective
CCM	55.19%	69.34%
CCA	0.00%	0.00%
WTR	0.00%	0.72%
CE	0.00%	0.06%
PPC	0.00%	0.00%
BIO	0.00%	0.05%

Proportion of capital expenditure (CapEx) related to assets or processes associated with sustainable environmental economic activities

2023

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	CapEx (€ thousand)	Proportion of CapEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned CapEx (A.1.) or taxonomy-eligible according CapEx (A.2.), 2022	Category of enabling activity	Category of transition activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Electricity generation from wind energy	CCM 4.3	80,094	31.85%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	42.77%		
Generation of electricity using solar photovoltaic technology	CCM 4.1	75,545	30.04%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0.00%		
CapEx from environmentally sustainable activities (taxonomy-aligned) (A.1)		155,639	61.88%	61.88%	0.00%	0.00%	0.00%	0.00%	0.00%	S	S	S	S	S	S	S	42.77%		
Of which: facilitators		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	S	S	S	S	S	S	S	0.00%	F	
Of which: transitional		0	0.00%	0.00%						S	S	S	S	S	S	S	0.00%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities)																			
CapEx from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities) (A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
A. CapEx from taxonomy-eligible activities (A.1+A.2)		155,639	61.88%	61.88%	0.00%	0.00%	0.00%	0.00%	0.00%								42.77%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx from taxonomy non-eligible activities (B)		95,871	38.12%														57.23%		
TOTAL		251,510	100%														100%		

	Proportion of CapEx/Total CapEx	
	that are taxonomy-aligned by objective	that are taxonomy-eligible by objective
CCM	61.88%	61.88%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

2024

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	CapEx (€ thousand)	Proportion of CapEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned CapEx (A.1.) or taxonomy-eligible according CapEx (A.2.), 2023	Category of enabling activity	Category of transition activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Generation of electricity using solar photovoltaic technology	CCM 4.1	45,931	18.84%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	30.04%		
Electricity generation from wind energy	CCM 4.3	93,206	38.24%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	31.85%		
Transmission and distribution of electricity	CCM 4.9	21,459	8.80%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Electricity storage	CCM 4.10	472	0.19%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Rail transport infrastructure	CCM 6.14	2,693	1.10%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Renovation of existing buildings	CCM 7.2	82	0.03%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%		T
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	43	0.02%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy efficiency of buildings	CCM 7.5	4	0.01%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	12	0.01%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	

		Year		Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	CapEx (€ thousand)	Proportion of CapEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned CapEx (A.1.) or taxonomy-eligible according CapEx (A.2.), 2023	Category of enabling activity	Category of transition activity
CapEx from environmentally sustainable activities (taxonomy-aligned) (A.1)		163,902	67.24%	67.24%	0%	0%	0%	0%	0%	S	S	S	S	S	S	S	61.89%		
Of which: facilitators		24,683	10.13%	10.13%						S	S	S	S	S	S	S	0.00%	F	
Of which: transitional		82	0.03%	0.03%						S	S	S	S	S	S	S	0.00%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities)																			
Conservation, including the restoration of habitats, ecosystems and species	BIO 1.1	41	0.02%	N/EL	N/EL	N/EL	N/EL	N/EL	EL								0%		
Urban wastewater treatment	WTR 2.2	201	0.08%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0%		
Generation of electricity using solar photovoltaic technology	CCM 4.1	440	0.18%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from wind energy	CCM 4.3	557	0.23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from hydropower	CCM 4.5	67	0.03%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Transmission and distribution of electricity	CCM 4.9	14,491	5.95%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity storage	CCM 4.10	27	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from gaseous fossil fuels	CCM 4.29	519	0.21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction, expansion and operation of water catchment, purification and distribution systems	CCM 5.1	203	0.08%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	CapEx (€ thousand)	Proportion of CapEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned CapEx (A.1.) or taxonomy-eligible according CapEx (A.2.), 2023	Category of enabling activity	Category of transition activity
Collection and transport of non-hazardous waste in source segregated fractions Collection and transport of hazardous and non-hazardous waste	CCM 5.5 / CE 2.3	48	0.02%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Construction of new buildings	CCM 7.1	75	0.03%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Renovation of existing buildings	CCM 7.2	53	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities) (A.2)		16,722	6.86%	6.76%	0%	0.08%	0%	0%	0.02%								0%		
A. CapEx from taxonomy-eligible activities (A.1+A.2)		180,624	74.10%	74.0%	0%	0.08%	0%	0%	0.02%								61.89%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx from Taxonomy non-eligible activities (B)		63,136	25.90%														38.12%		
TOTAL		243,760	100%														100%		

	Proportion of CapEx/Total CapEx	
	that are taxonomy-aligned by objective	that are taxonomy-eligible by objective
CCM	67.24%	74.00%
CCA	0%	0%
WTR	0%	0.08%
CE	0%	0.02%
PPC	0%	0%
BIO	0%	0.02%

Proportion of operating expenses (OpEx) related to assets or processes associated with sustainable environmental economic activities

2023

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH) criteria									
Economic activities	Codes	OpEx (€ thousand)	Proportion of OpEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned OpEx (A.1.) or taxonomy-eligible OpEx (A.2.), 2022	Category of enabling activity	Category of transition activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Electricity generation from wind energy	CCM 4.3	0	0.00%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	4.02%		
OpEx from environmentally sustainable activities (taxonomy-aligned) (A.1)				%	%	%	%	%	%	S	S	S	S	S	S	S	104.02%		
Of which: facilitators		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	S	S	S	S	S	S	S	0.00%	F	
Of which: transitional		0	0.00%	0.00%						S	S	S	S	S	S	S	0.00%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities)																			
OpEx from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities) (A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
A. OpEx from taxonomy-eligible activities (A.1+A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								104.02%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx from taxonomy non-eligible activities (B)		194,105	100.00%														95.98%		
TOTAL		194,105	100.00%																

	Proportion of OpEx/Total OpEx	
	that are taxonomy-aligned by objective	that are taxonomy-eligible by objective
CCM	0.00%	0
CCA	0.00%	0
WTR	0.00%	0
CE	0.00%	0
PPC	0.00%	0
BIO	0.00%	0

2024

Economic activities	Year			Substantial contribution criteria						Do No Significant Harm (DNSH)									
	Codes	OpEx (€ thousand)	Proportion of OpEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned OpEx (A.1.) or taxonomy-eligible OpEx (A.2.), 2023	Category of enabling activity	Category of transition activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Generation of electricity using solar photovoltaic technology	CCM 4.1	15,704	7.59%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%		
Electricity generation from wind energy	CCM 4.3	16,726	8.09%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%		
Transmission and distribution of electricity	CCM 4.9	61,142	29.58%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Electricity storage	CCM 4.10	240	0.12%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
Rail transport infrastructure	CCM 6.14	2,415	1.17%	S	N/EL	N/EL	N/EL	N/EL	N/EL	S	S	S	S	S	S	S	0%	F	
OpEx from environmentally sustainable activities (Taxonomy-aligned) (A.1)		96,227	46.54%	46.54%	0%	0%	0%	0%	0%	S	S	S	S	S	S	S	0%		
Of which: facilitators		63,797	30.86%	30.86%						S	S	S	S	S	S	S	0%	F	
Of which: transitional		0	0.00%	0.00%						S	S	S	S	S	S	S	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities)																			
Conservation, including the restoration of habitats, ecosystems and species	BIO 1.1	62	0.03%	N/EL	N/EL	N/EL	N/EL	N/EL	EL								0%		
Urban wastewater treatment	WTR 2.2	36	0.02%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0%		
Generation of electricity using solar photovoltaic technology	CCM 4.1	369	0.18%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from wind energy	CCM 4.3	443	0.21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Transmission and distribution of electricity	CCM 4.9	15,284	7.40%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity storage	CCM 4.10	38	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from gaseous fossil fuels	CCM 4.29	8,145	3.94%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Collection and transport of non-hazardous waste in source segregated fractions Collection and transport of hazardous and non-hazardous waste	CCM 5.5 CE 2.3	71	0.03%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
OpEx from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-aligned activities) (A.2)		24,448	11.83%	11.78%	0%	0.02%	0%	0%	0.03%								0%		

