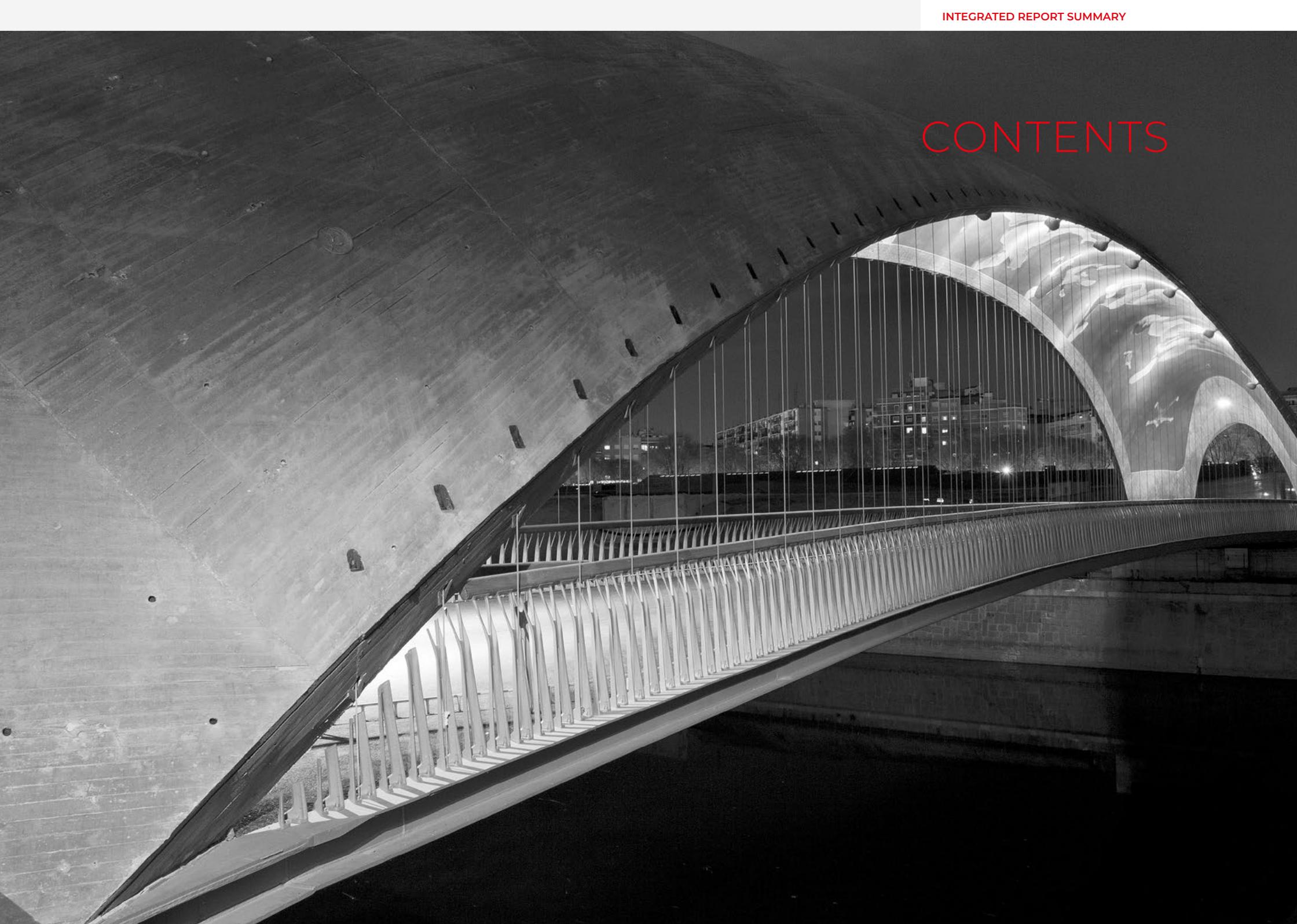


EXECUTIVE SUMMARY

INTEGRATED REPORT 2020

LET'S REBUILD A BETTER PLANET

CONTENTS



1

Message from the Chairman

p. 4

2

Resilient to the coronavirus and ready to grow

p. 6

3

Business as unusual

p. 8

4

Principles for contributing value

p. 12

5

Our plan

p. 16

6

Solutions: our business model

p. 18

7

Our organisation

p. 22

MESSAGE FROM THE CHAIRMAN

José Manuel Entrecanales
Chairman of ACCIONA



The *2020 Integrated Report* is being released just as we are approaching the end of very difficult time in history in which we have relearned the virtue of cooperation, the importance of science and the need to think beyond efficiency; in which the ability to overcome adversity has been paramount.

The climate crisis, biodiversity loss and rising inequality are waves of instability whose unimaginable consequences could make this health crisis just the first of many. For this reason, and since the COVID-19 crisis erupted, we have had to adapt on a daily basis to a changing reality, where our company's vision and purpose form the basis of the regenerative approach we are developing.

NOT A LOST YEAR

In this context, ACCIONA proved its capacity to respond forcefully but also flexibly. We have been preparing for this for over 20 years. By developing basic infrastructure, designed and operated to create societies that are more sustainable and resilient. As a result of this conviction, many of the services the company delivers proved to be absolutely vital for addressing the pandemic in 2020.

Hospital management, uninterrupted electricity supply, water management and cleaning services helped society to better withstand the difficulties. We are proud that our company

and the people in it were able to contribute to sustaining living standards in our society. We have shown that our principles and our sustainable approach are a central and critical element of our business strategy.

On the economic front, the main challenge was to control the company's debt and liquidity. The uncertainty resulting from the economic slowdown and lockdowns forced us to define a response for each of our lines of business, and to actively manage investments and divestments.

As a result, we attained a net debt/EBITDA ratio of 4.21x, below the 4.5x ceiling announced at the beginning of the pandemic. We also reduced net financial debt by 11 % and maintained unprecedented levels of liquidity at all times. Despite a 10 % decline in revenues and a 22 % decline in EBITDA, Group net profit grew by 8 % thanks to active management of our operations.

The fact that the concessions and water divisions were classified as essential activities during the pandemic enabled them to attain double-digit growth in revenues. Construction, energy and services saw a year-on-year decline in revenues, largely as a result of the widespread slowdown and the consequent decline in the demand for energy. Nevertheless, we believe that these dips are temporary and we are confident of a recovery in 2021 and 2022.

