COX

Annual Financial Information

Cox ABG Group, S.A.
and subsidiaries

2024

COX ABG Group, S.A.
and subsidiaries

Consolidated Annual Accounts and Consolidated Management 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 Cox ABG Group, S.A.

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of Cox ABG Group, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the statement of financial position 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 from engineering and construction contracts A significant part of the Group's revenues derives from engineering and construction contracts, with respect to which the most appropriate method to determine the entity's progress towards the fulfillment of performance obligations has been considered to be the percentage of completion method by reference to costs, measuring the costs incurred with respect to estimated total costs to complete the contract, resulting in a percentage of completion. This method requires estimating the margin on each of these contracts, the costs to be incurred and the probability that the revenues from approved contract changes will be received. The information on construction contracts is disclosed in notes 2.23.b., 24 and 25 to the accompanying consolidated financial statements. Revenue recognition under these contracts therefore entails using relevant judgements by management. These estimates take into account all costs and revenues related to the contracts which are updated, inter alia, taking into account cost overruns, as well as estimated revenues from approved changes and claims and/or on-going disputes with customers. The relevance of the estimates used in the recognition of revenues and their quantitative significance means that the recognition of revenue from engineering and construction contracts is considered a key audit matter.	We gained an understanding of the controls established by management to recognise revenues from engineering and construction contracts. Our procedures included, among others, carrying out tests on the design, implementation and operational efficiency of certain relevant controls that mitigate the risks associated with the revenue recognition process on this type of contracts. In order to perform substantive tests, we selected a sample applying quantitative criteria by reference to the amount or revenues or margins recognised in the year. For the projects selected, we obtained the contracts and read them to gain an understanding of the most relevant clauses as well as their implications, their budgets and project completion monitoring reports. We carried out the following procedures focusing on the main aspects: • On selected projects, we conducted an analysis of the development of the margins compared with variations in both the selling price and budgeted costs. • We recalculated the level of completion of the selected projects and compared the results with the Group's calculation. • For contract modifications, we obtained evidence of the technical approvals and status of the economic negotiations underpinning them. For the amounts recognised in claims and / or disputes, we assessed the reasonableness of management's judgement as well as the documentation which evidences their accounting recognition and if appropriate, the technical and legal reports supporting them. • We obtained explanations of the reconciliation of the financial information and project monitoring reports. • We verified, if appropriate, whether the main risks and obligations of the selected contracts were recognised in the provisions established at year end.

Lastly, we considered the sufficiency of the information disclosed in the consolidated financial statements in relation to this matter.

The results of the procedures performed have enabled the audit objectives for which such procedures were designed to be reasonably attained.

Valuation of concession asset

As explained in notes 9.1 and 9.2 to the consolidated financial statements, at 31 December 2024 the Group recognises "Intangible assets in concession projects" as non-current assets in an amount of Euros 206 million and long and short-term "Accounts receivable for concessional assets" in an amount of approximately Euros 272 million and Euros 49 million, respectively.

As outlined in note 2.7 to the accompanying consolidated financial statements, the Group recognises its concession agreements in accordance with IFRIC 12 "Service Concession Arrangements" as intangible assets (intangible asset model) when the demand risk is assumed by the concessionaire to the extent that it receives a right to collect amounts for the use of the asset and amortises them on a straight-line basis taking into account the concession term. At least at year-end Group management assesses whether there are indications of impairment, as indicated in note 2.10 to the accompanying consolidated financial statements.

Additionally, in note 2.7 to the accompanying consolidated financial statements, the Group recognises an account receivable for concession assets (financial model) when the demand risk is assumed by the grantor to the extent that the concessionaire has an unconditional right to receive amounts for the construction or asset upgrade services.

Group management analyses the concession agreements formalised in relation to the concession models described in order to account for them and assesses both their initial and subsequent measurement, which includes assessing possible indications of impairment and impairment testing to be conducted of concession assets. This is a complex process which requires calculating

We gained an understanding of the process for assessing the recognition and valuation of concession assets and the controls implemented by management.

We carried out the following procedures, among others:

- Analysis of the contract conditions for concession agreements, verifying the accounting treatment applied by management.
- Evaluation, for concession assets recognised under the intangible asset model, of the reasonableness of the methodology employed by Group management to estimate forecasted cash flows, as well as the main business and market assumptions used. Evaluation of discount rates used in impairment testing of these assets.
- For concession assets recognised under the financial asset model, we evaluated the reasonableness of the calculated internal rate of return and the methodology used in the estimation of payments, investments and collections.
- Arithmetic verification of the calculations taken into account in the economic-financial model.

Finally, we verified that the disclosures and information included in the notes to consolidated financial statements are appropriate.

The results of the procedures used have enabled the audit objectives for which such procedures were designed to be reasonably attained.

estimates which include significant management judgments and assumptions.

These judgments and estimates have to do, inter alia, with the internal rates of return on accounts receivable for concession assets, revenue forecasts, operating costs and disbursements for future investments, discounts rates and other macroeconomic variables.

Given the relevance of these assets, as well as the significant degree of judgement required in their recognition and valuation, we consider this a key audit matter.

Business combinations

As described in note 6 to the accompanying consolidated financial statements, in 2024 the acquisition of Son Rivieren, (Pty) Ltd and Ibexia Cox Energy Development, S.L was completed, entailing, among other things, the recognition of assets in concession projects amounting to Euros 138 million and goodwill amounting to Euros 27 million on the consolidated balance sheet, as well as the recording of a gain from a bargain purchase in the consolidated income statement amounting to Euros 15 million, net of the tax effect.

The Group has applied the acquisition method to account for business combinations, which has entailed on the acquisition date, recognising and measuring the identifiable assets acquired and liabilities assumed and in particular, determining their fair value, for which the Group had the support of an expert in the transaction price allocation process. Additionally, in the case of Ibexia Cox Energy Development, S.L., control has been achieved in stages and therefore the previously interest in that company has been revalued in an amount of Euros 7.5 million, net of the tax effect.

The valuation criteria applied by the Group to business combinations are described in note 2.3 to the consolidated financial statements.

We performed audit procedures in relation to the criteria taken into account by the Group in allocating the transaction price, including:

- Obtaining and analysis of the contracts supporting the business combinations and operations of the acquired businesses.
- Obtaining and evaluation of the accounting analysis performed by the Group in relation to business combinations.
- We obtained the reports drawn up by management's independent expert and assessed the method used to allocate the transaction price to the identifiable assets acquired and liabilities assumed in the business combinations.
- Evaluation and verification of the key assumptions used in the valuation of the identifiable assets acquired.
- Verification of the accuracy of the recognition of the assets acquired and liabilities assumed at fair value as well as of goodwill, the gain from a bargain purchase and the valuation of the previously held interest deriving from the acquisition of control in stages resulting from the transactions described.

Lastly, we considered the sufficiency of the information disclosed in the consolidated financial statements in relation to this matter.

We consider the recognition of the described business combinations a key audit matter due to the significant judgments made by management in measuring the identifiable assets acquired and liabilities assumed and the significance of their impact with respect to the consolidated financial statements as a whole.

The procedures performed have enabled the audit objectives for which such procedures 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 Cox ABG Group, 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 Cox ABG Group, 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). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the consolidated management report.

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.

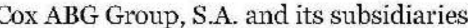
In our opinion, the digital files examined completely agree with the audited consolidated annual accounts, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

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 13 March 2025.

Appointment period

The General Ordinary Shareholders' Meeting held on 23 December 2023 appointed us as auditors of the Group for a period of three years, as from the year ended 31 December 2023.



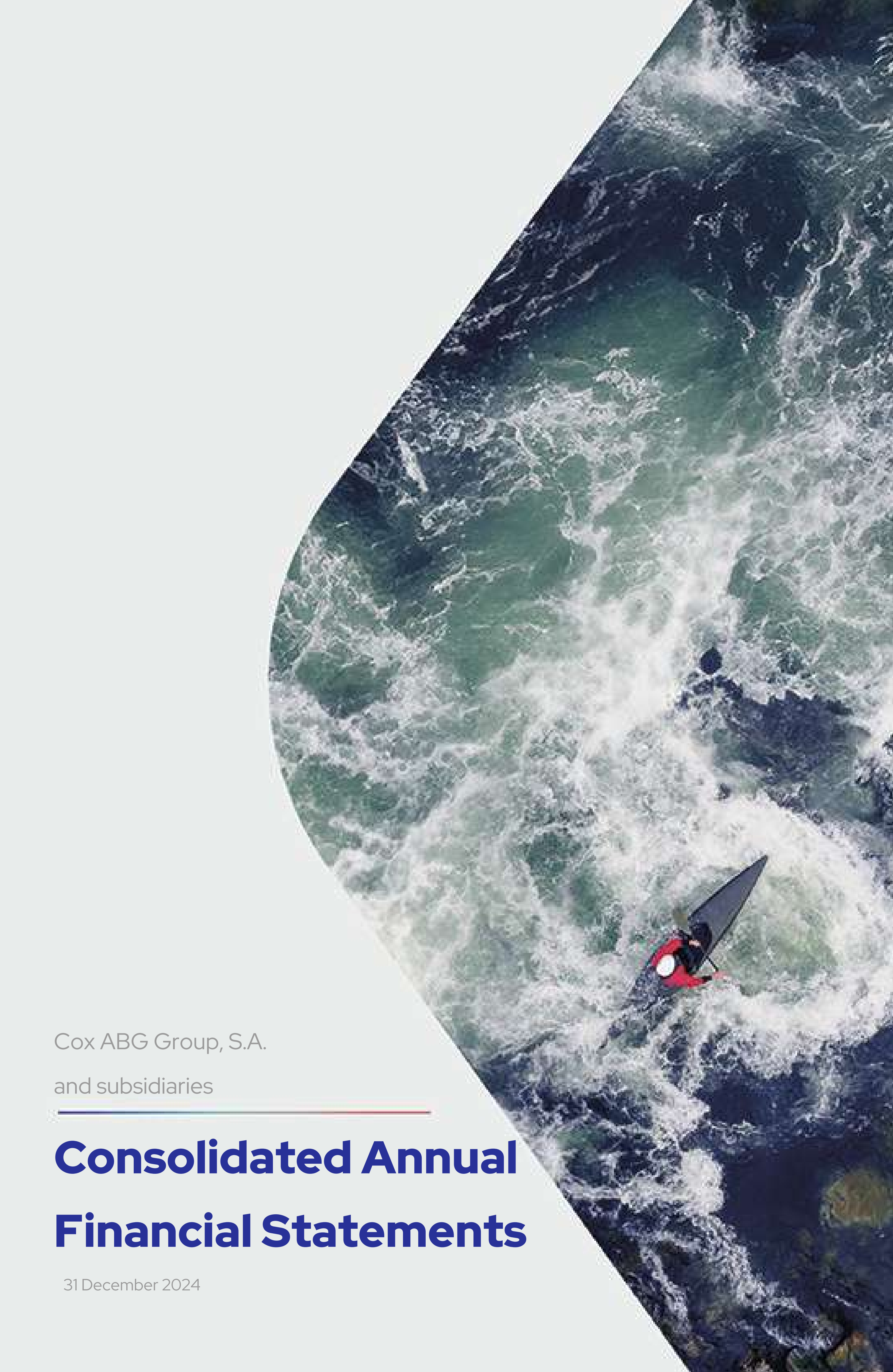
Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 30.5 to the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Rafael Pérez Guerra (20738)

13 March 2025



Cox ABG Group, S.A.

and subsidiaries

Consolidated Annual Financial Statements

31 December 2024

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Free translation of the Consolidated Annual Financial Statements originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.

Consolidated statement of financial position at 31 December 2024

- Expressed in thousands of euros -

Assets	Notes (1)	31.12.2024	31.12.2023
Non-current assets			
Intangible assets	**7**	**41,556**	**18,088**
Property, plant and equipment	**8**	**36,141**	**33,578**
Project assets		**567,008**	**413,084**
Intangible assets in concession projects	9.1	206,268	74,000
Concession asset receivables	9.2, 11	271,654	236,649
Tangible assets in projects	9.3	59,403	67,470
Intangible assets in projects	9.3	29,683	34,965
Investments accounted for using the equity method	**10**	**8,746**	**13,784**
Financial investments		**27,850**	**25,973**
Financial assets at fair value	11, 12	12,540	11,749
Financial accounts receivable	11, 13	15,310	14,224
Deferred tax assets	**22**	**50,966**	**17,377**
Total non-current assets		**732,267**	**521,884**
Current assets			
Inventory	**14**	**55,591**	**42,748**
Trade and other receivables	**11, 13**	**279,458**	**230,140**
Trade receivables for sales and services rendered		190,480	124,955
Loans and receivables		88,978	105,185
Financial investments		**134,355**	**101,999**
Financial assets at fair value	11, 12	10,548	–
Financial accounts receivable	11, 13.2	75,147	44,454
Concession asset receivables	9.2, 11	48,660	57,545
Cash and cash equivalents	**15**	**186,840**	**97,865**
Total current assets		**656,244**	**472,752**
Total assets		**1,388,511**	**994,636**

(1) Notes 1 to 30 form an integral part of the Notes to the Consolidated Financial Statements and annexes I to XII to these Consolidated Financial Statements.

Consolidated statement of financial position at 31 December 2024

- Expressed in thousands of euros -

Liabilities	Notes (1)	31.12.2024	31.12.2023
Capital and reserves			
Share capital	16	7,790	61
Share premium	16	174,226	6,000
Parent company reserves	16	4,139	15,859
Exchange differences	16	(19,828)	(320)
Of companies consolidated by I.G./I.P.		(19,741)	(272)
From consolidated companies M.P.		(87)	(48)
Retained earnings (loss)	16	83,898	28,224
Non-controlling interests	16	82,103	58,771
Total net equity		332,328	108,595
Non-current liabilities			
Project financing	11, 17	205,952	163,025
Leasing and bank debt	11, 18	44,740	51,033
Long-term payables	11, 19	168,929	146,864
Suppliers and long-term creditors		80,229	57,627
Debt with minority shareholders		82,451	54,440
Related party debt		6,249	34,797
Provisions for other liabilities and charges	20	93,605	90,865
Deferred tax liabilities	22	38,683	13,346
Employee benefit obligations		–	1,157
Total non-current liabilities		551,909	466,290
Current liabilities			
Project financing	11, 17	83,597	55,546
Leasing and bank debt	11, 18	29,585	10,444
Trade and other payables	11, 23	321,356	260,110
Suppliers and Creditors		218,483	176,128
Advances from trade receivables		60,039	57,263
Other accounts payable and other		42,834	26,719
Current tax liabilities and other	23	69,537	93,427
Provisions for other liabilities and charges		199	224
Total current liabilities		504,274	419,751
Total liabilities and net equity		1,388,511	994,636

(1) Notes 1 to 30 form an integral part of the Notes to the Consolidated Financial Statements and annexes I to XII to these Consolidated Financial Statements.

Consolidated income statements for the fiscal years ended 31 December 2024

- Expressed in thousands of euros -

	Notes (1)	31.12.2024	31.12.2023
Revenue	25	702,459	580,715
Change in stocks of finished goods and work in progress		(989)	11,530
Other operating income	27	105,930	49,424
Raw materials and consumables used	26	(241,353)	(194,457)
Employee benefits expenses	28	(193,432)	(168,600)
Depreciation and amortisation charge for fixed assets	7.8, 9	(45,563)	(36,154)
(Provision)/Impairment reversal and others	9, 13	(22,642)	(6,200)
Other operating expenses	27	(189,301)	(175,230)
Operating profit		**115,109**	**61,028**
Financial income	29	2,810	6,137
Financial expenses	29	(32,234)	(41,479)
Net exchange differences	29	12,062	9,296
Other net financial income/expenses	29	(19,741)	(1,320)
Financial results		**(37,103)**	**(27,366)**
Share in profit/(loss) of associates	**10**	**(1,285)**	**981**
Consolidated profit(loss) before income tax		**76,721**	**34,643**
Income tax expense	22	(17,588)	1,839
Profit/(loss) for the fiscal year		**59,133**	**36,482**
Non-controlling interests	**16.6**	**16,914**	**4,748**
Profits/losses of the fiscal year attributed to the Parent Company		**42,219**	**31,734**
Basic/diluted earnings or (loss) per share (euros)	**30.7**	**0.54**	**52.00**

(1) Notes 1 to 30 form an integral part of the Notes to the Consolidated Financial Statements and annexes I to XII to these Consolidated Financial Statements.

Consolidated statement of comprehensive income for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

	Notes (1)	31.12.2024	31.12.2023
Consolidated profit after income tax		**59,133**	**36,482**
Items eligible for transfer to the profit and loss account:			
Valuation of cash flow hedging instruments		–	–
Exchange differences	16.4	(17,748)	(3,375)
Tax effect		–	–
Profit or loss recognised directly in equity		**(17,748)**	**(3,375)**
Valuation of cash flow hedging instruments		–	–
Transfers to the income statement for the year		**–**	**–**
Other comprehensive income		**(17,748)**	**(3,375)**
Total comprehensive income		**41,385**	**33,107**
Total comprehensive income attributable to minority interests		18,674	5,105
Total comprehensive income attributable to the parent company		**22,711**	**28,002**

(1) Notes 1 to 30 form an integral part of the Notes to the Consolidated Financial Statements and annexes I to XII to these Consolidated Financial Statements.

Consolidated statement of changes in equity for the fiscal years ended 31 December 2024

- Shown in thousands of euros -

	Attributable to the owners of the company								
	Notes (1)	Share capital	Share premium	Parent company reserves and other reserves	Cumulative translation difference	Retained earnings / (losses)	Total	Non-controlling interests	Total equity
Balance as of 31 December 2022		**61**	**6,000**	**16,746**	**3,412**	**(462)**	**25,757**	**7,281**	**33,038**
Consolidated profit after income tax		–	–	–	–	31,734	31,734	4,748	36,482
Other comprehensive income		–	–	–	(3,732)	–	(3,732)	357	(3,375)
Total comprehensive income		**–**	**–**	**–**	**(3,732)**	**31,734**	**28,002**	**5,105**	**33,107**
Distribution of 2022 income and expenses	16.5	–	–	(887)	–	887	–	–	–
Transactions with owners		**–**	**–**	**(887)**	**–**	**887**	**–**	**–**	**–**
Changes in the perimeter and other movements	16.6	–	–	–	–	(3,935)	(3,935)	46,385	42,450
Changes in the perimeter, acquisitions and other movements		**–**	**–**	**–**	**–**	**(3,935)**	**(3,935)**	**46,385**	**42,450**
Balance as of 31 December 2023		**61**	**6,000**	**15,859**	**(320)**	**28,224**	**49,824**	**58,771**	**108,595**
Consolidated profit after income tax		–	–	–	–	42,219	42,219	16,914	59,133
Other comprehensive income		–	–	–	(19,508)	–	(19,508)	1,760	(17,748)
Total comprehensive income		**–**	**–**	**–**	**(19,508)**	**42,219**	**22,711**	**18,674**	**41,385**
Distribution of 2023 income and expenses	16.5	–	–	(5,585)	–	5,585	–	–	–
Transactions with owners		**–**	**–**	**(5,585)**	**–**	**5,585**	**–**	**–**	**–**
Changes in the perimeter and other movements	16.6	7,729	168,226	(6,135)	–	7,870	177,690	4,658	182,348
Changes in the perimeter, acquisitions and other movements		**7,729**	**168,226**	**(6,135)**	**–**	**7,870**	**177,690**	**4,658**	**182,348**
Balance as of 31 December 2024		**7,790**	**174,226**	**4,139**	**(19,828)**	**83,898**	**250,225**	**82,103**	**332,328**

(1) Notes 1 to 30 form an integral part of the Notes to the Consolidated Financial Statements and annexes I to XII to these Consolidated Financial Statements.

Consolidated cash flow statements for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

	Notes (1)	31.12.2024	31.12.2023
I. Profit for the fiscal Yearn		**59,133**	**36,482**
Non-monetary adjustments			
Depreciation, amortisation, provisions and impairment losses		68,205	42,354
Financial income/expenses	29	29,424	35,342
Share in profit/loss of associates	10	1,285	(981)
Corporate income tax revenue	22.3	17,588	(1,839)
Other non-monetary operating income and other adjustments		(87,323)	(19,574)
II. Adjusted profit for the year for non-monetary items		**88,312**	**91,784**
Inventory		3,315	(1,934)
Trade and other receivables		(45,836)	(21,603)
Trade and other payables		(13,387)	(7,277)
Financial investments and other current assets/liabilities		31,135	–
III. Changes to working capital		**(24,773)**	**(30,814)**
Collections/payments Corporate income taxes		(24,625)	(20,354)
Interest paid/collected	17, 18	(18,990)	(14,939)
Dividends received		(5,664)	–
IV. Interest and tax receipts/payments		**(49,279)**	**(35,293)**
A. Net Cash Flows from Operating Activities		**14,260**	**25,677**
I. Charge (payment) for investment in business consolidations		**7,682**	**129,812**
Property, plant and equipment	7, 8	(16,013)	(9,711)
Intangible assets	7, 8	(3,972)	(5,073)
II. Investments		**(19,985)**	**(14,784)**
Subsidiaries and associates		4,405	–
Other non-current assets/liabilities		–	33
III. Divestments		**4,405**	**33**
IV. Current financial investments		**(41,241)**	**–**
B. Net cash flows from investing activities		**(49,139)**	**115,061**
Cash received from public offering of shares	16	176,893	–
Payments made through share issues	16	(13,681)	–
I. Collections and payments on equity instruments		**163,212**	**–**
Issuance of bank debt	17	28,558	8,561
Repayment of debts owed to banks	17, 18	(65,252)	(53,329)
II. Payments made and received for financial liability instruments		**(36,694)**	**(44,768)**
C. Net cash flows from financing activities		**126,518**	**(44,768)**
Net increase/(decrease) in cash and cash equivalents		**91,639**	**95,970**
Cash and cash equivalents at the beginning of the period	15	97,865	1,895
Conversion differences - cash and cash equivalents		(2,664)	–
Cash and cash equivalents at year end		**186,840**	**97,865**

(1) Notes 1 to 30 form an integral part of the Notes to the Consolidated Financial Statements and Annexes I to X to these Consolidated Financial Statements.

Report on the consolidated annual financial statements for the 2024 fiscal year

Note 1.- General information

1.1. Situation and activity of the Group

Cox ABG Group, S.A., formerly Cox Energy Solar, S.A., (hereinafter 'Cox ABG Group' or 'the Company') and its subsidiaries comprise the Cox Group (hereinafter the 'Cox' or the 'Group'). Cox ABG Group is the Parent company of the Group.

The Company was incorporated as a public limited company in Spain on 25 July 2014 for an indefinite period of time, with its registered office at Calle Conde de Aranda 22, Madrid (Spain). On 14 March 2017, its registered office was changed and is currently located at Calle Velázquez, 4, Madrid, Spain. On 22 January 2024 the name of the company was changed from Cox Energy Solar S.A. to Cox ABG Group, S.A. and the registered office was moved from Calle Velázquez, 4, Madrid, Spain, to Calle del Eucalipto 25, 1ª planta, 28016 Madrid, Spain.

Cox is a vertically and horizontally integrated water and energy utility company, a global leader in infrastructure and efficient management of water resources, specialising in desalination, reuse, and treatment technologies, as well as renewable energy generation and transmission. The company offers services across the entire value chain and, through its divisions, leverages the synergies generated by its complementary capabilities to maximise value creation. It has a presence in the Middle East, Latin America, Europe, South Africa, and North Africa.

One of its strategic pillars is *Energy Follows Water*, a model whereby water Concessions open up new opportunities for the energy division, thus improving project efficiency and cost optimisation. The company is a global benchmark in highly strategic and critical sectors for the economy: water and energy, where it has extensive experience and technical capabilities. In addition to these two divisions, the group provides engineering and procurement (EP) as well as operation and maintenance (O&M), permitting and complementary services.

In general, the Group carries out the following activities:

- generating, marketing and/or distributing electricity under the corresponding laws and regulations in each country in which it operates;
- designing, planning, constructing and operating all kinds of civil and electromechanical works and, in particular, power plants through which it will generate energy for the purposes permitted by the Laws and Regulations applicable to each country;
- operating and managing power plants, mainly under photovoltaic technology;
- the provision of advisory services to related parties.

In addition, as described in note 6.3, in 2023 the company acquired the production units of the Abengoa Group, which include subsidiaries with extensive experience in the electricity generation sector with open cycle technologies, combined cycle, cogeneration, wind farms, solar thermal and photovoltaic plants and biomass plants. In the water sector, it offers integrated solutions for industrial customers and public institutions in the areas of desalination, potabilisation, treatment and reuse of urban and industrial wastewater and hydraulic infrastructures (regulation, transport, distribution, irrigation, hydroelectric plants and hydrological management systems).

Cox has more than 75 years of experience in industrial engineering, construction, and industrial and infrastructure maintenance in the energy, industry, environment, transportation, and communications sectors, covering the development of power transmission and distribution lines, railway electrification, installations and infrastructure for all types of plants and buildings, as well as auxiliary electrical, electronic, and metal structure manufacturing. It specialises in the execution of turnkey projects. It also provides operation and implementation services for comprehensive predictive, preventive and corrective maintenance of renewable generation plants, conventional and water treatment plants, with the aim of optimising their reliability, performance and availability, minimising the consumption of fuel, chemicals and consumables, as well as greenhouse gas (GHG) emissions and maximising their production. It also groups together proprietary assets of a concessionary nature, where revenues are regulated by means of long-term *take-or-pay* or *power purchase agreements*.

Based on the above, the group divides the above activities into the following segments:

- **Water:** a specialist in the design and construction of desalination plants, with more than 30 plants in Spain, Africa, Latin America, the United States, Asia and the Middle East, for the production of drinking or industrial water, using conventional and advanced membrane processes, from seawater or brackish water.

  The group has experience in water treatment, both in drinking water treatment and in the treatment and reuse of urban and industrial wastewater, including the digestion and recovery of sludge. Of particular note are hydraulic initiatives, with public and private institutions in the implementation, improvement and operation of infrastructures for regulation, transport, distribution, irrigation and hydroelectric plants.

- **Energy:** experience in the power generation sector with open cycle technologies, combined cycle, cogeneration, wind farms, solar thermal and photovoltaic plants and biomass plants. In all these sectors, the group carries out turnkey projects that encompass the entire value chain: development, engineering, procurement, construction and commissioning of the facility, as well as offering its operation and maintenance. Its ability to design and hybridise technologies to offer its clients optimal solutions is a key strength. In addition, this activity includes bioenergy businesses with a high technological component, such as biofuels.

  The Group is a world leader in renewable energies, with a focus both on utility scale for industry and wholesale, and on generation, distribution and supply in the retail market.

  The Energy activity also includes the engineering, construction and industrial maintenance and infrastructure businesses in the energy, industry, environment, transport and communications sectors, including the development of power transmission and distribution line projects, railway electrification, facilities and infrastructures for all types of plants and buildings, as well as auxiliary electrical, electronics and metal structure manufacturing.

- **Services:** the Group provides comprehensive predictive, preventive and corrective maintenance operation and implementation services for renewable and conventional generation and water treatment plants, with the aim of optimising their reliability, performance and availability, minimising fuel, chemical and consumable consumption, as well as greenhouse gas (GHG) emissions and maximising their production.

  In addition, Cox is committed to innovation as a driver of technological development and value creation. This enables it to improve the features of products and services by providing them with high added value, as well as giving it a competitive advantage in the international market. The Group is currently working on four lines of research in which it is carrying out strategic innovative developments: Hydrogen, Electric Power Systems, Solar Thermal Energy, and Railway Systems.

At 31 December 2024 and 2023 the Company was controlled by Enrique Riquelme Vives, through Inversiones Riquelme, S.L.U., incorporated on 25 July 2014, Lusaka Investment, S.L. and Riquelme Capital Group, S.A., being the main shareholder of the Company, with an interest of 64.94% and 77.83%, respectively.

The Company is part of the Cox Group pursuant to Article 42 of the Commercial Code. The ultimate holding company of the group is Inversiones Riquelme Vives, S.L.U. with residence in Spain.

At year-end 2024, the Group comprises 209 companies: the Parent company itself (1 in 2023), 187 subsidiaries (124 in 2023), 3 associates (4 in 2023) and 18 joint ventures (2 in 2023); Cox Group companies also participate in 37 joint ventures (41 in 2023).

The changes in the scope of consolidation are described in note 6 of these notes to the consolidated financial statements.

Details of subsidiaries and associates forming part of the Group, as well as their activities, registered offices and percentages of ownership, are included in Annex I and II of these notes to the consolidated financial statements.

The shares of the Parent company Cox ABG Group, S.A. have been listed on the Madrid, Valencia, Bilbao and Barcelona stock exchanges (Continuous Market) since 15 November 2024.

Shares of the subsidiary Cox Energy, S.A.B. de C.V. (formerly Cox Energy America, S.A.B. de C.V.) have been listed on the Mexican Bolsa Institucional de Valores (BIVA) under the ticker COXA* (formerly Cox Energy America S.A.B. de C.V.) since April 2020. In addition, the aforementioned company has been listed since 3 July 2023 in the BME Growth trading segment of BME MTF Equity in Spain under the symbol COX, later changed to COXE.

The Individual Annual Financial Statements for 2024 of the Group's companies will be submitted for approval by the corresponding General Shareholders' Meetings within the deadlines provided by the current regulations. These Consolidated Annual Financial Statements of the Cox Group for the fiscal year 2024 are drawn up by the Board of Directors of the Parent company on 13 March 2025. They are expected to be approved by the parent company's General Shareholders' Meeting without changes.

Note 2.- Summary of the main accounting policies applied

The main accounting policies adopted in the preparation of the Consolidated Annual Financial Statements are described below.

2.1. Basis of preparation

These Consolidated Annual Financial Statements as at 31 December 2024 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and give a true and fair view of the consolidated equity and consolidated financial position of the Group as at 31 December 2024 and of the consolidated results of its operations, changes in consolidated equity and consolidated cash flows for the year then ended.

For the preparation of the Consolidated Annual Financial Statements, the international standards approved by the European Commission and in force at 31 December 2024 have been applied. IFRSs comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and Interpretations issued by the IFRS Interpretations Committee (IFRIC).

The Consolidated Annual Financial Statements have been prepared in accordance with EU-IFRS on a going concern basis. Such preparation requires the use of critical accounting estimates and also requires the management to exercise judgement in the application of current accounting standards. Note 3 discloses the areas that entail a higher degree of complexity and the areas where assumptions and estimates are more significant.

All Group companies close their financial year on 31 December.

The figures in the Consolidated Annual Financial Statements are shown in thousands of euros, unless otherwise stated. The euro is the Parent's functional and presentation currency.

The percentage interest in the share capital of subsidiaries, associates and joint ventures (including joint ventures) includes both direct and indirect interests.

These Consolidated Annual Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

These Consolidated Annual Financial Statements have been obtained from the accounting records of the Parent company and its investees and include the necessary adjustments and reclassifications to bring them into line with the Group's accounting policies, and are presented in accordance with EU-IFRS, the Spanish Commercial Code, the Spanish Companies Act, and other applicable commercial legislation, so as to present fairly the Group's equity, financial position, results of operations and cash flows for the year.

The Consolidated Annual Financial Statements present, for comparative purposes, with each of the items in the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of changes in equity and consolidated notes to the Consolidated Annual Financial Statements, in addition to the figures for the year ended 31 December 2024, the figures for the year 2023.

Furthermore, it is reported that Argentina should be considered a hyperinflationary economy for accounting purposes for periods ending on or after 1 July 2018, as cumulative inflation for the last three years using the wholesale price index has now exceeded 100%. The Group has subsidiaries in Argentina, the weight of which is not material in the Consolidated Annual Financial Statements, so the impact of this situation is not significant.

Going concern

The Group's management has prepared estimates to assess its ability to meet its financial commitments and continue on a going concern basis by making cash flow and cash equivalent projections for the next 12 months incorporating forward-looking revenues based on existing projects, contracts signed after 31 December 2024 and strategic plans.

It also incorporated in these projections the costs and expenses necessary to generate the revenues and meet its financial obligations required to run its normal course of operations.

The company believes that these estimates are appropriate and consistent with the current economic situation, reflecting its investment plans and the best available estimate of future expenses and revenue.

In September 2023, the Group approved its strategic plan for the next 5 years, which defines the main hypotheses for the Group's growth in the short and medium term, reaching sufficient liquidity levels to comply with the plan.

On 13 November 2024, a capital increase for a total amount of 175 million euros was registered under which 17,106,549 fully subscribed and paid-up ordinary shares were issued. On 15 November, the company's shares were admitted to the Spanish Stock Exchanges and began trading on the Spanish Stock Exchange.

At 31 December 2024 the Group had a positive working capital of EUR 152 million (EUR 53 million in 2023), although the drawdown of part of the cash and short-term financial investments (EUR 46 million and EUR 71 million respectively, EUR 44 million and EUR 44 million in 2023) is limited by financing clauses or other specific conditions.

This Group has a cash-flow plan based on the following factors, among others:

- The concession business, with 5 water concessions (desalination plant in Agadir and risk network in Aman El Baraka in Morocco and desalination plant in Accra (Ghana) and energy (Solar Power Plant One, hereinafter SPP1, in Algeria and Khi Solar One in South Africa), as well as a bioethanol, sugar and energy production plant, and two generation assets owned and managed. The cash flow projections for these projects are based on the historical performance of the projects.

- The engineering, construction and services business: in the Water and Energy sectors, cash estimates of existing projects have been incorporated at 31 December 2024, projects signed subsequently, as well as an estimate of future projects according to the portfolio of opportunities.

- During 2024, the Group signed additional lines of guarantee for an amount of €73 million, bringing the Group's total undrawn limit to €111 million (see note 21). In addition, it is in advanced negotiations with the main financial institutions to obtain long and short-term financing. In this regard, it should be noted that on 23 December 2024, a financing agreement was signed with a bank pool for a revolving credit line for a maximum amount of €32.5 million, with a maturity of 3 years for working capital requirements (see note 18). At year-end 2023, the Group signed the renewal of certain guarantee facilities in the amount of 111 million euros.

- In addition, on 17 December 2024, the company joined a "Cox ABG Group, S.A. 2024 Green Notes Programme" in the Alternative Fixed Income Market ("MARF"), for an amount of up to 50 million euros (see note 18).

The growth of the project backlog from €913 million in April 2023 to €2.23 billion in December 2024.

The currency breakdown for each of the subsidiaries, which include permanent establishments and temporary joint ventures, is described in note 15.

Economic context

In 2024, Spain's main stock market index, the IBEX-35, closed up 14.7%, marking a second consecutive year of gains. This positive performance of the IBEX 35 is framed in a context of global economic resilience, the start of more flexible monetary policies by central banks and the victory of Donald Trump in the US presidential elections.

Entities continue to operate under significant uncertainty due to the uncertain macroeconomic and geopolitical environment, including lingering effects of climate change, energy security concerns, cyber-attacks, elections in the world's major economies, and international tensions such as the war in Ukraine and Israel.

In addition, Cox has taken an important step in its history by celebrating the traditional 'Ringing of the Bell', which marks the start of trading of its shares on the Spanish Stock Exchanges.

This IPO has been framed in an international context marked by, probably, the year in which more millions of people have gone to the polls in history, with changes of government as significant as the victory of Donald Trump in the USA, the early elections in France, or electoral changes in territories in which we are exposed such as Tunisia, Ghana, Taiwan, Panama, Lithuania or the Republic of South Africa. Moreover, it has been a year of heightened geopolitical tensions, with Ukraine's war with Russia, now in its fourth year, and the conflict between Israel and Hamas, heightened by increased tension between Israel and Iran and spilling over to other countries such as Lebanon and Syria, where it has led to the overthrow of the Al Assad regime. To this must be added the growing polarisation of society, with great uncertainty about the role that the new US government will assume in the world, although in a context in which the macro-economy performed well and where central banks have begun to lower interest rates, once the risk of inflation was controlled.

By simply observing the current evolution of the global environment in which Cox operates, it is possible to identify that the levels of uncertainty it faces are increasingly complex, more interconnected, and with systemic impacts that will manifest themselves more abruptly and at a faster pace.

2.2. Application of new accounting standards

a) Standards, amendments and interpretations effective for the financial year beginning on or after 1 January 2024:

The following standards, the application of which is mandatory, have been adopted by the Group:

- IFRS 16 (Amendment) 'Lease liability on a sale and leaseback': IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, it did not specify how to record the transaction after that date. This amendment explains how a company should account for a sale and leaseback after the date of the transaction.

- IAS 1 (Amendment) "Classification of liabilities as current or non-current" and IAS 1 (Amendment) "Non-current liabilities with conditions": The amendments, 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. The classification is not affected by the entity's expectations or events after the reporting date (e.g. receipt of a waiver or a breach of the 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 the information provided when the right to defer payment of a liability is subject to the meeting 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".

- 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 an entity's liabilities, cash flows and exposure to liquidity risk. The amendment responds to investor concerns that some companies' vendor financing arrangements are not sufficiently transparent.

The application of these improvements and amendments did not have a material impact on the consolidated financial statements.

b) Standards, amendments and interpretations to existing standards that have not yet been brought into force by the European Union but may be adopted prior to the date of preparation of these Consolidated Annual Financial Statements:

- IAS 21 (Amendment) 'Lack of Convertibility': The IASB has amended IAS 21 to add requirements to help entities determine whether a currency is exchangeable for another currency and the spot 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 required to be converted at spot exchange rates estimated at the date of initial application of the change, with an adjustment against reserves.

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

c) Standards, amendments and interpretations to existing standards that have not been adopted by the European Union at the preparation date of these Consolidated Annual Financial Statements, in addition to those disclosed:

- IFRS 10 (Amended) and IAS 28 (Amended) "Sale or contribution of assets between an investor and its associates or joint ventures": These amendments clarify the accounting treatment of sales and contributions of assets between an investor and its associates and joint ventures depending on whether the non-cash assets sold or contributed to an associate or joint venture constitute a "business". The investor shall recognise the entire gain or loss when the non-monetary assets constitute a "business". If the assets do not meet the definition of a business, the investor recognises the gain or loss to the extent of other investors' interests. The amendments apply only 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 took the decision to postpone the effective date (without setting a new specific date), as it is planning a broader review that may result in simplifying the accounting for these transactions and other aspects of accounting for associates and joint ventures.

- 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 existing principles in IAS 1 are retained; however, the key new concepts introduced in IFRS 18 relate to:
  - The structure of the 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 change 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 implementation is allowed, although the rule is pending approval by the European Union.

- IFRS 19 "Non-publicly accountable subsidiaries: Breakdowns": 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 law. These subsidiaries shall continue to apply the recognition, measurement and presentation requirements of other IFRSs, but may replace the disclosure requirements of those standards with reduced disclosure requirements.

The new rule is effective for financial years beginning on or after 1 January 2027. Early implementation is allowed, although the rule is pending approval by the European Union.

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

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

b) clarify and add additional guidance for assessing whether a financial asset meets the principal-and-interest-only criterion;

c) incorporate 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) update the disclosures for equity instruments designated 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 financial years beginning on or after 1 January 2026. Early implementation is allowed, although the rule is pending approval by the European Union.

- Annual Improvements to the IFRS Accounting Standard. Volume 11: The amendments apply to annual periods beginning 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 regulations:

  - IFRS 1 "First-time Adoption of IFRS";
  - IFRS 7 "Financial Instruments: Information to be disclosed";
  - IFRS 9 "Financial Instruments";
  - IFRS 10 "Consolidated Financial Statements"; and
  - IAS 7 "Cash Flow Statements."

- Amendments to IFRS 9 and IFRS 7 "Contracts that refer to electricity from natural sources": 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 financial years beginning on or after 1 January 2026. Early implementation is allowed, although amendments are pending approval by the European Union.

The Group is currently analysing the impact of the new regulations. However, it is not expected to have a material impact on the Consolidated Annual Financial Statements.

2.3. Business Combinations and Goodwill

A Parent company's acquisition of control of a subsidiary constitutes a business combination to which the acquisition method is applied. In subsequent consolidations, the elimination of the investment-equity of subsidiaries is generally based on the values resulting from applying the acquisition method described below at the date of control.

Business combinations are accounted for using the acquisition method, whereby the acquisition date is determined and the cost of the combination is calculated, and the identifiable assets acquired and liabilities assumed are recognised at their fair value as of that date.

The goodwill or negative difference on the combination is determined by the difference between the fair values of the assets acquired and liabilities assumed as recorded and the cost of the combination as at the acquisition date.

The cost of the combination is determined by the aggregation of:

- The faire values on the acquisition date of assets transferred, liabilities incurred or assumed and equity instruments issued.
- The fair value of any contingent consideration that is dependent on future events or the meeting of predetermined conditions.

Costs related to the issue of the equity instruments or financial liabilities delivered in exchange for the items acquired are not part of the cost of the combination. Fees paid to legal advisors or other professionals involved in the combination and, of course, internally generated expenses for these items do not form part of the cost of the combination. These amounts are recognised directly in the consolidated income statement.

- If the business combination is carried out in stages, so that prior to the date of acquisition (date of takeover), there was a previous investment, the goodwill or negative difference is obtained by the difference between:
- the cost of the business combination plus the acquisition-date fair value of any previously held interest of the acquirer in the acquiree; and
- The value of the identifiable assets acquired less the value of the liabilities assumed, determined as described above.

Any gain or loss arising as a result of measuring at fair value on the date that control of the previously held interest in the acquiree is obtained shall be recognised in the consolidated income statement. If the investment in this investee had previously been measured at fair value, the valuation adjustments not yet recognised in profit or loss shall be transferred to the consolidated income statement. On the other hand, the cost of the business combination is presumed to be the best benchmark for estimating the fair value at the acquisition date of any previous interest.

Goodwill arising on the acquisition of companies with a functional currency other than the Euro is measured in the functional currency of the acquired company and translated into Euros at the exchange rate prevailing at the consolidated balance sheet date.

In the exceptional case that a negative difference arises in the combination, it is transferred to the consolidated income statement as income.