	Year			Substantial contribution criteria						Do No Significant Harm (DNSH)									
Economic activities	Codes	OpEx (€ thousand)	Proportion of OpEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of taxonomy-aligned OpEx (A.1.) or taxonomy-eligible OpEx (A.2.), 2023	Category of enabling activity	Category of transition activity
A. OpEx from taxonomy-eligible activities (A.1+A.2)		120,675	58.37%	58.32%	0%	0.02%	0%	0%	0.03%								0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx from Taxonomy non-eligible activities (B)		86,057	41.63%														100%		
TOTAL		206,732	100%														100%		

	Proportion of OpEx/Total OpEx	
	that are taxonomy-aligned by objective	that are taxonomy-eligible by objective
CCM	46.54%	58.32%
CCA	0%	0%
WTR	0%	0.02%
CE	0%	0.03%
PPC	0%	0%
BIO	0%	0.03%

Information on nuclear and fossil gas power generation activities

Nuclear and fossil energy-related activities

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Economic activities that conform to the taxonomy (denominator) - Turnover

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of Euros)	%	Amount (thousands of Euros)	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities conforming to the taxonomy not mentioned in rows 1 to 6 in the denominator of the applicable KPI	2,151,804	55.19%	2,151,804	55.19%	0.00	0%
8.	**Total applicable KPI**	**3,899,026**	**100%**	**3,899,026**	**100%**	**0.00**	**0%**

Economic activities that conform to the taxonomy (numerator) - Turnover

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of Euros)	%	Amount (thousands of Euros)	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities that conform to the taxonomy and are not referred to in rows 1 to 6 above in the numerator of the applicable KPI	2,151,804	100%	2,151,804	100%	0.00	0%
8.	**Total amount and proportion of economic activities that conform to the taxonomy in the numerator of the applicable KPI**	**2,151,804**	**100%**	**2,151,804**	**100%**	**0.00**	**0%**

Economic activities eligible according to the taxonomy, but which do not conform to the taxonomy - Turnover

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of	%	Amount (thousands of	%	Amount (thousands of	%
1.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	92,964	15.98%	92,964	15.98%	0.00	0%
5.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities eligible according to the taxonomy but not conforming to the taxonomy not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	488,648	84.02%	488,648	84.02%	0.00	0%
8.	**Amount and proportion of economic activities eligible according to the taxonomy but not conforming to the taxonomy in the denominator of the applicable KPI**	**581,612**	**100%**	**581,612**	**100%**	**0.00**	**0%**

Economic activities not eligible according to the taxonomy - Turnover

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (Thousand Euros)	%	Amount (Thousand Euros)	%	Amount (Thousand Euros)	%
1.	Amount and proportion of the economic activity referred to in row 1 of template 1 that is not eligible under the taxonomy according to section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity referred to in row 2 of template 1 that is not eligible under the taxonomy according to section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity referred to in row 3 of template 1 that is not eligible under the taxonomy according to section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity referred to in row 4 of template 1 that is not eligible under the taxonomy according to section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity referred to in row 5 of template 1 that is not eligible under the taxonomy according to section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity referred to in row 6 of template 1 that is not eligible under the taxonomy according to section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other non-taxonomy eligible economic activities not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	1,165,610	100%	1,165,610	100%	0.00	0%
8.	**Total amount and proportion of non-taxonomy-eligible economic activities in the denominator of the applicable KPI**	**1,165,610**	**100%**	**1,165,610**	**100%**	**0.00**	**0%**

Economic activities that conform to the taxonomy (denominator) - Capital Expenditure (CapEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of	%	Amount (thousands of	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities conforming to the taxonomy not mentioned in rows 1 to 6 in the denominator of the applicable KPI	163,902	67.24%	163,902	67.24%	0.00	0%
8.	**Total applicable KPI**	**243,760**	**100%**	**243,760**	**100%**	**0.00**	**0%**

Economic activities that conform to the taxonomy (numerator) - Capital Expenditure (CapEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of	%	Amount (thousands of	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities that conform to the taxonomy and are not referred to in rows 1 to 6 above in the numerator of the applicable KPI	163,902	100%	163,902	100%	0.00	0%
8.	**Total amount and proportion of economic activities that conform to the taxonomy in the numerator of the applicable KPI**	**163,902**	**100%**	**163,902**	**100%**	**0.00**	**0%**

Economic activities eligible according to the taxonomy, but which do not conform to the taxonomy - Capital Expenditure (CapEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (Thousand Euros)	%	Amount (Thousand Euros)	%	Amount (Thousand Euros)	%
1.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	519	3.10%	519	3.10%	0.00	0%
5.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities eligible according to the taxonomy but not conforming to the taxonomy not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	16,203	96.90%	16,203	96.90%	0.00	0%
8.	**Amount and proportion of economic activities eligible according to the taxonomy but not conforming to the taxonomy in the denominator of the applicable KPI**	**16,722**	**100%**	**16,722**	**100%**	**0.00**	**0%**

Economic activities not eligible according to the taxonomy - Capital Expenditure (CapEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of	%	Amount (thousands of	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity referred to in row 1 of template 1 that is not eligible under the taxonomy according to section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity referred to in row 2 of template 1 that is not eligible under the taxonomy according to section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity referred to in row 3 of template 1 that is not eligible under the taxonomy according to section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity referred to in row 4 of template 1 that is not eligible under the taxonomy according to section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity referred to in row 5 of template 1 that is not eligible under the taxonomy according to section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity referred to in row 6 of template 1 that is not eligible under the taxonomy according to section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other non-taxonomy eligible economic activities not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	63,136	100%	63,136	100%	0.00	0%
8.	**Total amount and proportion of non-taxonomy-eligible economic activities in the denominator of the applicable KPI**	**63,136**	**100%**	**63,136**	**100%**	**0.00**	**0%**

Economic activities that conform to the taxonomy (denominator) - Operating Expenses (OpEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of	%	Amount (thousands of	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities conforming to the taxonomy not mentioned in rows 1 to 6 in the denominator of the applicable KPI	96,227	46.54%	96,227	46.54%	0.00	0%
8.	**Total applicable KPI**	**206,732**	**100%**	**206,732**	**100%**	**0.00**	**0%**

Economic activities that conform to the taxonomy (numerator) - Operating Expenses (OpEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (Thousand Euros)	%	Amount (Thousand Euros)	%	Amount (Thousand Euros)	%
1.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity that conforms to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities that conform to the taxonomy and are not referred to in rows 1 to 6 above in the numerator of the applicable KPI	96,227	100%	96,227	100%	0.00	0%
8.	**Total amount and proportion of economic activities that conform to the taxonomy in the numerator of the applicable KPI**	**96,227**	**100%**	**96,227**	**100%**	**0.00**	**0%**

Economic activities eligible according to the taxonomy, but not conforming to the taxonomy - Operating Expenses (OpEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (Thousand Euros)	%	Amount (Thousand Euros)	%	Amount (Thousand Euros)	%
1.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	8,145	33.32%	8,145	33.32%	0.00	0%
5.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other economic activities eligible according to the taxonomy but not conforming to the taxonomy not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	16,303	66.68%	16,303	66.68%	0.00	0%
8.	**Amount and proportion of economic activities eligible according to the taxonomy but not conforming to the taxonomy in the denominator of the applicable KPI**	**24,448**	**100%**	**24,448**	**100%**	**0.00**	**0%**

Economic activities not eligible according to the taxonomy - Operating Expenses (OpEx)

Row	Economic Activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (thousands of	%	Amount (thousands of	%	Amount (thousands of	%
1.	Amount and proportion of the economic activity referred to in row 1 of template 1 that is not eligible under the taxonomy according to section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
2.	Amount and proportion of the economic activity referred to in row 2 of template 1 that is not eligible under the taxonomy according to section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
3.	Amount and proportion of the economic activity referred to in row 3 of template 1 that is not eligible under the taxonomy according to section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
4.	Amount and proportion of the economic activity referred to in row 4 of template 1 that is not eligible under the taxonomy according to section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
5.	Amount and proportion of the economic activity referred to in row 5 of template 1 that is not eligible under the taxonomy according to section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
6.	Amount and proportion of the economic activity referred to in row 6 of template 1 that is not eligible under the taxonomy according to section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.00	0%	0.00	0%	0.00	0%
7.	Amount and proportion of other non-taxonomy eligible economic activities not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	86,057	100%	86,057	100%	0.00	0%
8.	**Total amount and proportion of non-taxonomy-eligible economic activities in the denominator of the applicable KPI**	**86,057**	**100%**	**86,057**	**100%**	**0.00**	**0%**