Conversely, as the leading company in the sustainable infrastructure sector, we were able to seize opportunities that arose. In 2020, we attained 10.7 GW of renewable power generation capacity, surpassing the 10.5 GW target we had

set in 2015. The infrastructure backlog expanded in 2020 from 8 B€ to 12.1 B€ due to obtaining major contracts and new projects. In June it became known that ACCIONA was the world's largest scooter sharing operator, and in December we launched a pioneering project to produce green hydrogen on the island of Mallorca. These milestones clearly point to new revenue streams in the future that will enhance the leading position of our business model.

BASIC INFRASTRUCTURE FOR PROSPERITY

True to our purpose, we have continued to deploy our business model based on both vertically integrated and horizontal solutions that have a positive impact on people and the planet. Those solutions have become even more productive in a context of the health crisis and polarisation, where governments and other clients are increasingly making contract awards conditional upon a positive impact — what we call "regenerative by design".

Clients have a growing awareness that only companies that show an explicit long-term commitment can be relied upon, especially given the context and the implications of the infrastructure industry for society.

As a result, our value proposition is even more important, positioning ACCIONA as the go-to partner for contributing to the 2030 Agenda and attaining the Sustainable Development Goals at local level, in each municipality, region, country or state. At ACCIONA we have created a solid, stable funding framework for our investors, in which each project we develop represents a profitable investment opportunity,

as well as a way to maximise the social and environmental productivity of the communities in which we operate. This has enabled us to minimise risks and to deploy the full transformational potential of our activity.

Integrating this approach into all our projects between now and 2025 will allow us to connect the supply of capital with the demand for profitable projects that drive sustainable local development, enabling the generation of profits in the medium and long term.

IT'S TIME TO ACCELERATE

2021 is a very important year for us. The IMF projects 6 % economic growth worldwide, but it is our responsibility to ensure that the development arising from that economic growth results in a more inclusive and resilient planet. In this context, ACCIONA expects to invest close to 2 B€ in 2021.

Government plans to re-launch the economy in a sustainable way have spurred net zero commitments for 2050 on the part of many economies, encouraging large companies to secure green energy supplies. This is a turning point in which, after thirty years of development, renewable energy is entering a stage of maturity and mass deployment. It is also an opportunity for other technologies needed for a complete decarbonisation, such as hydrogen.

The ACCIONA Energía IPO seeks to take advantage of the exceptional climate in the renewable energy industry and to lock in our privileged position in a context of accelerating decarbonisation. The company is determined to maximise its

contribution to a zero emissions economy and firmly establish its lead in this new era. In its 30-year history, ACCIONA Energía has contributed to the creation and development of the green energy sector and, to date, has been able to do so using its own resources. The company has been preparing its teams for a long time, strengthening its geographical footprint and its project portfolio to take advantage of this unique moment in the renewable sector, with the objective of doubling in size to an installed capacity of 20 GW in 2025. An independent listing will provide us with greater financial capacity and efficiency, as well as strategic strength to address this great challenge and continue to lead the sector.

ACCIONA doesn't have all the answers to what will happen in the coming years, but we do know the role we want to play. As has occurred in the past, those who place their trust in us will be rewarded by our company's leadership and strong commitment to the sustainable development and transformation of our world. The time for regenerative action is now. I am relying on you to help us achieve it.

RESILIENT TO THE CORONAVIRUS AND READY TO GROW

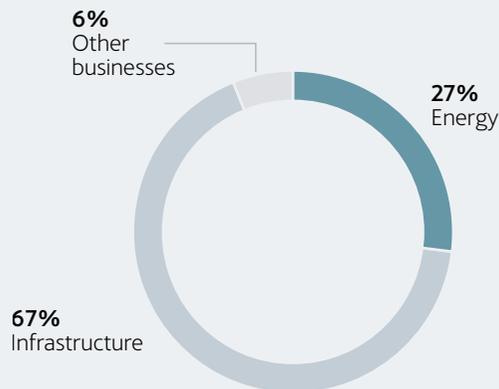


ACCIONA's active management approach during the pandemic made it possible to overcome the most difficult stage of COVID-19, validating its Business as Unusual model and reinforcing its growth potential.

- > The business proved resilient, achieving an EBITDA margin of 17.37 % in an environment of shrinking demand and falling electricity prices.
- > In FY2020, revenues from water solutions and concessions increased, mitigating the economic impact of the pandemic in other areas.
- > Coordinated management of debt and investments kept the debt/EBITDA ratio at 4.21x, very close to the 4x target in pre-crisis times and below the 4.5x target set for 2020 due to the pandemic.
- > A dividend of 3.9 €/share was paid to shareholders even in times of crisis, showing the resilience of the business model and the company's assets.
- > Financial capacity to undertake investments totalling 829 M€ to seize market opportunities.
- > Divestments amounting to 318 M€ thanks to market interest in ACCIONA's assets.

Revenues

6,472 M€ · 2,673 M€ Spain
· 3,799 M€ International



Note: consolidation adjustments amounted to -177 M€

▼ **-719 M€ revenues** (-10 % vs. 2019)

> **Lower Energy revenues (-10.9 %)**

Falling energy demand

> **Lower Infrastructure revenues (-10.8 %)**

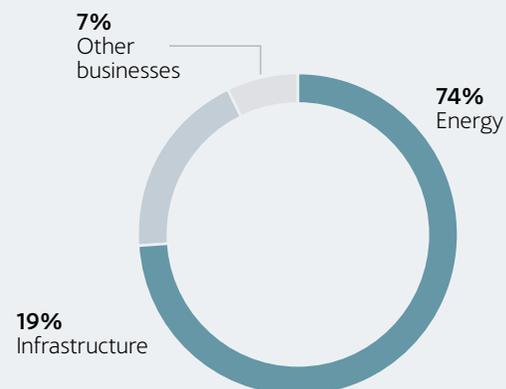
Higher revenues from water solutions (28.8 %) and concessions (26.3 %).

Reduction in revenues from services (-11.8 %) and construction (-19.1 %).