If the valuation processes necessary to apply the acquisition method described above cannot be completed by the end of the period in which the combination occurs, the accounting is considered provisional and the provisional values may be adjusted over the period necessary to obtain the required information, but in no case more than one year. The effects of adjustments made in this period are accounted for retrospectively by modifying the comparative information if necessary.

Subsequent changes in the fair value of contingent consideration are adjusted against consolidated profit or loss, unless the contingent consideration has been classified as equity in which case subsequent changes in its fair value are not recognised.

2.4. Consolidation principles

In order to present the information on a uniform basis, the valuation principles and rules applied by the Parent company have been applied to all the companies included in the consolidation.

The subsidiaries, associates and Joint Ventures included in the scope of consolidation in 2024 and 2023 are listed in Annexes I, II and III, respectively.

Information on changes in the composition of the Group is set out in note 6 of these notes to the consolidated financial statements.

a) Subsidiary companies

Subsidiary companies: those legally independent companies that constitute an economic unit under single management at the strategic level and over which effective control is exercised directly or indirectly. These are all companies over which the Company has control.

Control exists when the company:

- holds power over the investee;
- is exposed or entitled to variable returns from its involvement with the investee; and
- has the ability to use its power over the investee to influence the amount of the investor's returns.

The Company reassesses whether it controls an investee when facts and circumstances indicate changes in one or more of the three elements of control listed above.

When the Company holds less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the ability to direct the relevant activities of the investee unilaterally. The Company considers all facts and circumstances in assessing whether the Company's voting rights in an investee are sufficient to give it power, including:

- the amount of voting rights held by the Company in relation to the amount and dispersion of those held by other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the Company has, or does not have, the present ability to direct the relevant activities at the time those decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company acquires control of the subsidiary (and ceases when the Company loses control of the subsidiary).

The value of the minority interest in consolidated equity and consolidated profit or loss is presented under "Minority interests" in equity in the Consolidated statement of financial position and "Minority interests" in the consolidated income statement, respectively.

Profit or loss for the period and each component of other comprehensive income shall be attributed to the owners of the controlling and minority interests. The Company shall also attribute the total comprehensive income to the owners of the controlling and minority interests even if the profit and loss of the minority interests give rise to a balance in debit.

Where necessary, homogenisation adjustments are made to the financial statements of subsidiaries to ensure conformity with the Group's accounting policies.

All assets and liabilities, equity, income, expenses and cash flows relating to transactions between Group entities are eliminated in full on consolidation.

The acquisition method of accounting for the acquisition or takeover of subsidiaries by the Group is used, whereby the consideration transferred for the acquisition of a subsidiary corresponds to the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability arising from a contingent consideration arrangement. Any contingent consideration transferred by the Group is recognised at fair value on the date of acquisition. Subsequent changes in the fair value of contingent consideration that are considered to be an asset or liability are recognised in accordance with IFRS 9 (formerly IAS 39) either in the income statement or in the statement of comprehensive income. Costs relating to the acquisition are recognised as an expense in the fiscal years in which they are incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair value at the acquisition date. The Group recognises any minority interest in the acquiree at the minority interest's proportionate share of the acquiree's identifiable net assets.

To account for the sale or loss of control of subsidiaries, the assets, liabilities and all minority interests of the subsidiary are cancelled at their carrying amounts at the date when control is lost. The fair value of the consideration received, if any, for the transaction, event or circumstances giving rise to the loss of control, including, if applicable, the distribution of shares of the subsidiary to the owners in their capacity as owners, and the investment retained in the former subsidiary at its fair value at the date when control is lost, is also recognised. Amounts recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss for the period and any resulting difference is recognised as a gain or loss in profit or loss attributable to the parent. The loss of control of a subsidiary may materialise in two or more agreements (transactions). In some cases, there may be circumstances that justify multiple arrangements being accounted for as a single transaction.

The list of non-Group companies/entities that own 10% or more of the share capital of a subsidiary included in the scope of consolidation is detailed in Annex VII.

The most significant restrictions existing in subsidiaries correspond to those existing in companies with Project Finance, whose guarantees and restrictions are explained in notes 2.7. and 17.

b) Associated companies and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to intervene in the investee's financial and operating policy decisions, but not control or joint control over it.

A joint venture, unlike a joint operation described in paragraph (c) of this note, is an arrangement whereby the parties that have joint control of the company have rights to the net assets of the company on the basis of that arrangement. Joint control is the contractually decided sharing of control formalised in an agreement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The profit and loss and assets and liabilities of associates and joint ventures are accounted for in the Consolidated Annual Financial Statements using the equity method. Under the equity method, an investment in an associate or joint venture is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the investee's profit or loss after the acquisition date. If the Group's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group shall cease recognising its share of the additional losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date the entity becomes an associate or a joint venture.

Gains and losses resulting from the Company's transactions with the associate or joint venture are recognised in the Group's consolidated financial statements on the basis of the Group's percentage interest in the associate or joint venture that is not related to the Group.

At 31 December 2024 and 2023, in the opinion of the directors, there are no significant contingent liabilities relating to the Group's interests in associates and joint ventures other than those described in note 20.2.

c) Joint operations and Temporary joint ventures

A joint operation is a joint arrangement in which the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually decided sharing of control, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

When a Group company carries out its activities in the context of joint operations, the Group as a joint operator shall recognise in relation to its interest in a joint operation:

- its assets, including its interest in jointly held assets;
- its liabilities, including its share of jointly incurred liabilities;
- its share of the revenue from the sale of the joint operation's product; and
- their expenses, including their share of jointly incurred expenses.

When a Group company performs a transaction with a joint operation in which it is a joint operator, such as a purchase of assets, the Group does not recognise its share of the profit or loss until it resells those assets to a third party.

Temporary Joint Ventures (TJVs) are those entities without their own legal personality by means of which a system of collaboration is established between companies for a certain, determined or undetermined period of time, for the development or execution of work, a service or supply. It is normally used to combine the characteristics and rights of the Temporary Joint Venture members for a common purpose, so as to obtain the best possible technical evaluation. Temporary Joint Ventures are generally regarded as independent companies with a limited scope of action, because, although they may undertake commitments in their own name, commitments are usually fulfilled through the members, in proportion to their share of the Temporary Joint Venture.

The share of a Temporary Joint Venture member generally depends on its contribution (quantitative or qualitative) to the project, is limited to the member’s tasks and is intended to generate specific results only for that member. Each partner is responsible for performing its own tasks for its own benefit.

The fact that one of the members acts as project manager does not affect its position in or share of the Temporary Joint Venture. The Temporary Joint Venture members are collectively liable for technical aspects, although there may be pari passu clauses stipulating specific consequences of correct or incorrect actions by each member.

They normally have neither assets nor liabilities on a stand-alone basis. The activity is carried out during a specific period of time, usually limited to the timeframe of the project. Temporary Joint Ventures may own certain fixed assets used for the performance of their activity. Although, in such cases, the assets are generally acquired for joint use by all the Temporary Joint Venture members, for a period similar to the duration of the project, the members may agree on the allocation, quantities and uses of the Temporary Joint Venture assets in order to complete the project.

The Temporary Joint Venture of which the Company is a member are managed by a committee in which each member has an identical number of representatives. The committee makes all decisions having a material effect on the Temporary Joint Venture's success. All decisions require a consensus among the members sharing control, so the joint members have the power to direct the Temporary Joint Venture's activities. Each partner is entitled to the assets and liabilities related to the agreement. Therefore, Temporary Joint Ventures are consolidated using the proportionate consolidation method.

The proportionate part of the items carried in the Temporary Joint Venture's statement of financial position, income statement and cash flow statement is included in Company's consolidated statement of financial position, consolidated income statement and consolidated cash flow statement, based on its percentage interest.

At 31 December 2024 and 2023, there were no significant contingent liabilities corresponding to the Group's shareholdings in the Temporary Joint Ventures, in addition to those described in note 20.2.

d) Transactions with minority interests

The Group accounts for transactions with minority interests as transactions with the Group's equity owners. On purchases of minority interests, the difference between the consideration paid and the corresponding proportion of the carrying amount of the subsidiary's net assets is recognised in equity. Gains or losses on disposal of minority interests are also recognised in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured at fair value and the higher carrying amount of the investment is recognised in the consolidated income statement. In addition, any amount previously recognised in other comprehensive income in relation to that entity is accounted for as if the Group had directly sold all related assets and liabilities.

The list of non-Group companies and entities that own 10% or more of the share capital of a company included in the scope of consolidation is detailed in Annex VII.

2.5. Intangible assets

a) Computer software

Software licences are capitalised, including the costs incurred to acquire and prepare them for use of the specific software. These costs are amortised over their estimated useful lives. Maintenance expenses are charged directly as an expense in the year in which they are incurred.

Costs directly related to the production of identifiable computer software are recognised as intangible assets when it is likely that they will generate economic benefits for more than one year and the following conditions are met:

- technically, it is possible to complete the production of the intangible asset;
- the management intends to complete the intangible asset in question;
- the entity has the ability to use or sell the intangible asset;
- adequate technical, financial or other resources are available to complete the development of the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Software licences and costs directly related to the production of software recognised as intangible assets are amortised over their estimated useful lives not exceeding 10 years.

Expenses that do not meet the above criteria are recognised as an expense in the consolidated income statement when incurred.

b) Research and development expenses

Research expenses are recognised as an expense in the period in which the are incurred.

Expenses incurred on development projects (related to the design and testing of new or improved products) are recognised as an intangible asset when they are incurred:

- the project is likely to be a success (considering its technical and commercial feasibility), so that the project is available for use or sale;
- the project is likely to generate future economic benefits;
- the Management intends to complete the project;
- the entity has the ability to use or sell the intangible asset;
- adequate technical, financial or other resources are available to complete the development and to use or sell the intangible asset; and
- their costs can be reliably estimated.

Capitalised costs are amortised from the start of commercial production of the product on a straight-line basis over the period in which they are expected to generate profits, which is normally 5 years.

Development costs that do not meet the above requirements are recognised as an expense in the consolidated income statement in the year in which they are incurred.

Amounts received as grants or subsidised loans to finance research and development projects are recognised as income in the consolidated income statement in a similar manner to the expenses they finance, in accordance with the above rules.

c) Goodwill

Goodwill is measured as the excess of (A) over (B), where (A) is the sum of the consideration transferred, the amount of any minority interest in the acquiree and, in the case of a step acquisition, the fair value on the acquisition date of the acquirer's previously held equity interest in the acquiree, and (B) the net amount on the acquisition date of the identifiable assets acquired and liabilities assumed, measured at fair value. If the resulting amount is negative in the case of a purchase under advantageous conditions, the difference is recognised as a gain directly in the consolidated income statement.

Goodwill related to acquisitions of subsidiaries is included in Intangible Assets, while goodwill related to acquisitions of associates is included in Investments in associates.

Goodwill is stated at its initial value less accumulated impairment losses (see note 2.10.). For the purpose of impairment testing, goodwill is allocated to the cash-generating units (CGUs) that are expected to benefit from the business combination in which the goodwill arises.

2.6. Property, plant and equipment

As a general rule, property, plant and equipment are recognised at cost, including expenses directly attributable to the acquisition of the assets, less accumulated depreciation and impairment losses, except for land, which is carried net of impairment losses.

Post-acquisition costs are recognised as a separate asset when it is likely that the associated future economic benefits can be measured reliably.

Work carried out by the company on its fixed assets is valued at production cost. For internal projects involving the construction of assets by the Group and outside the scope of the IFRIC 12 interpretation on Service Concession Arrangements (see note 2.7.), the internal profit and losses produced are eliminated in full so that these assets are stated at production cost. In this respect, the construction costs of the construction company in the Engineering and Construction business segment are recognised in the consolidated income statement and, additionally, capitalised as income under "Other operating income - work on fixed assets and other" in the consolidated income statement.

Repairs and maintenance expenses are charged to the consolidated income statement in the year in which they are incurred.

Cost during the construction period may also include gains or losses on foreign currency cash flow hedges transferred from equity related to acquisitions of tangible fixed assets.

In the case of investments in fixed assets on land owned by third parties, the initial estimate of the costs of dismantling or removing the asset and rehabilitating the site on which it is located is included in the capitalised cost. Obligations for the above costs shall be recognised and measured at present value in accordance with IAS 37.

The annual straight-line depreciation coefficients used for tangible fixed assets (including Assets in Projects) are as follows:

Classification/elements	Coefficient
Buildings and land	
Buildings (*)	2% - 3%
Technical facilities and machinery	
Technical facilities	7% - 10%
Machinery	12%
Other fixed assets	
IT data processing equipment	16% -25%
Tooling and tools	15% - 30%
Photovoltaic panels	8%
Furniture	10% - 15%
Building site equipment	30%
Vehicles	8% - 20%

(*) Offices rented (IFRS 16), depending on the duration of the contract.

The assets’ residual values and useful lives are reviewed, and adjusted if necessary, at the closing date of the companies' accounts.

When an asset’s carrying amount exceeds its estimated recoverable amount, its carrying amount is written down immediately to its recoverable amount.

Gains and losses on the sale of panels, furniture and equipment are calculated by comparing the proceeds from the sale with the carrying amount and are recorded in the consolidated statement of income.

2.7. Project assets

2.7.1. Intangible assets in concession projects and Receivables from concession assets

This heading includes the tangible assets, intangible assets and financial assets of those companies included in the scope of consolidation which are financed through the "Project finance" method (see note 17), as detailed in the terms of the loan agreement.

These assets with such financing typically represent the outcome of projects consisting of the design, construction, financing, operation and maintenance of an infrastructure (usually a large-scale asset, e.g. a power transmission line) under concession, over a period of time, typically financed through a bridge loan (non-recourse financing in process) over the medium term (typically 2-3 years) and then over the long term through project finance (non-recourse financing).

At 31 December 2024 and 2023, all of the financing classified as project finance is project finance (see note 17), with no bridge financing, except that of the project companies for sale to CTG, recorded as equity - accounted (see note 10).

In this figure, the basis of the financing agreement between the company and the financial institution is the allocation of the cash flows generated by the project to the amortisation of the financing and to meeting the financial burden, with the exclusion or quantified bonus of any other equity resource. In this way, the recovery of the investment by the financial institution takes place exclusively through the cash flows of the project in question, with subordination of any indebtedness other than that deriving from non-recourse financing applied to projects, as long as this has not been repaid in full. For this reason, project assets are presented separately on the assets side of the consolidated statement of financial position and project finance is presented separately on the liabilities side of the consolidated statement of financial position.

Non-recourse project finance is typically secured by the following guarantees:

- Pledge of shares in the promoter company, granted by the partners of the promoter company.
- Assignment of collection rights.
- Limitations on the disposal of project assets.
- Compliance with debt coverage ratios.
- Subordination of interest and dividend payments to shareholders provided that the financial ratios of the loan are met.

Once the companies cancel the Project Finance they hold, the assets associated with that company are reclassified depending on their nature as Tangible Assets in Project in the Consolidated Statement of Financial Position.

Assets under Assets in projects are further classified under the following two headings, depending on their nature and accounting treatment: Intangible assets and financial assets.

These headings include fixed assets with Project Finance assigned to service concession companies pursuant to the IFRIC 12 interpretation. IFRIC 12 states that service concession arrangements are public-private arrangements in which the public sector controls or regulates what services the concessionaire is required to use the infrastructure for, to whom it must provide those services, and at what price; and in which it contractually controls any significant residual interest in the infrastructure at the end of the term of the arrangement. The infrastructures accounted for by the Group as concessions mainly relate to activities related to desalination plants and power generation plants (both renewable and conventional). Infrastructure used in a concession may be classified as an intangible asset or a financial asset, depending on the nature of the payment rights set out in the agreement.

a) Intangible assets

The Group recognises an intangible asset when the risk of demand is assumed by the concessionaire to the extent that it has a right to charge for the use of the infrastructure. This intangible asset is subject to the provisions of IAS 38 and is amortised on a straight-line basis over the estimated period of commercial operation of the infrastructure, which generally coincides with the concession period.

In addition, as explained in note 2.23.b), the Group recognises and measures revenues, costs and margins from the provision of construction services over the construction period of the infrastructure in accordance with IFRS 15 "Revenue from contracts with customers". As indicated in note 2.9, interest costs arising from project financing incurred during construction are capitalised over the period of time required to complete and prepare the asset for its intended use.

Once the infrastructure is operational, the treatment of revenues and expenses is as follows:

- Revenues from the updated annual concession fee as well as operation and maintenance services are recognised in each period in accordance with IFRS 15.
- Operating and maintenance expenses and personnel and administrative expenses are charged to the consolidated income statement according to the nature of the costs incurred (amount due) in each period.
- Financing costs are classified under financial expenses in the consolidated income statement.

Details of the concession assets recorded under this method are given in note 9.1.

b) Financial assets

The Group recognises a financial asset when the risk of demand is assumed by the grantor to the extent that the concessionaire has an unconditional right to receive payment for construction or upgrade services. Such an asset is recognised at the fair value of the construction or upgrade services provided.

The Group recognises and measures revenues, costs and margins from the provision of construction services over the construction period of the infrastructure in accordance with IFRS 15.

Receivables are measured using the amortised cost method and the income from discounting cash flows at the effective interest rate (IFRS 9) is recognised in profit or loss as revenue.

The finance costs of financing these assets are classified under finance costs in the consolidated income statement.

Details of the concession assets recorded under this method are given in note 9.2.

2.7.2. Other tangible and intangible assets in project

This heading includes tangible fixed assets and intangible assets, financed with own resources and bank debt, including by means of financial leasing, which are not under concession. Their accounting treatment is the same as that described in notes 2.5 and 2.6.

Details of the assets recorded under this method are given in note 9.3.

Intangible assets in projects

Development costs incurred in a project are recognised as Intangible assets in a project when the recognition criteria of IAS 38 'Intangible assets' are met, including where: the project is technically and commercially feasible, sufficient technical and financial resources are available to complete the project, the costs incurred can be measured reliably and it is likely that benefits will flow to the project.

Consequently, the criterion for activation of the costs incurred in development begins when the project is in the initial development stage, depending on whether there is the possibility of land and/or operationally viable access to the electricity grid, and assigns a 35% probability of success depending on the degree of progress of the permits, considering the regulatory framework of each country.

All the administrative authorisation processes of the local regulatory bodies are intended to optimise the connection capacity available in the system by maximising the benefits that the system will receive from the commissioning of the generation projects, as well as maximising the capacity assigned, considering the different electricity restrictions that the grid of the National Interconnected System of each country may present.

In the development of each project, a number of permits specific to each country have to be obtained, as follows:

- **Spain:** The following local permits, among others, must be obtained: Prior Administrative Authorisation; Construction Authorisation and Approval of the Execution Project; Commissioning Certificate; Commissioning or Operating Authorisation Certificate; Registration in the Spanish Register of Energy Production Installations.
- **Mexico:** The following local permits, among others, must be obtained: Land Acquisition; Generation Permit; Environmental Impact Manifest; Social Impact Assessment; Archaeological Clearance; Indicative Interconnection Study; System Impact Study; Facilities Study; Interconnection Contract; Change of Forest Land Use; and Construction Licence.
- **Chile:** The following local permits, among others, must be obtained: Obtaining the Land; Request for Connection Authorisation; Final Connection Authorisation Report; Obtaining the Environmental Qualification Resolution; Line Easement; Interconnection Line Concession; Favourable Report for Construction; Traffic Easement - access road; Environmental Relevance Consultation; Geotechnical Study; Engineering Development; Construction Licence.
- **Colombia:** The following local permits, among others, must be obtained: Zero Point connection Request; Obtaining the land; Land title study, complying with legal certainty of title; Connection study; Approval of the connection study; Registration with the UPME (Mining-Energy Planning Unit) Phase I; Endorsement; Topography study of the land; UPME (Mining and Energy Planning Unit) Phase II Registration; Environmental Study/Licence Approval; Connection Line Approval; Transit Easement; UPME (Mining and Energy Planning Unit) Phase III Registration; Substation Connection Engineering; Geotechnical Study; Construction Licence.
- **South Africa**: The following local permits, among others, must be obtained: Registration of the project with NERSA; Environmental Authorisation of the project; Water Use Licence; Licence confirming no impact or obstacles to aviation; Land Ownership Rights and/or Lease; Agreement with the national transmission company for connection and use of transmission infrastructure.
- **Morocco**: The ONEE has a monopoly on electricity production. For electricity production (other than renewable energy) above 50MW, ONEE may enter into contracts with private legal entities; for self-generation projects, prior authorisation from the Ministry for Energy Transition and Sustainable Development is required. In the case of electricity from renewable energies: capacity below 20KW can be exploited freely; between 20KW and 2MW are subject to a Declaration Regime; above 2MW subject to Authorisation from the Ministry of Energy Transition and Sustainable Development.
- **Algeria**: The following local permits, among others, must be obtained: Operating Authorisation prior to its construction if the energy is destined for marketing or has an installed capacity greater than or equal to 25MW; Declaration regime for facilities of less than 25MW whose energy is destined for self-consumption.

At 31 December 2024 and 2023, the Group has a portfolio consisting of several projects in pre-operational stage, mainly located in Chile and Mexico. Electrical studies, radiation resource studies, approved environmental and social permits, and a defined, approved connection point have already been obtained for a large part of the projects. . The Group expects these projects to become commercially operational as from 2025.

Movements in the period correspond to expenses incurred in the pre-operational phase for the various studies and permits required in the development process, as well as the difference in conversion from local currency to the euro.

In the promotion phase, before incurring expenses of any kind, the company carries out a series of legal, technical, economic and environmental pre-feasibility studies to ensure minimum viability. Depending on the geography and the features of the country, a minimum criteria is applied based mainly on land control, technical feasibility and possibility of access to the electricity grid. On this basis, a probability of project success is determined as follows:

- Initial Development (35%): project stage defined by the Group with technical and financial feasibility, depending on whether there is the possibility of land and/or operationally viable access to the electricity grid.
- Advanced Development (+50%): project stage defined by the Group as technically and financially advanced given that the land is secured or more than 50% likely to be obtained, applications for grid access have been made with an estimated probability of being granted of over 90% and the environmental permit has been applied for.
- *Backlog (*90%): a project stage defined by the Group in the final phase prior to construction where land and grid access are secured, there is more than a 90% probability of obtaining an environmental permit and there is a framework contract with a power purchaser or a stabilised pricing scheme.
- Under Construction (>90%): stage of the project defined by the Group that is under order to the constructor for the start of works on site. At this stage, the completion of the project is virtually risk-free.
- In Operation (100%): a project stage defined by the Group in which the responsibility for the asset has been transferred from the entity performing the EPC builder functions to the Group's operation team.

With regard to the commercial solution of the projects, the Group has a unique strategy for each project, based on market, size and vertical integration criteria in the country. Revenues are assured in whole or in part by public or private contract awards, direct long-term contracts with creditworthy counterparties, and hedges with the Group's supply companies that already have contracts with direct customers or revenues with market exposure. This is all supplemented by additional revenue that may arise from other products such as power or green certificates.

Other development expenses, such as research and development expenses that do not meet the above criteria, are recognised as expenses as and when they are incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The amortisation of development costs begins when the projects become legally and operationally viable as intended by the Group, at which point they are transferred to tangible assets. Once these conditions are met, each project and the associated contractual and legal rights will be analysed to determine the term of the contractual or legal rights, as well as the estimated useful life of the asset to determine the corresponding useful life for subsequent depreciation.

The impairment policy is described in note 2.10. and note 3 Accounting estimates and judgements.

2.8. Classification of current and non-current assets

Assets are classified as current assets if they are expected to be realised within 12 months after the date of the consolidated Statement of financial position. Otherwise, they are classified as non-current assets.

Liabilities are classified as current liabilities unless there is an unconditional right to defer payment for at least 12 months after the date of the consolidated Statement of financial position.

2.9. Interest costs

Interest costs incurred for the construction of any qualifying asset are capitalised during the period necessary to complete and prepare the asset for its intended use. A qualifying asset is an asset that requires a substantial period to be ready for internal use or sale. Within the Group, this is considered to be more than one year.

Interest costs (regular interest on principal, late payment interest, etc.) are expensed in the fiscal year in which they are incurred.

2.10. Impairment of non-financial assets

Below are the main criteria applied in the impairment analysis of non-financial assets not classified as held for sale.

Property, plant, and equipment, assets in projects, and intangible assets with finite and indefinite useful lives are reviewed to determine whether there are any indications of impairment. This review is conducted annually or sooner if an event indicating impairment is identified.

Following international standards, the Company assesses annually whether there is any indication that an asset may have been impaired, considering at a minimum the following factors:

- Observable indications that the asset's value has declined significantly during the period beyond what would be expected due to time or normal wear and tear.
- Significant changes during the period—or expected to occur soon—with an adverse impact on the entity, related to the legal, economic, technological, or market environment in which it operates, or in the market to which the asset is assigned.
- Increases in market interest rates or other investment return rates during the period are likely to affect the discount rate used to calculate the asset's value in use, thereby significantly reducing the recoverable amount.
- Substantial changes during the period, or expected to occur shortly, in the scope or manner in which the asset is used or expected to be used will negatively affect the entity.
- Internal reports provide evidence that the asset's economic performance is or will be worse than expected.
- Management's forecasts of future net cash inflows or operating earnings show a significant decline compared to previous budgets and forecasts.

If there are indications of impairment, the recoverable amount of the asset is calculated to determine the potential impairment loss. The recoverable amount is the higher of fair value less costs of disposal and value in use, where value in use is the present value of estimated future cash flows.

If the asset does not generate cash flows independently from other assets, the recoverable amount is calculated for the cash-generating unit (CGU) to which the asset belongs. CGUs are defined by accounting standards as 'the smallest identifiable group of assets that generates cash inflows largely independent of cash inflows from other assets or groups of assets.' Such assets are impaired when the net book value of the CGU to which they belong is lower than its recoverable amount.

For the calculation of value in use, the assumptions used include discount rates, growth rates, terminal value, and expected changes in sales prices and costs. Management estimates discount rates that reflect the time value of money and the risks associated with the CGU. Growth rates and changes in prices and costs are based on internal and industry forecasts, historical experience, and future expectations.

Estimated discount rates represent the weighted average cost of capital for each type of project, concession, or intangible asset, considering the country where they are located. For calculation purposes, factors considered include project or concession type, financial leverage, debt conditions, and project time horizon.

a) Concession assets

The main assumptions used in the calculation of value in use for concession assets are as follows:

- For concession assets with a limited duration and long-term project financing, a projection of expected cash flows is made until the asset's end of life. When this coincides substantially with the concession term, no terminal value is considered.
- Currently, CGUs are defined at the concession asset level, while the discount rates (WACC) used to calculate the recoverable amount of these assets range from 16% (Morocco), 10% (Algeria), and 18% (Ghana). Regarding Khi Solar One in South Africa (see note 6.3):
    - A 2% increase in the discount rate in Morocco would result in an impairment charge of €3 million.
    - A 2% increase in the discount rate in Algeria would result in an impairment charge of €3 million.
    - A 2% increase in the discount rate in Ghana would not result in an impairment charge.

These financial projections are based on the contractual structure of these concession assets. This framework agreement allows for a clear determination of project costs (both in the initial investment phase and the operational phase). It also enables a reasonable projection of revenues throughout the asset's life, as they are governed by long-term sales contracts such as guaranteed purchase agreements ('take or pay') or power purchase agreements (PPAs).

Therefore, the projections incorporate known data based on project contracts. Additionally, macroeconomic data (inflation, risk-free rates, country risk, interest rates, market risk, etc.) are projected. Furthermore, discount rates are calculated based on the capital asset pricing model (CAPM), using consistent assumptions across all assets, taking into account the nature of each asset when estimating beta values.

- For foreign assets, cash flows are calculated in their functional currency and discounted using discount rates that consider country risk, typically using the local 10-year government bond as a reference. If such information is unavailable, the euro risk-free rate plus the inflation differential between the two currencies and a country risk premium obtained from external reference sources are used.
- Since most assets have a financial structure linked to their project financing structure, a variable discount rate is used. Depending on the future financial structure of the assets, it will be adjusted if necessary for business risk associated with specific activities and country risk.
- Additionally, sensitivity analyses are conducted. In particular, regarding the discount rate used, residual value, and reasonable changes in key business variables. Therefore, these analyses aim to assess whether potential changes in estimates impact the recoverability of recorded assets.
- If the recoverable amount is lower than the asset's net book value, the corresponding impairment loss is recorded under 'Impairment provision/reversal' in the consolidated income statement. Impairment losses recognised in previous years for an asset—except for goodwill—are reversed by crediting the aforementioned item when changes in estimates occur, up to the book value the asset would have had if no impairment had been recorded.

b) Property, plant and equipment in project

The main assumptions used in the calculation of value in use for concession assets are as follows:

- For these assets, a projection of expected cash flows is made according to the five-year strategic plan, considering terminal value.
- Currently, CGUs are defined at the project level, while the discount rate (WACC) used to calculate the recoverable amount of the corresponding assets in Brazil is 16% (20% in 2023, including a specific risk premium due to judicial recovery proceedings).

An increase of 2% in the discount rate, as well as the mentioned variation on the terminal value, would not result in an impairment charge.

The projections incorporate known data based on project contracts. Additionally, macroeconomic data (inflation, risk-free rates, country risk, interest rates, market risk, etc.) are projected. Furthermore, discount rates are calculated based on the capital asset pricing model (CAPM), using consistent assumptions across all assets, taking into account the nature of each asset when estimating beta values.

- For foreign assets, cash flows are calculated in their functional currency and discounted using discount rates that consider country risk, typically using the local 10-year government bond as a reference. If such information is unavailable, the euro risk-free rate plus the inflation differential between the two currencies and a country risk premium obtained from external reference sources are used.
- Since most assets have a financial structure linked to their project financing structure, a variable discount rate is used. Depending on the future financial structure of the assets, it will be adjusted if necessary for business risk associated with specific activities and country risk.
- Additionally, sensitivity analyses are conducted. In particular, regarding the discount rate used, residual value, and reasonable changes in key business variables. Therefore, these analyses aim to assess whether potential changes in estimates impact the recoverability of recorded assets.

If the recoverable amount is lower than the asset's net book value, the corresponding impairment loss is recorded under 'Impairment provision/reversal' in the consolidated income statement. Impairment losses recognised in previous years for an asset—except for goodwill—are reversed by crediting the aforementioned item when changes in estimates occur, up to the book value the asset would have had if no impairment had been recorded.

c) Intangible assets in projects

Intangibles not yet available for use, mainly related to capitalised expenses for the start-up of solar PV generation projects, are tested annually for impairment. If events or changes in circumstances indicate potential impairment, then they are assessed more frequently. These tests are based on the estimation of the recoverable amount of these assets.

An impairment loss is recognised when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less disposal costs and its value in use.

To assess the impairment losses, assets are grouped at the lowest level for which cash flows are separately identifiable (cash-generating units or CGUs).

Note 3 provides details on the considerations based on the criteria of IAS 36 for determining the recoverable amount of assets.

To calculate the inflation reflected in Chile and Mexico, external sources are used for standardisation, such as Statista for both countries and EMBI Latam Risk additionally for Chile.

For the calculation of Betas, external sources published on Damodaran's website are used, specifically for the electricity sector.

Note 9.3 contains details of the discount rates (9% in Chile and 13% in Mexico) and the sensitivity analyses performed.

2.11. Financial assets (current and non-current)

Financial assets are classified into the following categories based on the entity's business model for managing these assets and the contractual characteristics of the financial asset's cash flows:

a) Financial assets at fair value through profit or loss.

b) Loans and receivables (financial assets at amortised cost).

Management determines the classification of investments at the time of initial recognition. It also reviews the classification at each fiscal year, primarily considering a business model in which the main objective is to collect contractual cash flows. As a result, most of the Group's financial assets fall under the 'Amortised cost' category.

a) Financial assets at fair value through profit or loss

This category includes both financial assets acquired for trading and those designated at fair value through profit or loss upon initial recognition. A financial asset is classified under this category if it is acquired mainly to be sold in the short term or if it is designated as such by management. Financial derivatives are also classified as held for trading when they do not meet the requirements for hedge accounting designation.

They are initially and subsequently recognised at fair value, excluding transaction costs. Successive changes in fair value are recognised in the financial income/expense section of the consolidated income statement under 'Gains/Losses on financial assets at fair value.'

b) Loans and receivables (financial assets at amortised cost)

This category includes loans and receivables considered non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

In certain cases, using the IFRIC 12 guidelines, assets related to infrastructure (e.g., a desalination plant) under a concession regime are considered financial receivables (see note 2.7.1.b).

They are initially recognised at fair value plus transaction costs and subsequently recorded at their amortised cost using the effective interest method. Interest calculated using the effective interest method is recognised in the consolidated income statement under 'Interest income from loans' within the 'Financial income' section.

Financial assets measured at amortised cost are primarily intended to generate contractual cash flows. Likewise, the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the outstanding principal amount.

c) Impairment of financial assets

At each reporting date of the Consolidated statement of financial position, an assessment is conducted to determine whether there is objective evidence that a financial asset or group of financial assets has suffered impairment losses. This determination requires significant expertise. To make this assessment, the Group evaluates, among other factors, how long and to what extent the fair value of an investment remains below its cost. It also involves the financial health and near-term business outlook of the issuer of the securities, including factors such as industry and sector performance, technological changes, and operating and financing cash flows.

In compliance with IFRS 9 'Financial Instruments' as of 1 January 2018, the Group developed an 'expected loss' model. To that end, it performed an assessment and estimation of the impairment provision required by applying the new simplified 'expected loss' model to financial assets.

The Group prospectively evaluates expected credit losses associated with its amortised cost assets. The Group prospectively evaluates expected credit losses associated with its amortised cost assets.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, requiring the recognition of lifetime expected losses from the initial recognition of trade receivables.

At the end of the fiscal year, valuation adjustments for impairment are made if there is objective evidence that all amounts owed will not be collected.

The Group considers that there is evidence of impairment when any of the following conditions are met:

- Significant financial difficulties of the debtor.
- Likelihood of the debtor entering bankruptcy or financial reorganisation.
- Default or delinquency in payments.

The impairment loss amount is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate at initial recognition. Valuation adjustments and their possible reversal are recognised in the consolidated income statement.

As of the end of fiscal years 2024 and 2023, no significant overdue amounts have been recorded.

2.12. Derivative financial instruments and hedging activities

Derivatives are accounted for at fair value. The Company applies hedge accounting to all derivatives that meet the corresponding requirements under IFRS 9.

When it applies hedge accounting, the hedging strategy and risk management objectives are documented at the time of hedge designation, along with the relationship between the hedging instrument and the hedged item. Hedge effectiveness must be continuously measured. The Company, where applicable, conducts effectiveness tests prospectively and retrospectively at inception and each reporting date, primarily using the Dollar Offset and Regression methods, depending on the type of derivative.

As of 31 December 2024 and 2023, the Group holds no derivative financial instruments.

2.13. Fair value measurement

Financial instruments measured at fair value are classified based on the following measurement levels, depending on the nature of the inputs used in the fair value calculation:

- Level 1: inputs are quoted prices in an active market for identical assets or liabilities.
- Level 2: fair value is determined based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (such as non-quoted prices) or indirectly through valuation models.
- Level 3: Fair value is determined based on variables not derived from observable market data.

Where market prices are not observable, Management makes its best estimate of the price the market would set. Therefore, it uses internal models incorporating, in most cases, market-based observable data as significant inputs (Level 2) and, in limited instances, uses significant unobservable inputs (Level 3). For this estimation, various techniques are used, including extrapolating observable market data. The best evidence of fair value for a financial instrument at initial recognition is the transaction price unless the fair value of the instrument can be derived from other market transactions involving the same or similar instrument or valued using a valuation technique incorporating only observable market data, primarily interest rates. Under applicable regulations (IFRS-EU), any difference between the transaction price and the fair value determined using valuation techniques based on unobservable market data is not recognised in profit or loss at initial recognition.

Level 3 includes financial assets and liabilities measured at fair value through profit or loss, whose fair value is determined using inputs not based on observable market data.

Fair value information is disclosed in a comprehensive note for all financial instruments (see note 12).

2.14. Inventory

Inventory is valued at cost or net realisable value, whichever is lower. Cost is generally determined using the Weighted Average Price (WAP) method. The cost of finished goods and work-in-progress includes design costs, raw materials, direct labour, other direct costs, and manufacturing overhead (based on normal operating capacity).

Net realisable value is the estimated selling price in the ordinary course of business less estimated completion and necessary selling costs.

The Group sells clean energy certificates to certify that a percentage of the energy supplied comes from renewable energy sources in Mexico. These can be traded jointly or separately from the supply of electricity. The price is determined openly by the Group. Revenue is recognised when the certificates are delivered to the customer, while the Group acts as the main party in this transaction.

The amount recorded under this concept arises from the purchase of clean energy certificates. These certificates are acquired from national suppliers and transacted through the Clean Energy Certificate System (S-CEL), managed by the Energy Regulatory Commission of Mexico.

They do not have a spot value; their value is determined according to the purchase or sale contract. Furthermore, they do not have an expiration date and can only be redeemed by end users.

Additionally, as described in note 2.34., the company recognises as a biological asset, classified as inventory, harvested or collected agricultural products—specifically cut sugarcane, which is valued at fair value less estimated selling costs at the point of sale or collection.

2.15. Trade and other receivables

Trade receivables are amounts due from customers for the sale of goods or services rendered during the normal course of the business.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment loss provision. Balances with a maturity not exceeding one year are valued at nominal value, provided that the effect of not updating cash flows is not significant.

A provision for impairment losses on trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, the probability of bankruptcy or financial restructuring, as well as default or delinquency in payments, are considered indicators that a receivable is impaired. However, as indicated in note 2.11. regarding the application of the new IFRS 9 accounting standard, from 1 January 2018, the expected loss model is applied based on credit risk and the historical loss record of customers and debtors.

The provision amount is the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the effective interest rate. When a receivable is deemed uncollectible, it is written off against the provision account.

Trade and other receivables factored out are removed from the Consolidated statement of financial position when all risks and benefits associated with the assets have been transferred, comparing the Group's exposure to the variability in amounts and timing of net cash flows from transferred financial assets before and after the transfer. Once the Group's exposure to such variability has been eliminated or substantially reduced, the financial assets are considered transferred and are removed from the Consolidated statement of financial position (see note 4.b).

2.16. Cash and cash equivalents

Cash and cash equivalents include cash, demand deposits at credit institutions, and other short-term, highly liquid investments with an original maturity of three months or less, held for meeting short-term payment commitments.

Bank overdrafts are shown within borrowings in current liabilities in the Consolidated statement of financial position.

For cash flow statement presentation purposes, cash includes cash held in banks, in hand, and short-term investments.

The amount of cash and short-term financial investments approximates their fair value, based on their short duration (less than twelve months).

2.17. Share capital and share premium

The parent company's shares are classified as Equity. Costs directly attributable to the issue of new shares are presented in Equity as a deduction, net of taxes, from the revenue obtained.

Treasury shares are classified under equity in the heading 'Reserves of the Parent Company.' Any amount received from the sale of treasury shares, net of transaction costs, is included in Equity attributable to the Company's shareholders.

Common shares are classified as share capital.

The share Premium represents the excess between the payment for subscribed shares and their theoretical nominal value at the subscription date.

2.18. Borrowings and financial liabilities

Borrowings are classified into the following categories:

a) Project financing (see note 17).

b) Bank and other borrowings (see note 18).

Borrowings are initially recognised at fair value, net of transaction costs incurred. Subsequently, borrowings are measured at amortised cost or fair value through profit or loss ('FVTPL'); any difference between the funds obtained (net of transaction costs) and the repayment amount is recognised in the Consolidated income statement over the life of the debt using the effective interest rate method.

The commissions paid to obtain lines of credit are recognised as debt transaction costs provided that it is likely that part or all of the credit facility will be drawn down. In these cases, the commissions are deferred until the line of credit is accessed. Insofar as it is not likely that the credit line will be used in full or in part, the commission is capitalised as an advance payment for liquidity services and amortised over the period during which the credit line is available.

Long-term payables

This category includes various creditors and payables to related parties. These liabilities are classified as current unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date.

They are initially recognised at fair value adjusted for directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

All financial liabilities are initially recognised at fair value and, in the case of loans and payables, net of directly attributable transaction costs.

Financial liabilities include trade payables, other payables, related party payables, interest-bearing loans and borrowings, and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include those held for trading and those designated upon initial recognition at fair value through profit or loss.

They are classified as held for trading if incurred for trading in the near term; related gains or losses are recognised in profit or loss. This category also includes derivative financial instruments taken by the Group that are not designated as effective hedging instruments under IFRS 9.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when liabilities are derecognised or through the accrual of interest, applying the effective interest rate method.

Amortised cost is calculated considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Effective interest rate amortisation is recognised as a financial expense in the consolidated income statement.

This category includes current and non-current interest-bearing debts and loans.

Derecognition

A financial liability is derecognised when the obligation has been paid, cancelled, or has expired. When an existing financial liability is replaced by another from the same lender under substantially different conditions, or when the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and recognition of a new one. The difference in the respective carrying amounts is recognised in the consolidated income statement.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset so that the net amount is reported in the consolidated balance sheet if there is a legally enforceable right to offset the recognised amounts. They are also reported if there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

2.19. Current and deferred taxes

The tax expense for the fiscal year includes both current and deferred taxes. Taxes are recognised in the Consolidated income statement, except to the extent they relate to items recognised directly in equity. In such cases, the tax is also recognised in equity.

The current tax charge is calculated based on the tax legislation that has been enacted or is about to be enacted as of the date of the Consolidated statement of financial position in the countries where the Group's subsidiaries and associates operate and generate taxable income. The Group's Management periodically evaluates the positions taken in tax returns concerning situations where the applicable tax legislation is subject to interpretation and establishes provisions, if necessary, based on the amounts expected to be paid to tax authorities.