ESRS 4. Biodiversity and ecosystems

Type of activity	Negative Activities, Impacts and Dependencies																		Geographical Location/Region of Site - Business Unit		Ecological status					Potential impact due to the presence of endangered species
		Dependencies									Impacts															
		Mitigation			Provisioning	Regulation					Land use change	Resource	Climate change	Pollution	Invasives											
Infrastructure Construction:	Impacts and Dependencies (Aggregate)	Flood and storm mitigation	Noise and other sensory impacts attenuation	Pollution and waste treatment by nature	Water supply	Biological services	Rainfall pattern and climate regulation	Soil and sediment retention	Water flow regulation	Air Filtration	Area of land, freshwater or sea use	Volume of water use	Emissions of GHG	Emission of pollutants, toxics and waste	Invasive sp and other disturbances	Land degradation	Desertification	Soil sealing	Country	Eco-region	Aggregate ecological status	Ecosystem integrity	Degradation rate	Water risk rating	Biodiversity importance rating	
Wastewater treatment	3.9	2	1	3	3	1	2	1	3	1	2	3	4	4	4	NO	NO	NO	Spain	Iberian sclerophyllous and semi-deciduous	4.3	1	3	5	3	No
Railways	4.2	3	1	3	3	0	4	4	3	1	4	2	3	4	5	NO	NO	NO	Mexico	Iberian sclerophyllous and semi-deciduous	4.6	4	4	4	5	No
Facilities-Electricity and instrumentation	3	3	1	3	2	0	4	3	3	1	3	2	3	3	3	NO	NO	NO	Spain	Tirari-Sturt stony desert	4.6	1	3	5	4	No

Transmission Line	4.2	3	1	3	3	0	4	4	3	1	4	2	3	4	5	YES	YES	YES	Angola	Southwest Iberian Mediterranean sclerophyllous and mixed	3.2	1	4	2	2	No
																			Australia	Yucatan moist forests	4.6	1	4	5	1	No
																				Northwest Congolian lowland	4.9	2	5	5	5	No
																			Brazil	Eyre and York mallee	4.6	3	4	2	5	Yes
																				Chilean Matorral	4.9	4	5	1	5	No
																			Cameroon	Southwest Amazon moist	4.6	2	5	2	4	No
																				Iberian sclerophyllous and semi-deciduous	4.6	2	5	2	4	No
																			Chile	Valdivian temperate forests	4.6	2	4	5	1	No
																				Northwest Congolian lowland forests	4.9	1	4	5	4	No
																				Uatuma-Trombetas moist forests	4.6	2	4	5	5	No
																				Iberian sclerophyllous and semi-deciduous	4.6	1	3	5	4	No

Transmission Lines																			Spain	Iberian sclerophyllous and semi-deciduous	3.6	1	3	4	3	Yes
																			Peru	Southwest Iberian Mediterranean sclerophyllous and mixed	5	4	5	1	5	No
																			Portugal	Northwest Iberian montane forests	3.6	1	3	4	3	No
																				Hispaniolan dry forests	4.2	1	3	3	1	Yes
																				Iberian sclerophyllous and semi-deciduous forests	3.6	1	3	5	3	Yes
																			Dominican Republic	Chilean Matorral	3	1	3	4	1	Yes
Wind Farm	4.2	4	1	3	3	0	4	4	3	1	4	2	3	4	5	YES	YES	YES	Australia	Angolan wet miombo woodlands	5	1	5	5	2	No
																			Chile	Closed	4.9	1	5	5	5	No
																			Spain	Valdivian temperate forests	3.6	1	3	4	1	No
																				Closed	4.3	1	3	5	3	No
																				Closed	4.6	1	3	5	4	No

Photovoltaic solar plant	4.2	4	1	3	3	0	4	4	3	1	4	2	3	4	5	YES	YES	YES	Brazil	Hispaniolan dry forests	4.6	1	5	3	4	No
																				Cantabrian mixed forests	4.6	1	5	3	4	No
																			Spain	Chilean Matorral	4.3	1	3	5	2	No
																				Murray-Darling woodlands and mallee	4.3	1	3	5	1	No
Rehabilitation of a lake	3.9	3	1	3	3	1	2	0	3	1	2	3	4	3	4	NO	NO	NO	Cameroon	Chilean Matorral	4.6	2	5	2	4	No

Appendix III. Non-financial information and diversity indicators required by Law 11/2018

This Appendix to the Statement of Non-Financial Information and Sustainability Information, which forms part of the Elecnor Group's 2024 Directors' Report, complies in a complementary manner with the general provisions published in Law 11/2018, of 28 December, amending articles 44 and 49 of the Commercial Code on non-financial information and diversity, taking the Global Reporting Initiative (GRI) standards as a reference framework.

Social matters and issues concerning staff

Staff at year-end

No. employees	2023	2024	Changes
Male	19,579	21,589	10%
Female	2,984	3,062	3%
Other		1	100%
Not notified		3	100%
Total	22,563	24,655	9%

Year-end headcount by country, age, professional category, type of contract and type of employment

Countries in which the Elecnor Group operates

Geographical area and country	2023	2024	Changes
Spain	11,746	12,261	4%
Europe	1,743	1,715	-2%
Germany	5	14	180%
Finland	2	1	-50%
The Netherlands	2	0	-100%
Italy	901	992	10%
Lithuania	215	256	19%
Norway	10	1	-90%
Portugal	331	281	-15%
United Kingdom	253	170	-33%
Romania	24	0	-100%
North America	870	1,093	26%
Canada	9	0	-100%
United States	861	1,093	27%
Latin America	5,711	7,066	24%
Argentina	124	126	2%
Brazil	3,368	4,032	20%
Chile	804	927	15%
Colombia	46	23	-50%
Ecuador	2	1	-50%
El Salvador	1	1	0%
Honduras	101	112	11%
Mexico	294	304	3%

Panama	344	267	-22%
Peru	47	435	826%
Dominican Republic	379	646	70%
Uruguay	190	182	-4%
Venezuela	11	10	-9%
Africa	1,717	1,311	-24%
Angola	871	919	6%
Algeria	1	1	0%
Cameroon	510	234	-54%
Ivory Coast	31	2	-94%
Ghana	40	33	-18%
Guinea Conakry	1	3	200%
Mauritania	4	3	-25%
Mozambique	229	37	-84%
Senegal	20	69	245%
Zambia	10	10	0%
Asia	33	22	-31%
Philippines	1	0	-100%
India	1	1	0%
Jordan	3	3	0%
Oman	28	18	-36%
Oceania	743	1,187	60%
Australia	743	1,187	60%
Total	22,563	24,655	9%

Professional category	2023	2024	Changes
Structure	6,944	6,785	-2%
Management	160	132	-18%
Executive	1,531	1,440	-6%
Technician	5,253	5,213	-1%
Works	15,619	17,870	14%
Basic	15,619	17,870	14%
Total	22,563	24,655	9%

By age	2023	2024	Changes
>50	4,346	5,108	18%
From 30 to 50	13788	14,818	7%
<30	4,429	4,729	7%
Total	22,563	24,655	9%

Type of contract and geographical area	2023	2024	Changes
Open-ended	17,821	20,583	15%
Spain	10,745	12,156	13%
Europe	1,267	1,198	-5%
North America	196	218	11%
Latin America	5,060	6,063	20%
Africa	371	192	-48%
Asia	5	3	-40%
Oceania	177	753	325%
Temporary	4,742	4,072	-14%
Spain	1,001	105	-90%
Europe	476	517	9%
North America	674	875	30%
Latin America	651	1,003	54%
Africa	1,346	1,119	-17%
Asia	28	19	-32%
Oceania	566	434	-23%
Total	22,563	24,655	9%

By type of contract and by age	2023	2024	Changes
Open-ended	17,821	20,583	15%
>50	3,597	4,502	25%
From 30 to 50	10,745	12,266	14%
<30	3,479	3,815	10%
Temporary	4,742	4,072	-14%
>50	749	606	-19%
From 30 to 50	3,043	2,552	-16%
<30	950	914	-4%
Total	22,563	24,655	9%