> **Revenues from Other Businesses (+4.7 %)**

EBITDA

1,124 M€ EBITDA margin 17.4 %
(-1.5 pp)



Note: consolidation adjustments amounted to -0.4 M€

▼ **Operating profit margin down 2.6pp**
(vs. 2019)

▼ **- 233 M€ EBITDA**

> **Energy ▼ -6.7 %**

> **Infrastructure ▼ -54.2 %**

· Construction ▼ -82.3 %

· Concessions ▲ 33.4 %

· Water ▼ -4.7 %

· Services ▼ -74.0 %

> **Other businesses -4M€ ▼ -4.1 %**

EBT

508 M€ Ordinary EBT
508 M€ Total EBT

Other businesses 60.56

Infrastructure 6.72

Energy

441.04

Note: consolidation adjustments amounted to -0.24 M€

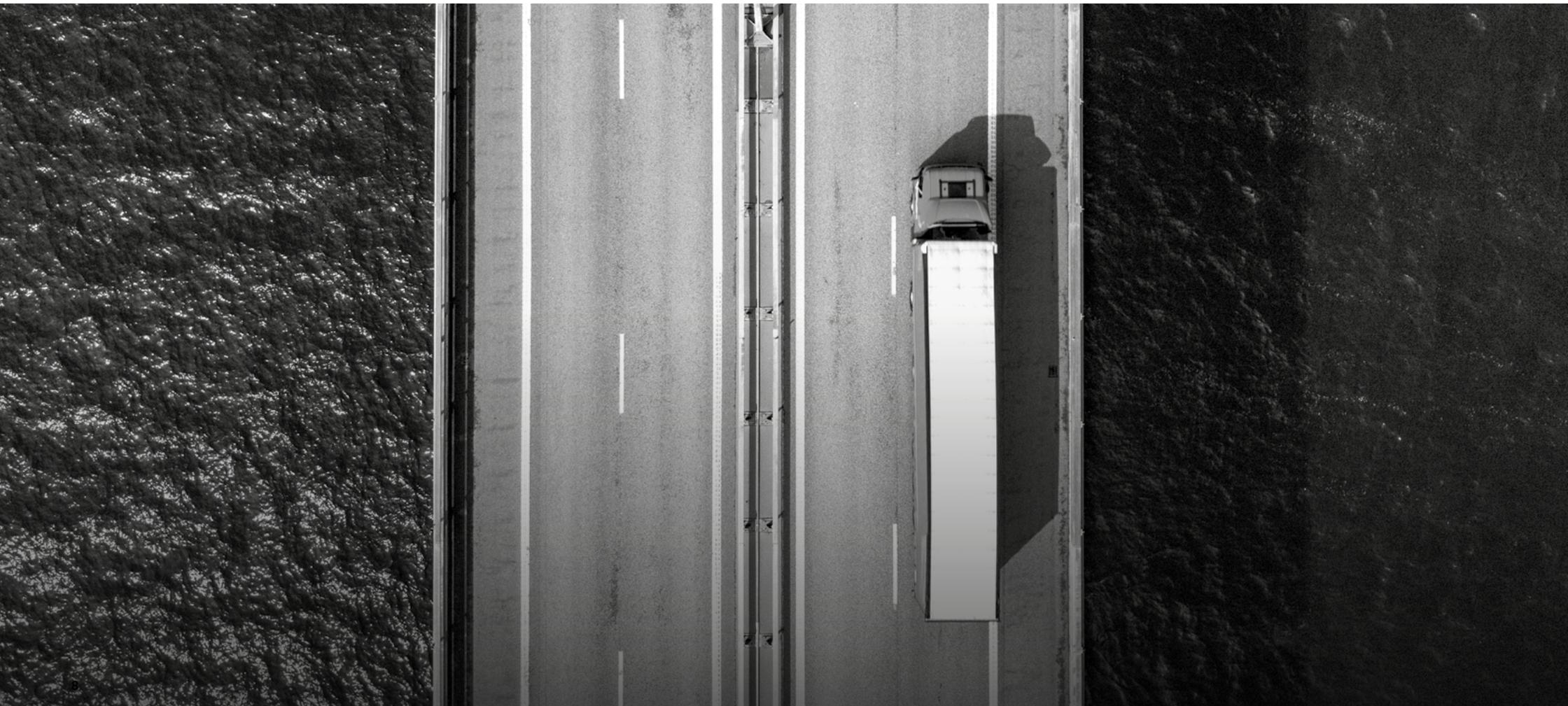
Attributable net
profit

380

M€

BUSINESS AS UNUSUAL

ACCIONA is one of the main companies in Spain's IBEX 35 index; it has a presence in more than 40 countries and employs over 38,000 people around the world. We are experts in designing a better planet, responding to basic infrastructure needs through innovative solutions that produce real progress.



**Business as Unusual:
What's different?**

The company that generates the greatest positive impact will create more project opportunities and attract more sustainable financing.

The main challenges of 2020 were the spread of COVID-19 and the disruptions it is causing in both the economy and in the progress towards the Sustainable Development Goals (SDG). Traditional business, also known as *Business as Usual*, has proven to be ineffective at protecting the most vulnerable, emphasising the need to change the established business models.

The solution to this challenge is to work towards a regenerative economy that enhances not only economic growth but also sustainable development.





KEYS TO ACCIONA BUSINESS DEVELOPMENT

- > There has been an increase in the supply of capital seeking to make a positive impact.
- > ACCIONA offers a sustainable financing framework that is aligned with the European taxonomy of low-carbon activities.
- > Ease of access to sustainable financing.
- > ACCIONA has identified a range of comprehensive solutions.
- > The solutions have a powerful positive impact.
- > Technical excellence to address the challenges.
- > Better positioning when it comes to securing projects.
- > Established relations with public institutions and governments that need to make progress on the SDGs.
- > Emergence of new business models that will respond to the SDGs.

THE FIRST COMPANY IN A NEW INDUSTRY

The aim of this new industry is to develop a sustainable business activity by meeting the needs of everyone who is a part of our value system, and investing in the planet to achieve this. This aligns the company's efforts not only with the 2030 Agenda, but also with the European taxonomy.

85 % of ACCIONA's CAPEX is aligned with the European taxonomy for sustainable activities

ACCIONA's long-term strategy enables it to focus on the main social challenges of the moment. By pinpointing opportunities, the company can develop complex, multi-sector projects by leveraging the talent and experience of its great team of professionals in the various areas in which it operates. These solutions help to generate an impact that improves people's lives and cares for the planet, while providing a suitable return on investment.

ACCIONA integrates the synergies between the various SDGs by creating combined projects that meet the needs of various of the 2030 Agenda goals

2018-2020: 3 YEARS ACHIEVING OUR OBJECTIVES

Faced with the need to tackle the challenges that business as usual had failed to address, in 2018 ACCIONA developed a new business model — "Business As Unusual".