Deferred taxes are calculated using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, if deferred taxes arise from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, does not affect either accounting profit or taxable income, such deferred taxes are not recognised. Deferred tax is determined using tax rates that have been enacted or are substantially enacted at the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

The Group reviews the carrying amount of deferred tax assets at each fiscal year and reduces them to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Likewise, the Group checks unrecognised deferred tax assets at each fiscal year and recognises them to the extent that it becomes probable that future taxable profits will allow the recovery of the deferred tax asset. This assessment is based on the projections outlined in the Company's Strategic Plan, according to which the recovery period for deferred tax assets is estimated at 10 years.

Deferred taxes on temporary differences arising from investments in subsidiaries and associates are recognised, except in cases where the Group can control the timing of the reversal of the temporary differences and, probably, they will not reverse in the foreseeable future.

Deferred tax on temporary differences arising from investments in subsidiaries and associates is recognised, except when the timing of the reversal is controlled by the Group and it is probable that the temporary differences will not reverse in the near future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same tax authority. Current tax assets and liabilities are offset when the Group has a legally enforceable right to offset them and intends to settle on a net basis or realise the asset and settle the liability simultaneously.

Since 1 January 2019, the Group has adopted IFRIC 23, 'Uncertainty over Income Tax Treatments.' With the application of this new standard, the effects of tax uncertainty are recorded under the item 'Current tax liabilities and others.'

In October 2021, 137 countries within the OECD Inclusive Framework reached a political agreement to establish common rules ensuring a minimum level of taxation for multinational groups. This agreement was finalised in December 2021 with the release of model rules guaranteeing a global effective tax rate of 15%. In December 2022, the 27 EU Member States approved a Directive—largely based on the OECD model rules—that had to be transposed into the national legislation of each State. On 21 December 2024, Spain published Law 7/2024 in the BOE (Official State Gazette), transposing EU Directive 2022/2523, which aims to ensure a global minimum tax rate of 15% for multinational and large-scale domestic groups. As of the preparation date of these Consolidated Annual Financial Statements for 2024, the Group does not yet meet the minimum requirements for application. Looking ahead, the Group is analysing the economic impacts of the implementation of the Global Minimum Tax regulation (PILLAR II – OECD), where the complexity of the rules may, in certain cases, result in double taxation.

2.20. Provisions and contingent liabilities

Provisions are recognised when:

- There is a present obligation, whether legal or constructive, as a result of past events.
- It is more likely than not that an outflow of resources will be required to settle the obligation, while the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, with the increase in the provision due to ageing recognised as an interest expense.

Contingent liabilities represent possible obligations to third parties and existing obligations that are not recognised because it is not probable that an outflow of economic resources will be required to settle the obligation or because the amount of the outflow cannot be reasonably estimated. Contingent liabilities are not recognised in the Statement of financial position unless they have been acquired as part of a business combination.

Provisions for decommissioning

The Group recognises a provision for the decommissioning costs of solar parks and concession assets. Decommissioning costs are determined as the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the asset's cost. Cash flows are discounted at a pre-tax discount rate that reflects the specific risks of the decommissioning liability. The unwinding of the discount is recognised in the income statement as a financial expense as it occurs.

Future estimated decommissioning costs are reviewed annually and adjusted accordingly. Changes in future estimated costs or the applied discount rate are added to or deducted from the asset's cost.

Provisions are determined by discounting the expected future cash outflows using pre-tax market interest rates, considering, when appropriate, the specific risks of the liability, provided that updating them has a significant effect. When the discounting method is used, the increase in the provision due to ageing is recognised as a financial expense.

The Group's policy is to record this provision proportionally to the progress of construction or when the park begins operation.

As of 31 December 2024, the provisions for decommissioning mainly correspond to concession projects in Algeria and South Africa (see note 20).

2.21. Trade and other payables

Trade payables are obligations to pay for goods or services acquired from suppliers in the ordinary course of business. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

However, trade payables with a maturity of no more than one year and without a contractual interest rate are measured, both initially and subsequently, at their nominal value when the effect of not updating the cash flows is not significant.

Other accounts payable are payment obligations not originating from acquisitions of goods or services in the ordinary course of business and are not classified as financing liabilities.

Customer advances received are recognised at fair value as liabilities under 'Trade payables and other accounts payable.'

2.22. Foreign currency transactions

a) Functional and presentation currency

The items included in the annual financial statements of each Group company are measured and reported using the currency of the principal economic environment in which the company operates (the company's functional currency). The Consolidated Annual Financial Statements are presented in euros, which is the functional and presentation currency of Cox ABG Group, S.A., the parent company.

b) Transactions and balances

Transactions in a currency other than the Group company's functional currency are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement under 'Net exchange differences'—except when deferred in equity, as in the case of cash flow hedges and net investment hedges.

c) Translation of foreign subsidiaries' Annual Financial Statements

The results and financial position of all Group companies with a functional currency different from the presentation currency (Euro) are translated into the presentation currency as follows:

1) All assets and liabilities are translated into euros using the exchange rate at the consolidated annual financial statements closing date.
2) Items in the income statements of each foreign company are translated into the presentation currency using the annual average exchange rate. They are calculated as the arithmetic mean of the average exchange rates for each of the twelve months of the year, which does not differ significantly from using the exchange rates at the transaction dates.
3) The difference between the amount of Equity—including profit calculated as described in point (2)—converted at the historical exchange rate and the net equity resulting from translating assets and liabilities as per point (1) above is recorded (either positively or negatively) under Equity in the Consolidated statement of financial position under 'Translation differences.'

The translation of financial statements of entities accounted for using the equity method is performed, where applicable, at the average exchange rate for the year, as indicated in point (2) above.

Goodwill arising from acquiring a foreign entity is considered an asset of the foreign entity and translated at the closing exchange rate.

The consolidated balance sheet and consolidated income statement items of the most significant foreign subsidiaries included in the consolidation are translated into euros using the following exchange rates:

2024	Closing	Average
Mexican Peso	0.04640	0.05070
Argentine Peso	0.00090	0.00100
Chilean Peso	0.00100	0.00100
Brazilian Real	0.15640	0.17230
Moroccan Dirham	0.09530	0.09530
South African Rand	0.05120	0.05050
US Dollar	0.96560	0.92450

2.23. Recording revenue

a) Revenue

Revenue includes the fair value of the sale of goods and services rendered, excluding the amounts corresponding to taxes levied on these transactions. All discounts, refunds, and intra-Group sales are deducted as a reduction of the operation amount.

The Group applies the five-step model for revenue recognition based on IFRS 15, which includes:

- Identification of contracts with the customer.
- Identification of performance obligations.
- Determination of the transaction price.
- Allocation of the transaction price to performance obligations.
- Recognition of revenue according to the fulfilment of each obligation.

For contracts with customers containing multiple performance obligations, revenue is allocated to each performance obligation based on its independent selling price at the contract's inception.

The independent sale price is estimated on the basis of prices observable in sales transactions of the good or service when sold separately in similar circumstances and to similar customers. In the absence of observable market prices, the price is estimated on the basis of the most appropriate valuation method based on the information available.

For each identified good or service, the Group determines whether it acts as a main party or an agent, depending on which party bears the performance obligation.

Additionally, revenue is recognised in a manner that represents the transfer of control of the promised goods or services to customers in exchange for an amount reflecting the consideration to which the Group expects to be entitled.

Revenue is categorised as follows:

- Revenue from energy trading and supply (Electricity Supply): Energy trading consists for qualified consumers or any other parties in the electricity system under any legally permitted contractual arrangement. Construction of photovoltaic plants and solar packages, electrical and telecommunications grids, as well as self-consumption solar panel installations and other installations in all types of construction projects.

  Revenue from electricity supply is recognised when electricity has been delivered to the customer according to available information from the electricity system based on periodic meter readings. Where applicable, an estimate of the accrued consumption and energy value from the latest available reading to the end of the period is considered.

- Revenue from representation services: revenue under this category includes advisory services provided in the Wholesale Electricity Market (MEM) and energy management services for renewable Energy generation plants in Mexico. These services are rendered throughout the contract term, while revenue is generally recognised over time based on the amount entitled to be invoiced.

- Revenue from energy generation: the sale of electricity generated by the Group's assets is intended exclusively to meet the self-supply needs of its self-consuming partners, primarily in Chile. For electricity sales, revenue is recognised when control of the electricity is transferred to the customer as stipulated in the contracts. The revenue amount is based on the volume of electricity delivered at the contracted price.

- Revenue from the sale of CELs: The Group sells Clean Energy Certificates to certify that a percentage of the energy supplied comes from renewable energy sources in Mexico. These can be traded jointly or separately from the supply of electricity. The price is determined openly by the Group. Revenue is recognised when the certificates are delivered to the customer, while the Group acts as the main party in this transaction.

- Sale of goods: revenue from the sale of goods is recognised when a Group entity has delivered the products to the customer, the customer has accepted them, and the collectability of the related accounts receivable is reasonably assured.

- Sale of services: revenue from service sales is recognised in the fiscal year in which the services are rendered, based on the completion of the specific transaction. It is also assessed according to the actual service provided. The company's main services correspond to operation and maintenance contracts.

- Interest income: interest income is recognised using the effective interest method. When an account receivable suffers an impairment loss, its carrying amount is reduced to its recoverable amount, discounting the estimated future cash flows at the original effective interest rate of the instrument, with the discount recognised as a reduction in interest income. Interest income from loans that have suffered impairment losses is recognised when cash is collected or based on cost recovery when conditions are guaranteed.

- Dividend income: dividends are recognised when the right to receive payment is established.

Significant evaluations, estimates, and accounting assumptions related to revenue from customer contracts are disclosed in note 3, 'Accounting estimates and judgements.'

b) Engineering and construction contracts

Regarding the Engineering, Procurement, and Construction activity (hereinafter EPC) within the energy and water verticals, it is important to note that, except in cases where contracting is carried out under a unit pricing scheme, all contracts follow a 'turnkey' construction modality (EPC contracts). These contracts involve the construction of a facility for the customer in exchange for a fixed price.

Construction contract costs are recognised as incurred. When the outcome of a construction contract cannot be reliably estimated, revenue is recognised only to the extent that no significant reversal will probably occur in the future.

If the outcome of a construction contract can be reliably estimated and the contract is expected to be profitable, revenue is recognised throughout the contract duration. If contract costs are expected to exceed total revenue, the anticipated loss is immediately recognised as an expense by IAS 37. The amount of revenue recognised in a given period represents the contract's percentage of completion applied to the total estimated contract revenue. The percentage of completion is determined as the proportion of contract costs incurred as of the balance sheet date relative to the total estimated contract costs.

Partial invoicing that remains unpaid and retentions are included under 'Trade and other receivables.'

Gross amounts due from customers for ongoing work, where incurred costs plus recognised profits (less recognised losses) exceed partial invoicing, are presented under 'Trade receivables, work executed pending certification,' within 'Trade and other receivables.'

Conversely, gross amounts due to customers for ongoing work, where partial invoicing exceeds incurred costs plus recognised profits (less recognised losses), are recorded as liabilities under 'Customer advances,' within 'Trade payables and other accounts payable.'

Lastly, as mentioned in section 2.6 on the valuation of tangible fixed assets, all intra-group income and profits are removed so that these assets are recorded at their acquisition cost. This recording process is conducted internally for asset construction projects that are outside the scope of the IFRIC 12, which relates to service concession agreements (see note 2.7.).

Contract modifications (customer instructions to change the initial contracted scope) are recorded as revenue only when they have been approved and signed by the customer and are highly probable not to be reversed.

Claims made to customers for costs not included in the initial contracted scope are recorded as revenue only when formal customer approval has been obtained.

c) Concession contracts

Concession contracts are public service agreements with durations generally between 20 and 30 years. They cover both infrastructure construction and associated future services for the operation and maintenance of assets during the concession period. Revenue recognition for these contracts, along with their main characteristics, is detailed in note 2.7.

Significant evaluations, estimates, and accounting assumptions related to revenue from customer contracts are disclosed in note 3, 'Accounting estimates and judgements.'

2.24. Leases

Leases in which the Group is the lessee are recognised as a right-of-use asset and a lease liability on the date the leased asset becomes available for the Group's use.

As of 31 December 2024 and 2023, the Group maintains leases that have been recognised under IFRS 16 'Leases' (see notes 8.5, 9.3, and 18.3).

A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract includes the right to control the use of an identified asset, the Group applies the definition of a lease outlined in IFRS 16.

The Group has opted for the valuation model for right-of-use assets on an individual basis for each lease. It measures them at an amount equal to the lease liability, which is the present value of the remaining lease payments, discounted using the lease's implicit interest rate. If this rate is not available or cannot be readily determined—which is generally the case for the Group's leases—the lessee's incremental borrowing rate at the initial application date is used.

Lessee:

At the commencement date or upon modification of a contract containing a lease component, the Group allocates the consideration in the contract to each lease component based on their relative independent prices. However, for real estate leases, the Group has chosen not to separate non-lease components. Instead, it accounts for both lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost. This includes the initial amount of the lease liability adjusted for lease payments made before or at the commencement date, plus any initial direct costs incurred and an estimate of the costs to be incurred to decommission and restore the underlying asset or the site where it is located (if applicable), less any lease incentives received.

As of 31 December 2024 and 2023, the Group has assessed and concluded that no provision for decommissioning is required for the various types of lease contracts it maintains:

- Office leases: no structural modifications have been made to the premises where the Group's Entities operate that would result in a significant quantifiable economic cost to restore them to their original condition at the end of the lease term.
- Land committed for projects under development: since these are in a pre-development phase before the start of the corresponding administrative concession and construction, no modifications have been made to the land that would create a decommission obligation to restore it to its original condition.
- Land where construction activities are in progress: the valuation models already account for the decommission obligation under the legal framework of each country.

Subsequently, the right-of-use asset is depreciated on a straight-line basis from the commencement date until the end of the lease term. However, this does not apply if the lease transfers ownership of the asset to the Group at the end of the lease term, or if the cost of the right-of-use asset reflects that the Group is reasonably certain to exercise a purchase option. In such cases, the right-of-use asset is depreciated over the non-cancellable contractual lease period, determined based on the same criteria applied to leasehold improvements, panels, furniture, and equipment. Additionally, the right-of-use asset is periodically reduced for any impairment losses, if applicable, and adjusted for certain new measurements of the lease liability.

If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is amortised over the useful life of the underlying asset. Payments associated with short-term leases of machinery and vehicles, as well as all leases of low-value assets, are recognised as an expense in the income statement. Short-term leases are leases with a term of twelve months or less. Low-value assets primarily include IT equipment and office furniture.

The lease liability is initially measured at the present value of the lease payments that have not been made at the commencement date, discounted using the implicit interest rate in the lease. If that rate cannot be readily determined, the Group's incremental borrowing rate will be applied. Generally, the Group uses its incremental borrowing rate as the discount rate. It determines its incremental borrowing rate by obtaining interest rates from various external financing sources. It also makes certain adjustments to reflect the lease terms and the type of leased asset.

Lease payments contained in the measurement of the lease liability consist of:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- Amounts expected to be paid by the lessee under residual value guarantees.

The lease liability is measured at amortised cost using the effective interest method.

The Group does not have any leases in which it acts as a lessor.

2.25. Financial information by segments

Reporting on operating segments is presented in accordance with the internal information that is provided to the chief operating decision-maker (CODM). The Board of Directors has been identified as the CODM responsible for allocating resources and assessing the performance of the operating segments.

The Board of Directors evaluates the Group's financial performance, position, and strategic decision-making based on the information provided by the Group's management, which is responsible for operational decision-making.

The Board of Directors considers the business from both an activity-based and a geographical perspective. At the activity level, as indicated in note 5, the CODM analyses the business by grouping activities in four operating segments: Water, Energy, Services, and Corporate. For the Water and Wnergy segments, the Group further differentiates by project type: EPC/Services and Projects/Concessions.

The main classifications are as follows: EPC refers to construction contracts, Services mainly relate to energy supply and operation & maintenance activities, Projects refer to non-concession productive assets, and Concessions relate to infrastructure agreements.

For the Water and Energy segments, the Group further differentiates by project type: on one hand, EPC/Services (Service Co) and on the other, Projects/Concessions (Asset Co).

From a geographical perspective, the Group reports financial information in six key segments: Spain (domestic market), South America/Mexico, Africa, the Middle East, Europe (excluding Spain), and the rest of the world (international market).

Detailed segment information is provided in note 5 of this Consolidated report.

2.26. Environment-related assets

The Company recognises that sound environmental management not only strengthens the integrity of the surrounding ecosystem but also enhances business viability. Thus, it makes it as crucial to corporate management as economic and social aspects. For this reason, the organisation is committed to a business model and strategy designed around the development of innovative technological solutions for sustainable growth. This way, it ensures responsible practices that uphold environmental protection across all activities, projects, and workplaces. This approach is aligned with the European Union's taxonomy, which identifies activities that drive a decarbonised and sustainable economy. This commitment is reflected in the code of conduct and is further developed in the sustainability and environmental policies.

Currently, the Group is undergoing a comprehensive review of its Sustainability Strategic Plan (PES). This evaluation aims to integrate the findings of the double materiality assessment, not only in terms of managing impacts, risks, and opportunities but also by providing a more detailed mapping of the company's activities about ESG topics. Additionally, through value chain analysis, the Group intends to integrate its services and market vision into Cox's sustainable development strategies.

As of 31 December 2024 and 2023, the Group considers that there are no environmental risks associated with its operations that could have a significant impact on the financial statements.

Furthermore, equipment, facilities, and systems used for the elimination, reduction, or control of potential environmental impacts are recorded using the same criteria as similar fixed assets.

Provisions for environmental restoration, restructuring costs, and litigation are recognised when the Company has a present obligation, whether legal or implicit, as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Expenses incurred for business activities aimed at environmental protection and improvement are recognised as expenses in the period in which they are incurred. This does not include the cases where such activities involve investments in assets intended to minimise environmental impact and protect or enhance the environment. In this case, they are capitalised as an increase in the value of the facilities.

As of 31 December 2024 and 2023, the Group has not incurred environmental expenses related to compliance with applicable legislation and regulations in the countries where it operates, other than those necessary for the development of the projects that form part of its core business.

Additional Environmental information is provided in note 30.6.

2.27. Termination benefits

Termination benefits are paid to employees as a result of the Group's decision to terminate their employment contract before the normal retirement age or when the employee voluntarily agrees to resign in exchange for these benefits.

The Group recognises these benefits on the first of the following dates: (a) when the Group can no longer withdraw the offer of these indemnities or (b) when it recognises the costs of a reorganisation that falls within the scope of IAS 37 and involves the payment of termination benefits.

Benefits that are not expected to be paid within twelve months after the statement of financial position date are discounted to their present value.

2.28. Guarantees to third parties

The types of guarantees committed to third parties during the ordinary course of business include:

a) Guarantees and surety insurance: these correspond to guarantees granted by a financial institution to Group companies to fulfil commitments undertaken with a third party (e.g., bid bonds, performance guarantees, etc.).

   In the event of a breach of such commitment, resulting in a possible obligation to the financial institution, the Group recognises a liability in the company's Consolidated statement of financial position only if the outflow of resources is probable.

b) Guarantees: these correspond to commitments formally assumed by a Group company before a third party (e.g., bid bonds, performance guarantees, financing commitments, etc.).

In the event of a breach of such commitment, resulting in a possible obligation to the third party, the Group recognises a liability in the company's Consolidated statement of financial position only if the outflow of resources is probable—provided that such obligation has not already been recognised in its balance sheet (see note 2.29).

Additional information on guarantees committed to third parties is provided in note 21.

2.29. Financial guarantee contracts

Financial guarantee contracts are recognised as financial liabilities at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- The amount determined by the expected credit loss model under IFRS 9, 'Financial Instruments.'
- The amount initially recognised less, where applicable, the cumulative amount of income recognised per IFRS 15, 'Revenue from Contracts with Customers.'

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required by the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party to assume the obligations.

When guarantees related to loans or other payables of associates are granted without compensation, the fair values are accounted for as contributions and recognised as part of the investment cost.

2.30. Earnings (loss) per share

Basic earnings (loss) per share is calculated as the net profit for the fiscal year attributable to the Parent company of the Group. However, it excludes any administrative expenses for shares other than ordinary shares and the weighted average number of ordinary shares outstanding during the period. Nor does it include the weighted average number of treasury shares held by Group companies.

As of 31 December 2024 and 2023, the Group has not issued any instruments that would dilute earnings per share.

2.31. Transactions with related parties

The Group carries out all its operations with affiliated companies using market values. Transfer prices are adequately supported, and consequently, the Group's Board of Directors considers that no significant risks exist in this respect that could result in material liabilities in the future.

2.32. Interest income

Interest income is recognised using the effective interest rate method under the 'Financial income' heading. When a receivable is impaired, the Group reduces its carrying amount to its recoverable amount. This amount is calculated based on estimated future cash flows discounted at the original effective interest rate of the instrument. Then, it continues recognising the discount as interest income. Interest income from loans that have suffered impairment losses is recognised using the original effective interest rate.

2.33. Consolidated statement of cash flows

In the Consolidated statements of cash flows, prepared using the indirect method, the following is considered:

- Operating activities: typical activities of the entities that make up the Group, as well as other activities that cannot be classified as investing or financing activities.
- Investing activities: the acquisition, disposal, or divestment by other means of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of equity and liabilities that are not part of operating activities.

2.34. Biological assets

The Company recognises growing sugarcane as a biological asset, classified as property, plant, and equipment (see note 9.3.), encompassing the period from land preparation and planting of the seedling until the plant is ready for its first production and harvest. These assets are recognised at fair value, calculated as market value less estimated harvesting and transportation costs.

Agricultural products harvested or collected from biological assets—in the case of the Group, harvested sugarcane—are classified under the inventory heading (see note 14) and are measured at fair value less estimated costs at the point of sale or collection.

The market value for biological assets is based on the future market price of sugarcane, estimated using public data and projections of future sugar and ethanol prices. For agricultural products, the reference price used is the sugarcane price disclosed monthly by the Sugarcane, Sugar, and Ethanol Growers Council (Consecana).

To determine the valuation of growing sugarcane, several assumptions and estimates have been adopted regarding the planted area, the estimated total recoverable sugar (TRS) per tonne to be harvested, and the average growth stage of the agricultural product across different planted areas.

The calculated fair value is periodically reviewed, while the book value is not considered significant (see note 9.3.d).

Note 3 – Accounting estimates and judgements

The preparation of consolidated annual financial statements under IFRS-EU requires the use of assumptions and estimates that impact the amounts of assets, liabilities, income, expenses, and related disclosures. Actual results may differ from estimates. The most critical accounting policies, which reflect management's significant assumptions and estimates in determining the amounts presented in these Consolidated Annual Financial Statements, include:

- revenue and expense recognition from construction contracts.
- service concession agreements.
- estimates to meet the Group's financial commitments and its ability to continue as a going concern.
- estimation of the recoverable amount of assets not yet available for use (Intangible assets in projects);
- income tax and recoverable deferred tax assets.
- recoverable value of goodwill.
- fair value of acquired assets and liabilities assumed in a business combination.

Some of these accounting policies require significant management judgement in selecting appropriate assumptions for these estimates. These assumptions and estimates are based on the Group's historical experience, expert consultants' advice, and forecasts at the end of the fiscal year. Management evaluates these assumptions in light of the global economic conditions of the industries and regions in which the Group operates, considering future business development. Due to their nature, these judgements are subject to an inherent degree of uncertainty. Therefore, actual results may materially differ from the estimates and assumptions used. In such cases, asset and liability values would be adjusted accordingly.

If there were a significant change in the facts and circumstances underlying the applied accounting estimates and judgements, a material impact could arise in future periods. Such an impact would be recognised prospectively by the assumptions and requirements outlined in IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors.'

Significant estimates and judgements used are continuously evaluated and are based on historical experience and other factors. It includes expectations regarding the occurrence of future events that are considered reasonable under the circumstances.

Revenue and expense from construction contracts

Revenue from construction contracts is recognised following IFRS 15 (see note 2.23). It is estimated using the percentage-of-completion method for contracts where the contract outcome can be reliably estimated and is expected to generate profits. When the outcome of a construction contract cannot be reliably estimated, revenue is recognised only to the extent that no significant reversal will probably occur in the future.

As detailed in note 2.23(b), the percentage of completion is determined based on the actual contract costs incurred as of the reporting date, expressed as a percentage of the total estimated costs for each contract.

Applying the percentage-of-completion method requires estimates related to total estimated costs, provisions, execution period, and the recoverability of claims associated with the contract. Over time, the Group has developed a robust project management and internal control system, ensuring periodic monitoring of each project. This system is based on the Group's extensive experience in constructing complex infrastructure and facilities. Whenever possible, the Group applies experience to estimate key elements of construction contracts, relying on objective data such as physical inspections or third-party confirmations. However, given the highly customised nature of construction contracts, most estimates are unique to the specific facts and circumstances of each contract.

Although construction contract estimates are reviewed periodically on an individual basis, significant judgements are made, while not all potential risks can be specifically quantified.

As indicated in Note 2.6 on the measurement of property, plant and equipment, in internal asset construction projects outside the scope of IFRS 12 Service concession arrangements (Note 2.7.1), all intragroup revenues and profits are eliminated so that the assets are carried at construction cost.

Service concession agreements

Determining whether IFRIC 12 applies to specific contracts and activities involves several complex factors. It is also significantly influenced by legal interpretations of certain contractual agreements or other terms and conditions with public sector entities.

Therefore, applying IFRIC 12 requires significant judgement regarding, among other factors, (i) the identification of certain infrastructure (as opposed to contractual agreements) within the scope of IFRIC 12, (ii) the nature of payments to determine whether the infrastructure should be classified as a financial asset or an intangible asset, and (iii) the recognition of revenue from construction and concession activities.

Changes in one or more of the above factors could significantly impact conclusions regarding the applicability of IFRIC 12 and, consequently, the operating results or financial position (see note 9).

Estimates to meet the Group's financial commitments and its ability to continue as a going concern

For this purpose, cash flow and cash equivalent projections for the next twelve months have been prepared, incorporating expected revenue from existing projects, contracts signed after 31 December 2024, and strategic plans based on Cox ABG Group, S.A. These projections also include the necessary costs and expenses required to generate revenue and meet financial obligations to sustain ordinary business operations.

As of 31 December 2024, the Group has achieved a positive result.

The Company believes that these estimates are appropriate and consistent with the current economic situation, reflecting its investment plans and the best available estimate of future expenses and revenue.

Estimation of the recoverable amount of assets not yet available for use (Intangible assets in projects)

The Group conducts annual impairment tests for cash-generating units (intangible assets) related to start-up operations, performing specific tests whenever indicators of impairment are detected (see notes 2.7 and 2.10). These impairment tests involve estimating the future business performance and determining the most appropriate discount rate in each case. The Group believes that these estimates are appropriate and consistent with the current economic situation, reflecting its investment plans and the best available estimate of future expenses and revenue. Additionally, it considers that its discount rates adequately reflect the risks associated with each cash-generating unit. Management closely monitors all projects, including those under development at the end of the fiscal year. The aim is to ensure that if the favourable conditions that initially justified capitalising development costs change, the incurred costs are expensed in the period when the decision is made to discontinue the project.

At the end of the fiscal year, management also assesses whether there are indicators of impairment in assets such as panels, furniture, and equipment. Moreover, it estimates potential impairment losses if necessary.

To conduct impairment analyses, Management relies on historical data, industry information, macroeconomic financial data, and the operational status of the assets to estimate future discounted cash flows. These estimates are subject to uncertainty, as they involve various key assumptions, which the Group aims to document as objectively as possible (see note 9).

As a result of this analysis, as of 31 December 2024 and 2023, the recoverable amounts of cash-generating units with capitalised development costs as intangible assets, calculated using the methodology outlined in Note 9, exceeded their carrying amounts. However, Mexico is excluded, where an impairment loss of €11 million was recognised (compared to zero in 2023).

Income tax and recoverable deferred tax assets

The calculation of income tax requires interpretations of applicable tax regulations for each Group entity. Several factors, primarily, but not exclusively, changes in the interpretation of current tax laws, require Management to make estimates. As a result, tax contingencies or additional liabilities could arise from tax authority inspections resulting from potential interpretations of applicable tax legislation. Each fiscal year's revenue includes an estimate of energy supplied to customers but not yet billed due to the usual meter reading cycle.

The recoverability of deferred tax assets is assessed at the time they are generated and subsequently at each balance sheet date, based on the projected performance of the Group as outlined in its Strategic plan. When conducting this assessment, management considers potential reversals of deferred tax liabilities, projected tax benefits, and the Group's tax planning strategy. This assessment is based on internal projections, which are updated to reflect the Group's latest operating trends.

The Group's current and deferred income tax may be affected by events and transactions arising in the ordinary course of business, as well as by non-recurring special circumstances. The determination of appropriate amounts and classification of income tax depends on various factors, including estimates of the timing of deferred tax asset realisation and income tax payments.

As of 31 December 2024 and 2023, no impairment of deferred tax assets was recognised (see note 22).

Actual cash inflows and outflows may differ significantly from originally estimated amounts due to changes in tax regulations or unforeseen future transactions that impact income tax balances.

Recoverable value of goodwill

The Group conducts annual Goodwill impairment tests by assessing the future cash-generating capacity of different CGUs, based on the latest business plans approved by the Board of Directors.

Management's assessment of potential impairment is a complex process that requires numerous estimates, judgements, and assumptions. In particular, regarding the valuation method used (discounted future cash flows) and key assumptions, such as the discount rate, projected cash flows, financing structure, residual value calculation, and perpetual growth rate.

Based on the analysis performed, no impairment losses on goodwill were recorded as of 31 December 2024.

Fair value of acquired assets and liabilities assumed in a business combination.

The calculation of the fair values of assets and liabilities in business combinations is based on reports from independent experts, which generally involves estimating future cash flows and making assumptions about the future values of these flows, as well as the applicable discount rates. The estimates and associated assumptions are founded on historical experience and various other factors considered to be reasonable given the circumstances.

Note 4.- Financial risk management

The activities that the Group carries out through its operating segments are exposed to various financial risks: market risk (including exchange rate risk, interest rate risk, and price risk), credit risk and liquidity risk, and capital risk.

The Group's risk management programme focuses on the uncertainty of financial markets and seeks to minimise potential adverse effects on its financial performance. Risk management is controlled by the Group's Management, which identifies, assesses and hedges financial risks in accordance with policies approved by the Board of Directors.

Risk management is also overseen by the Corporate finance department, which identifies and assesses financial risks in close collaboration with the Group's operating segments, and the Risk management department, which quantifies risks by project, area, and entity, while diversifying funding sources to prevent concentration.

The Group's internal management standards provide written policies for overall risk management, as well as specific areas such as exchange rate risk, credit risk, interest rate risk, liquidity risk, and the use of hedging instruments, derivatives, cash placements, and financial investments.

Each entity's internal management standards and key control procedures are formally documented in writing, with compliance overseen by Internal Audit.

Below is a breakdown of the financial risks the Group is exposed to during the course of its operations:

a) Market risk

Market risk arises from the Group's exposure to financial risks resulting from fluctuations in exchange rates, interest rates, and prices.

- Exchange rate risk: the Group's international operations expose it to exchange rate risk. This risk arises when future commercial transactions and assets or liabilities are denominated in a currency other than the functional currency of the Group entity conducting the transaction or recording the asset or liability. During the 2024 fiscal year, the Group's primary exposure to exchange rate risk, measured by its impact on the income statement, stemmed from fluctuations between the U.S. dollar and the euro against the Brazilian real, as well as the U.S. dollar against the euro. In Chile, exchange rate risk primarily stems from local operations, where foreign currency transactions, primarily in U.S. dollars, are prevalent.

If the average exchange rate of the U.S. dollar (USD) had increased by 6% against the Brazilian real (BRL) during the 2024 fiscal year, while all other variables remained constant, the impact on the consolidated income statement would have been a financial expense of €5,203 thousand.

If the average exchange rate of the euro (EUR) had increased by 8% against the Brazilian real (BRL) during the 2024 fiscal year, while all other variables remained constant, the impact on the consolidated income statement would have been a financial income of €12,848 thousand.

Similarly, if the average exchange rate of the U.S. dollar (USD) had increased by 1% against the euro (EUR) during the 2024 fiscal year, while all other variables remained constant, the impact on the consolidated income statement would have been a financial income of €759 thousand.

The Group also conducts commercial transactions and holds assets and liabilities in other currencies, such as the dirham, the South African rand, and the Mexican peso. However, their impact on the consolidated income statement is not considered significant. If necessary, the Group will explore the most suitable solution to minimise this risk through the use of hedging instruments, always in accordance with corporate policies.

- Interest rate risk: this risk primarily arises from financial liabilities with variable interest rates.

In the case of variable interest rates, interest rate risk can essentially be controlled using swaps and interest rate options (caps and collars), which, in exchange for a premium, offer protection against interest rate hikes. As of 31 December 2024 and 2023, the Group had not entered into any such contracts.

However, the Group's financing arrangements are generally at fixed interest rates, mitigating the risk of interest rate fluctuations (see Notes 17 and 18).

Variable-rate borrowings expose the Group's companies to interest rate risk on cash flows, while fixed-rate loans expose them to fair value interest rate risk. To manage these risks, the Group follows a policy of diversifying its debt financing across multiple financial institutions when deemed necessary (see Note 18).

- Energy and raw material price risk: the Company has entered into fixed-price contracts with customers, which could lead to lower operating profit margins if market electricity prices were to rise significantly. To mitigate this risk, and in response to the energy price volatility experienced in recent years, the Company has revised its commercial strategy. All customer contracts have been modified to index the selling price to the purchase price, effectively eliminating this risk. The Group maintains this commercial strategy to date.

Regarding raw materials, this risk arises both from the Company's product sales and the procurement of raw materials for production processes. To mitigate this risk, the Group seeks to establish framework agreements with suppliers.

- Concession risk: regarding the Aman El Baraka, SEDA, and SPP1 concessions, the Group is actively working to obtain all necessary authorisations and permits from the relevant authorities and regulators in the respective countries to facilitate the transfer of legal ownership of these concessions following the Group's takeover. In general, these formal processes are expected to be completed, provided that the ownership transfer is carried out for a 'good cause.' In the opinion of the Company's Directors and legal representatives, no events or current circumstances suggest that the formal administrative process for transferring ownership will not be completed.

b) Credit risk

Credit risk arises when a third party fails to meet its contractual obligations. In this context, the Group's main exposures to credit risk include:

a) Trade and other financial receivables (see Note 13).

b) Financial investments, including cash and cash equivalents (see Notes 12, 13, and 15).

- Trade and other receivables: the majority of receivables are from customers in various industries and countries, with contracts typically requiring payments as the project progresses, the service is provided, or the product is delivered. It is standard practice for the company to reserve the right to cancel work case of significant breaches, particularly non-payment.

In general, in order to mitigate this risk, the Group employs various measures, including a customer credit risk analysis as a step prior to any commercial agreement, the establishment of a contractual scheme of advance receipts as from inception of the construction contract, the reduction of the invoice collection period by means of a cash discount and, where possible in view of the prevailing financial situation, a firm commitment from a leading financial institution for the non-resource purchase of receivables (factoring). Under these arrangements, the Company pays a fee to the bank for assuming the credit risk, as well as interest on the financing.

In this context, the derecognition of factored receivables occurs once all the conditions outlined in IFRS 9 for their removal from the Consolidated financial statement are met. This involves analysing the transfer of risks and benefits associated with the ownership of the financial asset by comparing the company's exposure to changes in the amounts and timing of net cash flows of the transferred asset before and after the transfer. Once the transferring company's exposure to such changes is either eliminated or substantially reduced, the financial asset is considered transferred.

In this regard, if an assessment of each contract determines that the associated risk has been transferred to the financial institution, the receivables are derecognised from the consolidated financial Statement at the time of transfer to the financial institution, in accordance with IFRS 9.

In general, the Group considers credit risk to be the most significant risk associated with these assets within its operations, since: a) it can become quantitatively significant during the execution of a project or the provision of services, and b) it is outside the Company's control. In contrast, overdue payment risk is considered minimal in these contracts. It is typically linked to technical issues—i.e., the inherent technical risk of the service provided—and is therefore within the Company's control.

Additionally, Management believes that, due to timely collection efforts and monitoring of outstanding balances in the trade receivables portfolio, credit risk is limited. The Group assigns credit limits based on customer profiles.

For further information on counterparty risk related to trade and other receivables, note 13 provides details on the credit quality of customers, customer ageing analysis, and an overview of movements in the provision for receivables as of 31 December 2024 and 2023.

- Financial investments: to manage the credit risk of financial investments, the Group has established corporate guidelines that require counterparties to be reputable financial institutions and high-credit-rated public debt entities.

Considering all of the above, and after analysing the ageing of key financial assets exposed to this risk, the Group concludes that, as of the close of fiscal years 2024 and 2023, there are no significant overdue amounts requiring additional disclosure under IFRS 7.

As of 31 December 2024 and 2023, the Group has outstanding balances with related parties. Management believes that these amounts will be collected based on counterparty risk analysis, and therefore considers their collectability assured, as no events of default have occurred.

c) Liquidity risk

The Group's liquidity and financing policy aims to ensure that sufficient funds are available to meet its financial obligations.

The Group relies on two main sources of financing:

- Project financing, intended to fund investments in fixed asset for projects (see notes 2.7 and 17).
- Debt with credit institutions and other parties, intended to fund the operations of other subsidiaries not financed under the first method, i.e., financing associated with 'recourse' entities (see note 18). Starting in 2024, the Parent company has formalised all its transactions with group companies, associates, and other related parties through credit lines.

Liquidity risk refers to the potential inability of the Group to meet its cash requirements to fulfil payment commitments incurred during project development. Prudent liquidity risk management involves maintaining sufficient cash reserves and negotiable instruments, as well as access to an adequate amount of credit facilities that enable the Group to meet its obligations when due and liquidate market positions (see notes 13.2 and 15).

On the other hand, the Group closely monitors its short-term liquidity plan, taking the necessary steps to ensure the fulfilment of its obligations.

The Group will continue this process moving forward as part of its liquidity strategy.

d) Capital risk

The Group's objectives in relation to capital risk management are:

- to safeguard its ability to continue to function as a going concern;
- to provide returns to shareholders and benefits to other stakeholders; and

- to maintain an optimal capital structure to minimise cost.

In order to maintain or adjust its capital structure, the Group may modify dividend payments to shareholders, reduce capital, issue new shares, sell assets, or reduce debt.

Management monitors its capital structure by tracking the progress of projects within its portfolio in each country, as the financing model—whether through internal or third-party financing—depends on the realisation of these projects, in line with the Group's business strategy.

Additionally, the Group manages capital risk to ensure the long-term viability of its companies from a financial standpoint. This includes adopting necessary measures under the relevant regulatory framework, such as capital reductions or mergers, that enable the Group to operate more efficiently and, where applicable, generate synergies.

The target leverage level for the Group's activities is typically measured based on the nature of each activity, rather than a general debt-to-equity ratio:

- For activities financed through Project financing, each project is assigned a target leverage based on its cash generation capacity and the typically recurring and predictable nature of cash flows provided by the existing contracts.
- For activities financed through Debt from credit institutions and other sources, the aim is to maintain a reasonable level of leverage while ensuring compliance with restrictions outlined in the primary financing agreements regarding the assumption of new financial debt.

The Group monitors its capital structure based on the financial debt by segment/Operating profit before depreciation/amortisation ratio. Financial debt by segment is calculated as the total current and non-current debt, less cash and cash equivalents. The reconciliation with operating Results is as follows:

Object	2024		2023	
	Concessions /Projects	EPC/ Services	Concessions /Projects	EPC/ Services
Operating results	95,817	19,292	72,262	(11,234)
Depreciation/amortisation	38,173	30,032	32,140	10,214
Operating results before depreciation/amortisation	**133,990**	**49,324**	**104,402**	**(1,020)**
Non-current project financing (note 17)	205,952	–	163,025	–
Current project financing (note 17)	83,597	–	55,546	–
Non-current financial lease liabilities and credit institutions (note 18)	23,209	21,531	27,275	23,758
Current financial lease liabilities and credit institutions (note 18)	5,103	24,482	6,133	4,311
Cash and cash equivalents (note 15)	31,484	155,356	26,323	72,542
Current financial investments (notes 9.2, 12, 13.2)	78,094	56,261	80,698	21,301
Financial debt by segment (*)	**208,283**	**(165,604)**	**144,958**	**(65,774)**
Financial debt by segment/Operating results before depreciation/amortisation	**1.55**	**(3.36)**	**1.39**	**64.48**

(*) Financial lease liabilities and credit institutions for both short- and long-term, less Cash and cash equivalents and current financial investments.

As of 31 December 2024 and 2023, the Group has some projects in the pre-operational phase. For decision-making, it primarily considers other indicators, such as the total installed capacity measured in MWp of the projects under development and the progress status of these projects. The Group's ideal leverage ratio for such projects is 70/30, with 70% representing external financing associated with the project and 30% representing equity, for each individual project.

Note 5.- Segment information

5.1. Information by business activity

A reportable segment is a component that conducts business activities capable of generating revenue and incurring expenses, and whose operating results are regularly reviewed by the Board of Directors to make decisions about the Group's operations, determine resource allocation to the various segments, and assess their performance, based on the availability of differentiated financial information. The Board of Directors reviews the Group's performance and position and has identified the following reportable business segments: Water, Energy, Services, and Corporate (see notes 1 and 2.25).

For the water and energy segments, the Group further differentiates by project type: on one hand, EPC/Services (Service Co) and on the other, Projects/Concessions (Asset Co).

Each reporting segment is a separate business with its own management and a reporting structure for assessing the fulfilment of objectives.

a) The distribution of net revenue (Sales) and Operating results by activity at the end of the 2024 and 2023 fiscal years is as follows:

Item	2024		2023	
	Sales	Operating results	Sales	Operating results
Water	101,722	27,898	71,246	23,907
Energy	501,127	79,086	420,959	50,581
Services	99,610	3,141	88,510	(475)
Corporate (*)	–	4,984	–	(12,985)
Total	**702,459**	**115,109**	**580,715**	**61,028**

(*) Primarily corresponds to general expenses of corporate entities that do not engage in third-party activities. For the 2024 fiscal year, this includes the impact of the negative consolidation difference for Khi Solar One (see note 6.3).