Type of contract and professional category	2023	2024	Changes
Open-ended	17,821	20,583	15%
Management	160	132	-18%
Executive	1,353	1,345	-1%
Technician	4,450	4,615	4%
Basic	11,858	14,491	22%
Temporary	4,742	4,072	-14%
Executive	178	95	-47%
Technician	803	598	-26%
Basic	3,761	3,379	-10%
Total	22,563	24,655	9%

Type of employment and geographical area	2023	2024	Changes
Full-time	22,302	24,435	10%
Spain	11,576	12,077	4%
Europe	1,714	1,693	-1%
North America	832	1,093	31%
Latin America	5,695	7,062	24%
Africa	1,717	1,311	-24%
Asia	33	22	-33%
Oceania	735	1,177	60%
Part-time	261	220	-13%
Spain	170	184	8%
Europe	29	22	-24%
North America	38	0	-100%
Latin America	16	4	-75%
Oceania	9	10	11%
Total	22,563	24,655	9%

Type of employment and age	2023	2024	Changes
Full-time	22,302	24,435	10%
>50	4,209	4,979	18%
From 30 to 50	13,713	14,767	8%
<30	4,380	4,689	7%
Part-time	261	220	-16%
>50	137	129	-6%
From 30 to 50	75	51	-32%
<30	49	40	-18%
Total	22,563	24,655	9%

By professional category	2023	2024	Changes
Full-time	22,302	24,435	10%
Management	161	131	-19%
Executive	1,502	1,433	-5%
Technician	5,156	5,139	4%
Basic	15,458	17,732	15%
Part-time	261	220	16%
Management	0	1	100%
Executive	29	7	-76%
Technician	97	74	-24%
Basic	134	138	3%
Total	22,563	24,655	9%

Average workforce by gender, age, professional category, type of contract and type of employment

Structure staff	2023	2024[13]	Changes
Open-ended	5,876	5,831	-1%
Men	3,978	3,904	-2%
Women	1,898	1,925	1%
Not notified	-	2	0%
Temporary	984	692	-30%
Men	726	478	-34%
Women	258	214	-17%
Not notified	-	0	0%
Total	6,860	6,523	-5%

Works staff	2023	2024[14]	Changes
Open-ended	12,077	13,355	11%
Men	11,464	12,790	12%
Women	613	564	-8%
Not notified	-	1	100%
Temporary	4,041	3,424	-15%
Men	3,832	3,234	-16%
Women	209	190	-9%
Not notified	-	0	0%
Total	16,118	16,779	4%

[13] The "not reported" option has been included in line with what was reported in section S1-6 of ESRS S1 Own workforce.
[14] The "not reported" option has been included in line with what was reported in section S1-6 of ESRS S1 Own workforce.

Average by age	2023	2024	Changes
Open-ended	17,953	19,186	7%
>50	3,653	4,271	17%
From 30 to 50	10,918	11,535	6%
<30	3,382	3,380	0%
Temporary	5,025	4,117	-18%
>50	742	674	-9%
From 30 to 50	3,236	2,615	-19%
<30	1,047	828	-21%
Total	22,978	23,303	1%

Average by professional category and type of contract	2023	2024	Changes
Open-ended	17,953	19,186	7%
Management	161	131	-18%
Executive	1,332	1,310	-2%
Technician	4,383	4,390	— %
Basic	12,077	13,355	11%
Temporary	5,025	4,117	-18%
Executive	181	74	-59%
Technician	803	618	-23%
Basic	4,041	3,425	-15%
Total	22,978	23,303	1%

Structure staff	2023	2024[15]	Changes
Full-time	6,760	6,444	-5%
Men	4,645	4,343	-7%
Women	2,115	2,099	-1%
Not notified	-	2	
Part-time	100	79	-21%
Men	59	39	-34%
Women	41	40	-2%
Total	6,860	6,523	-5%

[15] The "not reported" option has been included in line with what was reported in section S1-6 of ESRS S1 Own workforce.

Works staff	2023	2024[16]	Changes
Full-time	16,005	16,652	4%
Men	15,197	15,912	5%
Women	808	738	-9%
Not notified	-	2	
Part-time	113	128	13%
Men	99	111	12%
Women	14	17	21%
Total	16,118	16,780	4%

Average by age	2023	2024	Changes
Full-time	22,765	23,096	1%
>50	4,275	4,820	13%
From 30 to 50	14,097	14,105	0%
<30	4,393	4,171	-5%
Part-time	213	207	-3%
>50	120	125	4%
From 30 to 50	57	45	-21%
<30	36	37	3%
Total	22,978	23,303	1%

Average by professional category	2023	2024	Changes
Full-time	22,765	23,096	1%
Management	160	131	-18%
Executive	1,496	1,373	-8%
Technician	5,104	4,940	-3%
Basic	16,005	16,652	4%
Part-time	213	207	-3%
Management	1	1	0%
Executive	17	10	-41%
Technician	82	68	-17%
Basic	113	128	13%
Total	22,978	23,303	1%

[16] The "not reported" option has been included in line with what was reported in section S1-6 of ESRS S1 Own workforce.

Dismissals

Gender and professional category	Male	Female	Total	Male	Female	Total
Structure	116	62	178	134	52	186
Management	0	0	0	3	0	3
Executive	17	1	18	13	3	16
Technician	99	61	160	118	49	167
Works	1,257	77	1,334	1,095	51	1,146
Basic	1,257	77	1,334	1,095	51	1,146
Total	1,373	139	1,512	1,229	103	1,332

Structure staff

		2023			2024	
Age	Male	Female	Total	Male	Female	Total
>50	14	6	20	26	5	31
From 30 to 50	71	38	109	70	32	102
<30	31	18	49	38	15	53
Total	116	62	178	134	52	186

Works staff

		2023			2024	
Age	Male	Female	Total	Male	Female	Total
>50	158	4	162	177	6	183
From 30 to 50	743	41	784	688	30	718
<30	356	32	388	230	15	245
Total	1,257	77	1,334	1,095	51	1,146

Percentage of employees covered by collective bargaining agreements

In 2023, in Spain, 100% of the workforce was covered by collective bargaining agreements. Considering that the concept of the Collective Bargaining Agreement stems from the Spanish Constitution and is developed by the Workers' Statute, and is therefore local and difficult to extrapolate, in the rest of the countries where the Group is present, employees are not covered by such agreements, but they are all are under the framework of labour relations set out in the corresponding local labour legislation. Comparable legislation exists in Argentina, Brazil, Cameroon, Lithuania, Portugal, Italy, Uruguay and the USA, under which employees are covered, although it is not of the same nature as in Spain.

The information for 2024 is reported in section S1-8 of ESRS S1 Own workforce.

Absenteeism

In 2024, the number of hours of absenteeism in the Elecnor Group totalled 2,116,675 hours (1,937,342 hours in 2023), implying an absenteeism[17] ratio of 4.82% (3.77% in 2023). This ratio does not include information from the United States for data protection reasons.

Persons with disabilities

In Spain it employs a total of 82 people with various disabilities (92 in 2023), accounting for 0.67% of the national workforce and for 0.54% of the total workforce of the Group.

Training

	2023		2024	
Professional category	Attendance	Hours	Attendance	Hours
Structure	9,257	107,545	10,852	111,840
Management	143	2,111	79	2,110
Executive	1,649	21,161	2,168	25,169
Technician	7,465	84,273	8,605	84,561
Works	26,657	286,063	44,134	349,202
Basic	26,657	286,063	44,134	349,202
Total	35,914	393,608	54,986	461,042

	Structure			Works	
	Male	Female	Total	Male	Female
2023	78,743	28,802	393,608	281,162	4,901
2024	78,482	34,028	461,042	345,077	3,455

For total training hours in 2024, an estimate of 2.6% was made based on the number of courses for each workforce in each country.

[17] The absenteeism ratio is calculated as hours of absenteeism including all absences (unjustified, remunerated and non-remunerated leave, illness, accident, maternity and paternity)/actual hours worked.