Since this strategy was launched, the financial objectives have been met year after year. The roadmap created with the aim of positioning ACCIONA as a company in a new industry has yielded the following results:

Achievement of goals in Business as Unusual

Indicators	FY18	FY19	FY20	Comments
FINANCIAL INDICATORS				
EBITDA growth year-on-year	●	●	●	EBITDA fell in 2020 due to the pandemic
Dividend distribution with a focus on growth and stability	●	●	●	The FY19 dividend was adjusted due to the impact of the pandemic
Debt/EBITDA ratio below 4x	●	●	●	In FY2020, due to the pandemic, the target was adjusted to containing the ratio below 4.5x*
EBITDA margin stable or rising year-on-year	●	●	●	Continuous improvement of business productivity
Gross CAPEX stable or rising year-on-year	●	●	●	Divestments played a strategic role in FY2020
Target return on investments > WACC + 200bp				Objective to be achieved in the next few years.
NON-FINANCIAL INDICATORS				
Increase in renewable electricity installed capacity (MW)	●	●	●	Achieved goal of surpassing installed capacity of 10,500 MW, having attained 10,694 MW
Alignment of CAPEX, EBITDA and revenues with the EU Taxonomy	N.A.**	●	●	In FY2020, 85 % of CAPEX (target: 90 %) and 84 % of EBITDA (target: 80 %) were achieved. In 2019, alignment exceeded those goals
Reduction of greenhouse gas emissions	●	●	●	Down 38 % compared to 2017, exceeding the science-based target.
Lower accident rate	●	●	●	34 % reduction, against a target of 15 %.
Increase the net percentage of women in senior and middle management posts	●	●	●	The percentage has risen to 20.7 %, but the target of 23 % has not been reached.

* Earnings presentation for the first half of 2020, page 22. <https://mediacd.n.acciona.com/media/htvlnjnl/q1-2020-results-presentation.pdf>

** The taxonomy was first published in March 2019.

PRINCIPLES FOR CONTRIBUTING VALUE

ACCIONA develops 7 solutions:
energy, transport, water, social,
cities, real estate and financial.

In recent years, the conventional infrastructure business has had a limited capacity to generate productivity and increase profitability. The sector needs innovation to improve its overall productivity and profitability ratios, remain attractive in the market and become a clear choice for investors and stakeholders.

ACCIONA develops 7 solutions that generate a positive local impact and shareholder value: energy, transport, water, social, cities, real estate and finance.

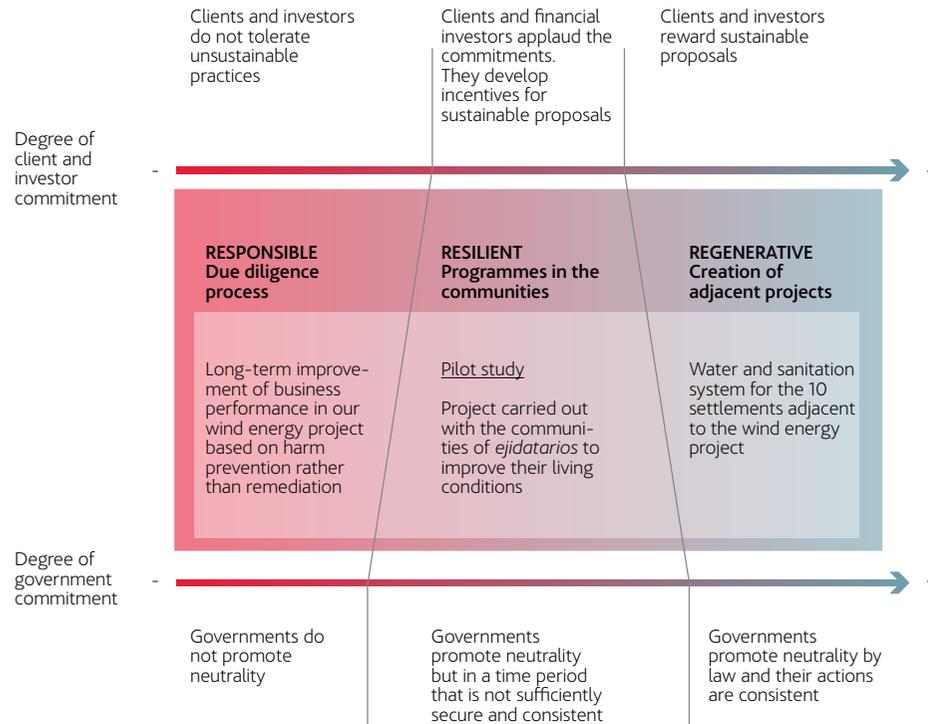
The key to the success of these solutions is that they cover the company's entire value chain: from opportunity identification, through planning and financing potential, design and construction, to project operation and maintenance.

Our solutions are developed with a regenerative approach. With a view to helping to increase the planet's capacity and the multiplier effect of infrastructure.