The breakdown of sales by segment and project type is as follows:

Item	2024		2023	
	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)
Water	26,208	75,514	21,726	49,520
Energy	344,494	156,633	295,855	125,104
Services	**99,610**	**–**	**88,510**	**–**
-O&M	45,144	–	32,536	–
- Supply	53,301	–	43,860	–
-Tech	1,165	–	12,114	–
Total	**470,312**	**232,147**	**406,091**	**174,624**

(1) Relates to Service Co. (2) Relates to Asset Co.

Operating profit/(loss) is analysed below by segment and by project type:

Item	2024		2023	
	EPC/ Services (1)	**Projects/ Concessions (2)**	**EPC/ Services (1)**	**Projects/ Concessions (2)**
Water	(17,065)	44,963	(3,208)	27,115
Energy	28,232	50,854	5,434	45,147
Services	**3,141**	**–**	**(475)**	**–**
-O&M	4,242	–	(585)	–
- Supply	107	–	1,615	–
-Tech	(1,208)	–	(1,505)	–
Governance	4,984	–	(12,985)	–
Total	**19,292**	**95,817**	**(11,234)**	**72,262**

(1) Relates to Service Co. (2) Relates to Asset Co.

The reconciliation of operating profit/(loss) with profit/(loss) for the year attributed to the Parent company is set out below:

Item	2024	2023
Total operating Results by segment	115,109	61,028
Financial results	(37,103)	(27,366)
Share in profit/(loss) of associates	(1,285)	981
Income tax expense	(17,588)	1,839
Non-controlling interests	(16,914)	(4,748)
Profits/loss for the fiscal year attributed to the parent company	**42,219**	**31,734**

b) Assets and liabilities by business activity as of the end of the 2024 fiscal year are as follows:

Assets	Water	Energy	Services	Corporate and other adjustments	Total 2024
Intangible Assets	1	31,468	10,070	17	41,556
Property, plant and equipment	3,573	28,887	184	3,497	36,141
Assets in concessional projects	–	206,268	–	–	206,268
Concession asset receivables	318,940	1,374	–	–	320,314
Tangible and intangible assets in projects	2,557	86,529	–	–	89,086
Investments accounted for using the equity method	–	5,338	3,408	–	8,746
Other non-current assets	850	77,104	3,532	(2,670)	78,816
Inventory	2,641	27,525	10,275	15,150	55,591
Trade and other receivables	60,859	256,765	31,393	(69,559)	279,458
Financial accounts receivable	15,602	60,266	1,134	(1,855)	75,147
Current financial assets at fair value	–	10,548	–	–	10,548
Cash and Cash Equivalents	10,585	70,393	11,956	93,906	186,840
Total Assets as of 31 December 2024	**415,608**	**862,465**	**71,952**	**38,486**	**1,388,511**

Liabilities	Water	Energy	Services	Corporate and other adjustments	Total 2024
Equity	52,227	198,475	32,961	48,665	332,328
Financial lease liabilities and credit institutions	57	57,332	87	16,849	74,325
Non-current and current project financing	178,902	110,647	–	–	289,549
Non-current borrowings	98,698	70,986	1,016	(1,771)	168,929
Provisions for other liabilities and charges	1,182	81,660	4,995	5,967	93,804
Other non-current liabilities	1,002	39,864	73	(2,256)	38,683
Trade and other payables	63,833	275,563	23,937	(41,977)	321,356
Current tax liabilities and other	19,707	27,938	8,883	13,009	69,537
Total Liabilities and Equity as of 31 December 2024	**415,608**	**862,465**	**71,952**	**38,486**	**1,388,511**

Assets and liabilities by business activity as of the end of the 2023 fiscal year are as follows:

Assets	Water	Energy	Services	Corporate and other adjustments	Total 2023
Intangible Assets	1	4,236	13,851	–	18,088
Property, plant and equipment	3,626	25,561	429	3,962	33,578
Assets in concessional projects	–	74,000	–	–	74,000
Concession asset receivables	294,194	–	–	–	294,194
Tangible and intangible assets in projects	685	101,750	–	–	102,435
Investments accounted for using the equity method	–	11,308	2,476	–	13,784
Other non-current assets	50	60,941	3,599	(21,240)	43,350
Inventory	2,276	28,348	12,124	–	42,748
Trade and other receivables	50,461	178,318	43,867	(42,506)	230,140
Financial accounts receivable	15,512	37,313	1,353	(9,724)	44,454
Cash and Cash Equivalents	10,066	61,505	15,888	10,406	97,865
Total Assets as of 31 December 2023	**376,871**	**583,280**	**93,587**	**(59,102)**	**994,636**

Liabilities	Water	Energy	Services	Corporate and other adjustments	Total 2023
Equity	8,925	149,133	28,518	(77,981)	108,595
Financial lease liabilities and credit institutions	99	46,212	612	14,554	61,477
Non-current and current project financing	185,003	33,568	–	–	218,571
Non-current borrowings	68,510	30,515	2,696	45,143	146,864
Provisions for other liabilities and charges	244	85,055	5,790	–	91,089
Other non-current liabilities	1,069	10,623	71	2,740	14,503
Trade and other payables	80,709	180,328	47,125	(48,052)	260,110
Current tax liabilities and other	32,312	47,846	8,775	4,494	93,427
Total Liabilities and Equity as of 31 December 2023	**376,871**	**583,280**	**93,587**	**(59,102)**	**994,636**

c) Investments in intangible assets, property, plant and equipment, and assets in projects by segments incurred during the 2024 and 2023 fiscal years are as follows:

Item	2024	2023
Water	1,950	679
Energy	17,759	13,501
Services	–	115
Corporate	276	–
Total	**19,985**	**14,295**

The total investments in intangible assets, property, plant and equipment, and assets in projects by segments match the investment flows described in the consolidated Statement of cash flows for the fiscal years ending 31 December 2024 and 2023.

d) Provisions for amortisation and impairment charges incurred at the end of the 2024 and 2023 fiscal years:

Item	2024		2023	
	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)
Water	(7,890)	(142)	(1,747)	(2,094)
Energy	(16,088)	(38,031)	(3,926)	(30,046)
Services	**(4,873)**	**–**	**(2,286)**	**–**
-O&M	(4,799)	–	(1,497)	–
- Supply	181	–	–	–
-Tech	(255)	–	(789)	–
Corporate	(1,181)	–	(2,255)	–
Total	**(30,032)**	**(38,173)**	**(10,214)**	**(32,140)**

(1) Relates to Service Co. (2) Relates to Asset Co.

The amounts for provisions for amortisation and impairment charges are primarily included in the movements in notes 7, 8, 9, as well as in note 13.

5.2. Information by geographical segments

a) The distribution of sales by geographical segments at the end of the 2024 and 2023 fiscal years is as follows:

Geographical segment	2024	2023
South America and Mexico (1)	329,357	297,734
- Europe (excluding Spain) (2)	60,607	57,139
- Africa (3)	191,030	120,951
- Middle East (4)	60,482	39,884
- Other countries	488	1,515
- Spain	60,495	63,492
Consolidated total	**702,459**	**580,715**

(1) Primarily includes Brazil, with €149 million, Chile, with €127 million, Mexico, with €46 million, and Argentina, with €6 million (€95 million, €155 million, €30 million, and €18 million, respectively, in 2023). (2) Primarily includes France and Lithuania, with €41 million and €18 million, respectively (€26 million and €30 million, respectively, in 2023). (3) Primarily includes Morocco, with €81 million, Algeria, with €65 million, Ghana, with €23 million, and South Africa, with €20 million (€51 million, €47 million, €14 million, and €6 million, respectively, in 2023). (4) Primarily includes the United Arab Emirates, with €42 million and Saudi Arabia, with €18 million (€37 million and €2 million, respectively, in 2023).

b) The distribution of intangible assets and property, plant, and equipment by geographical segments at the end of the 2024 and 2023 fiscal years is as follows:

Geographical segment	2024	2023
South America and Mexico (1)	15,337	13,198
- Europe (2) (excluding Spain)	4,016	3,487
- Africa (3)	13,107	14,107
Foreign Market	**32,460**	**30,792**
Spain	45,237	20,874
Consolidated total	**77,697**	**51,666**

(1) Primarily includes Chile and Brazil, with €11 million and €3 million, respectively (€8 million and €4 million, respectively, in 2023). (2) France. (3) Primarily includes Algeria, South Africa, and Morocco, with €7 million, €4 million, and €2 million, respectively (€8 million, €4 million, and €2 million, respectively, in 2023).

c) The distribution of project Assets by geographical segments at the end of the 2024 and 2023 fiscal years is as follows:

Geographical segment	2024	2023
- South America (1)	83,257	100,277
- Africa (2)	479,115	311,335
Foreign Market	**562,372**	**411,612**
Spain	4,636	1,472
Consolidated total	**567,008**	**413,084**

(1) Brazil, Chile, and Mexico, with €54 million, €20 million, and €7 million, respectively (€66 million, €17 million, and €17 million, respectively, in 2023). (2) Morocco, South Africa, Ghana, and Algeria, with €167 million, €135 million, €105 million, and €71 million, respectively (€159 million, €0 million, €78 million, and €74 million, respectively, in 2023).

Note 6.- Changes in the Group's composition

6.1. Changes in the consolidation scope

a) During the 2024 fiscal year, a total of 64 subsidiaries (86 in 2023) were added to the Group's consolidation scope, either through acquisition or newly established entities, along with 16 Joint Ventures (2 in 2023) and no associated companies (1 in 2023). These entities are listed in Annexes I, II, X, and XI of these Consolidated Annual Financial Statements.

The entities incorporated in the 2024 fiscal year (see note 6.3.) had a significant impact on the Group's consolidated global financial figures.

Additionally, following the acquisition of a 60% stake in Ibexia Cox Energy Development, SL by Cox Energy Europa SL, the company was fully consolidated into the 2024 Annual Financial Statements once effective control was obtained, except for the project subsidiaries intended for sale to CTG (see note 10.2).

Furthermore, no Temporary Joint Ventures were incorporated into the consolidation scope in 2024 (compared to 41 in 2023, of which 38 involved partners outside the Group). These entities are listed in Annexes III and XII of these Consolidated Annual Financial Statements.

Below are the amounts representing the Group's share, based on its corresponding ownership percentage, in the assets, liabilities, revenues, and results of the temporary joint ventures with partners outside the Group consolidated in the 2024 and 2023 fiscal years:

Item	2024	2023
Non-current assets	86	110
Current assets	16,559	24,074
Non-current liabilities	390	2,982
Current liabilities	16,255	21,202

Item	2024	2023
Income	26,782	23,693
Expenses	(26,873)	(23,339)
Profit (loss) after taxes	**(91)**	**354**

b) During the 2024 fiscal year, two subsidiaries were removed from the consolidation scope (compared to none in 2023), while no associated companies were excluded from it (same as in 2023). A detailed breakdown of these entities is provided in Annex IV of these Consolidated Annual Financial Statements.

Additionally, four Temporary Joint Ventures ceased operations and were removed from the consolidation scope in 2024 (compared to one in 2023). This entity is listed in Annex V of these Consolidated Annual Financial Statements.

6.2. Main acquisitions and disposals

a) Acquisitions

During the fiscal year 2024, the following acquisitions have occurred:

- On 16 April 2024, the subsidiary CA Infraestructura T&I, S.L.U., as the highest bidder, was awarded a 19% stake in Transportadora Mar de Plata, a 12.5% stake in Transportadora Cuyana, S.A., and a 5% stake in both Transportadora del Norte, S.A. and Transportadora Río Coronda, S.A. The Group already held a majority interest in all of these companies. The acquisition, valued at €2 thousand, was finalised through a public auction as part of the liquidation process of Abengoa, S.A.
- On 16 April 2024, the subsidiary CA Infraestructura Agua, S.L.U. emerged as the highest bidder for 30% of the shares of Aman El Baraka (Morocco), a company in which it already held the remaining 70%, for 160 thousand euros, as per the public auction of Abengoa, S.A., in liquidation.
- On 3 July 2024, the Company finalised a share purchase agreement to acquire 100% of the shares of Son Rivieren (Pty) Ltd, which held a 51% majority stake in Khi Solar One, a thermosolar power plant in South Africa (see note 6.3.). The effectiveness of the transaction was contingent upon several conditions precedent, all of which were satisfied on 30 November 2024.
- On 1 August 2024, Cox Energy acquired 60% of the shares in Ibexia Cox Energy Development, a company in which Cox already held the remaining 40% (see note 10), for a fixed price of 452 million Mexican pesos, approximately equivalent to 22.2 million euros, to be paid through the issuance of 13.3 million shares of Cox Energy, S.A.B. de C.V. (see notes 16.3 and 19). Furthermore, Cox Energy has entered into an agreement with Ibexia Investment Holding for the provision of call options on 10 million shares of Cox Energy, S.A.B. de C.V., to be exercised within 18 months after reaching a specified milestone, at a price above the current market value.

During the 2023 fiscal year, the Group made significant acquisitions as a result of the integration of Cox Infraestructuras, S.L. into the its consolidation scope, in connection with Abengoa's productive units (see note 6.3).

b) Disposals

In the years 2024 and 2023, no disposals have been made, except for:

- On 28 June 2024, the company Cox Infraestructura, S.L.U. entered into an agreement to purchase 100% of the shares of the commercial company CA Infraestructuras Innovación & Defensa, S.L.U. (now Aytana Aeroespacio y Defensa S.L.) from Riquelme Capital, S.L.U., the main shareholder of Inversiones Riquelme, S.L. and Ondainvest, S.L.U., for €5.4 million (see note 30.2). The parties agree, via bank transfer, on a payment schedule for the next three annual instalments, accruing interest at a fixed rate of 6.25%. The impact of the operation amounts to €2 million (see note 27).

6.3. Business combinations

Son Rivieren and Khi Solar One

On 14 June 2024, Business Court no. 3 of Seville, following a request from the bankruptcy administrator, approved the sale of 100% of Son Rivieren's shares. The transfer was formalised through the execution of a public deed of share transfer before a notary in Madrid on 3 July 2024.

The offer presented by Cox Energy was subject to the approval of local government authorities, as well as the other shareholders, lenders, and the main secured creditor of the insolvency proceedings. For the release of the pledges, Cox Energy committed to the payment of US$1.7 million, plus €325 thousand as consideration. Compliance with the suspensive conditions was completed on 30 November 2024.

The cost of the business combination was determined as of the acquisition date, based on the sum of the fair values of the assets transferred, liabilities incurred or assumed, and transaction-related costs.

No additional consideration, contingent on future events or the fulfilment of specific conditions, has been identified.

The details of the acquisition consideration, as indicated previously, is:

Item	Total
Compensation for release of pledges	1,916
Price and assumed liabilities under the SASI sale agreement	240
Total consideration	**2,156**

As established under IFRS 3, the acquirer shall measure the identifiable assets acquired and the liabilities assumed at their fair value on the date of their acquisition. To allocate the purchase price paid for the transaction, the Group engaged an independent valuation expert (Kroll Advisory, S.L.) in January 2025.

As a result of this process, and in accordance with fair value, valuation adjustments were made. These are known as PPA (Purchase Price Allocation) adjustments.

Set out below is a breakdown of the Consolidated statement of financial position, reflecting the above-mentioned business combination (thousand euro):

Item	Opening balance	PPA Adjustments		Opening balance
Assets in projects (note 9.1)	123,037	15,185	(a)	138,222
Financial investments (note 13.2)	211	–		211
Deferred tax assets (note 22.2)	16,577	–		16,577
Non-current assets	**139,825**	**15,185**		**155,010**
Inventory (note 14)	503	–		503
Trade and other receivables (note 13.1)	11,559	–		11,559
Financial investments (note 13.2)	1	–		1
Cash and cash equivalents (note 15)	9,131	–		9,131
Current assets	**21,194**	**–**		**21,194**
Total assets	**161,019**	**15,185**		**176,204**

Item	Opening balance	PPA Adjustments		Opening balance
Capital and reserves	24,552	(2,162)		22,390
Non-controlling interests (note 16.6)	(11,330)	20,594		9,264
Equity	13,222	18,432		31,654
Project financing (note 17)	**73,650**	**–**		**73,650**
Non-current borrowings (note 19)	30,748	(14,882)	(b)	15,866
Provisions for other liabilities and charges (note 20)	8,061	–		8,061
Deferred tax liabilities (note 22)	–	11,635	(c)	11,635
Non-current liabilities	112,459	(3,247)		109,212
Project financing (note 17)	**27,227**	**–**		**27,227**
Trade and other payables (note 23)	7,499	–		7,499
Current tax liabilities (note 23)	**612**	**–**		**612**
Current liabilities	**35,338**	**–**		**35,338**
Total liabilities	**161,019**	**15,185**		**176,204**

The final balance of the previous Consolidated statement of financial position is included in each of the notes referenced as 'Scope changes'.

No contingent liabilities have arisen from this acquisition that need to be recorded, as there are no contingent consideration agreements.

As of 30 November 2024, the total consideration paid amounts to €2 million. Since the fair value of the acquired net assets, which includes the write-off of subordinated debt owed by Son Rivieren to the Bankruptcy Administrator amounting to €47 million, amounts to €22 million, the company has recognised a positive impact net of tax effects of €15 million (see notes 22 and 27), as a result of a negative consolidation difference.

The group believes this difference represents a bargain purchase, as it pertains to a project developed by Abengoa's production units, where the group currently provides operation and maintenance services.

As previously mentioned, the offer, which has been extensively negotiated since 2023, has received the necessary approvals from key local authorities, minority partners, and the financial creditors of the project. According to the bankruptcy administration, this was favourable to the interests of the bankruptcy proceedings.

The main PPA adjustments, based on the independent expert's valuation, are summarised below:

a) Assets in projects: this corresponds to the recognition of the fair value of the concession, recorded as an intangible asset based on cash flow discount models (see note 9.1). The discount rate used by the valuer was 12%.

b) Long-term debt: this corresponds to the fair value adjustment of debt owed to the minority, specifically subordinated debt, which was determined using a discounted cash flow approach, with a discount rate of 12.8%.

c) Deferred tax liabilities: this corresponds to tax effects at the local rate for the increase in value recorded as the higher value of the concession, as well as the adjustment of the fair value of the debt with the minority interest.

The acquired business contributed €4 million in sales to the group for the period from 1 December to 31 December 2024. The attributable result for this period amounted to €1,243 thousand. Had the acquisition occurred on 1 January 2024, ordinary revenue (sales) and the proforma consolidated income statement would have amounted to €27.5 million and €4,693 thousand, respectively.

Ibexia Cox Energy Development, S.L. (hereinafter Ibox Energy)

On 1 August 2024, Cox Energy acquired 60% of the shares in Ibexia Cox Energy Development, a company in which Cox already held the remaining 40% (see note 10), for a price of 452 million Mexican pesos, approximately equivalent to €22.2 million, to be paid through the issuance of 13.3 million shares of Cox Energy, S.A.B. de C.V. (see notes 16.3 and 19), as well as a variable price related to the planned sale to CTG of certain project subsidiaries.

Additionally, the parties have signed a framework agreement regarding the subsidiaries intended to be sold to CTG. In this regard, according to economic and political rights, the company maintains that it continues to be a joint venture, and therefore, continues to record this participation as equity accounted (see note 10).

Similarly, Cox Energy has entered into an agreement with Ibexia Investment Holding for the provision of call options on 10 million shares of Cox Energy, S.A.B. de C.V., to be exercised within 18 months, at a price above the current market value. The price of this option is not significant.

As of 31 December 2024, the first tranche of 8.8 million shares has been subscribed through a capital increase in the Mexican subsidiary (see note 16.5), while the second tranche of 4.5 million shares is still pending subscription (see note 19). The deadline is 30 April 2025.

As for the remaining acquired net assets, given that the Group previously held a 40% stake in the acquired company, this qualifies as a step acquisition of a business combination. Therefore, the investment must be remeasured at its fair value as of the acquisition date in accordance with paragraph 42 of IFRS 3.

Based on the above, the total consideration is as follows:

Item	Total
Price 60% (452 million Mexican pesos) (1)	20,033
Fair value of 40% of previous investment (2)	13,355
Total consideration	**33,388**

(1) Includes a 10% discount factor corresponding to the payment terms in shares, based on restrictions and the volume of shares on floating capital. (2) The company has recognised the fair value of the previous investment through a capital gain of €7.5 million (see notes 22 and 27) net of tax effects.

As established under IFRS 3, the acquirer shall measure the identifiable assets acquired and the liabilities assumed at their fair value on the date of their acquisition. To allocate the purchase price paid for the transaction, the Group engaged an independent valuation expert (Kroll Advisory, S.L.) in January 2025.

As a result of this process, and in accordance with fair value, valuation adjustments were made. These are known as PPA (Purchase Price Allocation) adjustments.

Set out below is a breakdown of the Consolidated statement of financial position, reflecting the above-mentioned business combination (thousand euro):

Item	Opening balance	PPA Adjustments	Opening balance
Assets in projects (note 9.3)	4,784	(1,563)	3,221
Financial investments (note 13.2)	48	–	48
Deferred tax assets (note 22)	13	–	13
Non-current assets	**4,845**	**(1,563)**	**3,282**
Trade and other receivables (note 13.1)	9,063	–	9,063
Financial investments (note 13.2)	2,702	–	2,702
Cash and cash equivalents (note 15)	548	–	548
Current assets	**12,313**	**–**	**12,313**
Total assets	**17,158**	**(1,563)**	**15,595**

Item	Opening balance	PPA Adjustments	Opening balance
Capital and reserves	7,581	(1,563)	6,018
Equity	**7,581**	**(1,563)**	**6,018**
Long-term payables (note 19)	4,676	–	4,676
Non-current liabilities	**4,676**	**–**	**4,676**
Trade and other payables (note 23)	4,901	–	4,901
Current liabilities	**4,901**	**–**	**4,901**
Total liabilities	**17,158**	**(1,563)**	**15,595**

On the date of acquisition, 1 August 2024, according to the assessment of the independent expert on purchase price allocation, the Group recognised the difference between the total consideration amount of €33 million and the fair value of the net assets acquired for €6 million such as the goodwill amount of €27 million (see note 7.1), representing an annually assessed intangible asset according to IAS 36.

This goodwill is associated with the 'pipeline' that the company expects to recover with the cash flows expected from the acquired platform and the synergies with the Group, the workforce, and the value of ongoing business.

The final balance of the previous Consolidated statement of financial position is included in each of the notes referenced as 'Scope changes'.

No contingent liability that requires registration has arisen from this acquisition. There are no contingent consideration agreements.

The acquired business has not contributed significant sales to the group, even considering the full fiscal year of 2024.

Abengoa production units

On 28 October 2022, Grupo Abengoa applied for voluntary joint insolvency proceedings for 33 companies in its group with the presentation of a binding offer of acquisition for production units (PUs) by a third party in accordance with article 224 (ii) of the Revised Text of the Insolvency Act (TRLC).

The Third Section of the Business Court of Seville declared the joint insolvency of the 33 applicants in its Order of 10 November 2022. This Order also appointed Erst & Young as Insolvency Administrator for the 33 companies mentioned.

On 9 January 2023 the Cox Energy Group, through one of its subsidiary companies, submitted a bid to acquire the liquidated assets of Abengoa before the Business Court (Section 3) of Seville, Spain.

Abengoa is a company that operates in America, Europe, Asia, and Africa, specialising in energy, water, services, transmission, and infrastructure projects. The objective of the bid submitted was to acquire Abengoa's production units as part of an industrial plan that sought to make maximum use of the complementary capacities of both companies.

On 18 April 2023, the Business Court no. 3 of Seville found in favour of awarding Abengoa's production units to Cox Energy (the company 'Cox Energy Europe, S.L.U.') as part of the insolvency proceedings which were ongoing since 10 November 2022.

The order of 18 April 2023 was appealed, but after objections to the appeals, the Court issued an order on 29 May 2023 dismissing them and confirming the appealed decision, declaring that 'No ordinary appeal may be lodged against this order.' Therefore, the court's decision to assign the Abengoa Group's PUs to 'Cox Energy Europe, S.L.U.' was declared final, with no possibility of further appeals.

On 28 July 2023, the public deeds were signed between the Insolvency Administrators and 'Cox Energy Europe, S.L.U.' that were needed to formally transfer the PUs to Cox for €30.3 million, 8 million of which had already been paid (see note 19). Therefore, with full effect from 18 April 2023, the Cox Group obtained full ownership of the Abengoa Group's PUs.

In a single act, on the same date of 28 July 2023, Cox Energy Europe also increased the capital of Cox Infrastructures, S.L.U, by contributing the branch of business mentioned previously with it.

As a consequence of the above, the start of the second quarter of fiscal year 2023 registered the combination of businesses resulting from the acquisition method as changes in the scope of consolidation.

The cost of combining businesses was determined on the acquisition date by adding together the fair value of the assets transferred, the liabilities incurred or assumed, including any cost arising directly from the combination as an additional category. Similarly, the additional consideration that depends on future events or the fulfilment of certain conditions are part of it, provided it has been considered probable, and it has been possible to estimate a reliable fair value.

The details of the acquisition consideration, as indicated previously, is:

Item	Total
Cash price paid	7,679
Deferred price paid (note 19)	22,705
Current value adjustment	(1,230)
Total discounted consideration	**29,154**

As established under IFRS 3, the acquirer shall measure the identifiable assets acquired and the liabilities assumed at their fair value on the date of their acquisition. In order to assign the price paid in the transaction for the assets acquired and the liabilities assumed from Abengoa's production units, the Group relied on the assessment of an independent expert (Kroll Advisory, S.L.) in May 2024.

As a result of this process, and in accordance with fair value, valuation adjustments were made. These are known as PPA (Purchase Price Allocation) adjustments.

Set out below is a breakdown of the Consolidated statement of financial position, reflecting the above-mentioned business combination (thousand euro):

Item	Opening balance	PPA Adjustments		Opening balance
Intangible assets (note 7)	4,624	14,099	(a)	18,723
Property, plant, and equipment (note 8)	29,803	–		29,803
Assets in projects (note 9)	475,846	(73,015)	(b)	402,831
Equity-accounted investments (note 10)	3,241	1,734	(c)	4,975
Financial investments (note 13.2)	10,471	–		10,471
Deferred tax assets (note 22)	16,183	–		16,183
Non-current assets	**540,168**	**(57,182)**		**482,986**
Inventory (note 14)	26,311	–		26,311
Trade and other receivables (note 13.1)	240,466	(363)		240,103
Financial investments (*) (note 13.2)	92,919	–		92,919
Cash and cash equivalents (note 15)	137,492	–		137,492
Current assets	**497,188**	**(363)**		**496,825**
Total assets	**1,037,356**	**(57,545)**		**979,811**

(*) Includes short-term receivables for concession assets amounting to 37,465 thousand euros (see note 9.2).

Item	Opening balance	PPA Adjustments		Opening balance
Capital and reserves	68,555	(39,405)		29,150
Non-controlling interests (note 16.6)	69,271	(21,079)	(e)	48,192
Equity	**137,826**	**(60,484)**		**77,342**
Project financing (note 17)	176,961	–		176,961
Finance lease liabilities and bank borrowings (note 18)	42,000	–		42,000
Long-term payables (note 19)	83,992	–		83,992
Provisions for other liabilities and charges (note 20.1)	101,109	–		101,109
Deferred tax liabilities (note 22)	19,704	2,936	(d)	22,640
Employee benefits and other	740	–		740
Non-current liabilities	**424,506**	**2,936**		**427,442**
Project financing (note 17)	59,056	–		59,056
Finance lease liabilities and bank borrowings (note 18)	11,933	–		11,933
Trade and other payables (note 23)	326,687	3		326,690
Current tax liabilities (note 23)	75,838	–		75,838
Provisions for other liabilities and charges	1,510	–		1,510
Current liabilities	**475,024**	**3**		**475,027**
Total liabilities	**1,037,356**	**(57,545)**		**979,811**

On 31 March 2023, the acquisition price, which is the fair value of the adjudication price of 29.1 million euros, was equal to the value of the identifiable net assets of the companies acquired.

The main PPA adjustments based on the valuation of the price paid are summarised below:

a) Intangible assets: this corresponds to the recognised value of the operating and maintenance business using the discounted cash flows, with a discount rate of 16% applied to the existing business (portfolio of project contracts) worth €11 million, and the recognised value of €3 million for a subsidiary of the Transmission and Infrastructure business, based on partial bids received in the Abengoa insolvency proceedings.

b) Assets in projects: this corresponds to the fair value adjustment of concession assets under intangible assets (SPP1) amounting to €10.7 million (see note 9.1) based on the dividend discount, with a discount rate of 17%; concession assets classified as financial assets (Agadir and Ghana) amounting to €54.3 million (see note 9.2) based on the dividend discount, with a discount rate of 16%, and other partial offers, respectively; and tangible assets in projects, a plant for the production of bioethanol, sugar, as well as cogeneration of electric power in Brazil, amounting to €8 million (see note 9.3) based on the dividend discount, with a discount rate of 20%.

A summarised breakdown of the Assets in projects would be as follows:

Assets in projects	Note	Opening balance	PPA adjustments	Closing Balance
- Solar Power Plant One (Algeria)	9.1	92,615	(10,763)	81,852
- Agadir (Morocco) (1)	9.2	203,090	(24,658)	178,432
- Befesa Desalination Developments (Ghana)	9.2	112,085	(29,570)	82,515
- Bioenergía (Brazil)	9.3	68,056	(8,024)	60,032
Total		**475,846**	**(73,015)**	**402,831**

(1) Includes Société d'Eau Déssalée d'Agadir (SEDA) and Aman El Baraka S.A.

c) Inv. Equity-accounted investments: this corresponds to the recognised value of a subsidiary of the Operation and Maintenance business, accounted for by the equity method (see note 10.2), amounting to €1.7 million, based on partial offers.

d) Deferred tax liabilities: this amount corresponds to the deferred tax liabilities of the acquired production units as a consequence of the cancellation of the debts of the insolvent companies, by virtue of the adjudication order, amounting to €19,7 million.

e) The group recognises non-controlling interests in an entity acquired for its fair value.

The final balance of the previous Consolidated statement of financial position is included in each of the notes referenced as 'Scope changes'.

No contingent liability that requires registration has arisen from this acquisition. There are no contingent consideration agreements.

The acquired business has contributed sales to the group amounting to 546 million euros for the period from April to 31 December 2023. The balance contributed during this period amounted to 49,001 thousand euros. Had the acquisition taken place on 1 January 2023, the ordinary revenue (sales) and the consolidated pro forma balance would have come to €723,688 thousand and €36,840 thousand, respectively. These amounts have been calculated using the results of the production units during the first quarter of the fiscal year 2023.

Although Management estimated that the valuation analysis would not be adjusted, it was provisional and based on the fiscal impact of the operation. There were no changes to the valuation during the fiscal year 2024.

Note 7.- Intangible assets

7.1. The breakdown and movements at the end of the fiscal years 2024 and 2023 for the different categories of Intangible Assets are shown below:

Cost	Goodwill	Assets under development	Computer software and others	Total
Balance as of 31 December 2023	–	3,174	17,239	20,413
Scope changes	–	(3,174)	–	(3,174)
Increases	27,370	–	116	27,486
Decreases	–	–	–	–
Reclassifications and other movements	–	–	(417)	(417)
Exchange differences	–	–	(158)	(158)
31 December 2024	**27,370**	**–**	**16,780**	**44,150**

Accumulated depreciation and impairment	Goodwill	Assets under development	Computer software and others	Total
Balance as of 31 December 2023	–	(539)	(1,786)	(2,325)
Increases due to amortisation	–	(414)	(1,267)	(1,681)
Scope changes	–	953	–	953
Decreases	–	–	–	–
Reclassifications and other movements	–	–	296	296
Exchange differences	–	–	163	163
31 December 2024	**–**	**–**	**(2,594)**	**(2,594)**
Net balance	**27,370**	**–**	**14,186**	**41,556**

Goodwill increased due to the acquisition of 60% of Ibexia Cox Energy Development, SL in 2024 (see note 6.3.).

'Scope changes' reflects the disposal of CA Infraestructuras Innovación & Defensa, S.L.U. during the fiscal year (see note 6.2.b).

There have been no significant variations in Computer software and others in the fiscal year 2024, except for the amortisation for the period. This heading includes the recognition of the value of the Operation and maintenance business (portfolio of contracted projects) of the Abengoa production units (see note 6.3.), which are amortised at a rate of 10%.

The amount of impairment recognised in the fiscal year 2024 is nil.

Cost	Assets under development	Computer software and others	Total
Balance as of 31 December 2022	–	152	152
Scope changes	3,174	17,149	20,323
Increases	–	75	75
Decreases	–	(135)	(135)
Exchange differences	–	(2)	(2)
31 December 2023	**3,174**	**17,239**	**20,413**

Accumulated depreciation and impairment	Assets under development	Computer software and others	Total
Balance as of 31 December 2022	–	(24)	(24)
Scope changes	–	(1,600)	(1,600)
Increases due to amortisation	(539)	(213)	(752)
Decreases	–	59	59
Exchange differences	–	(8)	(8)
31 December 2023	**(539)**	**(1,786)**	**(2,325)**
Net balance	**2,635**	**15,453**	**18,088**

The main variations in the fiscal year 2023 correspond to the acquisition of the Abengoa production units (see note 6.3.)

The amount of impairment recognised in the fiscal year 2023 was null.

7.2. The amount of other intangible assets located outside Spain at 31 December 2024 and 2023 amounted to €279 and €379 thousand, respectively.

Note 8 - Property, plant, and equipment

8.1. The breakdown and movements at the end of the fiscal years 2024 and 2023 for the different categories of property, plant, and equipment are shown below:

Cost	Land and buildings	Plant and machinery	Other PPE	Prepayments and PPE in course	Total
Balance as of 31 December 2023	26,878	34,882	4,860	171	66,791
Scope changes	(358)	–	–	–	(358)
Increases	2,371	5,293	2,180	477	10,321
Decreases	–	(2,519)	(425)	–	(2,944)
Exchange differences	(385)	(4,339)	(382)	–	(5,106)
Reclassifications and other movements	(522)	374	(583)	(648)	(1,379)
31 December 2024	**27,984**	**33,691**	**5,650**	**–**	**67,325**

Accumulated depreciation and impairment	Buildings	Plant and machinery	Other PPE	Prepayments and PPE in course	Total
Balance as of 31 December 2023	(4,354)	(25,807)	(3,052)	–	(33,213)
Scope changes	83	–	–	–	83
Increases (amortisation)	(1,973)	(3,595)	(702)	–	(6,270)
Decreases	–	3,126	329	–	3,455
Exchange differences	210	3,522	263	–	3,995
Reclassifications and other movements	279	198	289	–	766
31 December 2024	**(5,755)**	**(22,556)**	**(2,873)**	**–**	**(31,184)**
Net balance	**22,229**	**11,135**	**2,777**	**–**	**36,141**

Cost	Land and buildings	Plant and machinery	Other PPE	Prepayments and PPE in course	Total
Balance as of 31 December 2022	668	259	455	–	1,382
Scope changes	21,407	33,343	4,611	760	60,121
Increases	5,177	2,089	536	171	7,973
Decreases	(140)	(318)	(355)	–	(813)
Exchange differences	(957)	(491)	(387)	(37)	(1,872)
Reclassifications	723	–	–	(723)	–
31 December 2023	**26,878**	**34,882**	**4,860**	**171**	**66,791**

Accumulated depreciation and impairment	Buildings	Plant and machinery	Other PPE	Prepayments and PPE in course	Total
Balance as of 31 December 2022	(282)	(193)	(129)	–	(604)
Scope changes	(3,565)	(23,883)	(2,870)	–	(30,318)
Increases (amortisation)	(900)	(2,187)	(465)	–	(3,552)
Decreases	–	308	246	–	554
Exchange differences	393	148	166	–	707
31 December 2023	**(4,354)**	**(25,807)**	**(3,052)**	**–**	**(33,213)**
Net balance	**22,524**	**9,075**	**1,808**	**171**	**33,578**

The main increase in Land and Buildings corresponds to the leased offices in Rio de Janeiro as the head offices of the companies in Brazil, and as new leases capitalised corresponding to the vertical integration of Energy.

The most significant amounts in Plant and Machinery correspond to the equipment in Chile and Brazil, where the most important additions took place during the period.

Other property, plant, and equipment are mainly located in the projects in Chile, where the most significant additions took place during the period, alongside Brazil and France.

8.2. Property, plant, and equipment not used in operations were not significant at the end of the fiscal year.

8.3. It is company policy to take out all the insurance policies deemed necessary to cover possible risks that may affect the elements of property, plant, and equipment.

8.4. There were no costs for capitalised interest under property, plant, and equipment in the fiscal years 2024 or 2023.

8.5. At the close of the fiscal years 2024 and 2023, the breakdown of tangible fixed assets leased to Group companies is as follows:

Item	31.12.24	31.12.23
Cost	17,001	12,158
Accumulated amortisation	(6,469)	(3,618)
Carrying amount	**10,532**	**8,540**

The carrying amount at the end of 2024 includes €7,933 thousand (€7,890 thousand in 2023) under Land and Buildings, the remainder being Other PPE (see note 18.3).

8.6. The amount corresponding to land included under the heading Land and Buildings amounts to €11,422 thousand at the end of 2024 (€11,330 thousand in 2023), relating primarily to the land in La Nucía (Alicante) worth €5,990 thousand, the land in South Africa worth €2,558 thousand and the land of the Research, Development and Innovation Centre in Dos Hermanas (Seville), worth €835 thousand.

8.7. At the end of 2024 and 2023, there were no assets built by the Group under the Property, Plant, and Equipment heading of the Consolidated statement of financial position.

8.8. property, plant, and equipment do not include assets subject to ownership restrictions or pledged to secure liabilities.

8.9. At the end of 2024 and 2023, the percentage of fully depreciated property, plant, and equipment still in use would be immaterial.

8.10. The list of property, plant, and equipment located outside Spain on 31 December 2024 amounts to €17,477 thousand (€16,356 thousand in 2023).

8.11. There are no commitments to purchase property, plant and equipment at the end of the fiscal year 2024.

8.12. The amount of impairment losses and reversals are recognised in the consolidated income statement under the heading (Provision for)/Reversal of impairment". This item has no impact on the end of the fiscal years 2024 and 2023.

Note 9.- Assets in projects

As indicated in note 2.7 to these Consolidated Annual Financial Statements, the scope of consolidation includes ownership interests in various companies whose corporate purpose, in general, is to develop an integrated project comprising the design, construction, funding, operation and maintenance of an asset owned or under a concession.

This note contains a breakdown of property, plant, and equipment used in these projects and other relevant information relating to the assets (excluding the breakdown of non-recourse financing applied to these projects, which is disclosed in note 17).

9.1. Intangible assets in concession projects

a) The breakdown and movements in the fiscal years 2024 and 2023 for Intangible assets in concession projects are shown below:

Cost	Total Intangible Assets
Balance as of 31 December 2023	212,975
Scope changes	246,027
Increases	132
Exchange differences	7,813
31 December 2024	**466,947**

Accumulated depreciation and impairment	Total Intangible Assets
Balance as of 31 December 2023	(138,975)
Scope changes	(107,805)
Increases (amortisation)	(9,396)
Exchange differences	(4,503)
31 December 2024	**(260,679)**
Net balance	**206,268**

Cost	Total Intangible Assets
Balance as of 31 December 2022	–
Scope changes	214,936
Increases	–
Exchange differences	(1,961)
31 December 2023	**212,975**

Accumulated depreciation and impairment	Total Intangible Assets
Balance as of 31 December 2022	–
Scope changes	(133,013)
Increases (amortisation)	(6,975)
Exchange differences	1,013
31 December 2023	**(138,975)**
Net balance	**74,000**

At 31 December 2024 and 2023, the intangible assets in concession projects include the 150 MW capacity hybrid solar-gas plant, Solar Power Plant 1 (SPP1) in Algeria. In 2024, the scope changes reflect the acquisition of Khi Solar One (see note 6.3.), in South Africa.

The amount of impairment recognised in the fiscal years 2024 and 2023 is null.

9.2. Concession asset receivables

a) The breakdown and movements in the fiscal years 2024 and 2023 for Receivables for Concessional Assets are shown below:

Description	Non-current	Current	Total
Balance as of 31 December 2023	236,649	57,545	294,194
Increases	48,844	–	48,844
Exchange differences	15,967	2,744	18,711
Decreases (receivables)	–	(41,435)	(41,435)
Reclassifications and others	(29,806)	29,806	–
Total at 31.12.24	**271,654**	**48,660**	**320,314**

Description	Non-current	Current	Total
Balance as of 31 December 2022	–	–	–
Scope changes	260,908	37,465	298,373
Increases	34,257	–	34,257
Exchange differences	696	(647)	49
Decreases (receivables)	–	(38,485)	(38,485)
Reclassifications and scope changes	(59,212)	59,212	–
Total at 31.12.23	**236,649**	**57,545**	**294,194**

At 31 December 2024 and 2023 the assets in concession projects were as described below:

- Reverse osmosis desalination plant in Accra (Ghana) in operation since 2015, with a production capacity of approximately 60,000 m^3/day of water, which is sufficient to supply approximately 500,000 inhabitants of Accra and the surrounding area. The desalinated water is supplied to the national water company, the Ghana Water Company Limited.
- Reverse osmosis desalination plant in Agadir (Morocco) designed and conceived to combine water for drinking and irrigation, with a capacity of 275,000 m^3/day (150,000/m^3/day of drinking water and 125,000 m^3/day of irrigation water), and the possibility of expanding to 400,000 m^3/day

  This project also includes the construction of an irrigation network for an area of 15,000 ha.(Aman El Baraka). This is a single project for two clients: the ONEE (Office National de l'Electricité et de l'Eau Potable) and the Moroccan Ministry of Agriculture, Maritime Fisheries, Rural Development, Water and Forests.
- Two thirty-year concessions for energy transmission lines in Brazil adjudicated by the National Electricity Agency (Aneel), awarded during the fiscal year 2024 and currently under construction.