Average remuneration by gender, age, professional category, type of contract and type of employment

2023

	Structure						Works	
	Management		Executive		Technician		Basic	
Age	Male	Female	Male	Female	Male	Female	Male	Female
Spain								
>50	138,652	130,953	59,483	57,258	35,729	31,705	25,514	25,994
From 30 to 50	114,447	102,996	52,242	52,005	35,439	30,439	23,912	23,276
<30			37,794	39,333	31,429	30,543	21,708	21,132
Europe (Italy, Norway, Portugal, United Kingdom and Romania)								
>50			106,092		45,618	29,047	27,175	*
From 30 to 50			56,811	50,868	41,651	32,493	27,748	26,044
<30					33,027	29,496	24,739	22,894
North America (United States and Canada)								
>50	205,261	*	129,886	91,795	126,688	57,730	100,435	77,723
From 30 to 50	200,030		126,127	89,222	110,581	57,770	98,691	84,288
<30			76,135	81,233	66,142	63,803	86,832	74,096
Latin America (Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Honduras, Mexico, Panama, Peru, Dominican Republic and Uruguay)								
>50			69,839	48,597	37,777	21,039	13,107	10,201
From 30 to 50			50,491	45,598	26,049	17,292	11,073	6,917
<30				*	13,107	10,555	7,799	6,310
Africa (Angola, Algeria, Cameroon, Ghana, Mauritania and Senegal)								
>50			40,596		38,295	10,521	6,720	2,356
From 30 to 50			36,663	35,879	18,483	6,697	5,991	3,081
<30			*		4,233	7,444	3,174	2,239
Asia (Jordan and Oman)								
>50							13,850	
From 30 to 50			94,068		37,935	33,247	21,013	
<30					18,434	*	11,039	
Oceania (Australia)								
>50			146,398	*	101,366	62,716	59,338	58,483
From 30 to 50			130,334	115,922	85,603	63,786	55,221	55,418
<30					61,633	56,370	50,293	55,386

* This information is not shown in the interest of protecting the data of the persons represented, since there is only one employee in that professional category.

2024

	Structure						Works	
	Management		Executive		Technician		Basic	
	Male	Female	Male	Female	Male	Female	Male	Female
Spain								
>50	251,614	140,963	69,603	66,616	38,791	32,057	34,485	29,067
From 30 to 50	163,565	144,540	65,235	60,797	39,271	31,389	33,478	25,085
<30			41,311	38,498	34,040	30,952	29,290	21,922
Europe (Germany, Finland, The Netherlands, Italy, Lithuania, Norway, Portugal, United Kingdom and								
>50	*		63,635		38,198	28,460	37,228	26,117
From 30 to 50			64,365	63,048	38,876	27,709	38,104	29,456
<30			*	40,238	34,294	31,460	30,314	26,262
North America (United States)								
>50			165,592	107,466	106,555	68,665	122,621	74,414
From 30 to 50	*		142,779	98,636	76,822	62,714	124,653	86,450
<30			83,276	75,946	46,161	70,202	106,141	64,758
Latin America (Argentina, Brazil, Chile, Colombia, Ecuador, El Salvador, Honduras, Mexico, Panama, Peru, Dominican Rep., Uruguay, and Venezuela)								
>50	*		56,810	35,541	27,526	15,729	15,067	11,142
From 30 to 50	127,306		47,297	32,937	23,668	16,720	13,061	9,503
<30			27,343	*	13,306	9,806	8,560	7,610
Africa (Angola, Algeria, Cameroon, Ivory Coast, Ghana, Guinea Conakry, Mauritania, Mozambique, Senegal and Zambia)								
>50			54,722		54,942	13,757	9,165	3,061
From 30 to 50			47,781	27,028	20,738	8,867	7,094	4,466
<30			33,852		6,447	7,650	3,211	3,279
Asia (India, Jordan and Oman)								
>50								
From 30 to 50			112,972		31,273	*	19,146	
<30							10,555	
Oceania (Australia)								
>50			158,760		119,696	73,530	113,643	95,019
From 30 to 50	*		88,879	103,080		71,468	108,925	108,690
<30			58,460	53,826	73,247	62,444	104,595	96,335

* This information is not shown in the interest of protecting the data of the persons represented, since there is only one employee in that professional category.

Average remuneration by geographical area, gender and type of employee

2023

	Structure		Works	
	Male	Female	Male	Female
Spain	44,105	34,754	24,174	23,561
Europe (Italy, Norway, Portugal, United Kingdom and Romania)	42,470	31,790	26,890	24,142
North America (United States and Canada)	124,243	75,354	96,377	79,718
Latin America (Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Honduras, Mexico, Panama, Peru, Dominican Republic and Uruguay)	28,975	16,955	10,383	6,961
Africa (Angola, Algeria, Cameroon, Ghana, Mauritania and Senegal)	17,788	9,234	5,420	2,875
Asia (Jordan and Oman)	45,261	29,213	17,852	
Oceania (Australia)	91,053	64,079	55,679	56,434

2024

	Structure		Works	
	Male	Female	Male	Female
Spain	52,580	36,047	33,385	25,648
Europe (Germany, Finland, The Netherlands, Italy, Lithuania, Norway, Portugal, United Kingdom and Romania)	44,792	32,078	36,085	27,653
North America (United States)	108,065	77,798	121,068	78,666
Latin America (Argentina, Brazil, Chile, Colombia, Ecuador, El Salvador, Honduras, Mexico, Panama, Peru, Dominican Rep., Uruguay, and Venezuela)	28,002	15,498	12,093	8,986
Africa (Angola, Algeria, Cameroon, Ivory Coast, Ghana, Guinea Conakry, Mauritania, Mozambique, Senegal and Zambia)	24,570	*	17,918	4,090
Asia (India, Jordan and Oman)	54,615	9,585	6,449	
Oceania (Australia)	102,436	69,948	109,384	100,087

* This information is not shown in the interest of protecting the data of the persons represented, since there is only one employee in that professional category.

The wage gap

The table below details the wage gap ratio which represents the salary difference between men and women by professional category and employee type in the Elecnor Group. The wage gap has been calculated as the difference between the fixed and variable average wage of men and of women, over the average wage of men. The figures were calculated according to the number of employees at the end of the year.

Category	2023	2024
Management	14%	31 %
Executive	16%	14 %
Technician	22%	24 %
Basic	38%	43 %

Employee type	2023	2024
Structure	32%	34 %
Works	38%	43 %

The difference in the Management category arises from the remuneration of the Chief Executive Officer after including the extraordinary incentive as a consequence of his special involvement and performance in the extraordinary corporate transaction consisting of the sale of the subsidiary Enerfín Sociedad de Energía, S.L.U.

Board of Directors' Remuneration

Total remuneration accrued both in the company and in Group companies, by the Board of Directors in 2024 amounted to Euros 11,733.1 thousand (Euros 5,404.1 thousand in 2023), including remuneration deriving from their executive functions (Chief Executive Officer) and their non-executive functions. In addition, as detailed in sections A.1.8, A.1.9, B.10 and section C of the Annual Report on Directors' Remuneration, this amount includes the compensation due to the Chief Executive Officer for termination of his contract under the terms contained therein, which is expected to be paid in 2025.

The table below shows a breakdown of this amount, in thousands of Euros, on an individual basis for each member of Elecnor, S.A.'s Board of Directors. This breakdown is also available in the Annual Report on Remuneration to the Directors of the Company, published by the CNMV and on the Group's corporate website.