REGENERATIVE CAPACITY AS A PRODUCTIVITY ENHANCER

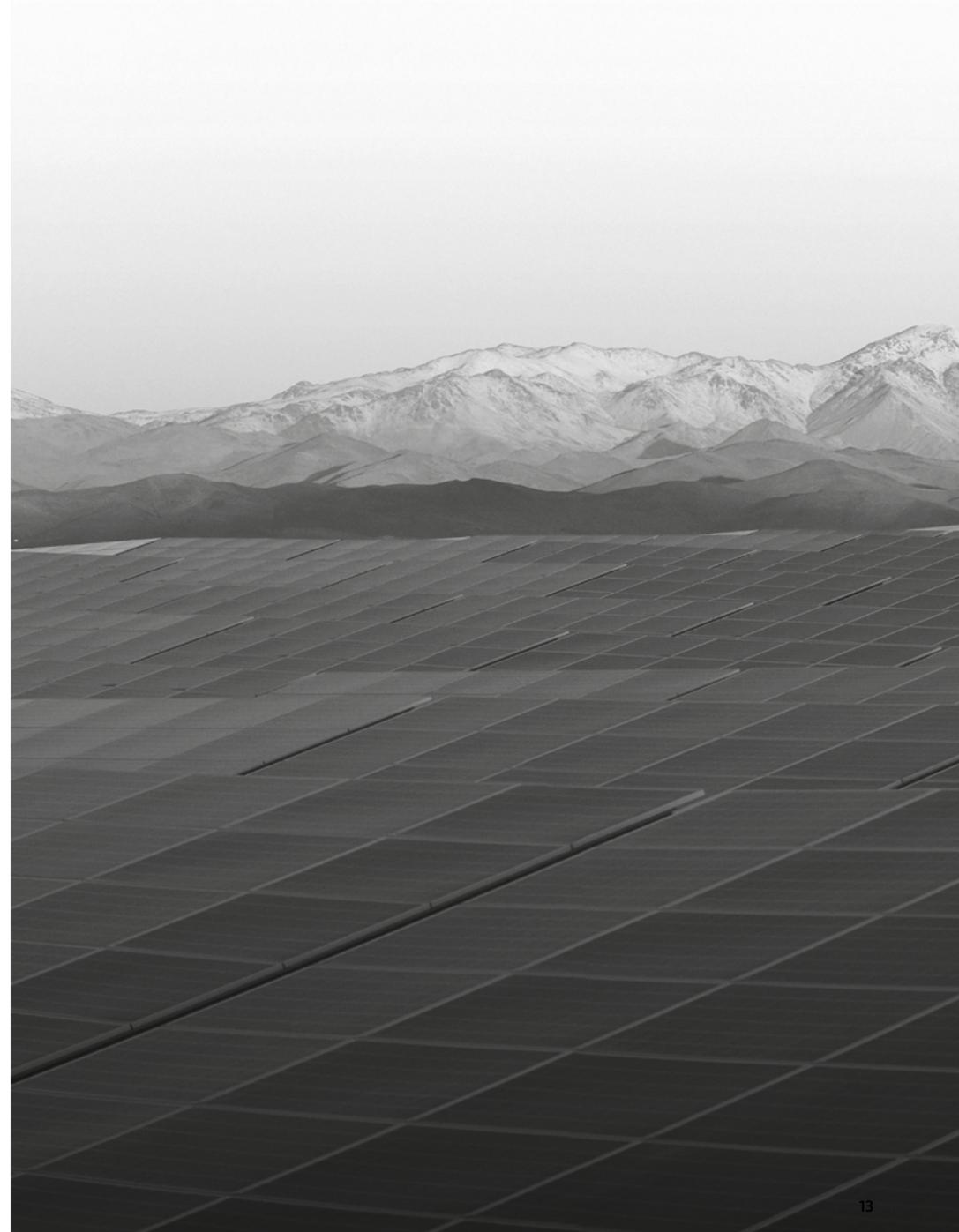
ACCIONA's value proposal to investors is twofold. The company continues to boost efficiency through the conventional approach while also enhancing its infrastructure proposal by creating adjacent projects that help to achieve the SDGs in the regions where it is present.

Chart showing how a regenerative project works



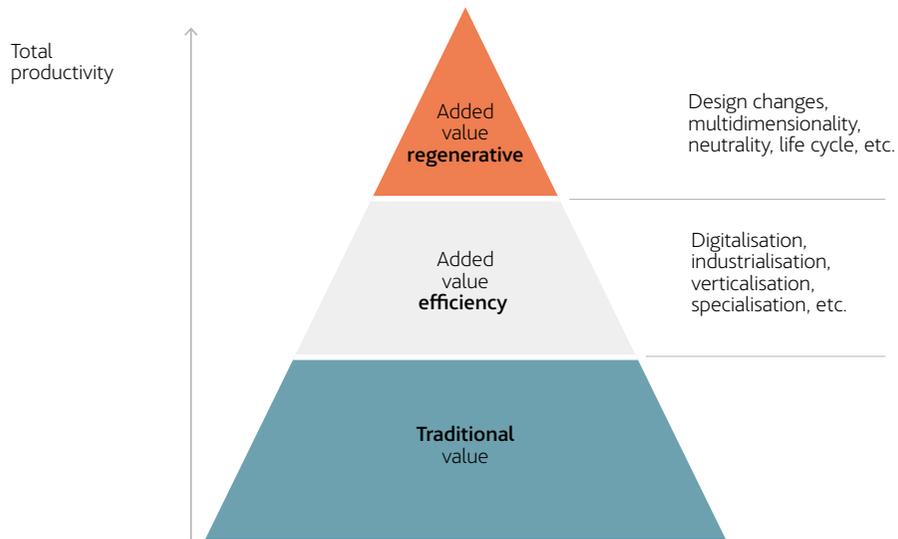
ACCIONA's new solutions show an increase in CAPEX compared to other projects due to integrating adjacent projects. In a context of robust investor appetite for financing infrastructure with a positive impact, this approach generates new business opportunities.

ACCIONA has the capacity to increase project productivity between 2- and 10-fold based on its vision of creating adjacent projects aligned with the Sustainable Development Goals.



ACCIONA has the capacity to increase project productivity between 2- and 10-fold based on its vision of creating adjacent projects aligned with the Sustainable Development Goals.

ACCIONA's strategy for generating productivity



The total productivity proposed by ACCIONA is the result of the added value in efficiency and the additional value of its regenerative approach. In this way, the company is positioning itself as a leader in a new industry focused on improving the planet's regenerative capacities and achieving the SDGs.

The company gains an edge in bidding by adding an additional infrastructure micro-project to the main project for which it is bidding. ACCIONA calls them 'adjacent projects', and they help close the shortfall in the attainment of the SDGs in the territory in question. One of the group's most appealing features is its ability to create synergies between projects and simultaneously meet different needs for any region.