Of the total additions to financial assets for the period, €47,465 thousand correspond to the value of the receivables account under IFRS 9, attributing the revenue corresponding to the updating of collection flows at the effective interest rate to the balance as net business turnover, as explained in note 2.7.1.b). The remaining increase corresponds to the additions in the construction of the transmission lines in Brazil.

The current transactions reflect the payments of €41,435 thousand for the Ghana and Agadir projects in 2024.

In the fiscal years 2024 and 2023 the amount of impairment recognised is nil.

In addition, see Annex VI. Projects within the scope of the interpretation IFRIC 12 service concession arrangements for both intangible assets in concessions and receivables for concession assets.

At 31 December 2024 and 2023 Group companies report no elements under the heading 'Assets in concession projects and accounts receivable for concession assets' pledged as guarantees other than those related to project finance, nor subject to ownership restrictions.

At 31 December 2024 and 2023, the whole investment included under these headings corresponds to assets that the Group companies will revert to the various granting administrations at the end of the respective concession periods, as stipulated in the concession agreements. The Group companies do not expect to incur further costs in addition to those already envisaged in their economic-financial plans as a result of the reversion of their infrastructures at the end of those periods, as described in note 20.1.

The Group companies have taken out insurance policies that provide appropriate coverage of the risks affecting the objects of their investments in 'Assets in concession projects.'

In the fiscal years 2024 and 2023 there were no costs for capitalised interest.

There are no commitments to make significant repairs now or in the future, besides the usual work carried out by companies of this nature.

9.3. Other assets in projects (Tangible and Intangible)

a) In the fiscal years 2024 and 2023, the breakdown and movements in the categories of Property, Plant and Equipment and Intangible Assets in projects are shown below:

Cost	Land and buildings.	Plant and machinery.	Prepayments and PPE in course	Other PPE	Computer software and other intangibles	Intangible assets	Total
Balance at 31 December 2023	13,193	107,817	336	144,223	5,991	34,965	306,525
Scope changes	–	–	–	–	–	3,221	3,221
Increases	544	2,234	1,261	23,698	269	3,863	31,869
Decreases	(100)	(4,101)	–	(4,960)	–	–	(9,161)
Exchange differences	(2,113)	(16,657)	(158)	(17,780)	(1,113)	1,536	(36,285)
Reclassifications	–	1,111	(139)	(7,067)	2,562	(3,288)	(6,821)
31 December 2024	**11,524**	**90,404**	**1,300**	**138,114**	**7,709**	**40,297**	**289,348**

Accumulated depreciation and impairment	Land and buildings.	Plant and machinery.	Prepayments and PPE in course	Other PPE	Computer software and other intangibles	Intangible assets (1)	Total
Balance at 31 December 2023	(7,345)	(85,854)	–	(105,940)	(4,951)	–	(204,090)
Scope changes	–	–	–	–	–	–	–
Increases (provision)	(596)	(3,741)	–	(24,142)	(317)	(10,614)	(39,410)
Decreases	52	3,965	–	4,321	–	–	8,338
Exchange differences	1,282	13,984	–	7,654	845	–	23,765
Reclassifications	–	(90)	–	11,225	–	–	11,135
31 December 2024	**(6,607)**	**(71,736)**	**–**	**(106,882)**	**(4,423)**	**(10,614)**	**(200,262)**
Net balance	**4,917**	**18,668**	**1,300**	**31,232**	**3,286**	**29,683**	**89,086**

(1) The impact of the Increase (provision), related to Intangible Assets, corresponding to the impairment of certain capitalised expenses in Mexico, is included in the EPC/Services segment (see Note 5.1.d) as it pertains to projects in consruction or preliminary phases.

Cost	Land and buildings.	Plant and machinery	Prepayments and PPE in course	Other PPE	Computer software and other intangibles	Intangible assets	Total
Balance at 31 December 2022	–	–	–	–	–	31,382	31,382
Scope changes	12,876	102,783	1,679	123,948	5,851	–	247,137
Increases	–	936	309	29,023	–	4,874	35,142
Decreases	–	–	–	(11,961)	–	–	(11,961)
Exchange differences	309	2,423	31	3,213	140	(1,291)	4,825
Reclassifications	8	1,675	(1,683)	–	–	–	–
31 December 2023	**13,193**	**107,817**	**336**	**144,223**	**5,991**	**34,965**	**306,525**

Accumulated amortisation and Impairment	Buildings	Plant and machinery	Prepayments and PPE in course	Other PPE	Computer software and other intangibles	Intangible assets	Total
Balance at 31 December 2022	–	–	–	–	–	–	–
Scope changes	(6,862)	(80,996)	–	(94,619)	(4,656)	–	(187,133)
Increases (provision)	(316)	(2,929)	–	(21,479)	(183)	–	(24,907)
Decreases	–	–	–	11,470	–	–	11,470
Exchange differences	(167)	(1,929)	–	(1,312)	(112)	–	(3,520)
31 December 2023	**(7,345)**	**(85,854)**	**–**	**(105,940)**	**(4,951)**	**–**	**(204,090)**
Net balance	**5,848**	**21,963**	**336**	**38,283**	**1,040**	**34,965**	**102,435**

At 31 December 2024 and 2023, the most significant amounts under Other Assets in Projects correspond to Abengoa Bioenergía Agroindustria S.A.'s tangible fixed assets, especially the plant in Sao Joao, a bioethanol, sugar, and electricity production plant with a sugarcane milling capacity of 3.1 Mt.

The increases in 2024 correspond mainly to the addition of the tangible fixed assets of Abengoa Bioenergía Agroindustria of €21.7 million, for its biological assets, machinery, and equipment.

The reductions in 2024 in costs and accumulated depreciation correspond mainly to the removal of biological assets and of elements that are totally amortised.

The movements in 2023 correspond mainly to investments in the Sao Joao plant, as well as differences in the conversion of the local currency (Brazilian real) into euros.

The amount of impairment losses and reversals are recognised in the consolidated income statement under the heading (Provision for)/Reversal of impairment". At the close of the fiscal years 2024 and 2023 the impact of this item is nil, except for Intangible assets in projects amounting to 10,6 million euros in 2024.

b) In the fiscal years 2024 and 2023, no financial expenses incurred on other assets in projects were capitalised.

c) It is the policy of Group companies to take out all the insurance policies deemed necessary to cover possible risks that may affect the elements of the Assets in projects.

d) Other property, plant, and equipment mainly include the net book value of biological assets, as well as the rights of use, where the group acts as a lessee of land amounting to €30,765 thousand (€35,076 thousand in 2023) (see note 18.3).

Intangible assets in projects

The Group has a portfolio comprising various projects in the pre-operational phase, located primarily in Chile, Mexico, Guatemala, Colombia, Panama, Brazil, Morocco, and South Africa. Electrical studies, radiation resource studies, approved environmental and social permits, and a defined, approved connection point have already been obtained for a large part of the projects. . The Group expects these projects to become commercially operational as from 2025.

Additions under this heading in 2024 and 2023 correspond to expenses incurred in relation to the various studies and permits required in the pre-operational phase, during project development, as well as exchange rate fluctuations between the local currency and the euro. In addition, 2024 saw the inclusion of Ibox assets as scope changes (see note 6.3)

The strategy for the development, construction, commercial start-up and/or rotation of projects in various phases of development will allow these assets to be progressively monetised.

The portfolio of capitalised projects at 31 December 2024 and 2023 is as follows:

Project	Country	MWp (*)	Classification (**)
El Sol de Vallenar	Chile	308	Backlog
Portezuelo	Chile	148	Advanced development
Machali	Chile	11	Backlog
Rio Maule	Chile	11	Backlog
Montenegro	Chile	7	Advanced development
El Gindal	Chile	10	Backlog
San Javier	Chile	3	In operation (***)
Walmart	Chile	0.21	In operation (***)
Iscali	Mexico	300	Advanced development
Atlacomulco	Mexico	113	Advanced development
La Granja Solar	Mexico	67	Advanced development
Colombia	Colombia	406	Initial development
Chiquimulilla	Guatemala	50	Backlog
Escuintla	Guatemala	38	Initial development
Estanzuela	Guatemala	21	Initial development
Parita	Panama	12	Advanced development
Agadir Solar One I and II	Morocco	450	Initial development
PV I and II	South Africa	435	Initial development
PV Brazil I and II	Brazil	80	Initial development

(*) MWp = Megawatt peak, refers to the amount of MW installed and the attributable capacity. (**) see note 2.7 for the description of the different phases. (***) Assets classified as Project property, plant and equipment assets.

The main projects are 'El Sol de Vallenar' in Chile and Iscali Solar de CV and Atlacomulco Solar in Mexico, the fair value of which is recognised as amounting to €24 million at 1 January 2020, at the IFRS transition date.

For the above-mentioned projects, the fair value effect was calculated by an independent expert using a discounted cash flow method and considering the phase of each project. The discounted flow financial model was based on a series of data and assumptions to create a representation of the expected behaviour of the projects in a pre-operational phase and close to the 'Ready to build' (RTB) and applying the cost approach with projects in 'Greenfield' phases.

When assessing impairment losses, projects under development are grouped by cash-generating unit (CGU), consisting of independent projects for each photovoltaic plant, which are defined in the standard as 'the smallest identifiable group of assets that generates cash inflows which are largely independent from the cash flows of other assets or groups of assets'.

The Group tests projects under development annually for impairment. For the reporting periods 2024 and 2023, the recoverable amount of all the CGUs was determined based on value-in-use calculations, which require the use of assumptions. These calculations use cash flow projections based on 5-year financial budgets approved by Management. Growth rates are consistent with projections included in reports specific to the industry in which each CGU operates.

The criteria of IAS 36 is used to determine the recoverable amount of assets, Management estimates each CGU's value in use by discounting estimated 30-year cash flows approved by the Group's Board of Directors. For assets which are not yet ready for use, costs yet to be incurred for their entry into operation are included in the flow calculation.

The Group Management has calculated estimated cash flows for the projects in development, based primarily on the following assumptions:

- Estimated prices under the contractual agreements concluded, PPAs and tenders where applicable to the projects. The Group has a distinct strategy for each project, based on market, size, and vertical integration criteria in each country. Revenues are assured in whole or in part by public or private contract awards, direct long-term contracts with creditworthy counterparties, and hedges with the Group's supply companies that already have contracts with direct customers or revenues with market exposure. This is all supplemented by additional revenue that may arise from other products such as power or green certificates.
- Estimated start-up date for each of the projects.
- Estimated production capacity for each of the projects.
- Useful life of the projects (30 years) taking signed long-term contracts into account, and the technical capacity of the plants in development.
- Behaviour of costs and expenses in relation to revenue.

Management strategy is not to rotate these projects in development in any phase on a recurring basis.

In the fiscal year 2024, the group has decided to acknowledge an impairment of € 10.6 million in relation to the incomplete infeasibility or partial recoverability of some expenses incurred in Mexico.

The discount rates (WACC) used to calculate the recoverable amount of the corresponding assets are within a range between 9% in Chile and 13% in Mexico in 2024 (9% and 14% respectively in 2023).

The Group has analysed the sensitivity of projects in development to unfavourable variations that may exist in the most sensitive aspects of the assumptions, primarily in the discount rates of 0.5%, and would entail an impairment charge of €6 million and €4 million in Chile and Mexico, respectively.

At 31 December 2024 and 2023 there are no significant ownership restrictions on the intangible assets.

9.4. Assets built by the Group

At 31 December 2024 and 2023, there are no project assets that have been built by the group.

Note 10.- Equity-accounted Investments

10.1. The breakdown of the main equity-accounted investments headings at the close of the fiscal years 2024 and 2023 are shown below:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Associates	3,666	10,802
Joint Ventures	5,080	2,982
Total equity-accounted investments	**8,746**	**13,784**

Movements in investments accounted for using the equity method during the fiscal years 2024 and 2023 are as follows:

Investments accounted for using the equity method	Balance as of 31.12.24	Balance as of 31.12.23
Initial balance	13,784	8,089
Scope changes	(3,727)	4,975
Exchange differences	(26)	61
Dividend payment	–	(322)
Allocated to the income statement	(1,285)	981
Closing Balance	**8,746**	**13,784**

10.2. The following table provides detailed information on the main investments accounted for using the equity method at the close of the fiscal years 2024 and 2023:

Company (*)	Type	% Participation	Carrying amount	Equity	Assets	Result 2024 (**)
El Gritón Solar, S.A. de C.V. (1)	Associate	20%	211	1,054	–	(188)
Sonnedix Cox Energy Chile, S.p.A. (2)	Associate	30%	599	4,665	120,964	1
Ibexia Cox Energy Development, S.L. (3)	Associate	40%	–	–	–	(1,424)
Operador Atacama CSP Chile SpA (4)	Associate	50%	2,856	2,317	6,364	1,737
Inapreu, S.A. (5)	Joint Venture	50%	2,238	4,476	4,519	(564)
XiNa Operations and Maintenance Company (Pty) Ltd (6)	Joint Venture	46%	551	1,197	2,388	149
Portfolio of solar PV assets in Spain (7)	Joint Venture	40%	2,291	7,514	61,084	(1,196)
Total 2024			**8,746**	**21,223**	**195,319**	**(1,485)**

(*) Unaudited figures. Sonnedix is audited by Ernst&Young, S.L., and Ibexia Cox Energy Development, S.L is audited by Albadit Auditores, S.L. (**) In the case of Ibexia Cox Energy Development, the result corresponds to 40% of the results from January to July 2024, the period registered as equity accounted.

Company (*)	Type	% Participation	Carrying amount	Equity	Assets	Result 2023
El Gritón Solar, S.A. de C.V. (1)	Associate	20%	267	1,401	649	(5)
Sonnedix Cox Energy Chile, S.p.A. (2)	Associate	30%	602	(5,147)	100,762	(4,504)
Ibexia Cox Energy Development, S.L. (3)	Associate	40%	7,919	19,785	36,948	1,820
Operador Atacama CSP Chile SpA (4)	Associate	50%	2,014	560	2,802	(228)
Inapreu, S.A. (5)	Joint Venture	50%	2,520	5,040	5,115	59
XiNa Operations and Maintenance Company (Pty) Ltd (6)	Joint Venture	46%	462	1,004	2,459	734
Total 2023			**13,784**	**22,643**	**148,735**	**(2,124)**

(*) Unaudited figures.

(1) El Gritón Solar, S.A. de C.V. is a company that is developing a generation project with a total installed capacity of 336 MWp in the municipality of Pinos, Zacatecas. It is 80%-owned by Global Power Generation (Naturgy Group).

(2) Sonnedix Cox Energy Chile, S.p.A. has its registered address at Avenida El Bosque 92, Santiago de Chile. The company was incorporated on 14 May 2015 to plan, develop, build, and operate projects for the generation, supply, and sale of electricity using solar energy resources, as well as any associated services.

It is 70%-owned by the Chilean company Sonnedix Chile Holding, S.p.A. and 30%-owned by Cox Energy Latin America, S.L.U. Sonnedix Chile Holding, S.p.A. is controlled by Sonnedix Power Holdings Ltd, which issues its Consolidated Annual Financial Statements. This company has no operations outside Chile.

As of 31 December 2024, the change in equity corresponds to the result for the period, as well as the restatement of consolidated annual financial statements for the fiscal year 2023.

Financial Guarantees

On 9 June 2021, the company Sonnedix Cox Energy Chile, S.p.A. entered into a credit agreement for USD 120 million with the 'Lenders,' together with the related company Tercera Región Solar, S.p.A. (the 'Guarantor'), for the development, construction, and initial operation of a solar power generation plant with a capacity of 160 MW, and the construction of a transmission line of approximately 15.6 kilometres The contract is valid until November 2039, with the first disbursement having been made in 2022.

In this regard, Cox Energy Latin America granted a pledge on all its shares representing 30% of Sonnedix Cox Energy Chile, S.p.A.'s share capital. The majority shareholder also granted a pledge on 70% of its shares. At 31 December 2024 and 2023, a derivative was recognised reflecting the pledge on the Sonnedix shares for the amount of €599 and €602 thousand respectively, as financial guarantees included in non-current liabilities (see note 18.4).

Additionally, Cox Energy Latin América, S.L.U., holds 10 preferred shares or 'Series B' stemming from a shareholders' agreement, which grants it the right to receive a 'Preferred Dividend'. This balance does not form part of the net investment in the associate (equity method) because the carrying amount does not depend on the investee's results following the acquisition date, having been recorded separately as a financial instrument (see note 12).

(3) Ibexia Cox Energy Development, S.L.

On 23 November 2018, Cox Energy Solar, together with Sonnedix España Development, S.L.U., set up the company Sonnedix Cox Energy Development, S.L. (later Ibexia Cox Energy Development S.L.), with a share capital of €3,000 that was 40% subscribed and paid up by the company. The company's purpose is the provision of engineering consultancy services for the development of energy facilities or undertakings.

On 1 August 2024, Cox Energy Europa S.L acquired the remaining 60% of the company Ibexia Cox Energy Development S.L., and therefore it has been integrated into the consolidated annual financial statements for the 2024 fiscal year by global integration once effective control over the company was obtained, except for the project subsidiary companies intended for sale to CTG (see note 6.3).

(4) Operador Atacama CSP Chile, SpA.

This amount includes the fair value of the business combination amounting to €1.7 million (see note 6.3). The company is engaged in the operation, maintenance and exploitation of a concentrated solar thermal power plant (Atacama CSP plant) in Comuna María Elena.

(5) Inapreu. S.A.

Inapreu, S.A. was incorporated as a public limited company ('sociedad anónima') in Barcelona on 11 April 2005. The company's corporate purpose was the design, construction and maintenance of three buildings intended to be the headquarters of the Courts of Olot, Cerdanyola del Vallès and Santa Coloma de Gramenet, as well as operating the buildings under leases to the Catalan Regional Government. This company is jointly controlled by Cox T&I, S.L. and Abantia Empresarial, S.L., each holding a 50% stake.

(6) Xina operation and Maintenance Company (Pty) Ltd

This amount reflects the 46% interest in the joint venture Xina Operation and Maintenance Company (Pty) Ltd., amounting to €551 thousand (€462 thousand in 2023). This company is engaged in the operation and maintenance of the 100 MW Xina Solar One solar thermal plant built by Abengoa in South Africa.

(7) Sale of a portfolio of solar PV assets in Spain to CTG

IBOX has signed an agreement under which the Solar PV Generation Pipeline and Portfolio in Spain, which are at various stages of development, will be transferred to China Three Gorges (CTG). This sale is part of the *build to sell* strategy, according to the agreements signed with the previous indirect shareholder of IBOX.

In particular, it is anticipated that the shares of certain project companies will be transferred once the operational milestone is reached, in most cases, with the possibility of offering an alternative project if the established development stage is not reached.

Bridge financing, signed in August 2023, is available to these companies. The contract is composed of a non-revolving credit line in euros and a non-revolving documentary credit line in euros, for maximum amounts of €28.5 million and €7 million respectively. The maturity date is February 2026, accruing at a monthly interest rate of EURIBOR + 1.8% on the principal drawn down. At the close of the fiscal year 2023, the outstanding principal amount is €28 million.

As indicated in note 6.3 above, the parties entered into a framework agreement on 1 August 2024 to govern the relationship between the parties in the context of the signed contracts.

10.3. The ownership interest in associates does not differ from the percentage of voting rights.

10.4. Below is financial information on the most significant companies that are accounted for as investments using the equity method for the annual periods ending at the close of the 2024 and 2023 financial years.

Investments accounted for using the equity method	2024				2023			
	Inapreu, S.A.	Operador Atacama CSP Chile, SpA.	Sonnedix Cox Energy Chile, SpA	Portfolio of solar PV assets in Spain	Inapreu, S.A.	Operador Atacama CSP Chile, SpA.	Sonnedix Cox Energy Chile, SpA	Ibexia Cox Energy Development, S.L.
Current assets	4,519	5,770	6,954	10,102	5,115	2,488	3,212	21,818
Non-current assets	–	594	114,010	50,982	–	314	97,550	15,129
Current liabilities	43	3,684	945	9,928	75	2,216	1,554	7,306
Non-current liabilities	–	363	115,354	43,642	–	26	104,355	9,856
Equity	4,476	2,317	4,665	7,514	5,040	560	(5,147)	19,785
Result	(564)	1,737	1	(1,196)	59	(228)	(4,504)	1,820

The change in “Other comprehensive income” during 2024 and 2023 due to investments in associates was virtually nil.

Note 11.- Financial instruments by category

The Group’s financial instruments consist mainly of deposits, trade and other receivables, and loans. Financial instruments by category are set out below at 2024 and 2023 year-end, reconciled to Consolidated statement of financial position items:

Category	Notes	Assets/ liabilities at amortised cost	Financial assets/ liabilities at fair value through profit or loss	Total at 31.12.24
Concession asset receivables	9.2	320,314	–	320,314
Financial assets at fair value	12	–	23,088	23,088
Financial accounts receivable	13	90,457	–	90,457
Trade and other receivables	13	279,458	–	279,458
Cash and cash equivalents	15	186,840	–	186,840
Total financial assets		**877,069**	**23,088**	**90,0157**
Project financing	17	289,549	–	289,549
Finance lease liabilities and borrowings from credit institutions	18	74,325	–	74,325
Long-term payables	19	157,650	11,279	168,929
Trade and other payables	23	321,356	–	321,356
Total financial liabilities		**842,880**	**11,279**	**854,159**

Category	Notes	Assets/ liabilities at amortised cost	Financial assets/ liabilities at fair value through profit or loss	Total at 31.12.23
Concession asset receivables	9.2	294,194	–	294,194
Financial assets at fair value	12	–	11,749	11,749
Financial accounts receivable	13	58,678	–	58,678
Trade and other receivables	13	230,140	–	230,140
Cash and cash equivalents	15	97,865	–	97,865
Total financial assets		**680,877**	**11,749**	**692,626**
Project financing	17	218,571	–	218,571
Finance lease liabilities and borrowings from credit institutions	18	61,477	–	61,477
Long-term payables	19	141,057	5,807	146,864
Trade and other payables	23	260,110	–	260,110
Total financial liabilities		**681,215**	**5,807**	**687,022**

The information on financial instruments at fair value is disclosed on the basis of the following measurement classifications:

- Level 1: Assets or liabilities quoted in an active market.
- Level 2: Measured based on different listed price inputs included in Level 1 which are observable for the asset or liability, either directly (as unlisted prices) or indirectly using valuation models.
- Level 3: Measured using inputs not based on observable market data.

Set out below is a breakdown of the Group's asset and liabilities at fair value (excluding unlisted equity instruments carried at cost) at 31 December 2024 and 2023:

2024	Level 1	Level 2	Level 3	Total at 31.12.24
Equity instruments	10,548	–	12,540	23,088
Financial assets at fair value	**10,548**	**–**	**12,540**	**23,088**

2024	Level 1	Level 2	Level 3	Total at 31.12.24
Long-term payables (Note 19)	–	–	11,279	11,279
Financial liabilities at fair value	**–**	**–**	**11,279**	**11,279**

2023	Level 1	Level 2	Level 3	Total at 31.12.23
Equity instruments	–	–	11,749	11,749
Financial assets at fair value	**–**	**–**	**11,749**	**11,749**

2023	Level 1	Level 2	Level 3	Total at 31.12.23
Long-term payables (Note 19)	–	–	5,807	5,807
Financial liabilities at fair value	**–**	**–**	**5,807**	**5,807**

Estimates of fair value assets are included in Level 1 and 3, with Level 1 being equity securities classified as current fair value financial assets (see note 12). Level 3 corresponds to preferred dividend receivables (see notes 10 and 12), where the fair values have been determined on the basis of present values and the discount rates used have been adjusted for counterparty credit risk or own credit risk.

Level 3 financial liabilities at fair value include the long-term agreement arising on the exit of the Brazilian Judicial Recovery from Abengoa Construção Brasil, as well as the fixed price payable for Ibox (see note 19).

The changes in the fair value of Level 3 liabilities at year-end 2024 and 2023 are detailed below:

Financial liabilities	Amount
Balance as of 31 December 2022	–
Scope changes, reclassifications and currency translation differences	5,807
Balance as of 31 December 2023	**5,807**
Additions (note 19)	5,472
Balance as of 31 December 2024	**11,279**

There were no reclassifications of financial instruments between levels during the financial years reported.

Note 12.- Financial assets at fair value

12.1. Set out below is an analysis of financial assets at fair value showing movements during 2024 and 2023:

Financial assets at fair value	2024	2023
Initial balance	11,749	12,484
Additions	11,564	–
Changes in the instrument's fair value (Note 29.3)	(955)	(1,126)
Scope changes, reclassifications and currency translation differences	730	391
Closing Balance	**23,088**	**11,749**
Non-current portion	12,540	11,749
Current portion	10,548	–

The increase in current financial assets at fair value is mainly due to the acquisition of equity securities of investment funds in Brazil.

Non-current financial assets at fair value correspond mainly to the acquisition of 10 series B shares with a pre-emptive right of Sonnedix Cox Energy Chile, S.p.A. (see note 10). This right has been determined using a discounted cash flow model, based on a set of fixed data outlined in the PPA contract, and a formula (fixed rate) tied to energy trading through to 2041. The company periodically receives communication of this dividend from the investee, and its distribution is pending.

Note 13.- Trade receivables and financial receivables

13.1. Trade and other receivables

a) Set out below is a breakdown of "Trade and other receivables" at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31 .12.23
Trade receivables for sales	146,339	92,059
Trade receivables, completed work pending certification	45,922	33,674
Provisions for insolvencies (*)	(14,878)	(3,278)
Public Administrations	49,240	39,872
Other receivables	52,835	6,7812
Total	**279,458**	**230,140**

(*) At 31 December 2024, provisions for insolvencies amounted to € 1,781 thousand for trade receivables and € 13,097 thousand for other sundry debtors.

The increase in the number of customers corresponds mainly to the progress of projects in Europe and Africa, as well as in South Africa, due to the incorporation into the consolidation scope by acquisition of the concession company of Khi Solar One, as well as the entry of Ibox (see note 6.3).

"Trade receivables, completed work pending certification" are generally invoiced within three months as from completion of the project work. However, in view of the specific features of some construction contracts, certain projects may take longer to be invoiced, due to the billing milestones specified in the contract. Such balances are supported by the customer contracts concluded and do not include any receivable relating to customer claims or modified contracts pending approval. The increase in the year corresponds mainly to the progress of projects in the transmission and infrastructure business and its subsidiaries, mainly in Chile, as well as in the energy business to a lesser extent. The balance at year-end 2024 comes mainly from the aforementioned projects, from the transmission and infrastructure business and its subsidiaries, mainly in Chile, as well as from the energy business to a lesser extent.

"Other receivables" include receivables that are not part of the company's ordinary operations, such as agreements with customers for other items amounting to €17 million (€21 million in 2023) as well as for other services such as equipment rentals of €4.7 million (€5.5 million in 2023) and prepayments of €3.4 million (€2 million in 2023). In addition, current accounts with JV partners amounting to €5.6 (€7 million in 2023) and transactions with the insolvency administrator of the Abengoa Group, for re-invoicing and supplies, amounting to €5 million (€16 million in 2023) are also included.

Balances with related companies at 2024 and 2023 year-end are disclosed in note 30.2.

b) The fair value of trade and other receivables approximates the carrying amount.

c) There follows a breakdown of trade and other receivables denominated in foreign currency (showing the equivalent value in thousands of euros) at 2024 and 2023 year-end:

Currency	Balance as of 31.12.24	Balance as of 31.12.23
Algerian dinar	6,997	6,990
UAE dirham	276	287
Moroccan Dirham	10,046	6,377
US dollar	2,755	2,443
Pound sterling	58	165
Argentine Peso	2,366	770
Chilean Peso	34,781	29,673
Mexican Peso	3,751	2,679
South African rand	9,202	588
Brazilian Real	3,079	5,758
Saudi riyal	3,704	1,445
Other	212	–
Total	**77,227**	**57,175**

d) The detail of the seniority of Clients by Sales and Other Various Debtors at the close of the fiscal years 2024 and 2023 is as follows:

Age	Balance as of 31.12.24	Balance as of 31.12.23
Up to 3 months	120,159	89,363
Between 3 and 6 months	19,589	3,110
More than 6 months	59,426	67,399
Total	**199,174**	**159,872**

e) The credit quality of trade receivables that have not yet matured or underdone impairment may be assessed using the following classification:

Trade receivables for sales	Balance as of 31.12.24	Balance as of 31.12.23
Factoring customers with recourse	4,000	–
Trade receivables covered by credit insurance	2,605	2,737
Trade receivables settled in cash or by bank transfer	125,377	78,317
Trade receivables of temporary joint venture/ public entities / other	14,357	11,005
Total trade receivables for sales	**146,339**	**92,059**

As at 31 December 2024, the group's factoring lines are available for €5.5 million, with a limit of €9.5 million (€5.5 million in 2023).

f) Movements in the provision for impairment of receivables at 2024 and 2023 year-end are as follows:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Initial balance	(3,278)	–
Scope changes and other	(1,375)	(90)
Provision for impairment of receivables	(10,281)	(4,100)
Reversal of amounts not utilised	56	912
Closing Balance	**(14,878)**	**(3,278)**

During the fiscal year 2024, the provision allocation mainly pertains to the Water business, amounting to €5 million, as a result of delays in the collection schedule, related to agreements with project partners of Abengoa's productive units.

The provision for impairment of receivables includes the expected credit loss of €2.4 million (note 2.11.c).

g) Balances receivable from Public Administrations at 2024 and 2023 year-end break down as follows:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Sundry taxes refundable	25,492	23,970
Social Security contributions refundable	206	106
Input VAT	12,209	8,370
Withholdings and interim payments	11,333	7,426
Total Public Administrations	**49,240**	**39,872**

13.2. Financial accounts receivable

Set out below is a breakdown of financial receivables at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Credits	11,532	7,655
Term and other deposits	3,776	6,477
Other financial receivables	2	92
Total non-current	**15,310**	**14,224**
Credits	4,080	432
Term and other deposits	71,067	44,019
Other financial receivables	–	3
Total current	**75,147**	**44,454**

This heading reflects all loans, term and other deposits, and other receivables (classed as non-derivative financial assets not quoted in an active market) maturing in less than 12 months (current assets) or after more than 12 months (non-current assets).

Other financial receivables include other receivables classed as non-derivative financial assets that are not quoted in an active market and are not included in any of the other categories.

In the long term, the most noteworthy is the credit recorded for the transaction (see note 30.2) of the sale of the shares of CA Infraestructuras Innovación & Defensa, S.L.U. for €4 million under the second and third payment instalments (the first payment is recorded in the short term). Both long and short maturities of €1 million bear interest at market rates. Additionally, Guarantees and Deposits mainly include bonds amounting to €3.7 million.

In the short term, at 31 December 2024 and 2023, the drawdown of €71 million and €44 million, respectively, on deposits and deposits is limited by funding clauses or other special conditions. The main highlights are:

- The agreement for the sale of the company Norte Brasil Transmissora by Abengoa Construçao Brasil in prior years included a clause whereby the company sold had to pay to the seller the proceeds from the claim made to the National Electricity Agency (Aneel) for compensation for losses incurred due to the delay in the entry into operation of the transmission line LT Coletora Poto Velho-Araraquara 2.

  On 12 July 2022, the Brazilian courts upheld Norte Brasil Transmissora's claim. The judgement has been appealed by the Aneel, but the appeals do not have suspensive effects.

  As a result of the above, during the first half of the financial year 2024, Abengoa Construção Brasil has received in a restricted account, an amount of BRL 143 million (see note 27), equivalent to the amount paid by Aneel, which together with the financial interest, amounts to €26 million.

  The Extraordinary and Special Appeals filed by Aneel were rejected, but they have filed appeals against these decisions, which are still pending in the final instance.

  Based on local case law in similar cases in Brazil, the directors and legal advisors of the company believe that the final ruling will be in the same favorable sense as the current court decision.

  The Group considers that the payment received during the first half of the fiscal year 2024 remains a virtually certain contingent asset.

  Management estimates that the company will be able to dispose of the funds during the 2025 fiscal year.

- Deposits pledged amounting to €13 million (€11.8 million in 2023). They relate to deposits pledged to secure bank guarantees needed for projects and guarantees given to the CENACE for energy supply contracts. In some cases the Group does not have immediate access to these deposits and requires authorisations to make use of them, as they are subject to contractual restrictions and are not available for general use.

- The amounts corresponding to the debt service of the project financing (see note 17) and other guarantees are included in the line deposits and deposits and amount to €24 million (€24 million in 2023).

Balances with related companies at 2024 and 2023 year-end are disclosed in note 30.2.

In addition, as reported in note 30.2, during the year, long and short term receivables from related parties amounting to €11 million were offset.

The fair value of financial receivables approximates the carrying amount.

Note 14.- Inventories

14.1. Inventories break down as follows at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Commercial	1,147	793
Raw materials and other supplies	18,197	19,274
Projects in progress	453	1,078
Finished goods	11,933	14,250
Advances	23,861	7,353
Total	**55,591**	**42,748**

The amount of inventories corresponding to companies located outside Spanish territory amounts to €36,816 thousand (€38,701 thousand in 2023).

Raw materials and other supplies mainly include materials and spare parts needed in the operation and maintenance activity. In addition, the finished product of €12 million corresponds entirely to the Bioenergy business in Brazil in relation to stored ethanol (€14 million in 2023).

The increase in Advances corresponds to the business's operations.

At 31 December 2024 and 2023, there is no recorded amount of agricultural products harvested or gathered from biological assets, in the case of COX, the cut sugar cane (see note 2.34).

Note 15.- Cash and cash equivalents

Set out below is a breakdown of "Cash and cash equivalents" at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Current account / petty cash	115,218	70,768
Bank deposits	71,622	27,097
Total	**186,840**	**97,865**

During 2024, the increase in the bank deposit balance corresponds to the funds received in the capital increase of the Company on 13 November 2024, amounting to €50,000 thousand, which have been deposited in a fixed-term account remunerated at 2.53% per annum and maturing on 27 January 2025 with Credit Suisse Bank. As of the date of drafting, said contract is settled.

There follows a breakdown of these balances showing the main currencies in which they are denominated and the equivalent amounts in euros:

Currency	31 December 2024		31 December 2023	
	Spanish companies	Foreign companies	Spanish companies	Foreign companies
Euro	103,850	1,018	21,875	1,873
US dollar	627	3,070	2,865	3,474
Chilean Peso	–	3,666	–	1,014
Indian rupee	110	2	262	2
Argentine Peso	–	188	–	981
Omani rial	–	11	–	10
Moroccan Dirham	582	10,670	4,299	6,209
Brazilian Real	–	26,259	–	33,396
South African rand	–	3,925	–	1,355
Saudi riyal	–	10,399	–	663
Swiss franc	2,007	14	1,974	58
Pound sterling	504	–	537	–
UAE Dirham	691	–	242	–
Algerian dinar	3,206	15,022	2,284	13,566
Guatemalan quetzal	–	138	–	–
Colombian peso	–	99	–	–
Mexican Peso	–	252	–	725
Other	397	133	201	–
Total	**111,974**	**74,866**	**34,539**	**63,326**

Of the total cash and cash equivalents, the drawdown of an amount of €46 million (€44 million in 2023) is limited by financing clauses or other special conditions.

Note 16.- Equity

16.1. Share capital

The Company was incorporated as a sole shareholder company on 25 July 2014 through the issuance of 600,000 equal, cumulative and indivisible shares, fully subscribed and paid up, with a par value of €0.10 each.

On 11 June 2015, capital was increased by €1,029 by issuing 10,286 new cumulative, indivisible shares with a par value of €0.10 and a total share premium of €6,000,187 or €583.34 per new share issued, fully subscribed and paid up.

On 11 October 2024, the company executed a capital increase amounting to 6,000 thousand euros, which corresponds to 60,000,000 shares at a par value of 0.10 euros each, funded from voluntary reserves.

On 13 November 2024, a capital increase was registered for a total amount of €175,000 thousand (including €1,711 thousand nominal amount plus € 173,289 thousand share premium) by virtue of which 17,106,549 fully subscribed and paid ordinary shares were issued. On 15 November, the company's shares were admitted to the Spanish Stock Exchanges, marking the commencement of their trading on the Spanish Stock Market.

On 17 December 2024, the company executed its third capital increase amounting to €1,893 thousand (comprising €19 thousand in nominal value and €1,874 thousand as share premium) through an over-allotment option (greenshoe), resulting in the issuance of 185,025 fully subscribed and paid ordinary shares.

At 31 December 2024 and 2023, the Company's share capital amounts to €7,790 thousand (€61 thousand at year-end 2023), represented by 77,901,860 shares (610,286 shares at year-end 2023) with a par value of Euros 0.10 each, fully subscribed and paid up.

There are no restrictions on the transfer of the shares.

According to notifications received by the Company in compliance with prevailing legislation requiring disclosure of shareholding percentages (voting rights), the significant shareholders at 2024 and 2023 year-end are as follows:

Shareholders	Significant shareholdings in 2024	
	% direct interest	% indirect interest
Enrique Riquelme Vives (1)	– %	64.94%
Alberto Zardoya Arana (2)	– %	14.08%
Amea Energy Investment VI DMCC	3.76%	– %
Mutual Society of Architects, Technical Architects and Chemists	2.55%	– %

(1) Enrique José Riquelme Vives, who controls 94.20% of Inversiones Riquelme Vives, S.L, and 100% of Lusaka Investments, S.L and Riquelme Capital Group, S.A. (2) Alberto Zardoya Arana controls 71.6% of Ondainvest, S.L.

Shareholders	Significant shareholdings in 2023	
	% direct interest	% indirect interest
Inversiones Riquelme Vives, S.L.U.	72.83%	– %
Lusaka Investments, S.L	5.00%	– %
Cenon Investments, S.L	5.08%	– %
Ondainvest, S.L	8.76%	– %
Mutual Society of Architects, Technical Architects and Chemists	4.65%	– %

During the fiscal year 2023, the following transactions took place between shareholders:

On 2 February 2023, the company “Inversiones Riquelme Vives, S.L.” acquired the debt associated with the loan and its interest outstanding to date with the company “Euro Syns, S.A.” of which it was guarantor. This loan and interest amounted to €5 million in principal and €256 thousand in interest (Note 30.2)

On 2 February 2023, the company “Inversiones Riquelme vives, S.L.” acquired the debt associated with the loan and its interest outstanding to date with Mr. Alberto Zardoya Arana of which it was guarantor. This loan and interest amounted to €2 million in principal and €48.3 thousand in interest (Note 30.2).

16.2. Share premium

At 31 December 2024, the share premium amounts to €174,226 thousand (€6,000 thousand in 2023).

Commercial legislation specifically allows the use of the share premium balance to increase capital and imposes no specific restrictions on its use.

16.3. Parent company reserves

Set out below is an analysis of "Parent company reserves" showing movements at 2024 and 2023 year-end:

Object	Balance as of 31.12.23	Distribution of profit and loss 2023	Inc./red. of capital	Treasury shares	Other movements	Balance as of 31.12.24
Revaluation reserve	–	–	–	–	–	–
Other Parent Company reserves:						
- Unrestricted	15,847	(5,585)	(6,000)	(137)	2	4,127
- Restricted	12	–	–	–	–	12
Total	**15,859**	**(5,585)**	**(6,000)**	**(137)**	**2**	**4,139**

Throughout 2024, the reduction in reserves amounting to €6,000 thousand is attributed to the capital increase executed on 11 October 2024, which was charged to the voluntary reserves.

On 13 December 2024 the company entered into a liquidity contract with JB Capital Markets SV, S.A.U. on own shares of Cox ABG Group, S.A.. At 31 December 2024, the company holds 14,173 treasury shares amounting to €137 thousand.

Item	Balance as of 31.12.22	Distribution of profit and loss 2022	Balance as of 31.12.23
Revaluation reserve	–	–	–
Other Parent Company reserves:			
- Unrestricted	16,734	(887)	15,847
- Restricted	12	–	12
Total	**16,746**	**(887)**	**15,859**

Appropriations to the legal reserve have been made in compliance with Article 274 of the Spanish Companies Act, which stipulates that 10% of the profits for each year must be transferred to this reserve until it represents at least 20% of share capital. The legal reserve is not available for distribution. Should it be used to offset losses in the event of no other reserves being available, it must be replenished out of future profits.

The parent company's 2024 profit will be distributed out of prior-year profits once approved by the General Shareholders' Meeting.

Restrictions on the payment of dividends

The Parent company is required to transfer 10% of profits for each year to the legal reserve until the balance in this reserve reaches at least 20% of share capital. This reserve may not be distributed to the shareholders until it exceeds 20% of share capital.

Once the conditions laid down in applicable legislation and the Company's Articles of Association have been met, dividends may only be distributed against profit for the year or against unrestricted reserves if equity is not less or is not reduced to less than share capital. To this effect, profits allocated directly to equity may not be distributed directly or indirectly. If there are prior-year losses reducing equity to less than share capital, profits are used to offset these losses.

16.4. Exchange differences

Currency translation differences recognised by Group companies and associates at 2024 and 2023 year-end are as follows:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Currency translation differences:		
- Fully-consolidated companies	(19,741)	(272)
- Associates	(87)	(48)
Total	**(19,828)**	**(320)**

Currency translation differences reflect the difference between the translation of the equity of companies having a currency other than the euro at the year-end exchange rate and at the historical exchange rate. The decrease in 2024 is mainly due to the depreciation of the Brazilian real and the Chilean peso.