2023

	Remuneration accrued within the Company					Remuneration accrued within Group companies					
Director name	Total cash remuneration	Gross profit on vested shares or financial instrume	Remuneration from savings schemes	Other items of remuneration	Total in 2023	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration from savings schemes	Other items of remuneration	Group total in 2023	Company + Group total in 2023
Jaime Real de Asúa Arteche PROPRIETARY	494.5					494.5				20.0	514.5
Ignacio Prado Rey-Balta PROPRIETARY	227				227	20.0				20.0	247
Rafael Martín de Bustamante Vega EXECUTIVE	2,362			6.7	2,368.70	20.0				20.0	2,388.70
Joaquín Gómez de Olea y Mendaro PROPRIETARY	207				207	20.0				20.0	227
Cristóbal González de Aguilar Alonso-Urquijo PROPRIETARY	207				207	20.0				20.0	227
Miguel Cervera Earle PROPRIETARY	194.5				194.5	20.0				20.0	214.5
Isabel Dutilh Carvajal INDEPENDENT	202				202						202
Irene Hernández Álvarez INDEPENDENT	186.5				186.5						186.5
Juan Landecho Sarabia PROPRIETARY	164.5				164.5	20.0				20.0	184.5
Santiago León Domecq PROPRIETARY	174				174	20.0				20.0	194
Miguel Morenés Giles PROPRIETARY	227				227	20.0				20.0	247
Francisca Ortega Hernández-Agero INDEPENDENT	187.4				187.4						187.4
Rafael Prado Aranguren PROPRIETARY	164.5				164.5	20.0				20.0	184.5
Emilio Ybarra Aznar INDEPENDENT	199.5				199.5						199.5
Total	5,197.4			6.7	5,204.1	200.0				200.0	5,404.1

2024

	Remuneration accrued within the Company					Remuneration accrued within Group companies					
Director name	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration from savings schemes	Other items of remuneration	Total in 2024	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration from savings schemes	Other items of remuneration	Group total in 2024	Company + Group total in 2024
Jaime Real de Asúa Arteche PROPRIETARY	491.5				491.5	6.7				6.7	498.2
Ignacio Prado Rey-Baltar PROPRIETARY	224.0				224.0	6.7				6.7	230.7
Rafael Martín de Bustamante Vega EXECUTIVE	8,847.4			7.6	8,855.0	6.7				6.7	8,861.7
Joaquín Gómez de Olea y Mendaro PROPRIETARY	204.0				204.0	6.7				6.7	210.7
Cristóbal González De Aguilar Alonso-Urquijo PROPRIETARY	202.5				202.5	6.7				6.7	209.2
Miguel Cervera Earle PROPRIETARY	191.5				191.5	6.7				6.7	198.2
Isabel Dutilh Carvajal INDEPENDENT	199.0				199.0						199.0
Irene Hernández Álvarez INDEPENDENT	194.6				194.6						194.6
Juan Landecho Sarabia PROPRIETARY	161.5				161.5	6.7				6.7	168.2
Santiago León Domecq Proprietary	174.0				174.0	6.7				6.7	180.7
Miguel Morenés Giles PROPRIETARY	224.0				224.0	6.7				6.7	230.7
Francisca Ortega Hernández-Agero INDEPENDENT	186.5				186.5						186.5
Rafael Prado Aranguren PROPRIETARY	161.5				161.5	6.7				6.7	168.2
Emilio Ybarra Aznar INDEPENDENT	196.5				196.5						196.5
Total	11,658.5			7.6	11,666.1	67				67	11,733.1

Employee accident rate

	2023		2024	
	Male	Female	Male	Female
Frequency rate	1.94	0.31	2.29	0.15
Severity rate	0.11	0.01	0.13	0.00

Frequency rate = (number of accidents involving more than one day's leave, not counting those on way to or from work/hours worked) x 10^6

Severity rate = (number of days lost/hours worked) x 10^3

2023

Location	No. of recordable work-related injuries			No. of injuries due to work-related accidents with major consequences (1)			Hours worked		
	Men	Wome	Total	Men	Wome	Total	Men	Women	Total
Spain	54	0	54	2	0	2	20,162,632	3,079,595	23,242,227
Europe	11	0	11	0	0	0	3,142,903	383,716	3,526,619
North America	0	0	0	0	0	0	1,561,753	126,274	1,688,027
Latin America	19	1	20	0	0	0	14,826,088	2,052,311	16,878,399
Asia	0	0	0	0	0	0	271,242	13,101	284,343
Africa	3	1	4	0	0	0	4,352,370	651,252	5,003,622
Oceania	0	0	0	0	0	0	518,027	222,012	740,039
Total	33	2	35	0	0	0	24,672,383	3,448,666	28,121,049
Total	87	2	89	2	0	2	44,835,015	6,528,261	51,363,276

(1) Injury due to workplace accident leading to death or so severe that the employee cannot recover or fully recover their state of health as it was prior to the accident, or is not expected to fully recover their state of health as it was prior to the accident within a period of 6 months.

Only including accidents involving more than one day's leave, not counting those on way to or from work.

2024

Location	No. of recordable work-related injuries			No. of injuries due to work-related accidents with major consequences			Hours worked		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Spain	80	0	80	6	0	6	21,298,276	3,270,043	24,568,319
Europe	6	0	6	2	0	2	3,282,132	131,656	3,413,788
North America	4	1	5	0	0	0	1,770,990	197,887	1,968,877
Latin America	12	0	12	0	0	0	15,329,202	2,035,174	17,364,376
Africa	6	0	6	0	0	0	2,964,403	508,811	3,473,214
Asia	0	0	0	0	0	0	51,069	12,706	63,775
Oceania	0	0	0	0	0	0	2,550,271	699,029	3,249,300
Total	28	1	29	2	0	2	25,948,067	3,585,263	29,533,330
Total	108	1	109	8	0	8	47,246,343	6,855,306	54,101,649

(1) Injury due to workplace accident leading to death or so severe that the employee cannot recover or fully recover their state of health as it was prior to the accident, or is not expected to fully recover their state of health as it was prior to the accident within a period of 6 months.

Only including accidents involving more than one day's leave, not counting those on way to or from work.

Work-related fatalities

2023

Geographic area	No. of work-related illnesses and diseases			Hours worked		
	Men	Women	Total	Men	Women	Total
Spain	4	0	4	20,162,632	3,079,595	23,242,227
Europe	0	0	0	3,142,903	383,716	3,526,619
North America	0	0	0	1,561,753	126,274	1,688,027
Latin America	0	0	0	14,826,088	2,052,311	16,878,399
Asia	0	0	0	271,242	13,101	284,343
Africa	0	0	0	4,352,370	651,252	5,003,622
Oceania	0	0	0	518,027	222,012	740,039
Total international	0	0	0	24,672,383	3,448,666	28,121,049
Total	4	0	4	44,835,015	6,528,261	51,363,276

2024

Geographic area	No. of work-related illnesses and diseases			Hours worked		
	Men	Women	Total	Men	Women	Total
Spain	1	0	1	21,298,276	3,270,043	24,568,319
Europe	4	0	4	3,282,132	131,656	3,413,788
North America	0	0	0	1,770,990	197,887	1,968,877
Latin America	0	0	0	15,329,202	2,035,174	17,364,376
Africa	0	0	0	2,964,403	508,811	3,473,214
Asia	0	0	0	51,069	12,706	63,775
Oceania	0	0	0	2,550,271	699,029	3,249,300
Total international	4	0	4	25,948,067	3,585,263	29,533,330
Total	5	0	5	47,246,343	6,855,306	54,101,649

Policies to facilitate disconnection from work

The work disconnection measures implemented by the Elecnor Group are detailed in section ESRS S1-4.

Environment

Amount of waste generated

Waste generation by type	2023	2024	% Changes
Hazardous waste	1,065,370	505,122	-53%
Non-hazardous waste	93,246,918	72,597,926	-22%
Total	94,312,288	73,103,048	-22%

The decrease in the generation of hazardous waste is due to the decrease in activity at Elecnor Brazil which, due to its nature, is where most of this type of waste is generated.

Water consumption and water supply in accordance with local constraints

	2023	2024	Changes
Mains water consumption (Ml)	188	833	343%
Water consumption in areas without water stress (Ml)	121	790	553%
Water consumption in areas of high water stress (Ml)	67	43	-36%

The increase in water consumption is due to increased activity at Elecnor Australia, as well as the addition of Elecnor USA in the 2024 report.

Consumption of raw materials

In 2024, the Elecnor Group continued to consider that raw material consumption was not a material aspect, given the nature of its activity. However, its inputs are significant, with the main materials used by the Group being steel, cables, insulators, electrical panels, switchboards, cells, pumps and pipes.

Direct and indirect energy consumption

Energy consumption (MWh)	2023	2024	Changes
Direct consumption (Scope 1)	313,802.80	392,462.57	25%
Indirect consumption (Scope 2)	18,229.07	11,702.34	-36%
Total	332,031.87	404,164.91	22%

The decrease in indirect consumption (Scope 2) is due to the considerable reduction in electricity consumption, caused by the lower level of operating activity in Elecnor Brazil and the exit of Enerfín from the Elecnor Group in 2024.

It should be noted that the energy consumption data for 2024 is set out in section E1-5: Energy consumption and mix. For the data reported in the NFIS for 2023, a conversion from TJ to MWh was made, taking into account the conversion factor from GJ to kWh from the "UK Government GHG Conversion Factors for Company Reporting DEFRA".