Chart depicting the relationship between main and adjacent projects



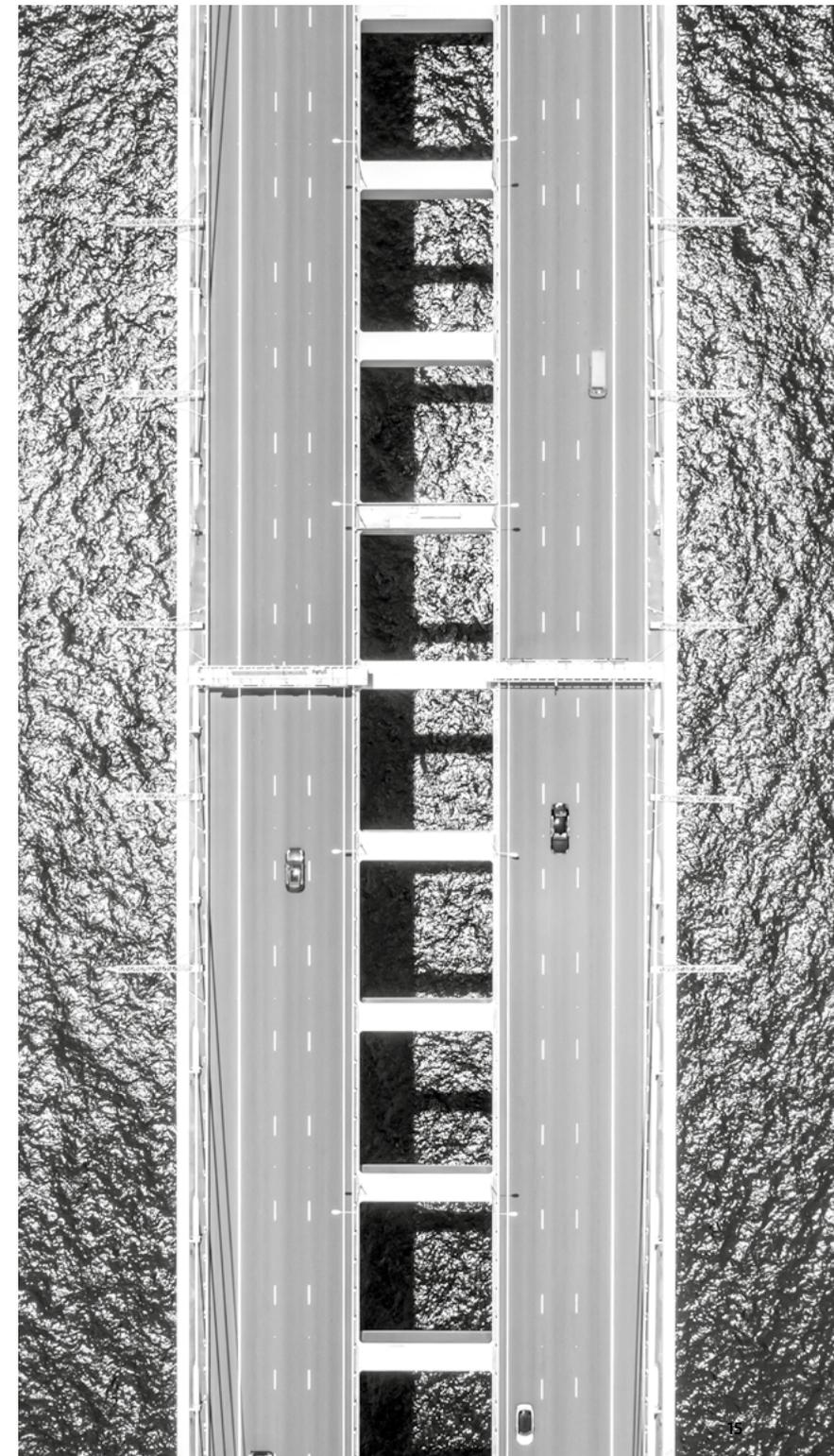
- ① Main infrastructure project.
- ② Optimisation of the positive social and environmental impact based on potential projects.
- ③ Additional prosperity enablers. Infrastructure micro-projects to meet local needs.

GREATER PRODUCTIVITY WITHOUT SIGNIFICANTLY HIGHER RISK

ACCIONA manages a stable, predictable and growing business based on a resilient pipeline of projects with a balanced risk profile and attractive returns. This enables ACCIONA to maintain a strong competitive position and a solid capital structure, which it uses to constantly seek value-added opportunities.

ACCIONA has a Sharpe ratio of 0.79, compared with 0.80 in the case of the S&P Global Infrastructure and Clean Energy indices. Its risk-adjusted return is no greater than that of comparable companies.

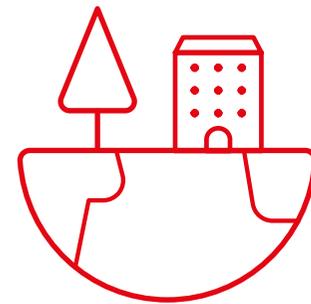
Risk related to the various business activities



OUR PLAN



ACCIONA's goal is to be the acknowledged leader in regenerative infrastructure solutions.



SUSTAINABILITY MASTER PLAN

Our plan and targets for 2025 aim to accelerate the sustainable transition to which the world is heading. We aspire not only to be recognised as a pioneer in the sector, but also to establish ourselves firmly as its leader. The aim of this new industry is to inspire and demonstrate that investing in the planet is the smartest solution.

x2

2025 AMBITION

We are ambitious in that we set 2025 as the target date, five years before the deadline for the 2030 Agenda. By then, the company will have validated its image as a world leader in the transition to a sustainable system by doubling its positive impact.

- > Renewable energy production
- > Positive impacts of the projects in terms of employment and the local economy
- > Clean water production
- > Gender and disability inclusiveness ratios
- > Kilometres of electrified rail track
- > Emissions avoided

STRATEGIC CHALLENGES

ACCIONA's plan focuses on four strategic challenges that will enable it to achieve its 2025 targets while reinventing the business. They all share the same three-phase approach: responsibility, resilience and regeneration.