16.5. Retained earnings

Set out below is an analysis of “Retained earnings” showing movements at 2024 and 2023 year-end:

Item	Balance as of 31.12.23	Distribution of profit and loss 2023	Results 2024	Other movements	Balance as of 31.12.24
Reserves in fully/proportionately-consolidated companies	1,064	32,576	–	7,870	41,510
Reserves in equity-accounted companies	(4,574)	4,743	–	–	169
Dividends and parent company reserves	–	(5,585)	–	5,585	–
Total reserves	**(3,510)**	**31,734**	**–**	**13,455**	**41,679**
Consolidated profit/(loss) for the year	36,482	(36,482)	59,133	–	59,133
Profit/(loss) attributable to non-controlling interests	(4,748)	4,748	(16,914)	–	(16,914)
Total parent company profit/(loss)	**31,734**	**(31,734)**	**42,219**	**–**	**42,219**
Total retained earnings	**28,224**	**–**	**42,219**	**13,455**	**83,898**

In 2024, the "Other movements" column includes the distribution of the parent company's profit for the previous year in the amount of €5,585 thousand (see note 16.3), as well as the impact of the delivery of shares in Cox Energy, S.A.B. de C.V. to Ibexia España Development, S.L. as payment of the purchase price of 60% of the shares in Ibexia Cox Energy Development, see note 6.3.

Item	Balance as of 31.12.22	Distribution of profit and loss 2022	Results 2023	Other movements (1)	Balance as of 31.12.23
Reserves in fully/proportionately-consolidated companies	7,685	(2,686)	–	(3,935)	1,064
Reserves in equity-accounted companies	(3,203)	(1,371)	–	–	(4,574)
Dividends and parent company reserves	–	(887)	–	887	–
Total reserves	**4,482**	**(4,944)**	**–**	**(3,048)**	**(3,510)**
Consolidated profit/(loss) for the year	(6,090)	6,090	36,482	–	36482
Profit/(loss) attributable to non-controlling interests	1,146	(1,146)	(4,748)	–	(4,748)
Total parent company profit/(loss)	**(4,944)**	**4,944**	**31,734**	**–**	**31,734**
Total retained earnings	**(462)**	**–**	**31,734**	**(3,048)**	**28,224**

(1) Mainly includes the effect on retained earnings of the distribution of the parent company's prior-year profit/(loss) (see note 16.3).

16.6. Non-controlling interests

This heading reflects the proportional part of the equity of fully-consolidated Group companies in which other non-Group shareholders hold interests.

Movements in "Non-controlling interests" at 2024 and 2023 year-end are as follows:

Company	Balance as of 31.12.23	Scope changes (*)	Other (**)	Allocation of 2024 profit/(loss)	Balance as of 31.12.24
Cox Energy Generador, S.A. de C.V.	178	–	(46)	(8)	124
Cox Energy México Suministrador, S.A. de C.V.	768	–	(124)	13	657
Khi Solar One (Pty) Ltd.	–	9,264	235	1,037	10,536
Cox Energy, S.A.B. de C.V.	9,467	2,817	(2,972)	5,323	14,635
Inabensa, LLC	1,162	–	74	(27)	1,209
Transportadora Mar del Plata S.A.	98	(124)	44	38	56
Befesa Desalination Developments Ghana Limited	32	–	358	(2,350)	(1,960)
Société d'Eau Déssalée d'Agadir (SEDA)	19,839	–	1,444	2,567	23,850
Aman El Baraka, S.A.	1,518	(1,556)	–	38	–
Solar Power Plant One	25,645	–	(3,134)	9,947	32,458
Kaxu CSP South Africa (Pty) Limited	514	–	22	23	559
Khi CSP South Africa (Proprietary) Limited	358	–	15	(19)	354
Centro Morelos 264, S.A. de C.V	(703)	–	(32)	359	(376)
Other minor projects	(105)	–	133	(27)	1
Total	**58,771**	**10,401**	**(3,983)**	**16,914**	**82,103**

(*) During 2024, 30% of the non-controlling interests of Aman El Baraka, as well as 19% and 12.5% of Transportadora Mar de Plata and Transportadora Cuyana, respectively, were acquired. Also, 100% of the shares of Son Rivieren (Pty) Ltd, the majority shareholder with 51% of the shares of Khi Solar One (see notes 6.2 and 6.3), have been acquired. (**) Mainly includes translation differences and dividends in Algeria.

In Cox Energy, S.A.B. de C.V. the increase in minority interests corresponds to the delivery of shares in Cox Energy, S.A.B. de C.V. to Ibexia España Development, S.L., as payment of the purchase price of 60% of the shares in Ibexia Cox Energy Development (see notes 6.3, 16.5 and 19).

Company	Balance as of 31.12.22	Scope changes (*)	Other (**)	Allocation of 2023 profit/ (loss)	Balance as of 31.12.23
Subsidiarias Cox Energy, S.A.B. de C.V.(*)	678	–	85	183	946
Cox Energy, S.A.B. de C.V.	6,603	–	3,924	(1,060)	9,467
Inabensa, LLC	–	1,253	(20)	(71)	1,162
Transportadora Mar del Plata S.A.	–	229	(243)	112	98
Befesa Desalination Developments Ghana Limited	–	2,536	(127)	(2,377)	32
Société d'Eau Déssalée d'Agadir (SEDA)	–	18,496	389	954	19,839
Aman El Baraka, S.A.	–	1,373	(7)	152	1,518
Solar Power Plant One	–	24,085	(5,384)	6,944	25,645
Kaxu CSP South Africa (Pty) Limited	–	537	(28)	5	514
Khi CSP South Africa (Proprietary) Limited	–	373	(20)	5	358
Centro Morelos 264, S.A. de C.V	–	(596)	14	(121)	(703)
Other minor projects	–	(94)	(33)	22	(105)
Total	**7,281**	**48,192**	**(1,450)**	**4,748**	**58,771**

(*) In 2023, the inclusion in the scope corresponding to the acquisition of Abengoa production units amounts to €48,1 million (see note 6.3). (**) It includes mainly capital increases in Mexico, exchange differences, and dividends in Algeria.

In 2023, Cox Energy, S.A.B de C.V. (formerly Cox Energy América, S.A.B. de C.V.) issued new ordinary shares which were fully subscribed, thereby increasing the minority shareholding of Cox Energy Solar, S.A. in the company.

The increase in the volume of non-controlling interests was associated mainly with the inclusion in the scope of consolidation of Abengoa Group subsidiaries that have non-controlling interests.

Annex VII contains a list of non-Group companies holding an ownership interest of 10% or more in a fully-consolidated Group company at 31 December 2024 and 2023.

In most cases, the non-controlling interests carrying the usual protection rights, consisting essentially of restrictions on investment, divestment and funding.

Note 17.- Project finance

The scope of consolidation includes ownership interests in various companies whose corporate purpose, in general, is the development of an integrated product consisting of the design, construction, financing, operation and maintenance of an infrastructure (usually a large-scale asset, such as a desalination plant), owned or under a concession for a period of time, funded by means of various kinds of non-recourse project finance.

Such project finance (non-recourse financing) is generally employed as a means of building an asset and is secured exclusively by the assets and cash flows of the company or group of companies that carry out the activity related to the project financed. In most cases, the assets and/or contracts guarantee the repayment of the financing.

Project finance has certain key advantages, compared to bank borrowings and other arrangements, the most significant being a longer leverage period permitted by the project's cash flow generation profile and a clearly defined risk profile.

This financing usually requires the same technical guarantees from the contractor, as regards price, deadlines and performance, as in the case of contracts for the construction of projects for non-Group third-party customers.

Despite the financial institution's commitment at the project award date and as the financial close usually takes place in the final stages of a construction project, due mainly to the fact that a large volume of technical and legal documents on the specific project (licences, permits, etc.) have to be prepared and delivered, in some cases bridge financing is needed to begin the construction activities as soon as possible and thus be in a position to meet the contract deadlines.

Such borrowings are regarded as a transitional cash operation analogous to the traditional advance payments made by customers during the various phases of the execution of a work or project.

Compared to traditional customer advances, in bridge financing the funds are usually advanced by a financial institution (generally for a term of less than 2-3 years), but they are similar in that the implicit risk lies mainly in the capacity of the company that will own the project to complete the construction work in due time and form.

The following specific requirements are usually included in bridge financing arrangements:

- Funds drawn down while the project is in progress must be used only to build the asset; and
- The project finance must be used to repay the bridge loan.

From the viewpoint of guarantees, both bridge financing and project finance require the same technical guarantees from the contractor in terms of price, time and performance.

The difference is that, in most cases, bridge financing also requires a corporate guarantee from the project sponsor to cover possible delays in arranging the project finance.

Both guarantees (contractor and sponsor) are designed to protect the project's future fund flows against potential technical risks (failure to meet the construction deadlines or to obtain project finance).

Set out below is a breakdown of "Project finance" in non-current and current liabilities at 2024 and 2023 year-end:

Project financing	Balance as of 31.12.24	Balance as of 31.12.23
Project finance (non-recourse financing)	289,549	218,571
Total project finance	**289,549**	**218,571**
Non-current	205,952	163,025
Current	83,597	55,546

Non-recourse financing includes financing associated with projects acquired by the Group in 2023, as well as financing for the Khi Solar One project acquired in 2024 (see note 6.3).

The financing for the hybrid solar-gas Solar Power Plant 1 (SPP1), granted by the banking pool formed by Banque Exterieure d'Algerie, Banque Nationale d'Algerie and Credit Populaire d´Algerie. These banks cofinanced a total of DZD 25 billion at a 3.75% fixed annual interest rate, maturing in January 2026. At 31 December 2024, this financing amounts to €20,086 thousand (€33,569 thousand in 2023), of which €4,067 thousand are in non-current liabilities and €16,019 thousand in current liabilities. All the periodic reporting and coverage ratio requirements stipulated in the financing agreement have been met and the debt service reserve account is carried under financial receivables (see note 13.2).

The Agadir (Morocco) desalination plant obtained financing from the Bank of Africa in the amount of MAD 1,523 million, maturing in 2039 and accruing 6.5% fixed interest. At the end of 2024 this debt amounts to €146,707 thousand (€149,790 thousand in 2023), of which €140,483 thousand are long-term and €6,224 thousand are short-term. The coverage ratio stipulated in the financing agreement has been met and the debt service reserve account is carried under financial receivables (see note 13.2).

The plant with reverse osmosis technology in Accra (Ghana), in operation since 2015, has been granted financing with Stardard Bank of South Africa Ltd (SBSA) in the amount of USD 35 million, at a variable interest rate of 5.55% + 6-month Libor (replaced during 2023 by SOFR). At the end of the fiscal year 2024, this financing amounts to €32,195 thousand (€35,213 thousand in the fiscal year 2023).

All of this debt is in current liabilities due to the default situation. With respect to this situation, given that Standard Bank of South Africa (SBSA) is a second claimant under the arbitration proceedings (see note 20.2), the Company believes that the proceedings deter the lenders from enforcing the guarantee given under the project finance or from accelerating the debt and equity investment guarantee on the project. The Group expects that the Accra desalination plant will continue to operate during the arbitration process and that the WPA will remain in force. The Group continues to negotiate with GWCL, the Ghana Ministry of Finance and the lenders to find an amicable solution to the issues facing the project, mainly the non-indexation of the tariff.

The increase in *project finance* is due to the entry of the financing associated with the acquired Khi Solar One project, which has been effectively acquired once the suspensive conditions (see note 6.3) of the agreement signed on 3 June 2024 have been fulfilled. This financing is composed of seven loans, whose lenders are the International Finance Corporation, the European Investment Bank, the Industrial Development Corporation of South Africa Limited, the Development Bank of Southern Africa Limited, Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. and the Société de Promotion et de Participation pour la Coopération Économique S.A.. This financing plan is for the construction, completion, ownership and initial operation of the Khi Solar Project and certain other costs and expenses associated with the development of the Khi Solar Project. For a total granted amount of 2,396 million South African rand, the outstanding principal is accruing at a general interest rate of 12.17%, which corresponds to a weighted average cost, and the maturity date is 15 June 2030. At 31 December 2024, this financing stands at €90,248 thousand, of which €61,402 thousand is carried in non-current liabilities and €28,846 thousand in current liabilities.

17.1. Set out below is an analysis of project finance showing movements in 2024:

Item	L/T project finance	S/T project finance	Total
Balance as of 31 December 2023	163,025	55,546	218,571
Scope changes (*)	73,650	27,225	100,875
Interest accrued (*)	–	16,633	16,633
Principal repayments	–	(36,961)	(36,961)
Interest payment	–	(17,715)	(17,715)
Currency translation differences (*)	4,570	3,576	8,146
Transfers from L/T to S/T (*)	(35,293)	35,293	–
Total at 31.12.24	**205,952**	**83,597**	**289,549**

(*) Non-monetary movements

The entry of financing associated with the Khi Solar One project, for a total amount of €100,875 thousand, is in the line of movements in the perimeter.

In the lines of Principal repayments and Interest payments, the monetary movements included in the Cash Flow Statement for the year, Increases and Principal repayments within the Cash Flow from financing activities, and the Interest payment within the Flow of operating activities are shown.

The principal repayments made are mainly due to the financing of SPP1 (€ 15 million), Agadir (€10 million), Ghana (€8 million) and Khi Solar One (€4 million).

In the accrued financial expenses, the most noteworthy are those corresponding to the financing of Agadir, amounting to €9,739 thousand, and Ghana, amounting to €4,477 thousand.

The movement in project financing was affected by exchange rate differences, mainly due to the appreciation of the US dollar and the dirham of the Ghanaian and Agadir financing respectively.

Set out below is an analysis of project finance showing movements in 2023:

Item	L/T project finance	S/T project finance	Total
Balance as of 31 December 2022	–	–	–
Scope changes (*)	176,961	59,056	236,017
Increases	1,192	7,370	8,562
Interest accrued (*)	–	14,178	14,178
Principal repayments	–	(27,102)	(27,102)
Interest payment	–	(14,247)	(14,247)
Currency translation differences (*)	981	182	1,163
Transfers from L/T to S/T (*)	(16,109)	16,109	–
Total at 31.12.23	**163,025**	**55,546**	**218,571**

(*) Non-monetary movements

Changes in the perimeter include the entry of financing associated with projects acquired by the Group in 2023.

Since entering the scope of consolidation, the most significant movements were due to principal repayments, notably of the financing of SPP1 (€12 million), Agadir (€23 million) and Ghana (€7 million).

17.2. In assets, debt service reserve accounts amounting to €16 million, relating to the hybrid solar-gas Solar Power Plant 1 (SPP1) in Algeria and Agadir in Morocco, are carried in the statement of financial position under "Financial receivables" (see note 13.2).

17.3. Annex VIII to these Consolidated Annual Financial Statements provides details of project companies funded by means of project finance arrangements at 2024 year-end.

17.4. The schedule of project finance discounted maturities is set out below:

2025	2026	2027	2028	2029	Subsequent years	Total
83,597	22,586	20,440	21,842	25,597	115,487	289,549

The schedule of nominal and undiscounted interest is detailed in note 21.

17.5. Of the amount of current and non-current bank loans, there are debts in foreign currencies amounting to €289,236 thousand (€218,571 thousand in the year 2023).

The equivalent values of the most significant foreign currency bank borrowings recognised by Group companies are as follows:

Currency (in thousand)	31 December 2024		31 December 2023	
	Amount in local currency	Amount in Euro	Amount in local currency	Amount in Euro
Moroccan dirham	1,539,162	146,707	1,641,276	149,790
Algerian dinar	2,821,798	20,086	4,986,441	33,568
American Dollar	45,983	44,402	38,910	35,213
South African Rand	1,523,618	78,041	–	–
Total		**289,236**		**218,571**

The financing in dirham has been maintained due to the financing associated with the Agadir project; the loan in Algerian dinars corresponds to the financing of the Solar Power Plant 1; the loans in US dollars increase because in addition to the financing associated with the Ghana project, which amounts to USD 33,341 thousand, the Khi Solar One project has one of the loans in this currency, amounting to USD 12,642 thousand; the financing in South African rands corresponds to the rest of the financing associated with the Khi Solar One project which has been acquired this year.

17.6. The amount of accrued and unmatured project financing expenses amounts to €18,420 thousand (€344 thousand in the year 2023) and is included under the heading "Short-term project financing".

Note 18.- Finance lease liabilities and bank borrowings

As indicated in note 4 to these Consolidated Annual Financial Statements, 'Bank borrowings and other' are arranged to fund the activities of the other companies that do not receive project finance. They are secured either by the Group company that obtains the financing or, in some cases, jointly and severally by certain Group subsidiaries.

18.1. “Bank borrowings and other” break down as follows at 2024 and 2023 year-end:

Non-current	Balance as of 31.12.24	Balance as of 31.12.23
Bank borrowings	837	3,147
Finance lease liabilities	33,383	36,903
Other non-current borrowings	10,520	10,983
Total non-current	**44,740**	**51,033**

Current	Balance as of 31.12.24	Balance as of 31.12.23
Bank borrowings	18,703	2,845
Finance lease liabilities	7,039	7,599
Other current external resources	3,843	–
Total current	**29,585**	**10,444**
Total bank borrowings and other	**74,325**	**61,477**

During the fiscal year 2024 the group companies have obtained short-term financing to meet the needs of the new contract.

Set out below is an analysis of “Bank borrowings and other” showing movements during 2024:

Item	Long-term	Short-term	Total
Initial balance	51,033	10,444	61,477
Scope changes and transfers (*)	(10,869)	15,148	4,279
Interest accrued (*)	2,742	5,981	8,723
Increases	6,750	28,558	35,308
Principal repayments	–	(28,291)	(28,291)
Interest payment	–	(1,275)	(1,275)
Currency translation differences (*)	(4,916)	(980)	(5,896)
Total at 31.12.24	**44,740**	**29,585**	**74,325**

(*) Non-monetary movements

Long-term "Increases" mainly include additions to finance lease liabilities during the year, while short-term "Increases" include new financing received during the year, mainly by the Parent company and Cox T&I, S.L.U. These financings are explained in more detail in the following sections.

These disbursements, together with "Principal repayments", are shown in the Statement of cash flows within the Flow from financing activities. The line "Interest payment" appears within the Flow from operating activities.

In “Principal repayments” it is worth highlighting the total cancellation made at the end of the year by the Parent company of a financing obtained in this fiscal year 2024, amounting to €12 million, as well as the repayments made on the finance lease debt under IFRS 16, mainly of the company Abengoa Bioenergia Agroindustria, S.A., which amount to €11 million.

On 17 December 2024, a "2024 Cox ABG Group, S.A. Green Note Programme" has been incorporated on the Mercado Alternativo de Renta Fija ("MARF"), for an amount of up to €50 million. This programme is valid for one year, and the promissory notes can be issued for a maximum term of up to two years, with repayment at maturity. The issuance will be solely for general corporate purposes. As of the end of the fiscal year 2024, no issues have been made, with the first disbursement occurring at the end of February 2025 for a nominal amount of €7.8 million.

On 23 December 2024, a financing agreement was executed, consisting of a revolving credit facility with a maximum amount of €32.5 million, involving Banco Santander, S.A., Caixabank, S.A., and Instituto de Crédito Oficial, E.P.E., with a maturity period of 3 years from the signing date. The purpose of this financing will be to meet working capital requirements and will bear interest at a rate of 2.63% plus EURIBOR on drawdowns. As of fiscal year-end, no drawdowns have been made from this credit line.

Set out below is an analysis of “Bank borrowings and other” showing movements during 2023:

Item	Long-term	Short-term	Total
Initial balance	2,095	16,765	18,860
Scope changes and transfers (*)	40,405	6,198	46,603
Interest accrued (*)	–	2,667	2,667
Increases (*)	8,283	12,419	20,702
Principal repayments	–	(26,227)	(26,227)
Interest payment	–	(692)	(692)
Currency translation differences (*)	250	(686)	(436)
Total at 31.12.23	**51,033**	**10,444**	**61,477**

(*) Non-monetary movements

"Increases" mainly include additions to finance lease liabilities for the year (see notes 9.3 and 18.3), which are non-cash movements.

“Principal repayments” relate primarily to the repayment of the credit line arranged by Cox Energy Solar, S.A. with Barclays Bank Ireland PLC. This credit line was obtained on 7 June 2022 for a total of up to €30 million at an interest rate of 6.75%. €15 million had been utilised at 31 December 2022 and the loan was fully repaid in 2023.

The "Perimeter movements and transfers" line shows the impact of the increase in Finance Lease and Bank Borrowings due to the entry of the companies that were acquired from the Abengoa Group, which represented an increase of €47 million. This financing mainly consisted of the debt recognised under IFRS 16 of Abengoa Bioenergía Agroindustria S.A., the debt with credit institutions of Cox Chile (formerly Abengoa Chile) and the commission associated with the syndicated guarantee line. These items are explained in more detail in the following sections.

18.2. Bank borrowings

a) “Bank borrowings” break down as follows at 2024 and 2023 year-end:

	Balance as of 31.12.24	Balance as of 31.12.23
Cox ABG Group	–	595
Cox Chile, S.A.	2,384	3,243
Cox Energía Comercializadora España, S.L.U.	1,036	1,302
Cox T&I, S.L.U.	16,094	839
Other loans	26	13
Total	**19,540**	**5,992**
Non-current	837	3,147
Current	18,703	2,845

At 2023 year-end, Cox ABG Group's financing consists of a line of credit with the bank BBVA, with limits of €100,000 and €400,000, respectively, accruing 6.7% fixed interest.

Cox Chile, S.A. has financing arranged with a pool of banks (Banco de Crédito e Inversiones, Banco Consorcio, Itaú Corpbanca, Scotiabank Chile and Baco Security), which matures in December 2025 and accrues 3% interest. It also has a loan arranged with SC Lowy Financial (HK) Limited at an interest rate of 3.5%, which matures on the same date as the above-mentioned financing.

Cox Energía Comercializadora, S.L. records loans and credit lines arranged with several banks:

- Loan of €150 thousand granted by Banco Sabadell in April 2020, maturing in 2028 and accruing 2.7% fixed interest. It has an outstanding balance of €86 thousand at 2024 year-end.
- Loan of €300 thousand granted by Bankinter in May 2020, maturing in 2028 and accruing 2.3% fixed interest. It has an outstanding balance of €175 thousand at 2024 year-end.
- Loan of €200 thousand granted by La Caixa in April 2020, maturing in 2028 and accruing 1.5% fixed interest. The outstanding balance is €111 thousand at 2024 year-end.
- Loan of €550 thousand granted by Banco Santander in August 2020, maturing in 2025 and accruing 2.5% fixed interest. The outstanding balance is €48 thousand at 2024 year-end.
- Loan of €300 thousand granted by Caja Rural in November 2023, maturing in 2028 and accruing 5.9% fixed interest. The outstanding balance is €242 thousand at 2024 year-end.
- Long-term credit facilities with BBVA and Bankia, showing an outstanding balance of €374 thousand at 2024 year-end.

Cox T&I, S.L.U. has obtained new financing this year:

- On 23 May 2024, Frux SPV 3 S.A.R.L. granted a loan of €12 million with a maturity of one year and a fixed interest rate of 12%. The amount of this financing at 31 December 2024 is €12,094 thousand.
- On 17 May 2024, a credit assignment contract with a discount line was signed with Findango Finance, S.L.

  Under this contract, an advance payment of €2 million was requested on 5 June 2024, with a maturity of one year and an interest rate of Euribor + 3.1%. This advance was fully repaid by the end of this fiscal year 2024.

  On 11 November 2024, an additional advance of €4 million was requested, maturing at the end of June 2025, with an ordinary interest rate of 6.82%. This advance is still outstanding at the end of this financial year.

b) At 31 December 2024, “Bank borrowings and other” are to be repaid based on the following schedule, reflecting discounted contractual flows, as required by IFRS 7:

	2025	2026	2027	2028	2029	Subsequent years	Total
Bank borrowings	18,703	559	177	101	–	–	19,540
Total	**18,703**	**559**	**177**	**101**	**–**	**–**	**19,540**

The schedule of nominal and undiscounted interest is detailed in note 21.2.

The Group's exposure to fluctuations in interest rates on borrowings and the contractual dates on which prices are reviewed are disclosed in note 4 Financial risk management.

c) Of the amount of current and non-current loans with banks, there are debts in foreign currency amounting to €2,384 thousand (€3,243 thousand in the fiscal year 2023), which come from the financing of Cox Chile, S.A.

Cox Chile, S.A. mainly carries debt in Chilean pesos, except for the financing with SC Lowy Financial (HK) Limited, which is in US dollars:

Currency (in thousand)	31.12.24		31.12.23	
	Local currency	Euros	Local currency	Euros
US dollar	835,962	810	993,386	1,026
Chilean peso	1,623,182	1,574	2,145,835	2,217
Total		**2,384**		**3,243**

d) The amount of accrued and unmatured financial expenses from credit institutions amounts to €319 thousand (€317 thousand in the year 2023), which is included under the heading "Short-term bank borrowings".

e) The average interest rate on borrowings is a market rate in each of the relevant countries.

f) The average cost of the total bank borrowings was 6% in 2024 (6% in 2023).

18.3. Lease liabilities

Within this section, finance lease liabilities with financial institutions amounting to €6,755 thousand (€5,586 thousand in 2023) are included, along with lease liabilities within the scope of IFRS 16 amounting to €33,667 thousand (€38,916 thousand in 2023).

Set out below is an analysis of lease liabilities at 2024 and 2023 year-ends:

Leases	Balance as of 31.12.24	Balance as of 31.12.23
Present value of lease payments	40,422	44,502
Lease liabilities - minimum lease payments (*):		
Less than 1 year	10,396	9,351
Between 1 and 3 years old	17,669	16,430
Between 3 and 5 years old	10,503	10,764
More than 5 years	17,595	19,069
Carrying amount of the assets:		
Land and buildings (note 8.5)	7,933	7,890
Other PPE (notes 9.3 and 8.5).	33,364	35,726

(*) Total contractual flows

At 31 December 2024 and 2023,there are no variable expenses that have not been included in finance leases valuation or significant lease commitment, except for those indicated in note 21.2.

18.4. Other borrowings

Set out below is a breakdown of current and non-current "Other borrowings" at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Syndicated guarantee facility fee	11,044	10,381
Other guarantee commissions	2,720	–
Financial guarantee	599	602
Total	**14,363**	**10,983**

The syndicated guarantee facility fee is carried at the fair value of the €13 million payment agreement arranged by the Parent company in the 2023 fiscal year with several financial institutions, through the operating agent. The agreement stipulates the payment of that amount through the subrogation of the syndicated guarantee line in favour of Cox Corporate and its subsidiaries. It is to be paid in 12 instalments ending in December 2030 (see note 21.2).

Financial Guarantees

At 31 December 2024 and 2023, the fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required on the debt instrument and the payment that would be required without the guarantee, or the estimated amount that would be payable to a third party to take on the obligations. A derivative is recognised in this regard, reflecting a pledge on the Sonnedix shares in the amount of €599 thousand and €602 thousand, respectively.

Note 19.- Long-term payables

Set out below is a breakdown of "Long-term payables" at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Suppliers and long-term creditors	80,229	57,627
Payables to non-controlling interests	82,451	54,440
Payables to related parties	6,249	34,797
Total long-term payables	**168,929**	**146,864**

"Long-term trade payables and creditors" include:

- The amount of €5 million agreed in the "Recuperaçao Judicial" (judicial recovery procedure) in 2017 by Abengoa Construção Brasil Ltda, which falls due in a single payment 30 years after the approval of the plan and is payable out of the cash flows generated in Brazil and available at that time (note 11). Abengoa Bioenergía Brasil Ltda also reached a "Recuperaçao Judicial" agreement to pay €4 million in monthly instalments to 2036.
- The agreement for the purchase and sale of the Abengoa production units (note 6.3) includes the deferred payment of both the preferential claims and the insolvency assets, which fall due in April 2026 and 2025, respectively, for a fair value of €21 million. In the event that, prior to the due date, the Group monetises certain lawsuits or arbitration to which the buyer became subrogated, the buyer must pay 50% of the amount recovered in advance. At 31 December 2024, the amount corresponding to the insolvency assets of €6 million is classified as short-term (see note 23).
- The subrogated debt with social security in relation to Abengoa's productive units is included for an approximate principal amount of €23 million. The group plans to pay with a payment schedule of 5 years.
- In relation to the purchase and sale of 60% of the shares of Ibox (see note 6.3) and the corresponding takeover of certain companies, the group consolidates the debts of this company for approximately €5 million, mainly with Ibexia España. This debt will be payable from the proceeds of the sale of companies to CTG (see note 10).

  In addition, at 31 December 2024, the company maintains as debt the amount outstanding in relation to the aforementioned sale and purchase agreement, amounting to €6 million, which is pending the subscription of 4.5 million shares of Cox Energy S.A.B. de C.V. (see note 6.3 and 16.5).
- In addition, the participating loan described in note 30.2 subscribed by third parties in the amount of €2 million, and other payment obligations maturing in the long term.

Liabilities to minority interests relate to subordinated loans to external partners for the Ghana and Agadir projects in Morocco amounting to €56 million and €12 million respectively (€44 million and €11 million in 2023). In addition, during the fiscal year 2024, Khi Solar One has entered as a movement in the consolidation perimeter (see note 6.3), a concession asset in South Africa, which includes a subordinated loan with the external partner in the amount of €15 million.

Payables to related parties are disclosed in note 30.2.

Maturities are described in note 21.2.

Note 20.- Provisions and contingencies

20.1. Provisions for other liabilities and charges

Details of the movement during fiscal years 2024 and 2023 in "Provisions for other liabilities and charges" under non-current liabilities are as follows:

Item	Tax provision	Provisions for liabilities	Decommissioning provision	Total
Balance as of 31 December 2023	**–**	**79,673**	**11,192**	**90,865**
Scope changes	–	–	8,061	8,061
Net change taken to the income statement (*)	–	856	891	1,747
Exchange differences	–	(4,344)	477	(3,867)
Transfers	–	(1,034)	(2,167)	(3,201)
Balance as of 31 December 2024	**–**	**75,151**	**18,454**	**93,605**

Item	Tax provision	Provisions for liabilities	Decommissioning provision	Total
Initial balance	**–**	**–**	**–**	**–**
Scope changes	1,223	88,222	11,664	101,109
Net change taken to the income statement (*)	(3)	(7,998)	(375)	(8,376)
Exchange differences	3	83	(97)	(11)
Transfers	(1,223)	(634)	–	(1,857)
Balance as of 31 December 2023	**–**	**79,673**	**11,192**	**90,865**

(*) During 2024, the impact on financial profit amounts to €891 thousand (€375 thousand in 2023).

Provisions for liabilities

This heading mainly includes provisions recognised on the basis of Management's best estimates to cover risks relating to litigation, arbitration and claims against the Group companies in the course of business, where an outflow of resources is likely in the medium term (between 2 and 5 years).

Within this section, at the This heading mainly includes civil, administrative, commercial, and labour claims as of the end of the fiscal year 2024 and 2023, which are detailed below:

- Mediation process with the Agencia Nacional de Energía Eléctrica ("Aneel") in Brazil in relation to the non-completion of certain transmission lines prior to the entry into judicial recovery of Abengoa Construçao Brasil, amounting to approximately €7 million (€10 million in 2023).
- Claims by certain local companies in Brazil against Abengoa subsidiaries acquired (see note 6.3), totalling approximately €29 million and relating to the construction business and to projects prior to the award.
- Administrative and labour claims of the Bioenergy business in Brazil, in relation to its judicial recovery, amounting to €20 million (€23 million in 2023).
- In addition, under this heading the company has recognised the amount for the claim for payment filed by Banco Atlántida el Salvador claiming payment of USD 7 million from Cox Energy Solar, S.A. (currently Cox ABG Group, S.A.) for a loan originating on 4 December 2020.

The Company contested this claim by arguing that the debt was settled through a payment in kind transaction, which was documented and made public before the Notary of El Salvador, Mr. Juan Carlos Rivas Vásquez, on 4 December 2021. This deed transferred ownership of 5,082,832 shares of Cox Energy S.A.B de C.V. (company listed on BIVA, Mexico), representing 3% of the capital of the said company, to Banco Atlántida, and the debt was cancelled.

The trial hearing took place on 14 May 2024. Based on the assessment provided by the legal advisors, the Directors did not expect the trial to have any adverse impact on the Company.

On 22 July 2024, the Court of First Instance No. 50 in Madrid issued a judgement ordering Cox ABG Group, S.A. to pay the claimant the amount of USD 7 million plus statutory interest, as a result of the invalidation of the payment in kind of the shares provided as collateral. This judgement has been appealed by the Company.

Due to the ruling and the reasoning of the judgement, the directors of the Company have reassessed their estimates based on the opinion of their legal advisors and have recorded a corresponding provision of €6 million.

The Civil Provincial Court of Madrid has scheduled 13 April 2027 for the deliberation, voting, and decision on the aforementioned appeal.

Given that at 31 December 2024 the shares of Cox Energy S.A.B. de C.V. continue to be held by Banco Atlántida, and due to the fact that this is a first instance ruling already appealed by the entity, it is considered to consist of the recording of a provision and not a debt with the financial entity.

- Additionally, during the fiscal year 2024, the Group has favourably resolved certain contingencies, previously estimated as probable, in relation to claims from customers and suppliers in the EPC business.

- Finally, the other main items under this heading are the long-term obligations to replace materials needed for the operation and maintenance businesses.

Decommissioning provisions

This heading mainly includes provisions recognised on the basis of Management's best estimates to cover future risks relating to facility decommissioning costs in the concession infrastructure segment, where an outflow of resources is likely in the long term (more than five years).

At 31 December 2024 the decommissioning provision relates mainly to the concession project in Algeria, as well as the concession asset Khi Solar One in South Africa (see note 9.1), the latter acquired during 2024.

20.2. Contingent assets and liabilities

At 2024 and 2023 year-end, Cox ABG Group and its group of companies are party to claims and disputes for and against them, as a natural consequence of their business activities and of the economic and technical claims that contracting parties usually make on a mutual basis.

The most significant legal claims are summarised below. In the opinion of the directors, these claims, taken individually or as a whole, are not expected to have a material adverse effect on the consolidated annual financial statements, with respect to the amounts estimated and provisioned, if applicable. However, in view of their nature, the final outcomes are not easy to predict.

Contingent liabilities

- In relation to the claim from Banco Atlantida, see note 20.1.

Contingent assets

- On 31 July 2020, the subsidiary Centro Morelos, SA de CV initiated an arbitration proceeding against the Mexican Federal Electricity Commission (CFE), claiming USD 16.7 million. The definitive arbitral award was notified on 28 November 2023.

The final award states as follows:

- declare that the Mexican Federal Electricity Commission has breached the contract and its amending agreements, as explained in the award.
- Order the Mexican Federal Electricity Commission to pay the sum of USD 7.9 million to Centro Morelos as damages.

As regards the counterclaim:

- Declare that Centro Morelos is required to reimburse to the Mexican Federal Electricity Commission the approximate sum of USD 1.9 million under the contracts, in respect of minor deficiencies.

In January 2024, the CFE submitted to the Secretariat of the International Court of Arbitration an application for interpretation and correction of the arbitral award rendered on 31 October 2023, in relation to two minor deficiencies, for which the CFE claims USD 1.5 million.

Subsequently, in April 2024, the court ruled in respect of CFE's previous request, considering one of the requested items to be admissible in the amount of approximately USD 30,000, deeming the rest of the claims to be inadmissible.

Finally, on 27 November, CFE paid the arbitration by settling the invoice issued in the amount of €7.1 million, which has been recorded as sales during the last quarter of the 2024 fiscal year (see note 25).

- On 27 August 2019, the arbitration award was received in the proceeding brought by Instalaciones Inabensa, S.A. against Ketraco (Kenya Electricity Transmission Company Limited) in Kenya, under Uncitral (United Nations Commission on International Trade Law, Arbitration Rules 2010), at the IEK (Institution of Engineers of Kenya), in relation to the Kenya-Uganda Interconnection Project (Lots A of Lines and Lot B of Substations). The award upholds the claim made by Instalaciones Inabensa, S.A., recognising the sum of €37 million in its favour, plus arbitration costs, for an approximate total of €38.2 million. It also recognises the costs incurred by the Arbitration Court, adding on 12% interest, and demurrage costs to the payment date, plus interest.

According to the purchase and sale agreement entered into between the insolvency administrators and Cox for the purchase of the Abengoa production units (see note 6.3), the buyer is subrogated to the above-mentioned insolvent company's procedural position.

The Company continues to take the necessary actions to enforce the collection of the award and to allow it to be recorded in accounts.

- On 23 October 2024, pursuant to the MIGA insurance policy held by the company on the Ghana project (see note 19), Befesa Desalination Developments Ghana Limited (SPV), as first claimant, and Standard Bank of South Africa Ltd, hereinafter SBSA, the project financing agent, as second claimant, commenced two arbitration proceedings, one against Ghana Water Company Limited (GWCL) and the other against the Republic of Ghana, claiming from GWCL and the Republic of Ghana the losses resulting from GWCL's and the Republic of Ghana's default under the WPA and the State Guarantee, respectively, amounting to USD 356 million. Primarily, this amount involves an indexation scheme under the WPA to the Ghana CPI, which is the CPI that the WPA provides for in the WPA.

- In 2022, Abeinsa Salalah, LLC, a subsidiary acquired in Abengoa's production units, and other companies belonging to the Salalah project joint venture, filed an international arbitration claim against Dhofar Desalination Company, as defendant, arising from costs incurred due to (i) a time extension from 1 October 2020 to 11 March 2021 and associated force majeure costs due to COVID; (ii) a marine works design variation; (iii) a claim for variable frequency drives; and (iv) a claim for additional testing costs requested by Dhofar Desalination Company in the amount of USD 22.7 million. Subsequently, Dhofar Desalination Company responded to the claim with a counterclaim seeking USD 9.2 million in liquidated damages and lost profits. The arbitration hearings and the examination of witnesses and experts took place in June 2024.

On 13 January 2025, the Group received a decision from the Arbitral Tribunal, in which it ruled in favour of the main claims of the joint venture, part of the Salalah project, in the amount of €25 million plus interest, as well as the legal costs of the proceedings. The group is working on the appropriate measures to enforce the associated collection and allow it to be recorded in the accounts.

Note 21.- Third-party guarantees and commitments

21.1. Guarantees to third parties

At 2024 year-end, various bank guarantees and suretyship insurance have been extended to third parties (customers, financial institutions, public bodies and other third parties), either by the Group companies directly or through the parent company, to secure certain commitments undertaken (to fulfil offers, performance, financing, etc.) totalling €253,031 thousand (€189,051 thousand in 2023).

The following table provides a breakdown by type of commitment of the guarantees given by the Group at 2024 and 2023 year-end:

Type	Balance as of 31.12.24	Balance as of 31.12.23
Bid bond (offer reliability)	2,866	1,970
Performance:	**2,866**	**1,970**
Material supplies	–	466
- Prepayments	35,829	20,997
- Execution (construction/receipts/payments)	156,791	106,515
- Quality	43,405	48,039
- Operation and Maintenance	11,520	7,072
Decommissioning	–	–
- Other minor projects	2,620	3,992
Subtotal	**253,031**	**189,051**
Group company financing guarantees (1)	–	–
Total	**253,031**	**189,051**

(1) On 9 June 2021, the company Sonnedix Cox Energy Chile, S.p.A. (see note 10), entered into a Debt Agreement ('*Credit Agreement*') with Sumitomo Mitsui Banking Corporation ('Administrative Agent') and DNB Bank ASA, all together referred to as 'Lenders', for USD 120 million, together with the related company Tercera Región Solar, S.p.A. (the 'Guarantor'), for the development, construction, and initial operation of a solar power generation plant with an approximate capacity of 160 MW, in the region of Valparaíso, Chile; and the construction of a transmission line of approximately 15.6 kilometers connecting the plant to the 'Los Maquis' electricity substation. The agreement runs to 15 November 2039 and the first payment was made by the banks on 14 June 2022. Cox Energy Latin America (now Cox Energy, S.L.U.) granted a pledge on all of its shares representing 30% of the share capital of Sonnedix Cox Energy Chile, S.p.A. At year-end 2024 this guarantee is valued at €599 thousand (see notes 10 and 18.4).

At 31 December 2024, the Group has bank guarantee lines with an undrawn limit of €111 million. The group has additional guarantee lines amounting to €72 million compared to the previous fiscal year.

No liabilities are envisaged that could entail an outflow of Group funds, besides those recognised in the consolidated financial statements and described in the various sections of these notes.

21.2. Maturities of commitments made to third parties

The table below provides details of nominal commitments and undiscounted interest, along with purchase commitments with third parties as of the end of the fiscal years 2024 and 2023 (thousands of euros):

2024	Total	2025	2026	2027	2028	2029	Subsequent years
Borrowings from credit institutions (note 18.2)	19,592	18,727	601	186	78	–	–
Finance lease liabilities (note 18.3)	56,163	10,396	9,592	8,077	5,907	4,582	17,609
Other external resources (note 18.4)	16,571	3,843	3,296	2,208	2,208	2,208	2,808
Purchase commitments	127,577	123,797	3,618	162	–	–	–
Project financing (note 17)	413,348	105,292	41,637	35,358	34,660	36,046	160,355
Non-current borrowings (note 19)	205,821	4,092	28,269	8,552	7,643	15,659	141,606

2023	Total	2024	2025	2026	2027	2028	Subsequent years
Borrowings from credit institutions (note 18.2)	6,483	3,169	2,849	156	165	78	66
Finance lease liabilities (note 18.3)	55,614	9,351	8,425	8,005	6,247	5,907	17,679
Other external resources (note 18.4)	13,249	–	2,208	2,208	2,208	2,208	4,417
Purchase commitments	33,875	33,875	–	–	–	–	–
Project financing (note 17)	420,365	74,907	37,840	17,964	17,371	15,975	256,308
Long-term payables (note 19)	169,403	2,873	13,111	29,335	36,694	2,843	84,547

The above-mentioned purchase commitments have been made to suppliers and subcontractors.

Note 22.- Tax situation

22.1. Application of tax schemes

Cox ABG Group and another 23 companies are taxed under the Special Fiscal Consolidation Regime with the number 0544/24 from the beginning of the fiscal year 2024, and it is also the Parent company of the VAT group number 0111/24 (see Annex IX). As at 31 December of fiscal year 2023, the corporate income tax expense was calculated under the individual taxation regime.