Company

Complaints regarding human rights breaches

In 2023 and 2024, no complaints were received through the Ethics Channel or other available channels in terms of human rights violations, in particular, violations of freedom of association and the right to collective bargaining, forced or compulsory labour, child labour, discrimination or violation of indigenous rights.

Committed to sustainable development

Contributions to foundations and non-profit organisations

In 2024, the Elecnor Group donated Euros 1.6 millions to various associations, foundations and non-profit entities to support a range of social causes (Euros 534,089 in 2023). Of this amount, the Group contributed Euros 900,000 to the Elecnor Foundation, the main vehicle for the Group’s social action.

Association and sponsorship actions

The Elecnor Group is actively involved in flagship associations in the industries and countries where it operates. There follows a list of the most important of these for the Group.

Spain

ADEMI, Asociación de Empresas de Ingeniería, Montajes, Mantenimientos y Servicios Industriales

ACEX, Asociación de Empresas de Conservación y Explotación de Infraestructura

AESSIA, Entidades del Sistema de la Seguridad Industrial

ANESE, Asociación Nacional de Empresas de Servicios Energéticos

ASAGUA, Asociación Española de Empresas de Tecnologías del Agua

ASIPO, Asociación de Industriales de la Provincia de Oviedo

ATC, Asociación Técnica de Carreteras

CEIT, Asociación Centro Tecnológico

CEOE, Confederación Española de Organizaciones Empresariales

CEPREVEN, Asociación para la prevención y protección de riesgos

Círculo de Empresarios

CONFEMETAL, Confederación Española de Organizaciones Empresariales del Metal

Enerclub, Club Español de la Energía

Instituto Tecnológico de la Energía

Protermosolar

Spanish Network of the UN Global Compact

Sedigás, Asociación Técnica Española de la Industria del Gas

Brazil

Associação de Fomento de Atividades Esportivas e Culturais

ABRATE, Associação Brasileira das Empresas de Transmissão de Energía Eléctrica

ABSOLAR, Associação Brasileira de Energía Solar Fotovoltaica

ABREN, Associação Brasileira de Recuperação Energética de Resíduos

ABSAE, Associação Brasileira de Soluções de Armazenamento de Energía

ABHIC, Associação Brasileira de Hidrogênio e Combustíveis Sustentáveis

CIGRE, Comité Nacional Brasileiro de Produção e Transmissão de Energía Elétrica

Chile

ACERA, Asociación Chilena de Energías Renovables

Transmisoras de Chile

CIGRE, Consejo Internacional de Grandes Sistemas Eléctricos

Mexico

Cámara Nacional de Manufacturas Eléctricas

Spanish Chamber of Commerce

Peru

Comité de Operación Económica del Sistema Eléctrico Interconectado Nacional

Portugal

AICCOPN, Associação dos Industriais da Construção Civil e Obras Públicas

APIEE, Asociación Portuguesa de Industriales de Ingeniería Energética

CCILE, Cámara de Comercio e Industria Luso-Española

OE, Ordem dos Engenheiros

Portugal DC, Associação Portuguesa de Centros de Dados

Subcontracting and suppliers

Supervisory system and audits, and findings thereof

The Elecnor Group carries out a continuous assessment of its suppliers using three tools: surveys to assess procurement, supplier complaints and audits of relevant suppliers.

The Elecnor Group has selected its relevant suppliers, which represent 58% of the Group's purchasing volume. Every three years, they are audited against environmental, social and governance criteria to identify potential risks and develop areas for improvement in order to align them with the Group's policies. This provides up-to-date information on their performance.

In 2024, 12 ESG audits were conducted on relevant suppliers (7 in 2023), the result of which directly affects their approval as a major supplier. For this reason, the relationship with relevant suppliers is constant, requesting corrective action plans if deemed necessary. The Elecnor Group is aware that insisting on the resolution of non-conformities detected during the audits is the way forward to help its supply chain improve as a business and mitigate associated risks. Working with suppliers who comply with standards helps improve performance and generates shared value.

In 2024, the Elecnor Group has not suspended its commercial relationship with any of its suppliers due to irregularities detected in both the procurement of materials and the management of services supplied.

Lastly, and resulting from the relationships established, 5 suppliers have taken part in the external audit of the Group’s Corporate Social Responsibility System in 2024. In the interviews conducted during the audit, suppliers expressed their views on the Group, highlighting the following points:

- Smooth communication.
- Key customer allowing access to large-scale projects.
- The Elecnor Group's social concern for local communities.
- Ethical and responsible management.
- The organisation’s commitment to CSR.

Consumers

Complaints systems, complaints received and resolution thereof

One of the main aspects of the Elecnor Group's quality strategy is to strengthen customer satisfaction management. For this reason, the Elecnor Group is certified in accordance with international standard ISO 9001:2015. Likewise, it should be pointed out that in 2024, 80% of turnover was certified in accordance with ISO 9001.

Customer claims or complaints are managed by the Elecnor Group in accordance with the Internal and External Communication and Improvement Management procedures that outline the system to be applied for their management, analysis of causes and definition of efficient corrective actions.

Furthermore, the Elecnor Group acts with due diligence when addressing complaints through the following actions:

- Designating persons responsible for assessing customer complaints and coordinating their resolution on the basis of improvement management reports.
- Annual recording, management and monitoring of the number of complaints received.
- Measuring the degree of resolution of closed/pending complaints and the time invested in this.
- Outlining action plans and/or improvement actions when considered necessary.
- Assessing customer satisfaction once the improvement action has been implemented following the complaint.

In 2024, 757 customer complaints were filed, most of which were linked to technical management (47%), materials and equipment (21%) and workforce (12%). 79% of complaints were answered within the defined period (maximum one week) and 47% of them closed with a satisfactory result.

In 2023, 408 customer complaints were filed, most of which were linked to technical management (39%), materials and equipment (25%) and workforce (15%). All complaints were answered within the defined period (maximum one week) and 54% of them were closed with a satisfactory result.

Fiscal transparency

The Elecnor Group publishes its tax information in an exercise of reporting transparency. The taxes paid by the Group in the countries and territories where it operates constitute one of its main contributions to society.

Profit/loss obtained by country

Figures in thousands of Euros

	2023	2024
Abu Dhabi	351	0
Germany	178	483
Angola	6,158	11,951
Algeria	-133	-164
Argentina	1,659	1,685
Australia	-66,719	-88,318
Belgium	-28	-290
Bolivia	501	-14
Brazil	22,606	30,301
Cameroon	-2,822	-8,644
Chile	11,881	-30,873
Colombia	-1,733	304
Ivory Coast	556	630
Denmark	773	557
Ecuador	583	2,942
El Salvador	-100	-125
Spain	73,290	2,378

	2023	2024
United States	21,845	19,654
Philippines	-275	-115
Finland	588	51
Gambia	0	-7
Ghana	1,693	2,740
Guinea	-301	-687
Guinea-Bissau	0	859
Haiti	0	-14,153
Honduras	7,693	953
Ireland	0	-144
Italy	10,218	13,037
Jordan	102	261
Kuwait	-12	-54
Lithuania	12,036	5,199
Morocco	15,148	-146
Mauritania	98	-274
Mexico	-32,090	17,135
Mozambique	-673	-203
Norway	3,589	-832
New Zealand	103	188
Oman	753	-3,013
Panama	5,721	3,516
Peru	213	2,609
Portugal	3,346	2,136
United Kingdom	5,035	2,290
Dominican	-5,069	11,062
Romania	90	-7
Senegal	-408	-1,581
Uruguay	2,761	1,960
Venezuela	-129	-42,714
Zambia	-1,315	-1,225
Total	97,761	-58,702

Income tax paid

Figures in thousands of Euros

	2023	2024
Germany	23	
Angola	1,197	317
Algeria		
Argentina	25	453
Australia	2,359	-7,326
Bolivia	24	
Brazil	5,741	5,422
Cameroon	1,153	693
Canada		
Chile	2,088	6,000