1

People centric

2

Planet positive

3

Exponential leadership

4

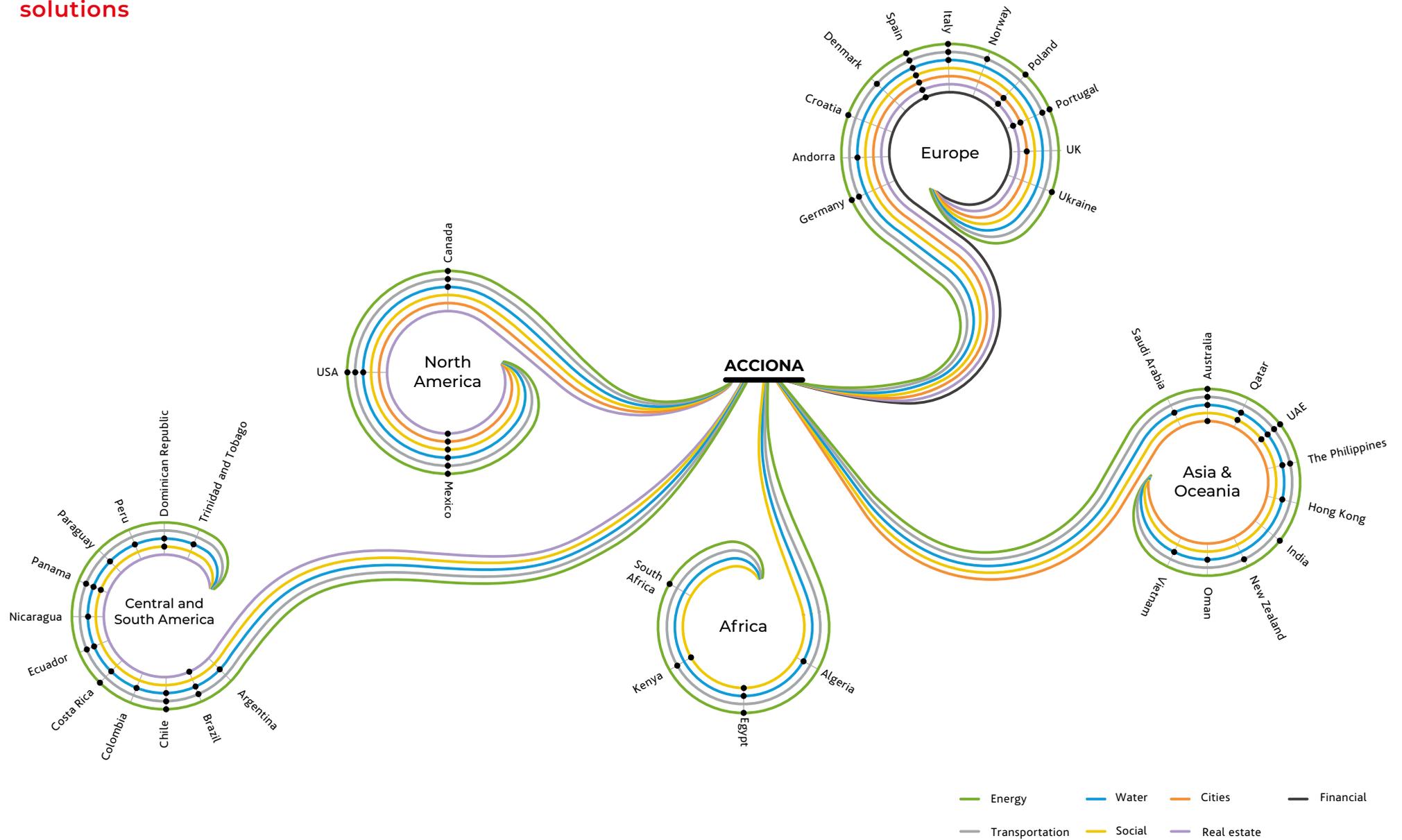
Integrate to transform

SOLUTIONS: OUR BUSINESS MODEL

ACCIONA develops and invests in many types of projects that respond not only to the challenges facing our planet, but also to the needs of small communities. This requires a different way of doing business, in which people's well-being and environmental conservation take priority, and regenerative infrastructures are the way to make this a reality.



ACCIONA
solutions





ENERGY SOLUTIONS

ACCIONA was named the world's largest 100%-renewable energy company for the sixth consecutive year. The company owns and operates about 11 GW of generating capacity: wind, photovoltaic, hydropower, solar thermal and biomass.

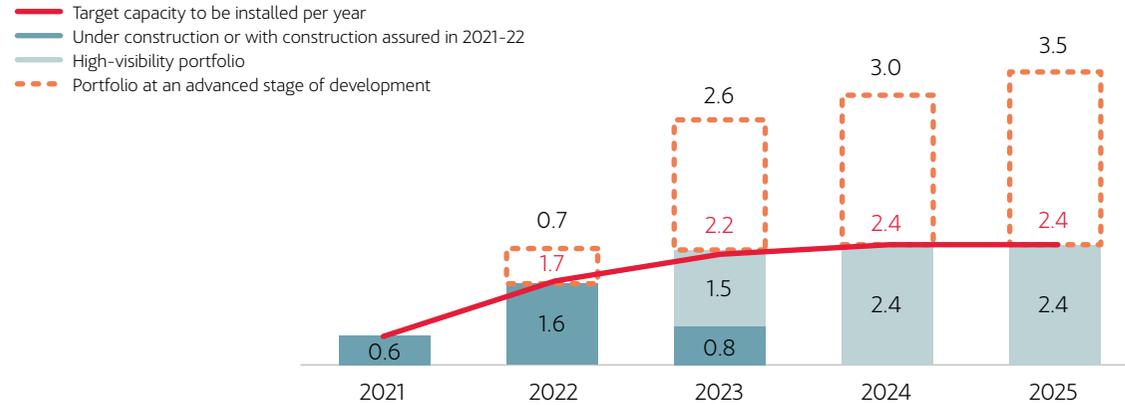
With a track record of solid, profitable growth, ACCIONA Energía is poised to take advantage of the growing opportunities arising from the energy transition, with the aim of accelerating the company's organic growth and doubling its installed capacity to 20 GW by 2025.



TRANSPORT SOLUTIONS

To date, the group has participated in the design and construction of more than 3,000 km of railways, and is also a leader in construction and engineering solutions for bridges and viaducts of all types.

Forecast increase in installed capacity for 2021-2025 (in GW)



Major new contracts in 2020

Project	Solution	Country	Completion	Amount (M€)
Sao Paulo Metro line 6	Underground and light rail	Brazil	2025	2,300
Vancouver Millennium Line Broadway extension	Underground and light rail	Canada	2025	1,820
S19 Expressway: Rzeszow Potudine-Babica	Toll roads	Poland	2026	500
Second section of the Malolos-Clark International Airport railway line	Railways and railway services	The Philippines	2024	560
Acquisition of a portfolio of contracts from Lendlease Engineering	Several	Australia	Several	1,100



WATER SOLUTIONS

The company processes, purifies, reuses, desalinates and manages water for over 100 million people in more than 30 countries around the world while meeting demanding quality and efficiency standards.