The other Spanish and foreign companies comprising the corporate group are taxed for corporate income tax purposes in accordance with the tax regulations applicable in each country. The Group's tax policy is based on complying with prevailing legislation in the countries in which it operates.

For the purposes of calculating the tax base of the Group's individual companies, the accounting result is adjusted for any temporary and permanent differences that may exist, recognising the corresponding deferred tax assets and liabilities, where applicable. Deferred tax assets and liabilities arise from measurement adjustments reflecting differences between the accounting criteria and principles applied by the individual companies and those applicable during consolidation. A current tax asset or liability is recognised at each year-end in respect of taxes currently refundable or payable.

Corporate Income Tax payable is the result of applying each taxable person’s tax rate under legislation in force in each territory and/or country in which each entity has its tax domicile. Any tax deductions and allowances to which the companies may be entitled are also applied.

22.2. Deferred taxes

Set out below is a breakdown of deferred tax assets and liabilities at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Tax credit for tax-loss carryforwards	22,950	2,463
Tax credits for other deductions	4,000	–
Provisions and impairment	15,090	13,065
Non-deductible expenses (Article 16 of the CIT Act)	1,513	–
Homogenisation and others	7,413	1,849
Total deferred tax assets	**50,966**	**17,377**

Item	Balance as of 31.12.24	Balance as of 31.12.23
Temporary discrepancies associated with outcomes of business combinations	7,673	–
Temporary discrepancies in asset valuation	22,112	11,025
Temporary discrepancies for income not recognised for tax purposes and others	8,898	2,321
Total deferred tax liabilities	**38,683**	**13,346**

Deferred tax assets mainly relate to tax credits for taxable income in South Africa, Spain and Chile and temporary differences in respect of provisions and impairments in Spain, Chile and Brazil, as well as temporary adjustments for other items to a lesser extent in Spain.

During 2024, the increase in deferred tax liabilities relates mainly to the entry into the consolidation perimeter of Khi Solar One in the amount of €11.6 million, as well as the tax impact of the capital gains recognised on both Khi Solar One and the acquisition of Ibox (see note 6.3), amounting to €5 million and €2.5 million, respectively.

At year-end 2024 and 2023, deferred liabilities additionally correspond to the entry into the scope of consolidation of Abengoa's production units (see note 6.3), as well as the tax effect of the fair value recognised on first-time adoption of IFRS, amounting to €7 million.

During fiscal year 2024, the recoverability of the capitalised tax credits and capitalised temporary differences was analysed, taking into account the business development during the year 2024 as well as the company's strategic plan, recognising the tax credits and temporary differences in the amount of €14 million. In 2023, despite this recoverability analysis, the company's directors decided not to recognise tax credits and temporary differences of the Spanish subsidiaries at year-end.

On the other hand, based on the latest tax returns filed, the Group has unused tax credits as at 31 December 2024.

Set out below is a breakdown of these tax assessment bases:

Country	Offsetting limit	2013 to 2020	2021	2022	2023	Total
South Africa	No expiration date	–	–	58	270,820	270,878
Mexico	10 years	14,010	6,819	8,116	6,954	35,899
Panama	5 years	205	234	429	363	1,231
Colombia	12 years	70	119	234	94	517
Chile	No expiration date	4,761	5,043	13,747	12,839	36,390
Brazil	No expiration date	723,282	66,833	5,618	24,516	820,249
Spain	No expiration date	3,631	10,289	11,183	16,651	41,754
Argentina	5 years	37	55	112	177	381
Oman	5 years	6,959	1,899	618	410	9,886
Total		**752,955**	**91,291**	**40,115**	**332,824**	**1,217,185**

The breakdown of movements during the fiscal years 2024 and 2023 in deferred tax assets and liabilities is as follows:

Deferred tax assets	Amount
Balance as of 31 December 2022	–
Scope changes	16,183
Currency translation differences and others	(1,718)
Increase/decrease in income statement	2,912
Balance as of 31 December 2023	**17,377**
Scope changes	16,577
Currency translation differences and others	493
Increase/Decrease from other comprehensive income (equity)	2,313
Increase/decrease in income statement	14,206
Balance as of 31 December 2024	**50,966**

Deferred tax liabilities	Amount
Balance as of 31 December 2022	8,427
Scope changes	22,640
Currency translation differences and others	279
Increase/decrease in income statement	(18,000)
Balance as of 31 December 2023	**13,346**
Scope changes	11,635
Currency translation differences and others	(216)
Increase/decrease in income statement	13,918
Balance as of 31 December 2024	**38,683**

At year-end 2024, the most significant effect on the movement in deferred tax assets was the inclusion of Khi Solar One in the perimeter of consolidation (see note 6.3), which resulted in an addition of €16.5 million, as well as the capitalisation of tax credits for tax loss carryforwards and deductions and other temporary differences for an aggregate amount of €20.5 million, partially offset by conversion differences.

During fiscal year 2024, the increase in deferred tax liabilities mainly corresponds to the entry into the consolidation perimeter of Khi Solar One in the amount of €12 million, as well as mainly to the tax impact of the capital gains recorded on both Khi Solar One and the acquisition of Ibox (see note 6.3), amounting to €5 million and €2 million, respectively. Also included is the tax impact corresponding to the income from the escrow account in relation to Aneel (see note 13.2) amounting to €6 million.

During 2023, according to the analysis of each local jurisdiction, information and available documentation subsequent to the acquisition, the company has updated the deferred tax liabilities contributed by Abengoa's productive units (see note 6.3) related to the write-off, by virtue of the adjudication, of debts with the insolvency companies, recognising a positive impact of €18 million.

Set out below is a breakdown of deferred tax expense or income recognised at 2024 and 2023 year-end for each type of temporary difference and in relation to each type of tax loss or credit not applied (expenses in negative and income in positive).

Item	Balance as of 31.12.24	Balance as of 31.12.23
Tax credit for tax-loss carryforwards	2,239	717
Temporary discrepancies		
Provisions and impairment	5,085	1,699
Non-deductible expenses (Article 16 of the CIT Act)	1,513	–
Homogenisation and others	5,369	496
Total deferred tax assets	**14,206**	**2,912**

Item	Balance as of 31.12.24	Balance as of 31.12.23
Temporary discrepancies and others	(13,918)	(18,000)
Total deferred tax liabilities	**(13,918)**	**(18,000)**

At 2024 and 2023 year-end, the Group is open to inspection for all applicable taxes for the periods stipulated in each jurisdiction. The Company's directors consider that all the taxes were appropriately assessed and therefore, in the event of any discrepancies in the interpretation of current legislation concerning the tax treatment afforded to the transactions, any resulting liabilities would not have a material effect on these consolidated annual financial statements.

22.3. Income Tax

Income tax breaks down as follows at 2024 and 2023 year-end:

Item	2024	2023
Current tax	(17,876)	(19,073)
Deferred tax	288	20,912
Total tax expense	**(17,588)**	**1,839**

The reconciliation between the Group's Income Tax calculated by applying the statutory tax rate currently applicable in Spain and the Income Tax recognised in the consolidated income statement is as follows: The difference at 2024 and 2023 year-end is as follows:

Item	2024	2023
Profit before tax	76,721	34,643
Statutory tax rate	25 %	25 %
Income Tax at the statutory tax rate	**(19,180)**	**(8,661)**
Profit net of associated income taxes	(321)	245
Foreign tax rate differences	(9,032)	(1,698)
Incentives, deductions and tax losses	10,340	(11,374)
Other non-taxable income/expense	605	23,327
Income tax expense	**(17,588)**	**1,839**

The differences between the theoretical tax and tax actually recognised relate primarily to:

- Foreign tax rate differences: The various subsidiaries calculate Corporate Income Tax applying the tax rates in force in each country, as set out below:

Country	2024
Mexico	30%
Chile	27%
Panama	25%
Colombia	31%
Spain	25%
Guatemala	25%
South Africa	27%
Brazil	34%
Argentina	35%
Oman	15%
Morocco	26%
France	25%
Algeria	19%

- Incentives, deductions and tax losses; mainly due to the offsetting of tax losses not capitalised on the balance sheet.
- Other non-taxable income/expenses; mainly certain permanent differences for non-taxable income of €6 million and non-deductible expenses recognised in the year of €5.5 million.

Note 23.- Trade payables, other payables and current tax liabilities

23.1. Set out below is a breakdown of "Trade and other payables" at 2024 and 2023 year-end:

Item	Balance as of 31.12.24	Balance as of 31.12.23
Trade payables	131,616	83,863
Payables for services received	86,867	92,266
Advances from trade receivables	60,039	57,263
Accrued wages and salaries	14,298	6,304
Short-term fixed asset suppliers	33	55
Other payables	28,503	20,359
Total	**321,356**	**260,110**
Current tax liabilities	69,537	93,427
Total	**390,893**	**353,537**

Other payables are payment obligations not arising from purchases of goods or services in the ordinary course of business and not equivalent to payables arising from external financing transactions.

23.2. The fair values of "Trade and other payables" match their carrying amounts, since the effect of discounting is immaterial.

23.3. At 31 December 2024 the balance of confirming issued without recourse to external suppliers is €1,401 thousand.

23.4. In compliance with the obligation to disclose the average supplier payment period laid down by Law 15/2010 and Additional Provision Eight of the Spanish Companies Act (in accordance with the new wording of Final Provision Two of Law 31/2014 reforming the Act), the Company hereby states that the average supplier payment period for all the Spanish Group companies was 72 days.

Set forth below is the breakdown required by Article 6 of the Resolution of 29 January 2016 from the Spanish Institute of Accounting and Auditing in relation to the disclosures to be provided on the average supplier payment period for the year:

Item	Days	
	2024	2023
Average supplier payment period	72	101
Paid transactions ratio	80	74
Outstanding payment transactions ratio	49	162

Item	Amount	
	2024	2023
Total payments made	99,590	79,669
Total outstanding payments	30,860	34,569

The average supplier payment period includes invoices pending payment and invoices settled that came from the former Abengoa Group, are long-outstanding and do not reflect the Group's new reality.

Additionally, the COX Group is working on implementing measures focused on the automation and optimisation of processes, to ensure compliance with the average payment period to suppliers, keeping it below the legal maximum.

Finally, in accordance with Law 18/2022, of 28 September, set out below is a breakdown for the Spanish companies included in the Group's scope of consolidation showing the monetary amount and number of invoices settled within a period shorter than the maximum period stipulated in late-payment legislation and the related percentage of total invoices and payments, as provided by the Official State Gazette published on 29 September 2022:

Item	2024		2023	
	Thousands of Euros	No. of invoices	Thousands of Euros	No. of invoices
Invoices settled within a shorter period than the maximum*	71,950	30,450	56,903	35,449
Total number of invoices settled	99,590	33,313	79,669	39,398
% settled within a shorter period than the maximum*	72%	91%	71%	90%

* pursuant to Spanish late-payment legislation

23.5. The balance of "Current tax liabilities" at 31 December 2024 mainly consists of balances with public authorities in respect of corporate income tax of 22 million euros, VAT on projects as well as local taxes in other geographical areas of 21 million euros and social security of 7 million euros, the remaining balance with public authorities and other minor items. At 31 December 2023, the balance relates mainly to balances with public authorities in respect of corporate income tax of EUR 31 million and social security of EUR 34 million, with the remaining balance with public authorities relating to VAT and other minor items.

Note 24.- Engineering and construction contracts

In addition to the information disclosed in note 2.23.b) on the accounting treatment of construction contracts, the following table provides consolidated information on engineering and construction contracts within the scope of IFRS 15 at 31 December 2024 and 2023:

Engineering and construction contracts	2024
Revenue (note 25)	371,917
Advance payments received (*) (note 23)	59,785
Retentions on payments (*) (note 13)	8,126
Receivables (*) (note 13)	225,772
Payables (*) (note 23)	198,826

Engineering and construction contracts	2023
Revenue (note 25)	329,352
Advance payments received (*) (note 23)	56,961
Retentions on payments (*) (note 13)	10,141
Receivables (*) (note 13)	169,164
Payables (*) (note 23)	195,719

(*) Balances measured applying IFRS 9.

Completed work pending certification (included in Receivables detail) amounts to €45,922 thousand and €33,674 thousand at 2024 and 2023 year-end, respectively.

Advanced payments correspond to gross amounts due to customers for work in progress where partial billings exceed costs incurred plus recognised profits (less recognised losses), the average settlement period being generally less than one year.

Retentions relate to amounts retained by customers in the ordinary course of business in accordance with the agreed contractual terms.

The total aggregate amount of costs incurred and benefits recognised at origin for all ongoing contracts as of 31 December 2024 amounts to €2,293,139 thousand and €196,205 thousand respectively (€1,749,757 thousand and €138,956 thousand respectively as of 31 December 2023).

At the end of the 2024 and 2023 financial years, there are no significant onerous contracts.

Note 25.- Revenue

Revenue is analysed below at 2024 and 2023 year-end:

Object	2024			2023		
	Engineering and construction contracts	Other customer contracts	Concession assets	Construction contracts	Other customer contracts	Concession assets
Water	26,208	–	75,514	21,726	–	49,520
Energy	344,544	98,064	58,519	295,855	83,973	41,131
Services	**1,165**	**98,445**	**–**	**12,114**	**76,395**	**–**
- O&M	–	45,144	–	–	32,535	–
- Supply	–	53,301	–	–	43,860	–
- Tech	1,165	–	–	12,114	–	–
Total	**371,917**	**196,509**	**134,033**	**329,695**	**160,368**	**90,651**

The heading "Other contracts with customers" mainly includes revenue from the provision of project management and operation and maintenance (O&M) services for infrastructures owned by third parties, as well as energy supply revenues in Mexico and Spain.

In 2024, no customer concentration exceeds 10% of consolidated Group sales.

During the 2023 financial year, the customers Compañía Minera Teck Quebrada, with 15%, and Enerfo Group, with 10%, had the highest concentration of sales in the group. No other customer accounted for over 10% of the consolidated Group's sales. Group management expected these customers' share of revenue to decline as a result of the strategic plan and the award of new contracts, together with related sales.

Note 26.- Raw materials and consumables

Raw materials and consumables break down as follows at 2024 and 2023 year-end:

Item	2024	2023
Subcontracts and material purchases	(237,457)	(197,973)
Difference between opening and closing raw material inventories	(3,896)	3,516
Total	**(241,353)**	**(194,457)**

"Subcontracts and material purchases" include the expenditure necessary to execute operation and maintenance projects and contracts, incurred either directly or through third parties, and the cost of the electricity, which may be purchased through the Wholesale Electricity Market or by means of Power Purchase Agreements (PPAs), as well as other regulated charges for components such as transmission, distribution and regulated services allocated among the market participants.

At 2024 year-end, the Energy segment accounts for around 64% of the total expenditure under this heading (83% in 2023).

Note 27.- Other operating income and expenses

"Other operating income and expenses" break down as follows at 2024 and 2023 year-end:

Other operating income	2024	2023
Own work capitalised and profits from fixed assets	4,110	3,931
Subsidies	25	182
Sundry service income	101,795	45,311
Total	**105,930**	**49,424**

During fiscal year 2024, in Income from sundry services, of note are mainly the amount recorded by Abengoa Construção Brasil for an amount of €25 million (see note 13.2), and the impacts of the acquisition of Khi Solar One and the takeover of Ibox for an amount of €20 and €10 million, respectively (see note 6.3). In addition, insurance recoveries in the United Arab Emirates and claims in Brazil of €11 million and €6 million, respectively, both within the ordinary course of business in relation to cost overruns for insurable damage as well as delays or non-compliance inherent to the customer. Finally, the impact of the sale of the subsidiary CA Infraestructura I&D for €2 million is included (see note 30.2).

Other operating expenses	2024	2023
Leases	(24,438)	(22,219)
Repairs and maintenance	(13,317)	(11,152)
Independent professional services	(69,986)	(73,850)
Transport	(4,711)	(3,244)
Utilities	(8,889)	(17,866)
Taxes	(9,826)	(5,493)
External services	(34,450)	(32,885)
Losses, impairment and change in trade provisions	–	(68)
Other profit/(loss)	(23,684)	(8,453)
Total	**(189,301)**	**(175,230)**

During 2024 and 2023, other operating expenses include engineering services, classified under Independent professional services.

Note 28.- Employee benefit expenses

“Employee benefit expenses” break down as follows at 2024 and 2023 year-end:

Item	2024	2023
Wages and salaries	(167,377)	(145,382)
Social charges	(26,055)	(21,486)
Other employee remuneration	–	(1,732)
Total	**(193,432)**	**(168,600)**

Under “Wages and salaries”, termination benefit expenditure recognised each year amounted to €2,506 thousand and €2,778 thousand, respectively.

Note 29.- Net financial income/(expense)

29.1. Finance income and costs

“Financial income and expenses” break down as follows at 2024 and 2023 year-end:

Financial income	2024	2023
Interest income on loans	2,810	6,137
Total	**2,810**	**6,137**

Financial expenses	2024	2023
Interest expense:		
- Bank borrowings	(19,276)	(18,079)
- Other payables	(12,958)	(23,400)
Total	**(32,234)**	**(41,479)**
Net financial expenses	**(29,424)**	**(35,342)**

Financial income mainly comprises interest on term and other deposits.

Financial expense on bank borrowings is determined by the interest rates applied to the Group's loans by the financial institutions, which are market rates (see notes 17 and 18).

Financial expense on other payables relates primarily to interest accrued in the Ghana and Agadir projects, on the subordinated loans from minority shareholders, as well as in the company Cox ABG Group, on the participating loan arranged with related parties during the current year (see note 19).

29.2. Net exchange differences

Set out below is a breakdown of "Exchange differences (net)" at 2024 and 2023 year-end:

Net exchange differences	2024	2023
Gain/(loss) on foreign currency transactions	12,062	9,296
Total	**12,062**	**9,296**

In fiscal year 2024, exchange rate differences are mainly due to the appreciation of the euro against the Brazilian real, and of the US dollar against the euro and the Brazilian real.

In 2023, the main movement under "Exchange differences (net)" reflects the impact of the US dollar in relation to the Chilean peso.

29.3. Other financial income and expenses

The breakdown of net "Other financial income and expenses" at 2024 and 2023 year-end is as follows:

Other financial income	2024	2023
Other financial income	6,544	3,550
Total	**6,544**	**3,550**

Other financial expenses	2024	2023
Reverse factoring expenses	–	–
Fair value change	(955)	(1,123)
Other financial losses	(25,330)	(3,747)
Total	**(26,285)**	**(4,870)**
Other net financial income/(expense)	**(19,741)**	**(1,320)**

In 2024, the increase in other financial income mainly corresponds to the financial returns on Aneel's *escrow* deposited in 2024. In fiscal year 2023 the amount corresponded to Electronor's arbitration fee in Brazil.

The increase in Other Financial Expenses is mainly due to higher guarantee commission expenses, which in 2024 amounted to €13,885 thousand (€3,198 thousand in 2023), in relation to commissions on new guarantee lines (see note 21), as well as the recognition of the account payable to the client for the concessional asset in Morocco for the recoverability of local taxes amounting to €6 million.

Note 30. Other information

30.1. Workforce

- The average headcount by category during 2024 and 2023 was as follows:

Categories	Average headcount in 2024			Average headcount in 2023		
	Woman	Men	% Total	Woman	Men	% Total
Managers	30	107	2.5	9	77	1.2
Middle Management	61	289	6.3	64	296	5.2
Engineers and graduates	268	606	15.8	252	595	12.3
Assistants and professionals	165	233	7.2	217	390	8.8
Operators	261	3,502	68.2	234	4,762	72.5
Total	**785**	**4,737**	**100**	**776**	**6,120**	**100**

The average headcount is distributed 25.6% in Spain (18.7% in 2023) and 74.4% abroad (81.3% in 2023).

The average number of persons employed in the course of the year with a disability of 33% or more is 15 (25 in fiscal year 2023).

- The total headcount by category at 2024 and 2023 year-end is as follows:

Categories	Number of persons employed at 31.12.24			Number of persons employed at 31.12.23		
	Woman	Men	% Total	Woman	Men	% Total
Managers	30	108	2.4	14	94	1.7
Middle Management	64	303	6.4	73	306	6.1
Engineers and graduates	285	677	16.8	254	600	13.7
Assistants and professionals	169	246	7.3	203	329	8.5
Operators	230	3,599	67.1	220	4,156	70.0
Total	**778**	**4,933**	**100**	**764**	**5,485**	**100**

The Group's senior management comprises 11 men and 1 woman (12 men and 1 woman in 2023).

30.2. Related parties

No dividends were distributed to related companies in 2024 or 2023.

According to notifications received by the company in compliance with the provisions of current law on the obligation to disclose percentages of shareholdings (voting rights), the significant shareholders at 31 December 2024 are:

Shareholders	Significant shareholdings in 2024	
	% direct interest	% indirect interest
Enrique Riquelme Vives (1)	– %	64.94%
Alberto Zardoya Arana (2)	– %	14.08%
Amea Energy Investment VI DMCC	3.76%	– %
Mutual Society of Architects, Technical Architects and Chemists	2.55%	– %

(1) Enrique José Riquelme Vives, who controls 94.20% of Inversiones Riquelme Vives, S.L, and 100% of Lusaka Investments, S.L and Riquelme Capital Group, S.A. (2) Alberto Zardoya Arana controls 71.6% of Ondainvest, S.L.

At year-end 2023 the significant shareholders are:

Shareholders	Significant shareholdings in 2023	
	% direct interest	% indirect interest
Inversiones Riquelme Vives, S.L.U.	72.83%	– %
Lusaka Investments, S.L	5.00%	– %
Cenon Investments, S.L	5.08%	– %
Ondainvest, S.L	8.76%	– %
Mutual Society of Architects, Technical Architects and Chemists	4.65%	– %

a) Positions with related parties at 2024 and 2023 year-end are set out below (thousand euro):

2024	Receivables	Payables	Income	Financial expenses
Inversiones Riquelme Vives, S.L.	–	2,954	–	796
Ondainvest, S.L. (Alberto Zardoya Arana)	1,254	3,296	39	243
Riquelme Capital, S.L.U.	4,320	–	135	–

At 31 December 2024, receivables are classified as non-current in the amount of €4.1 million (see note 13.2) and €1.5 million as current (see note 13.1). In addition, credit balances are classified as non-current in the amount of €6.2 million (see note 19).

2023	Receivables	Payables	Income	Expenses
Inversiones Riquelme Vives, S.L.	11,113	31,797	410	273
Euro-Syns, S.A.	–	–	–	39
Alberto Zardoya	–	3,123	–	127
Zardoya Family office	–	–	–	4,000

At 31 December 2023, receivables are classified as non-current in the amount of €4.7 million (see note 13.2) and €6.4 million as current (see note 13.1). Non-current payables amount to €34.8 million (see note 19) and current payables stand at €123 thousand (Note 23).

b) The following transactions were completed with related parties in the fiscal years 2024 and 2023:

The Company and the main shareholder, Inversiones Riquelme Vives, S.L., have offset the credit facility drawn down at the end of the previous year by €11 million (see note 13.2) and have entered into a credit facility agreement for a maximum amount of €25 million, maturing on 31 December 2027, with a nominal annual interest rate of Euribor +1.35%. At the close of the first half of 2024, the parties agreed to formalise the amount as a participating loan, which has been resolved by mutual agreement. As of 31 December 2024, the entire utilised balance forms part of the credit line.

On 28 June 2024, the trading company Cox Infraestructura, S.L.U. signed a purchase agreement for 100% of the shares of the trading company CA Infraestructuras Innovación & Defensa, S.L.U. (now Aytana Aeroespacio y Defensa S.L.) with Riquelme Capital, S.L.U., the main shareholder of Inversiones Riquelme Vives, S.L. and Ondainvest, S.L.U., being 80% and 20%, respectively, in the amount of €5.4 million (see notes 13.2 and 25), based on the valuation of the independent expert (Kroll Advisory, S.L in May 2024). The parties agree, via bank transfer, on a payment schedule for the next three annual instalments, accruing interest at a fixed rate of 6.25%.

In addition, on 28 June 2024, CA Infraestructura T&I and Bergen Real Estate la Serreta, S.L., a company owned by the main shareholder of Inversiones Riquelme Vives, S.L., signed a private sale and purchase agreement for the transfer of four properties in La Nucia (Altea) for €23 million (see note 8) based on the appraisal of Agrupación Técnica de valor, S.A. in March 2024. The transaction was subject, as a condition precedent, to the authorisation of financial institutions, which was obtained in H2 2024, although it does not meet the conditions for recognition.

The parties have agreed on a milestone payment schedule, with a maximum term of 2033, 5% having been paid at the signing of the transaction. The outstanding amounts shall bear interest at a rate of 6.25%.

At 2023 year-end, long-term financing granted by Inversiones Riquelme Vives to the Parent company stood at €31.7 million and accrued 4% interest.

In addition, on 3 November 2023 a loan was formalised in which Alberto Zardoya Arana adheres in the amount of €3 million (see note 19), to the interest settlement date commencing on 30 June 2023. The initial maturity date is 3 November 2026 and may be extended for one more year to 3 November 2027, as the final maturity date. This loan accrues 8% interest.

As of 31 December 2023, the balance utilised by Inversiones Riquelme Vives, S.L. amounted to €11.1 million, in accordance with the renewal of the credit line during the previous fiscal year, with the interest rate being Euribor +1.35%.

All transactions with related parties are effected at arm's length, so the Company's directors consider that there are no significant risks in this respect that could give rise to material liabilities in the future.

c) Additionally, set out below is a breakdown of outstanding balances derived from transactions with equity-accounted companies and reflected in the consolidated statement of financial position at 2024 and 2023 year-end:

Item	Amount at 31.12.24	Amount at 31.12.23
Trade and other receivables	10,981	3,341
Trade and other payables	835	492
Grants and other non-current liabilities	4	–

Trade and other receivables mainly include the balances of the holding company (Ibox) with the project companies in relation to the projects intended for sale to CTG (see note 10).

Set out below is a breakdown of transactions with equity-accounted companies reflected in the consolidated income statement at 2024 and 2023 year-end:

Item	Amount at 31.12.24	Amount at 31.12.23
Revenue	1,889	399
Other operating income	276	57
Raw materials and consumables used	–	97
Other operating expenses	–	(155)
Financial income	–	43
Financial expenses	(28)	(1)

The main transactions relate to the provision of services with XiNa Operations and Maintenance Company (Pty) Ltd, transactions with Ibexia Cox Energy Development S.L. and the project companies for the sale of CTG.

30.3. Remuneration and other benefits of the Board of Directors and senior management

The individualised breakdown of remuneration paid during the fiscal year 2024 to all members of the Board of Directors is as follows:

Item	Salary (1)	Fixed compensation	Compensation for membership of Board Committees	Other items	Total
Riquelme Vives, Enrique José	400	25	–	–	425
Arizaga Zárate, Luis	–	25	3	–	28
Ignacio Casanueva Pérez, Juan	–	25	–	–	25
Fernández Ruiz, Alejandro	–	25	7	–	32
Gallardo Mateo, Mar	–	25	7	–	32
González Pitarch, Cristina	–	25	3	–	28
Maluquer Usón, Ignacio	–	25	7	–	32
Medina Cuadros, Antonio (*)	–	25	–	–	25
Rodríguez Fernández, Román Ignacio	–	25	3	–	28
Sánchez Álvarez, Elena	–	25	7	–	32
Saval Pérez, Arturo	–	25	3	–	28
Zardoya Arana, Alberto	–	25	3	–	28
Quintana Pradera, Dámaso	–	2	–	–	2
Total	**400**	**302**	**43**	**–**	**745**

(*) Ceased to be director effective 19 December 2024.

(1) During the fiscal year 2024, Mr Enrique José Riquelme Vives received remuneration for providing services consisting of executing the tasks and functions corresponding to the position of Sole Administrator of Cox Global Services S.L., an entity wholly owned by the Company and the head of the group of companies' businesses and operations. The fixed annual remuneration amounts to €400 thousand and is effective from 1 January 2024.

Likewise, the contract stipulates that, in the event of the dismissal of Mr Enrique José Riquelme Vives as Sole Administrator of Cox Global Services S.L., which is not due to a breach attributable to him nor solely due to his own will, the company will pay Mr Riquelme a compensation equivalent to 100% of the fixed remuneration he would have earned during the calendar year immediately preceding the year in which his dismissal occurred.

During the fiscal year 2023, the position of director was not remunerated.

- During the fiscal year 2024, the remuneration paid to the Group's senior management (members of senior management who are not executive directors with an indication of the total remuneration paid to them during the financial year) amounted to €3,800 thousand for all items, both fixed and variable (€1,558 thousand in 2023).
- The Group has taken out directors' liability insurance covering the members of the Board of Directors, executives and persons performing executive functions, having paid a total insurance premium of €292 thousand in 2024 (€32.3 thousand in 2023).
- There are no agreements between the company and its management and directors or employees that provide for compensation in the event of resignation, unfair dismissal, or if the employment relationship ends due to a takeover bid. Senior manager contracts that suspend a prior ordinary employment relationship, in which the termination benefit recognised in favour of the senior manager is equivalent to the legal indemnity for unfair dismissal, calculated based on salary and full length of service. The contract provides six months' prior notice in any event, with compensation for remuneration owed if the notice period is infringed.

  Regarding Senior Management contracts, the payment of indemnities is only envisaged in the event of termination during the fiscal year in the exercise of the executive functions which, where applicable, they may perform, as detailed below:

  - a senior manager who, in the event of termination by the company, would be entitled to 18 months' severance pay (1.5 years' gross salary);
  - An executive who, in the event of termination by the company, would be entitled to 18 months' severance pay (1.5 years' gross salary), provided that the dismissal occurs within the first 18 months of the contract. This clause will expire in September 2025.
- No advances or loans have been granted, and no guarantee commitments have been made, to the members of the Board of Directors, save for the matter described in note 30.2.

30.4. Article 229 of the Spanish Companies Act, introduced under Royal Decree-Law 1/2010 of 2 July, imposes on the directors, or their natural person representatives, the duty to report to the Board of Directors or, where there is no Board, the other directors or, in the case of a sole director, the General Meeting, any direct or indirect conflict of interest with the Company. The Director in question may not participate in resolutions or decisions affecting the transaction to which the conflict of interest relates.

In 2024 and 2023, no agreement between the Company and any of its shareholders or directors, or persons acting on their behalf, relating to transactions not forming part of the Company's ordinary business or not subject to normal terms and conditions, was terminated, amended or rescinded in advance.

It should also be noted that all the directors have reported that they have no direct or indirect conflict of interest with the Parent company or its investees.

30.5. Audit fees

For fiscal years 2024 and 2023, the fees related to statutory audit services and other services provided by the auditor of the Group's consolidated annual financial statements, PricewaterhouseCoopers Auditores, S.L., and by companies belonging to the PwC network, as well as the fees for services billed by the auditors of the annual financial statements of the companies included in the consolidation and by the entities linked to them through control, common ownership, or management were as follows, in thousands of euros:

Item	Services provided by the lead auditor		Services provided by other audit firms	
	2024	2023	2024	2023
Audit services	1,156	1,424	386	138
Other assurance services	1,013	30	16	55
Total Audit and Related Services	**2,169**	**1,454**	**402**	**193**
Tax Advisory Services	20	–	–	–
Other Services	–	–	–	–
Total Other Professional Services	**20**	**–**	**–**	**–**

The fees corresponding to the services provided by the auditing firm PricewaterhouseCoopers Auditores, S.L. for the Group's Annual Financial Statements were:

- Audit services: €1,024 thousand in 2024 (€874 thousand in 2023) and,
- Other verification services: which include services whose provision by statutory auditors is common practice and which mainly correspond to limited reviews of interim financial statements, services for issuing comfort letters related to the issuance of securities, the report concerning the Internal Reporting Control System on Financial Information, as well as reports on agreed-upon procedures for certifying financial ratios, €1,013 thousand in the fiscal year 2024 (€30 thousand in 2023).

The item Tax Advisory Services fundamentally includes fees for advisory services in transfer pricing documentation, corporate tax, and direct and indirect taxation. Finally, the item Other Services mainly includes services in the field of corporate social responsibility, reports from independent experts, and other services.

The fees billed by other audit firms, when the firm providing them is also the auditor of the corresponding company, for the item Other Verification Services, amount to €16 thousand in 2024 (€55 thousand in 2023); regarding Tax Advisory Services, the amount in 2024 is €0 thousand (€0 thousand in 2023); with respect to Other Services, the amount in 2024 is €0 thousand (€0 thousand in 2023).

30.6. Environmental information

The necessary evolution of society towards a green economic growth model, as well as the sustainability requirements of climate change adaptation and mitigation, constitute for Cox a challenge, commitment and opportunity for the proper evolution and continuity of its business as a vertically integrated global water and energy utility. Cox focuses on the comprehensive management of physical and transitional risks related to its business and identification of opportunities, drives the reduction of its environmental footprint, applies the principles of the circular economy and preserves and conserves biodiversity and ecosystems in the areas in which it operates.

Environmental sustainability is at the core of Cox’s strategy. Each and every one of its activities and processes reflect a sustainable development approach designed to underpin the commitment to protecting the environment by complying with current legislation, while at the same time addressing stakeholder expectations and needs, and good environmental practices.

In addition, Cox covers all types of risk, including environmental risks and those related to climate change, in all the activities and geographies in which the company is present. To this end, it has a system that includes the identification and assessment of real and potential risks, the development of remediation mechanisms for risks that have already materialised and the establishment of procedures to act on the potential risks identified. The follow-up and monitoring of these and other risks, as well as the mitigating measures applied, allow for the development of lessons learned, making risk management a mature process that allows for feedback and the application of measures based on experience in other projects, whether new or existing.

As a consequence of the above, the group of companies with Environmental Management Systems implemented in accordance with ISO 14001 covers most of Cox's activity. This international standard guarantees that all legal and contractual requirements are controlled, environmental aspects are identified and prioritised according to their impact, potential emergency situations of an environmental nature are identified, establishing objectives and developing preventive and/or corrective actions, and finally, good environmental management practices are identified and controlled.

With regard to possible contingencies that may arise in environmental matters, Cox considers that these are sufficiently covered by the liability insurance policies taken out, and therefore no provision has been made for this item in the consolidated statements of financial position at 31 December 2024 and 2023.

30.7. Earnings or loss per share

Basic earnings per share are calculated by dividing the profit attributable to the Company’s shareholders by the number of ordinary shares outstanding each year:

Item	2024	2023
Profits/losses of the fiscal year attributed to the Parent Company (thousands)	42,219	31,734
Number of ordinary shares (thousands)	77,902	610
Basic/diluted earnings or (loss) per share (euros)	**0.54**	**52.00**

No dilutive effects have been identified that need to be adjusted for in the calculation of diluted earnings or loss per share.

30.8. Events after the reporting period

There have been no other events since the year-end that could have a material effect on the information disclosed in the Consolidated Annual Financial Statements issued by the directors on this same date, or that must be reported in view of their significance.

Annex I -Subsidiaries included in the 2024 Scope of Consolidation by the Full Consolidation Method

Company Name	Registered office	shareholding Cost in thousand €	% share of par value	Shareholder	(*)	Line of business	Auditor
Abeima Fisia Shuaibah, LLC.	Saudi Arabia (SA)	–	50	Cox Water S.L.	–	(1)	A
Abeima India, Pvt. Ltd.	Chennai (IN)	–	100	Cox Water S.L.	–	(1)	–
Abeima Teyma Infraestructure Ghana Limited	Accra (GH)	–	100	Cox Water S.L.	–	(1)	–
Abeinsa Salalah LLC	Ruwi (OM)	–	70	Cox Water S.L.	–	(1)	C
Abener Argelia, S.L.	Seville (ES)	–	100	Cox Energy EPC S.L.	–	(2)	–
Abener Energie S.A.R.L.	Ain beni (MA)	–	100	Cox O&M S.L.	–	(3)	–
Abengoa Agua Company – One Person Company	Riyadh (SA)	–	100	Cox Water S.L.	–	(1)	C
Abengoa Bioenergía Agroindustria, Ltda.	São Paulo (BR)	318,424	100	Abengoa Bioenergía Brasil, S.A. / Abengoa Bioenergía Santa Fe, Ltda.	–	(2)	–
Abengoa Bioenergía Brasil, S.A.	São Paulo (BR)	165,647	100	Asa Bioenergy Holding, AG in Liquidation / Cox Energy EPC S.L.	–	(2)	C
Abengoa Bioenergia Inovações Ltda.	São Paulo (BR)	401,695	100	Asa Bioenergy Holding, AG in Liquidation / Abengoa Bioenergía Santa Fe, Ltda.	–	(2)	–
Abengoa Bioenergía Santa Fe, Ltda.	São Paulo (BR)	187	100	Abengoa Bioenergía Brasil, S.A. / Abengoa Bioenergia Trading Brasil, Ltda.	–	(2)	–
Abengoa Bioenergia Trading Brasil, Ltda.	São Paulo (BR)	–	100	Abengoa Bioenergía Brasil, S.A. / Abengoa Bioenergía Agroindustria, Ltda.	–	(2)	–
Abengoa Brasil Fornecimento S.A.	Río de Janeiro (BR)	–	100	Abengoa Construçao Brasil, Ltda./ Abengoa Concesssoes Brasil Holding, S.A.	–	(2)	–
Abengoa Brasil Logística Ltda.	Río de Janeiro (BR)	1,802	100	Abengoa Construçao Brasil, Ltda.	–	(2)	–
Abengoa Cogeneraçao de Energía, S.A.	Río de Janeiro (BR)	–	100	Abengoa Construçao Brasil, Ltda./ Abengoa Concesssoes Brasil Holding, S.A.	–	(2)	–
Abengoa Concessions Investments Ltd.	Leeds (GB)	9,817	100	Cox T&I S.L.U	–	(2)	–
Abengoa Concessões Brasil Holding, S.A.	Río de Janeiro (BR)	186,730	100	Abengoa Construçao Brasil, Ltda./ Cox T&I, S.L.U./ Omega Sudamérica, S.L	–	(2)	C
Abengoa Construçao Brasil, Ltda.	Río de Janeiro (BR)	13,655	99.99	Cox T&I, S.L.U.	–	(2)	C
Abengoa Energy Trading Chile SpA	Santiago de Chile (CL)	10	100	Cox Chile S.A.	–	(2)	–
Abengoa Greenfield Brasil Holding, S.A.	Río de Janeiro (BR)	293,997	100	Abengoa Construçao Brasil, Ltda./ Cox T&I S.L.U	–	(2)	–
Abengoa Puertollano CSP O&M, S.L.	Seville (ES)	1,031	100	Cox O&M S.L.	–	(3)	–
Abengoa Solar Chile O&M Spa	Santiago de Chile (CL)	1,953	100	Cox O&M S.L.	–	(3)	–
Abengoa Water Investments Ghana, BV	Amsterdam (NL)	8,100	100	Cox Water S.L.	–	(1)	–
Abenta Concessões Brasil	Río de Janeiro (BR)	1	96	Abengoa Concessões Brasil Holding, S.A.	–	(2)	–
Abratey Construção, Ltda.	Río de Janeiro (BR)	–	50	Abengoa Construçao Brasil, Ltda.	–	(2)	–
Alhambra Solar S.A. de C.V.	Mexico (MX)	2,542	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Aman El Baraka, S.A.	Agadir (MA)	1,960	100	Cox Water S.L.	–	(1)	B

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Aparse, S. A. de C. V.	Mexico (MX)	2,188	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Asa Bioenergy Holding, AG in Liquidation	Zug (SZ)	17,010	100	Cox Energy EPC S.L.	–	(2)	C
Asa Inmobiliaria Chile, S.A.	Santiago de Chile (CL)	–	100	Cox T&I S.L.U / Cox Argentina, S.A.	–	(2)	–
ATE X Abengoa Brasil Administraçao Predial Ltda	Río de Janeiro (BR)	3,183	100	Abengoa Concesssoes Brasil Holding, S.A.	–	(2)	–
ATE XIX Transmissora de Energia S.A.	Río de Janeiro (BR)	45,134	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XVI Transmissora de Energia S.A.	Río de Janeiro (BR)	229,423	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XVII Transmissora de Energia S.A.	Río de Janeiro (BR)	56,300	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XVIII Transmissora de Energia S.A.	Río de Janeiro (BR)	28,841	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XX Transmissora de Energia S.A.	Río de Janeiro (BR)	37,236	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XXI Transmissora de Energia S.A.	Río de Janeiro (BR)	148,968	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XXII Transmissora de Energia S.A.	Río de Janeiro (BR)	47,771	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XXIII Transmissora de Energia S.A.	Río de Janeiro (BR)	69,882	100	Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
ATE XXIV Transmissora de Energia, S.A.	Río de Janeiro (BR)	37,549	100	Abengoa Greenfield Brasil Holding, S.A.	–	(2)	–
Atlacomulco Solar, S. A. de C. V.	Mexico (MX)	333	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Barbados Solar, S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	–	(2)	–
Befesa Desalination Developments Ghana Limited	Accra (GH)	5,317	56	Abengoa Water Investment Ghana BV	–	(1)	A
CA Infraestructuras América, S.L.U.	Seville (ES)	3	100	Cox Corporate S.L.	–	(3)	–
CA Infraestructuras Concesiones, S.L.U.	Seville (ES)	3	100	Cox Corporate S.L.	–	(3)	–
CA Infraestructuras Construcción 2023 S.L.U.	Seville (ES)	3	100	Cox Energy EPC S.L.	–	(2)	–
CA Infraestructuras Corporativo, S.L.U.	Seville (ES)	3	100	Cox ABG Group, S.A.	–	(3)	–
CA Infraestructuras Hídricas SL	Seville (ES)	50	100	Cox Water S.L.	–	(1)	–
Calamar Solar S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	–	(2)	–
Centro Morelos 264 S.A. de C.V	Mexico City (MX)	–	95	Cox Energy EPC S.L.	–	(2)	–
Cox Argentina S.A. (n)	Buenos Aires (AR)	2,397	100	Cox T&I S.L.U. / Abengoa Solar Chile O&M Spa	–	(2)	A
Cox BeIT S.L. (a)	Seville (ES)	3	100	Cox Corporate S.L.	–	(3)	–
Cox Brasil, S.A. (b)	Río de Janeiro (BR)	10,824	100	Abengoa Construção Brasil Ltda.	–	(2)	C
Cox Chile S.A.(c)	Santiago de Chile (CL)	13,808	100	Cox T&I S.L.U. / Cox Argentina S.A.	–	(2)	A
Cox Corporate S.L. (k)	Madrid (ES)	48,797	100	Cox ABG Group, S.A.	–	(3)	A
Cox El Guindal, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Cox Energía Chile S.p.A.	Chile (CL)	1	100	Cox Energy, S.L.U.	–	(2)	–