	2023	2024
Colombia	755	87
Ivory Coast		22
Denmark		1
Ecuador	654	635
El Salvador	0	
Spain	16,034	223,896
United States	7,607	9,361
Finland	44	79
France		
Ghana	30	81
Guinea Conakry	95	39
Guatemala		
Honduras	88	432
Italy	1,401	5,934
Jordan		
Kuwait	16	
Lithuania	374	1,752
Morocco		
Mauritania	23	150
Mexico	8,410	5,818
Mozambique	25	59
Norway	2,403	4
New Zealand		88
Panama	30	789
Peru	-233	66
Portugal	683	1,452
United Kingdom	917	569
Dominican	793	1,787
Romania	10	
Senegal	2	
South Africa	0	
Uruguay	499	630
Venezuela	1	
Zambia	9	
Total	53,280	259,299

Public grants received

In 2024, the Elecnor Group received public grants amounting to Euros 3,152 thousand, compared with Euros 4,117 thousand in the previous year, as detailed below:

	2023	2024
Spain	2,878	2,278
Portugal	924	637
Italy	60	167
Great Britain	245	66
Romania	10	4
Total	4,117	3,152

Appendix IV. Contents index of Law 11/2018

Taxonomy

Areas	Reporting framework	Reference
Taxonomy	Own methodology based on compliance with EU Regulation 2020/852.	69, 222

General areas

Areas		Reporting framework	Reference
Business model	Description of the business model: Business environment Organisation and structure Markets where it operates Goals and strategies The main factors and trends potentially affecting future performance Main policies applied by the Group	ESRS 2, SBM-1, ESRS 2, MDR-P, E1-2, E1-4 E4-2, E4-4 E5-1, E5-3 S1-1, S1-5 S2-1, S2-5 S3-3, S3-5 G1-1	44, 87, 91, 112, 117, 119, 130, 141, 168, 172, 182, 188, 189
Main risks and impacts identified	Internal Control and Risk Management System	ESRS 2 GOV-5	42
	Analysis of risks and impacts related to key issues	ESRS 2 IRO-1, SBM-3	55, 59

Environmental issues

Areas		Reporting framework	Reference
Environmental Management	Current and foreseeable effects of the company's activities	SBM-3, E1-9, E4-6, E5-6	59, 83, 110, 208
	Procedures for environmental assessment or certification	GRI 3-3	88
	Resources allocated to preventing environmental risks	E1-3, E4-3, E5-2, GOV-1	32, 94, 113, 121
	Application of the precautionary principle	E1-1, E1-3, E4-3, E5-2	88, 94, 113, 121
	Amount of provisions and guarantees for environmental risks	SBM-3, E1-9, E4-6, E5-6	59, 83, 110, 208
Pollution	Measures to prevent, reduce or remedy carbon emissions (also includes noise and light pollution)	GRI 3-3	204 Not material

Areas		Reporting framework	Reference
Environmental Management	Current and foreseeable effects of the company's activities	SBM-3, E1-9, E4-6, E5-6	59, 83, 110, 208
	Procedures for environmental assessment or certification	GRI 3-3	88
	Resources allocated to preventing environmental risks	E1-3, E4-3, E5-2, GOV-1	32, 94, 113, 121
	Application of the precautionary principle	E1-1, E1-3, E4-3, E5-2	88, 94, 113, 121
	Amount of provisions and guarantees for environmental risks	SBM-3, E1-9, E4-6, E5-6	59, 83, 110, 208
Circular economy and waste prevention and management	Prevention, recycling, re-use, other methods of waste recovery and elimination	E5-2	121
	Actions for combating food wastage	GRI 3-3	Not material
Sustainable use of resources	Water consumption and water supply in accordance with local constraints	GRI 303-5	281
	Consumption of raw materials and measures implemented to boost efficiency in their usage	E5-2, E5-4	121, 122, 281
	Direct and indirect energy consumption	E1-5	99, 281
	Measures taken to boost energy efficiency	E1-3	94
	Renewable energy use	E1-5	99
Climate change	Important elements of greenhouse gas emissions generated	E1-6	100
	Measures implemented to adapt to the consequences of climate change	E1-1, E1-3	88, 94
	Voluntarily established reduction targets	E1-4	91
Safeguarding biodiversity	Measures implemented to preserve or restore biodiversity	E4-3	113
	Impacts of the activities or operations on protected areas	ESRS 2 SBM-3	62, 11

Social matters and issues concerning staff

Areas		Reporting framework	Reference
Employment	Total number of employees and breakdown by gender, age, country and professional category	S1-6 GRI 2-7, GRI 405-1	141, 264
	Total number and distribution of employment contract modalities	S1-6	264
	Annual average of open-ended, temporary and part-time contracts by gender, age and professional category	GRI 405-1	268
	Number of layoffs by gender, age and professional category	GRI 401-1	271
	The wage gap	S1-16 GRI 405-2	151, 276
	Average remuneration by gender, age and professional category	S1-16	151, 273
	Average remuneration of Directors by gender	GRI 405-2	276
	Average remuneration of managers by gender	GRI 405-2	273
	Policies to facilitate disconnection from work	S1-1	135, 280
	Disabled employees	S1-12	208, 272
Organisation of work	Organisation of work time	S1-1, S1-15	130, 208
	Number of hours of absenteeism	GRI 403-9 GRI 403-10	272
	Measures aimed at facilitating work-life balance and fostering a mutually responsible approach thereto by both parents	S1-4	139
Health and Safety	Occupational Health and Safety conditions	S1-1	157
	Number of occupational accidents and diseases by gender, frequency rate and severity by gender	S1-14	164, 279

Areas		Reporting framework	Reference
Social relations	Organisation of social dialogue, including procedures to inform and consult employees and to negotiate with them	S1-2, S1-8	128, 143, 271
	Percentage of employees covered by collective bargaining agreements by	S1-8	143, 271
	Balance of collective bargaining agreements, especially in connection with occupational	S1-8, S1-14	143, 164, 271
	Mechanisms and procedures that the company has in place to encourage workers' involvement in the management of the company, in terms of information, consultation and participation.	S1-2, S1-8	128, 143, 271
Training	Training policies implemented	S1-1	135
	Total number of training hours by professional category.	S1-13 GRI 404-1	148, 272
Universal accessibility for disabled people		S1-12	272
Equality	Measures implemented to promote equal treatment and equal opportunities for women	S1-4, S1-9	150, 151
	Equality plans, measures adopted to promote employment, protocols against sexual harassment and gender-based harassment	S1-1, S1-4, S1-9	133, 150
	Integration and universal access for disabled people	S1-12	208
	Policy against any kind of discrimination and, in the event, for managing diversity	S1-1	133, 134

Information on respect for human rights

Areas	Reporting framework	Reference
Implementation of human rights due diligence procedures	ESRS 2 GOV-4	39
Prevention of risks of human rights breaches and, where applicable, measures to mitigate, manage and remedy potential abuse	S1-4, S2-4, S3-4	138, 171, 183
Complaints regarding human rights breaches	S1-17	153
Promotion and compliance with the provisions of ILO fundamental conventions relating to respect for freedom of association and the right to collective bargaining; elimination of discrimination in the workplace and occupation; elimination of forced or compulsory labour; effective abolition of child labour	S1-1, S2-1	157, 168

Information concerning combating bribery and corruption

Areas	Reporting framework	Reference
Measures implemented to prevent bribery and corruption	G1-3	192
Anti-money laundering measures	G1-3	192
Contributions to foundations and non-profit organisations	GRI 413-1	281

Company information

Areas		Reporting framework	Reference
Management approach			
The company's commitment to sustainable development	Impact of the business on society, with regard to jobs and local development	ESRS 2 SBM-3, S3-3, S3-4, S3-5	59, 173, 182, 183, 188
	The impact of the business on local communities and territory	ESRS 2 SBM-3, S3-3, S3-4, S3-5	59, 173, 182, 183, 188
	Relations with the stakeholders in local communities and modalities of dialogue with them	S3-2	181
	Association or sponsorship actions	GRI 413-1	282
Subcontracting and suppliers	Inclusion in procurements policy of social issues, gender equality and environmental considerations	S2-1	168
	Consideration, in relations with suppliers and subcontractors, of their social and environmental responsibility	S2-2, S2-3, S2-4	170, 171
	Supervisory system and audits, and findings thereof	GRI 308-1, GRI 414-1	183
Consumers	Measures to ensure consumer health and safety	GRI 3-3	283
	Complaints system	GRI 3-3	283
	Complaints received and resolution thereof	GRI 3-3	283
Tax information	Profit/loss obtained by country	GRI 207-4	284
	Income tax paid	GRI 207-4	285
	Public grants received	GRI 201-4	286