Outstanding projects in portfolio:

Project	Solution	Country	Completion	Amount (M€)
Boca del Río	End-to-end management	Mexico	Under way	100
Nhieu Loc Thi Nghe	Wastewater treatment	Vietnam	Under way	200
Shuqaiq 3	Desalination	Saudi Arabia	2021	530
Shuqaiq 1	Desalination	Saudi Arabia	2023	315
Sedapal	Water service	Peru	Under way	16
Tseung Kwan	Desalination	Hong Kong	Under way	1,042



SOCIAL SOLUTIONS

In order to expand and guarantee social wellbeing, we develop infrastructure solutions for health, education and cultural engineering, and for ecosystem conservation and the regeneration of the natural environment.



CITY SOLUTIONS

Through SMART solutions for sustainable cities, the group addresses issues such as improving waste management, revitalisation of cities and clean, agile, efficient mobility.



REAL ESTATE SOLUTIONS

ACCIONA's Business as Unusual approach involves designing eminently sustainable real estate projects in an urban environment by exploring innovative measures.



FINANCIAL SOLUTIONS

Bestinver was created as a small financial unit dedicated to the active management of family assets. Today, the firm has over 50,000 investors and manages 6.4 B€ in assets.

OUR ORGANISATION

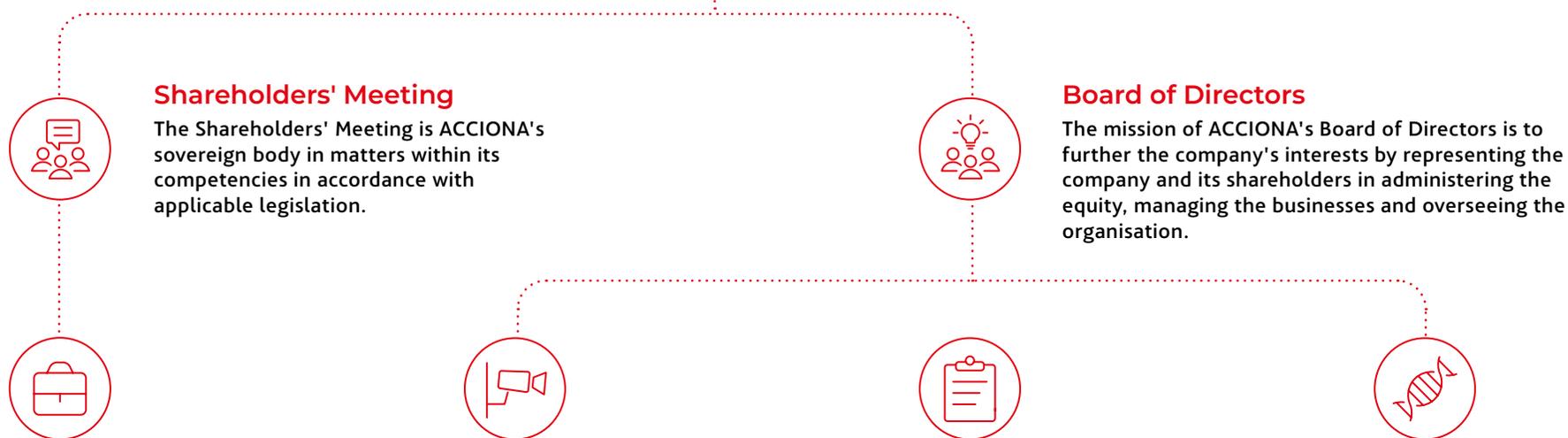
INTEGRATED RISK CONTROL AND MANAGEMENT APPROACH

A corporate team coordinates the identification, assessment and mitigation of the risks established in each of the business lines. It determines the acceptable level of risk tolerance and organises the necessary actions so that risk management is aligned with the company's overall risk policy, making it possible at any time to know the level of exposure borne by the group as a whole.

Risk scenario	Risk description
Financial risks	They relate primarily to fluctuations in exchange rates, interest rates and financial markets, changes in commodity prices, liquidity, cash flow, defaults and loss of customers.
Strategic risks	Risks which result in reduced growth by the company and failure to meet its objectives due to an inability to respond to a dynamic competitive environment. They include organisational changes, investments and divestments, competitive threats, economic and political changes, changes to the law, the impact of new technology, and research and development.
Operational risks	Risks related to processes, people and products. They are linked to regulatory, legal and contractual compliance, control systems and procedures, the supply chain, ancillary services, information systems, employee productivity, and loss of key personnel.
Unforeseeable risks	Risk related to damage to assets and civil liability (including cybercrime), which may impair the company's performance.
Environmental risks	Mainly associated with the company's contribution to climate change through greenhouse gas emissions, as well as adaptation to new climate conditions, waste management, and the use of natural resources and energy.
Social risks	Linked to compliance with human rights, labour standards in the supply chain, workplace health and safety and the relationship with communities in order to obtain the social licence to operate.
Compliance risk	Relates to the set of rules or principles that define stakeholders' ethics, rights, responsibilities and expectations with regard to corporate governance.

EFFECTIVE, STRATEGIC, TAILORED GOVERNANCE

ACCIONA's governing bodies are committed to continuous improvement, striving for effective, transparent and rigorous management of all the company's businesses and operations. Our corporate governance practices help generate value and safeguard the long-term interests of the company, its shareholders and other stakeholders.



Shareholders' Meeting

The Shareholders' Meeting is ACCIONA's sovereign body in matters within its competencies in accordance with applicable legislation.

Board of Directors

The mission of ACCIONA's Board of Directors is to further the company's interests by representing the company and its shareholders in administering the equity, managing the businesses and overseeing the organisation.

Management team

The Management team's mission is to assist the Executive Chairman and the Chief Executive Officer or senior management of ACCIONA in overseeing the day-to-day conduct of the group's businesses, and in coordinating the activities of the various divisions and units of which it is comprised.

Audit Committee

The basic functions of the Audit Committee are to serve as an instrument and support to the Board of Directors in the supervision of accounting and financial information, the internal and external audit services, corporate governance, and support in the preparation of non-financial information.

Appointments and Remuneration Committee

The basic responsibilities of the Appointments and Remuneration Committee include evaluating the profiles required for the Board, selecting and proposing candidates, assessing the system and amounts of annual remuneration, and ensuring transparency in remuneration.

Sustainability Committee

The Sustainability Committee's basic duties are to identify policies, objectives, best practices and programmes in relation to Sustainability and Corporate Social Responsibility, and to assess and review the plans to execute those strategies, among others. It also provides support for non-financial reporting.



EXECUTIVE SUMMARY

INTEGRATED REPORT 2020

LET'S REBUILD A BETTER PLANET