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Cox Energía Comercializadora España SLU	Madrid (ES)	3,578	100	Cox Energy Europa, S.L.U.	–	(2)	A
Cox Energía, S.p.A.	Chile (CL)	179	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Asset, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Autoconsumo Europa, SLU	Madrid (ES)	3	100	Cox Energy SLU	(*)	(2)	–
Cox Energy Colombia S.A.S.	Colombia (CO)	3,080	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Comercializadora, S. A. S. E.S.P.	Colombia (CO)	5	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Comercializadora SpA (d)	Chile (CL)	1	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Desarrollos, SLU	Madrid (ES)	10,497	100	Ibexia Cox Energy Development, SL	(**)	(2)	–
Cox Energy EPC S.L. (e)	Seville (ES)	19,365	100	Cox Corporate S.L. / Cox Energy, S.L.U.	–	(2)	A
Cox Energy Europa, S.L.U.	Madrid (ES)	53	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Finance Latam, Corp., S. A.	Panama (PA)	9	100	Cox Energy, S.A.B. de C.V.	–	(2)	–
Cox Energy GD, S.p.A.	Chile (CL)	209	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Generación Distribuida SAS	Colombia (CO)	–	100	Cox Energy SLU	(*)	(2)	–
Cox Energy Generador, S.A. de C.V.	Mexico (MX)	487	60	Cox Energy, S.L.U.	–	(2)	C
Cox Energy Guatemala, S.A.	Guatemala (GT)	60	100	Cox ABG Group S.A. / Cox Energy, S.L.U.	–	(2)	–
Cox Energy Latin América Chile, S.L.U.	Madrid (ES)	9,190	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy México Suministrador, S.A. de C.V.	Mexico (MX)	284	60	Cox Energy, S.L.U.	–	(2)	C
Cox Energy Panamá, S.A.	Panama (PA)	2,415	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy PMGD, S.p.A.	Chile (CL)	1,733	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Procurement, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy S.A.B. de C.V.	Mexico (MX)	23,889	77.42	Cox ABG Group, S.A.	–	(2)	C
Cox Energy South Africa (Pty) Ltd (f)	Cape Town (ZA)	50	100	Cox Energy EPC S.L.	–	(2)	C
Cox Energy, S.L.U.	Madrid (ES)	68,754	100	Cox Energy, S.A.B., de C.V.	–	(2)	–
Cox Machali. S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Cox O&M S.L. (g)	Seville (ES)	22,433	100	Cox Corporate S.L.	–	(3)	C
Cox Río Maule, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Cox Services South Africa (Pty) Ltd (h)	Cape Town (ZA)	–	100	Cox O&M S.L.	–	(3)	C
Cox T&I, S.L.U. (i)	Seville (ES)	21,460	100	Cox Corporate S.L.	–	(2)	A
Cox Transmissora 1, S.A,	Río de Janeiro (BR)	860	100	Cox Brasil, S.A.	(*)	(2)	C
Cox Transmissora 2, S.A,	Río de Janeiro (BR)	–	100	Cox Brasil, S.A.	(*)	(2)	–
Cox Transmissora 3, S.A,	Río de Janeiro (BR)	–	100	Cox Brasil, S.A.	(*)	(2)	–

Company Name	Registered office	shareholding: Cost in thousand €	shareholding: % share of par value	Shareholder	(*)	Line of business	Auditor
Cox Water S.L. (j)	Seville (ES)	22,696	100	Cox Corporate S.L.	–	(1)	A
Coxabengoa Energy North America, Inc,	Delaware (USA)	1	100	Cox Energy EPC S.L.	–	(2)	–
Coxabengoa Energy of Texas, LLC	Texas (USA)	–	100	Coxabengoa Energy North America, Inc,	(*)	(2)	–
Coxabengoa Energy of California LLC	California (USA)	–	100	Coxabengoa Energy North America, Inc,	(*)	(2)	–
CSP Atacama Dos, S.A	Santiago de Chile (CL)	30,331	99.9	Cox Chile S.A.	–	(2)	–
Desarrollos Fotovoltaicos Ibericos 01-20 y 25-29, S.L	Madrid (ES)	7,702	100	Cox Energy Desarrollos, SLU	(**)	(2)	–
Desarrollos Fotovoltaicos Ibericos 30-33, 35-37 y 39-75, S.L	Madrid (ES)	11,479	100	Ibexia Cox Energy Development, SL	(**)	(2)	–
El Pinto Solar, S. A. de C. V.	Mexico (MX)	284	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
El Sol de Llano Sánchez, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
El Sol de Vallenar, S.p.A.	Chile (CL)	3,558	100	Cox Energy, S.L.U.	–	(2)	–
Energías del Sol de Chile, S.p.A.	Chile (CL)	21,581	100	Cox Energy, S.L.U.	–	(2)	–
Ibergy Instaladora , SL.	Madrid (ES)	3	100	Ibergy Operación y Mantenimiento, S.L.	–	(1)	–
Ibergy Operación y Mantenimiento, S.L. (l)	Seville (ES)	3	100	Cox O&M S.L.	–	(1)	–
Ibexia Cox Energy Development, SL	Madrid (ES)	29,450	100	Cox Energy Europa, S.L.U.	(**)	(2)	C
Inabensa Contracting Llc	Al Khobar (SA)	90	70	Inabensa Saudi Company Limited	(*)	(2)	–
Inabensa Fotovoltaica, S.L.	Seville (ES)	145	100	Cox T&I, S.L.U.	–	(2)	–
Inabensa France, S.A.	Vitrollles (FR)	6,000	100	Cox T&I, S.L.U.	–	(2)	B
Inabensa Saudi Company Limited	Jeddah (SA)	3,856	100	Cox T&I, S.L.U.	–	(2)	C
Inabensa Ukraine, LLC	Kyiv (UA)	–	100	Cox T&I S.L.U	–	(2)	–
Inabensa, LLC	Ruwi (OM)	–	70	Cox T&I S.L.U	–	(2)	C
Industria de Construcciones Metálicas Obrajuelo SA de CV	Mexico City (MX)	3	100	Cox T&I S.L.U / Cox Corporate S.L.	–	(2)	–
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L. / Cox T&I, S.L.U.	–	(2)	–
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L. / Cox T&I, S.L.U.	–	(2)	–
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L. / Cox T&I, S.L.U.	–	(2)	–
Iscali Solar, S.A. de C.V.	Mexico (MX)	437	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Kaxu CSP O&M Company (Pty) Limited	Cape Town (ZA)	–	92	Cox Services South Africa (Pty) Ltd	–	(3)	–
Kaxu CSP South Africa (Proprietary) Limited	Cape Town (ZA)	914	51	Cox Energy South Africa (Pty) Ltd	–	(2)	C
Khi CSP O&M Company (Pty) Limited	Cape Town (ZA)	–	92	Cox Services South Africa (Pty) Ltd	–	(3)	A
Khi CSP South Africa (Proprietary) Limited	Cape Town (ZA)	549	51	Cox Energy South Africa (Pty) Ltd	–	(2)	C
Khi Solar One (Pty) Ltd.	Cape Town (ZA)	16,648	51	Son Rivieren (Pty) Limited	(*)	(2)	A
Laureles Solar S.A.S. (m)	Colombia (CO)	114	100	Cox Energy, S.L.U.	–	(2)	–

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Montenegro, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Omega Brasil Operaçao e Manutençao, S.A	Río de Janeiro (BR)	175	100	Omega Sudamérica, S.L./Abengoa Construçao Brasil, Ltda.	–	(3)	–
Omega Sudamérica, S.L	Seville (ES)	–	100	Cox T&I S.L.U	–	(2)	–
Parita Solar, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
Parque Eólico Los Guindos, S.p.A.	Chile (CL)	1	70	Energías del Sol de Chile, SpA	–	(2)	–
Portezuelo, S.p.A.	Chile (CL)	5,816	100	Cox Energy, S.L.U.	–	(2)	–
Rodas Solar S.A.S.	Colombia (CO)	5	100	Cox Energy, S.L.U.	–	(2)	–
San Francisco V, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
San Javier I, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Société d'Eau Déssalée d'Agadir (SEDA)	Agadir (MA)	18,000	51	Cox Water S.L.	–	(1)	B
Solar Power Plant One	Algiers (DZ)	25,000	51	Cox Energy EPC S.L.	–	(2)	C
Son Rivieren (Pty) Limited	Cape Town (ZA)	1,964	100	Cox Energy SLU	(*)	(2)	C
Tenerife Solar S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	–	(2)	–
Transportadora Cuyana, S.A.	Buenos Aires (AR)	–	100	Cox Argentina, S.A. / Cox T&I, S.L.U.	–	(2)	C
Transportadora del Norte, S.A.	Buenos Aires (AR)	4	100	Cox Argentina, S.A. / Cox T&I, S.L.U.	–	(2)	C
Transportadora Mar del Plata S.A.	Buenos Aires (AR)	–	70	Cox Argentina, S.A. / Cox T&I, S.L.U.	–	(2)	A
Transportadora Río Coronda, S.A.	Buenos Aires (AR)	3	100	Cox Argentina, S.A. / Cox T&I, S.L.U.	–	(2)	C
Valleland, S.p.A.	Chile (CL)	211	100	Portezuelo, S.p.A.	–	(2)	–

The cost of the ownership interest is calculated at the year-end exchange rate for the current year. The % of par value reflects the parent company's direct interest in the subsidiary.

(*) Companies incorporated or acquired and included in the scope of consolidation during the year. (**) Companies included in the Company's consolidation perimeter, following the acquisition of 60% of Ibexia Cox Energy Development, SL, by Cox Energy Europa SL.

(a) Change of name, formerly CA Infraestructuras Servicios, S.L.U. (b) Change of name, formerly Abengoa Infraestrutura, S.A. (c) Change of name, formerly Abengoa Chile, S.A. (d) Change of name, formerly Cox Energy PMGD II, SpA (e) Change of name, formerly CA Infraestructuras Energía 2023, S.L.U. (F) Change of name, formerly Coxabengoa Energy South Africa (Pty) Ltd (g) Change of name, formerly CA Infraestructuras O&M, S.L.U. (h) Change of name, formerly Coxabengoa Services South Africa (Pty) Ltd. (i) Change of name, formerly CA Infraestructuras T&I, S.L.U. (j) Change of name, formerly CA Infraestructuras Agua, S.L.U. (k) Change of name, formerly Cox Infraestructuras SLU (l) Change of name, formerly Ibergy Energía Comercializadora Internacional, S.L. (m) Change of name, formerly Cox Energy Colombia GD, SAS (n) Change of name, formerly Teyma Abengoa, SA

(1) Water (2) Energy (3) Services

A Audited by PricewaterhouseCoopers Auditores. B Audited by Deloitte (statutory audit). C Other (statutory audit).

Annex II - Associates and Joint Ventures included in the 2024 Scope of Consolidation using the equity method

Company Name	Registered office	% share of par value	Shareholder	(*)	Line of business	Auditor
Desarrollos Fotovoltaicos Ibericos 2-4, 6-7, 12, 18, 20 and 26-28 S.L.	Madrid (ES)	40	Cox Energy Desarrollos, SLU	(*)	(2)	-
Desarrollos Fotovoltaicos Ibericos 31, 33, 36 and 40-41, S.L.	Madrid (ES)	40	Ibexia Cox Energy Development, SL(**)	(*)	(2)	-
El Gritón Solar, S.A. de C.V.	Mexico (MX)	20	Cox Energy, S.L.U.	–	(2)	-
Inapreu, S.A.	Barcelona (ES)	50	Cox T&I S.L.U	–	(2)	-
Operador Atacama CSP Chile, SpA.	Santiago de Chile (CL)	50	Cox O&M S.L.	–	(3)	-
Sonnedix Cox Energy Chile, S.p.A.	Chile (CL)	30	Cox Energy Latin América Chile, S.L.U.	–	(2)	C
XiNa Operations and Maintenance Company (Pty) Ltd	Cape Town (ZA)	46	Cox Services South Africa (Pty) Ltd	–	(3)	B

The % of par value reflects the parent company's direct interest in the subsidiary.

(*) Companies included in the Company's consolidation perimeter, following the acquisition of 60% of Ibexia Cox Energy Development, SL, by Cox Energy Europa SL.

(1) Water (2) Energy (3) Services

A Audited by PricewaterhouseCoopers Auditores. B Audited by Deloitte (statutory audit). C Other (statutory audit).

Annex III - Temporary Joint Ventures (UTEs) included in the scope of consolidation in 2024 under the proportionate method

Company Name	Registered office	% share of par value	Shareholder	(*)	Line of business	Auditor
Aeropuerto SVQ	Seville (ES)	1	Cox T&I S.L.		(2)	–
Agencia Andaluza de Energía	Seville (ES)	35	Cox T&I S.L.		(2)	–
Almanjayar	Madrid (ES)	25	Cox T&I S.L.		(2)	–
Argelia UTE Hadjerat	Madrid (ES)	50	Cox T&I S.L.		(2)	–
Barcience	Seville (ES)	50	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–
Cartagena	Murcia (ES)	37.5	Cox O&M S.L.		(3)	–
Cedillo I and II	Madrid (ES)	1	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–
Ciudad Rodrigo	Seville (ES)	1	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–
Enaire	Madrid (ES)	45	Cox T&I S.L.		(2)	–
Energía Línea 9	Barcelona (ES)	20	Cox T&I S.L.		(2)	–
Fontenla-Inabensa Monterroso	Compostela (ES)	30	Cox T&I S.L.		(2)	–
Fontenla-Inabensa Sarriá	Compostela (ES)	30	Cox T&I S.L.		(2)	–
H. Campus de la Salud	Seville (ES)	20	Cox T&I S.L.		(2)	–
Hitachi Rail STS-Inabensa	Madrid (ES)	40.12	Cox T&I S.L.		(2)	–
Inabelec	Madrid (ES)	50	Cox T&I S.L.		(2)	–
Inacom	Madrid (ES)	25	Cox T&I S.L.		(2)	–
La Faisanera	Burgos (ES)	30	Cox T&I S.L.		(2)	–
Mantenimiento AVE Energía	Madrid (ES)	11.27	Cox T&I S.L.		(2)	–
Mantenimiento Centro Lote 1	Madrid (ES)	50	Cox T&I S.L.		(2)	–
Mantenimiento Noreste Lote 5	Madrid (ES)	50	Cox T&I S.L.		(2)	–
Metro Ligero de Granada	Madrid (ES)	40	Cox T&I S.L.		(2)	–
Ontoria	Vizcaya (ES)	50	Cox T&I S.L.		(2)	–
Orthem-Inabensa Campanar II	Seville (ES)	1	Cox T&I S.L.		(2)	–
Pizarro	Seville (ES)	1	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–
Preufet Juzgados	Barcelona (ES)	50	Cox T&I S.L.		(2)	–
Puertollano	Seville (ES)	50	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–
Tagus II, III and IV	Madrid (ES)	1	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–
Usansolo Hospital	Vizcaya (ES)	50	Cox T&I S.L.		(2)	–
UTE Alacat	Madrid (ES)	50	Cox T&I S.L.		(2)	–
UTE Abeima Fisiah Shuaibah	Seville (ES)	50	Cox Water S.L.		(1)	–
UTE Abeima Teyma Agadir	Seville (ES)	100	Cox Water S.L. / Cox O&M S.L.		(1) / (3)	–

Company Name	Registered office	% share of par value	Shareholder	(*)	Line of business	Auditor
UTE Abeima Teyma Nungua	Seville (ES)	100	Cox Water S.L. / Cox O&M S.L.		(1) / (3)	–
UTE R.S.U. Guadalajara	Guadalajara (ES)	55	Cox O&M S.L.		(3)	–
UTE Hassi R´Mel O&M	Seville (ES)	70	Cox O&M S.L.		(3)	C
UTE Salalah	Seville (ES)	49	Cox Water S.L.		(1)	–
UTE Tenes O&M	Seville (ES)	100	Cox Water S.L./ Cox O&M S.L.		(1)	C
Velilla Sur	Madrid (ES)	1	Cox T&I S.L. / Cox Energy EPC S.L.		(2)	–

(1) Water (2) Energy (3) Services

A Audited by PricewaterhouseCoopers Auditores. B Audited by Deloitte. C Others (the JV that is part of the TJV is audited).

Annex IV - Subsidiaries that ceased to form part of the Scope of Consolidation in 2024

Company Name	% Participation	Reason
CA Infraestructuras Innovación y Defensa, S.L.U.	100	Sale
The Net-Zero Journey, Corp. S.A.	75	Sale

The % interest corresponds to the interest held directly by the Parent company in the company.

Annex V - Temporary Joint Ventures that during 2024 and 2023 ceased to form part of the Scope of Consolidation

Company Name	Year excluded	% share of par value
Edificio ITA	2024	30
Hospital Costa del Sol	2024	50
Incubadora	2024	30
Sisecat	2024	20.95
Mataporquera	2023	50

Annex VI - Projects within the Scope of IFRIC 12 Interpretation of Service Concession Arrangements

Arrangement/ project type	Line of business	Country	Status (*)	& Share capital	Term (years)	Granting entity	(I)/(F) (**)	Terms of agreement (price)	Description of the agreement	Asset investment	Amortis./ Impairment	Revenue	Operating profit/(loss)
Transmission Electricity:													
Cox Transmissora 1, S.A,	Transmission	Brazil	(C)	100	2024-2054	Agencia Nacional de Energia Eléctrica	(F)	Single tariff, indexed by IPCA annually with a tariff review every 5 years in accordance with macroeconomic premises. Subject to the volume of demand.	30 years of concession with the Agencia Nacional de Energía Eléctrica (Aneel)	1,116	–	1,229	8
Cox Transmissora 2, S.A,	Transmission	Brazil	(C)	100	2024-2054	Agencia Nacional de Energia Eléctrica	(F)	Single tariff, indexed by IPCA annually with a tariff review every 5 years in accordance with macroeconomic premises. Subject to the volume of demand.	30 years of concession with the Agencia Nacional de Energía Eléctrica (Aneel)	259	–	285	–
Electricity sales:													
Solar Power Plant One	Solar	Algeria	(O)	51	2011-2036	Sonatrach	(I)	Fixed price per MWh, updated monthly for inflation and dinar/ euro exchange rate fluctuation.	25-Year contract for services on sale of electricity to Sonatrach	225,931	(155,199)	54,621	26,056
Khi Solar One (Pty) Ltd.	Solar	South Africa	(O)	51	2016-2026	The Department of Energy of South Africa (Offtaker Eskom Holding Soc Limited)	(I)	Fixed price in Rands/kWh adjusted annually for inflation	20 years of energy sales agreements with Eskom Holding Soc Limited	240,877	(105,341)	3,898	3,878

Arrangement/ project type	Line of business	Country	Status (*)	& Share capital	Term (years)	Granting entity	(I)/(F) (**)	Terms of agreement (price)	Description of the agreement	Asset investment	Amortis./ Impairment	Revenue	Operating profit/(loss)
Maint. of Infrastructure:													
Aman El Baraka, S.A.	Irrigation system	Morocco	(O)	100	2017-2049	Moroccan Ministry of Agriculture and Fisheries (MAMP) (desalination concession for the production of irrigation water) and L'Office Regional de Mise en Valeur Agricole du Souss-Massun (delegated management of irrigation).	(F)	Fixed tariff per m^3 supplied. It has two components: "La Contribution au Fonds de Travaux et de Contrôle" (contribution to the works and control fund) and the Abengoa Rate, including an indexation mechanism.	30 years as from the works start date. The term is divided into two periods: (a) from the start of the works to the commissioning of the irrigation system (36 months of construction) and (b) a 27-year operating period as from the commissioning of the irrigation system.	–	–	11,102	(366)
Selling of desalinated water:													
Société d'Eau Déssalée d'Agadir (SEDA)	Desalination	Morocco	(O)	51	2017-2049	Office National de l'Eau Potable et de l'Electricité	(F)	Fixed tariff per m3 of plant availability and fixed price per m3 produced, both variable, with indexation mechanism.	30 years; 32 months for construction and an operating period of 27 years, four months as from the Commercial Operations Day, with the state-owned company ONEE.	216,956	(24,658)	41,007	25,581

Arrangement/ project type	Line of business	Country	Status (*)	& Share capital	Term (years)	Granting entity	(I)/(F) (**)	Terms of agreement (price)	Description of the agreement	Asset investment	Amortis./ Impairment	Revenue	Operating profit/(loss)
- Befesa Desalination Developments (Ghana)	Desalination	Ghana	(O)	56	2015-2040	Ghana Water Company Limited	(F)	Fixed tariff per m3 of plant availability and fixed price per m3 produced, both variable, with indexation mechanism.	25-year concession agreement as from the Commercial Operations Day.	164,667	(38,026)	23,405	19,748
									Total	**849,806**	**(323,224)**		

(*) Operation (O); Construction (C) (**) Intangible assets (I); Financial assets (F)

As at 31 December 2024 the net book value amounts to €526,582 (see notes 9.1 and 9.2).

Annex VII - Non-Group companies holding 10% or more of the share capital of a subsidiary included in the Scope of Consolidation

Investee company	Shareholder	% Participation
Abeima Fisia Shuaibah, LLC.	Fisia Italimpianti SpA. (Salini Impregilo Group)	50.00
Abeinsa Salalah LLC	Sultan Said Abdullah Al Kindi	30.00
Abratey Construção, Ltda.	Teyma Internacional, S.A.	50.00
Befesa Desalination Developments Ghana Limited	Daye Water Investment Ghana Bv.	44.00
Cox Energy Generador, S.A. de C.V.	Nexus Energía, S.A.	40.00
Cox Energy México Suministrador, S.A. de C.V.	Nexus Energía, S.A.	40.00
Cox Energy S.A.B. de C.V.	Minoritarios Bolsa Institucional de Valores SA de CV	22.58
Inabensa Contracting Llc	Al-Suwaiket	30.00
Inabensa, LLC	Sultan Said Abdullah Al Kindi	30.00
Kaxu CSP South Africa (Proprietary) Limited	Industrial Development Corporation (IDC)	49.00
Khi CSP South Africa (Proprietary) Limited	Industrial Development Corporation (IDC)	49.00
Khi Solar One RF (Pty) Ltd	Industrial Development Corporation (IDC) / Newshelf 1150 RF (Pty) Ltd	49.00
Parque Eólico Los Guindos, S.p.A.	Parque Eólico Ranquilco SpA.	30.00
Société d'Eau Déssalée d'Agadir (SEDA)	InfraMaroc, S.A.	49.00
Solar Power Plant One	New Energy Algeria (NEAL)/SVH (Sonatrach)/Cofides	49.00
Transportadora Mar del Plata, S.A.	Tel 3, S.A. / Abengoa, S.A.	30.00

Annex VIII - Partnerships of projects funded under Project Finance in 2024

Project	Line of business	Country	Status (*)	% Shareholding
Concession infrastructure				
Befesa Desalination Developments Ghana Limited	Desalination	Ghana	(O)	56.00
Khi Solar One (Pty) Ltd.	Solar	South Africa	(O)	51.00
Société d'Eau Déssalée d'Agadir	Desalination	Morocco	(O)	50.99
Solar Power Plant One	Solar	Algeria	(O)	51.00

(*) Operation (O); Construction (C)

Annex IX - Companies taxed under the Special Regime for Groups of Companies and VAT (*) Entities Regime as of 31 December 2024

Company Name	Tax domicile	Shareholder
Cox Water S.L. (*)	Seville (ES)	Cox Corporate S.L.
Cox T&I S.L.U (*)	Seville (ES)	Cox Corporate S.L.
Abener Argelia, S.L.	Seville (ES)	Cox Energy EPC S.L.
Inabensa Fotovoltaica, S.L.	Seville (ES)	Cox T&I, S.L.U.
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L. / Cox T&I, S.L.U.
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L. / Cox T&I, S.L.U.
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	Inabensa Fotovoltaica, S.L. / Cox T&I, S.L.U.
Cox Energy EPC S.L. (*)	Seville (ES)	Cox Corporate S.L. / Cox Energy, S.L.U.
Cox O&M S.L. (*)	Seville (ES)	Cox Corporate S.L.
Cox Corporate S.L. (*)	Madrid (ES)	Cox ABG Group, S.A.
CA Infraestructuras América, S.L.U.	Seville (ES)	Cox Corporate S.L.
Cox BeIT S.L. (*)	Seville (ES)	Cox Corporate S.L.
CA Infraestructuras Corporativo, S.L.U.	Seville (ES)	Cox ABG Group, S.A.
CA Infraestructuras Concesiones, S.L.U.	Seville (ES)	Cox Corporate S.L.
Cox Energia Comercializadora España, SL (*)	Madrid (ES)	Cox Energy Europa, S.L.U.
Cox Energy SLU (*)	Madrid (ES)	Cox Energy, S.A.B., de C.V.
Cox ABG Group, S.A. (formerly Cox Energy Solar, SAU) (*)	Madrid (ES)	Parent
Ibergy Energía Operación y Mantenimiento, S.L.	Seville (ES)	Cox O&M S.L.
Cox Energy Europa, S.L.U. (*)	Madrid (ES)	Cox Energy, S.L.U.
Cox Energy Latin América Chile, S.L.U. (*)	Madrid (ES)	Cox Energy, S.L.U.
Ibergy Instaladora , SL.	Madrid (ES)	Ibergy Operación y Mantenimiento, S.L.
CA Infraestructuras Construcción 2023 S.L.U. (*)	Seville (ES)	Cox Energy EPC S.L.
CA Infraestructuras HídricasSL(antes Tunay Proyectos y Obras SL)	Seville (ES)	Cox Water S.L.
Cox Energy Autoconsumo Europa, SLU	Madrid (ES)	Cox Energy SLU

(*) Companies taxed under the VAT Entities Regime.

Annex X - Subsidiaries included in the 2023 Scope of Consolidation by the Full Consolidation Method

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Abeima Fisia Shuaibah, LLC.	Saudi Arabia (SA)	–	50	CA Infraestructuras Agua, S.L.U.	(**)	(1)	A
Abeima India, Pvt. Ltd.	Chennai (IN)	363	100	CA Infraestructuras Agua, S.L.U.	(**)	(1)	–
Abeima Teyma Infraestructure Ghana Limited	Accra (GH)	–	100	CA Infraestructuras Agua, S.L.U.	(**)	(1)	–
Abeinsa Salalah LLC	Ruwi (OM)	–	70	CA Infraestructuras Agua, S.L.U.	(**)	(1)	C
Abener Argelia, S.L.	Seville (ES)	–	100	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	–
Abener Energie S.A.R.L.	Ain beni (MA)	–	100	CA Infraestructuras O&M, S.L.U.	(**)	(3)	–
Abengoa Agua Company – One Person Company	Riyadh (SA)	–	100	CA Infraestructuras Agua, S.L.U.	(**)	(1)	C
Abengoa Bioenergía Agroindustria, Ltda.	São Paulo (BR)	379,742	100	Abengoa Bioenergía Brasil, S.A. / Abengoa Bioenergía Santa Fe, Ltda.	(**)	(2)	–
Abengoa Bioenergía Brasil, S.A.	São Paulo (BR)	175,841	100	Asa Bioenergy Holding, AG in Liquidation / CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	–
Abengoa Bioenergia Inovações Ltda.	São Paulo (BR)	407,802	100	Asa Bioenergy Holding, AG in Liquidation / Abengoa Bioenergía Santa Fe, Ltda.	(**)	(2)	–
Abengoa Bioenergía Santa Fe, Ltda.	São Paulo (BR)	224	100	Abengoa Bioenergía Brasil, S.A. / Abengoa Bioenergia Trading Brasil, Ltda.	(**)	(2)	–
Abengoa Bioenergia Trading Brasil, Ltda.	São Paulo (BR)	–	100	Abengoa Bioenergía Brasil, S.A. / Abengoa Bioenergía Agroindustria, Ltda.	(**)	(2)	–
Abengoa Brasil Fornecimento S.A.	Río de Janeiro (BR)	–	100	Abengoa Construçao Brasil, Ltda./ Abengoa Concesssoes Brasil Holding, S.A.	(**)	(2)	–
Abengoa Brasil Logística Ltda.	Río de Janeiro (BR)	2,149	100	Abengoa Construçao Brasil, Ltda.	(**)	(2)	–
Abengoa Chile, S.A.	Santiago de Chile (CL)	13,808	100	CA Infraestructuras T&I, S.L.U. / Teyma Abengoa, S.A.	(**)	(2)	A
Abengoa Cogeneraçao de Energía, S.A.	Río de Janeiro (BR)	–	100	Abengoa Construçao Brasil, Ltda./ Abengoa Concesssoes Brasil Holding, S.A.	(**)	(2)	–
Abengoa Concessions Investments Ltd.	Leeds (GB)	9,817	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	–

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Abengoa Concessões Brasil Holding, S.A.	Río de Janeiro (BR)	222,688	100	Abengoa Construçao Brasil, Ltda./ CA Infraestructuras T&I, S.L.U./ Omega Sudamérica, S.L	(**)	(2)	C
Abengoa Construçao Brasil, Ltda.	Río de Janeiro (BR)	13,655	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	C
Abengoa Energy Trading Chile SpA	Santiago de Chile (CL)	10	100	Abengoa Chile, S.A.	(**)	(2)	–
Abengoa Greenfield Brasil Holding, S.A.	Río de Janeiro (BR)	505,489	100	Abengoa Construçao Brasil, Ltda./ CA Infraestructuras T&I, S.L.U.	(**)	(2)	–
Abengoa Infraestrutura, S.A.	Río de Janeiro (BR)	–	100	Abengoa Construção Brasil Ltda.	(**)	(2)	–
Abengoa Puertollano CSP O&M, S.L.	Seville (ES)	1,031	100	CA Infraestructuras O&M, S.L.U.	(**)	(3)	–
Abengoa Solar Chile O&M Spa	Santiago de Chile (CL)	1,953	100	CA Infraestructuras O&M, S.L.U.	(**)	(3)	–
Abengoa Water Investments Ghana, BV	Amsterdam (NL)	32,221	100	CA Infraestructuras Agua S.L.U.	(**)	(1)	–
Abenta Concessões Brasil	Río de Janeiro (BR)	2	96	Abengoa Concessões Brasil Holding, S.A.	(**)	(2)	–
Abratey Construção, Ltda.	Río de Janeiro (BR)	–	50	Abengoa Construçao Brasil, Ltda.	(**)	(2)	–
Alhambra Solar S.A. de C.V.	Mexico (MX)	2,542	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Aman El Baraka, S.A.	Agadir (MA)	–	70	CA Infraestructuras Agua, S.L.U.	(**)	(1)	B
Aparse, S. A. de C. V.	Mexico (MX)	2,188	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Asa Bioenergy Holding, AG in Liquidation	Zug (SZ)	17,010	100	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	C
Asa Inmobiliaria Chile, S.A.	Santiago de Chile (CL)	–	100	CA Infraestructuras T&I, S.L.U. / Teyma Abengoa, S.A.	(**)	(2)	–
Abengoa Brasil Administraçao Predial Ltda	Río de Janeiro (BR)	3,796	100	Abengoa Concesssoes Brasil Holding, S.A.	(**)	(2)	–
ATE XIX Transmissora de Energia S.A.	Río de Janeiro (BR)	53,825	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XVI Transmissora de Energia S.A.	Río de Janeiro (BR)	273,602	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
ATE XVII Transmissora de Energia S.A.	Río de Janeiro (BR)	67,142	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XVIII Transmissora de Energia S.A.	Río de Janeiro (BR)	34,395	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XX Transmissora de Energia S.A.	Río de Janeiro (BR)	44,407	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XXI Transmissora de Energia S.A.	Río de Janeiro (BR)	177,655	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XXII Transmissora de Energia S.A.	Río de Janeiro (BR)	56,970	100	Abengoa Concessões Brasil Holding S.A./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XXIII Transmissora de Energia S.A.	Río de Janeiro (BR)	83,339	100	Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
ATE XXIV Transmissora de Energia, S.A.	Río de Janeiro (BR)	44,780	100	Abengoa Construçao Brasil, Ltda./ Abengoa Greenfield Brasil Holding, S.A.	(**)	(2)	–
Atlacomulco Solar, S. A. de C. V.	Mexico (MX)	333	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
Barbados Solar, S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	(*)	(2)	–
Befesa Desalination Developments Ghana Limited	Accra (GH)	5,317	56	Abengoa Water Investment Ghana BV	(**)	(1)	A
CA Infraestructuras Agua, S.L.U.	Seville (ES)	26,866	100	Cox Infrastructuras, S.L.U.	(**)	(1)	A
CA Infraestructuras América, S.L.U.	Seville (ES)	3	100	Cox Infrastructuras, S.L.U.	(**)	(3)	–
CA Infraestructuras Concesiones, S.L.U.	Seville (ES)	3	100	Cox Infrastructuras, S.L.U.	(**)	(3)	–
CA Infraestructuras Construcción 2023 S.L.U.	Seville (ES)	3	100	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	–
CA Infraestructuras Corporativo, S.L.U.	Seville (ES)	3	100	Cox Infrastructuras, S.L.U.	(**)	(3)	–
CA Infraestructuras Energía 2023, S.L.U.	Seville (ES)	20,674	100	Cox Infrastructuras, S.L.U. / Cox Energy, S.L.U.	(**)	(2)	A
CA Infraestructuras Hídricas SL	Seville (ES)	50	100	CA Infraestructuras Agua, S.L.U.	(**)	(1)	–
CA Infraestructuras Innovación y Defensa, S.L.U.	Seville (ES)	5,743	100	Cox Infrastructuras, S.L.U.	(**)	(3)	A

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
CA Infraestructuras O&M, S.L.U.	Seville (ES)	9,567	100	Cox Infrastructuras, S.L.U.	(**)	(3)	C
CA Infraestructuras Servicios, S.L.U.	Seville (ES)	3	100	Cox Infrastructuras, S.L.U.	(**)	(3)	–
CA Infraestructuras T&I, S.L.U.	Seville (ES)	18,516	100	Cox Infrastructuras, S.L.U.	(**)	(2)	A
Calamar Solar S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	(*)	(2)	–
Centro Morelos 264 S.A. de C.V	Mexico City (MX)	–	95	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	–
Cox El Guindal, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Cox Energía Chile S.p.A.	Chile (CL)	1	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energía Comercializadora España SLU	Madrid (ES)	3,578	100	Cox Energy Europa, S.L.U.	–	(2)	A
Cox Energía, S.p.A.	Chile (CL)	179	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Asset, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Colombia GD, S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	(*)	(2)	–
Cox Energy Colombia S.A.S.	Colombia (CO)	1,860	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Comercializadora, S. A. S.	Colombia (CO)	5	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Europa, S.L.U.	Madrid (ES)	53	100	Cox Energy, S.L.U.	–	(2)	A
Cox Energy Finance Latam, Corp., S. A.	Panama (PA)	11	100	Cox Energy, S.A.B. de C.V.	–	(2)	–
Cox Energy GD, S.p.A.	Chile (CL)	209	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Generador, S.A. de C.V.	Mexico (MX)	487	60	Cox Energy, S.L.U. / Nexus Energía, S.A. (40%)	–	(2)	A
Cox Energy Guatemala, S.A.	Guatemala (GT)	60	100	Cox ABG Group S.A. / Cox Energy, S.L.U.	–	(2)	–
Cox Energy Latam Chile, S.p.A.	Madrid (ES)	–	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy México Suministrador, S.A. de C.V.	Mexico (MX)	284	60	Cox Energy, S.L.U. / Nexus Energía, S.A. (40%)	–	(2)	A
Cox Energy Panamá, S.A.	Panama (PA)	1,829	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy PMGD II, SpA	Chile (CL)	1	100	Cox Energy, S.L.U.	(*)	(2)	–
Cox Energy PMGD, S.p.A.	Chile (CL)	1,733	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy Procurement, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
Cox Energy S.A.B. de C.V. (a)	Mexico (MX)	23,889	81	Cox ABG Group S.A.	–	(2)	A

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Cox Energy, S.L.U. (b)	Madrid (ES)	79,302	100	Cox Energy, S.A.B., de C.V.	–	(2)	–
Cox Infraestructuras, S.L.	Madrid (ES)	47,144	100	Cox ABG Group, S.A.	(**)	(3)	A
Cox Machali. S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Cox Río Maule, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Coxabengoa Energy North America, Inc,	Delaware (USA)	–	100	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	–
Coxabengoa Energy South Africa (Pty) Ltd	Cape Town (ZA)	50	100	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	–
Coxabengoa Services South Africa (Pty) Ltd.	Cape Town (ZA)	–	100	CA Infraestructuras O&M, S.L.U.	(**)	(3)	C
CSP Atacama Dos, S.A	Santiago de Chile (CL)	32,308	100	Abengoa Chile, S.A.	(**)	(2)	–
El Pinto Solar, S. A. de C. V.	Mexico (MX)	284	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–
El Sol de Llano Sánchez, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
El Sol de Vallenar, S.p.A.	Chile (CL)	253	100	Cox Energy, S.L.U.	–	(2)	–
Energías del Sol de Chile, S.p.A.	Chile (CL)	18,661	100	Cox Energy, S.L.U.	–	(2)	–
Ibergy Energía Comercializadora Internacional, S.L.	Madrid (ES)	3	100	CA Infraestructuras O&M, S.L.U.	–	(1)	–
Ibergy Instaladora , SL.	Madrid (ES)	3	100	Ibergy Energía Comercializadora Internacional, SL (Ibergy)	–	(1)	–
Inabensa Fotovoltaica, S.L.	Seville (ES)	145	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	–
Inabensa France, S.A.	Vitrollles (FR)	3,053	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	B
Inabensa Saudi Company Limited	Jeddah (SA)	3,856	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	C
Inabensa Ukraine, LLC	Kyiv (UA)	2	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	–
Inabensa, LLC	Ruwi (OM)	–	70	CA Infraestructuras T&I, S.L.U.	(**)	(2)	C
Industria de Construcciones Metálicas Obrajuelo SA de CV	Mexico City (MX)	3	100	CA Infraestructuras T&I, S.L.U. / Cox Infrastructuras, S.L.U.	(**)	(2)	–
Instalaciones Fotovoltaicas Torrecuéllar, 1 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L.	(**)	(2)	–
Instalaciones Fotovoltaicas Torrecuéllar, 2 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L.	(**)	(2)	–
Instalaciones Fotovoltaicas Torrecuéllar, 3 S.L.	Seville (ES)	3	100	Inabensa Fotovoltaica, S.L.	(**)	(2)	–
Iscali Solar, S.A. de C.V.	Mexico (MX)	437	100	Cox Energy, S.L.U. / Cox Energy S.A.B. de C.V.	–	(2)	–

Company Name	Registered office	shareholding		Shareholder	(*)	Line of business	Auditor
		Cost in thousand €	% share of par value				
Kaxu CSP O&M Company (Pty) Limited	Cape Town (ZA)	–	92	Coxabengoa Services South Africa (Pty) Ltd.	(**)	(3)	–
Kaxu CSP South Africa (Proprietary) Limited	Cape Town (ZA)	877	51	Coxabengoa Energy South Africa (Pty) Ltd	(**)	(2)	C
Khi CSP O&M Company (Pty) Limited	Cape Town (ZA)	–	92	Coxabengoa Services South Africa (Pty) Ltd.	(**)	(3)	A
Khi CSP South Africa (Proprietary) Limited	Cape Town (ZA)	526	51	Coxabengoa Energy South Africa (Pty) Ltd	(**)	(2)	C
Montenegro, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	(*)	(2)	–
Omega Brasil Operaçao e Manutençao, S.A	Río de Janeiro (BR)	175	100	Omega Sudamérica, S.L./Abengoa Construçao Brasil, Ltda.	(**)	(3)	–
Omega Sudamérica, S.L	Seville (ES)	–	100	CA Infraestructuras T&I, S.L.U.	(**)	(2)	–
Parita Solar, S. A.	Panama (PA)	–	100	Cox Energy, S.L.U.	–	(2)	–
Parque Eólico Los Guindos, S.p.A.	Chile (CL)	1	70	Energías del Sol de Chile, SpA	–	(2)	–
Portezuelo, S.p.A. (c)	Chile (CL)	5,816	100	Cox Energy, S.L.U.	–	(2)	–
Rodas Solar S.A.S. (d)	Colombia (CO)	5	100	Cox Energy, S.L.U.	–	(2)	–
San Francisco V, S.p.A.	Chile (CL)	1	100	Cox Energy PMGD, S.p.A.	–	(2)	–
San Javier I, S.p.A.	Chile (CL)	1,647	100	Cox Energy PMGD, S.p.A.	–	(2)	–
Société d'Eau Déssalée d'Agadir (SEDA)	Agadir (MA)	35,206	51	CA Infraestructuras Agua, S.L.U.	(**)	(1)	B
Solar Power Plant One	Algiers (DZ)	18,236	51	CA Infraestructuras Energía 2023, S.L.U.	(**)	(2)	C
Tenerife Solar S.A.S.	Colombia (CO)	114	100	Cox Energy, S.L.U.	(*)	(2)	–
Teyma Abengoa, S.A.	Buenos Aires (AR)	863	100	CA Infraestructuras T&I, S.L.U. / Abengoa Solar Chile O&M Spa	(**)	(2)	A
Transportadora Cuyana, S.A.	Buenos Aires (AR)	–	87	Teyma Abengoa, S.A.	(**)	(2)	C
Transportadora del Norte, S.A.	Buenos Aires (AR)	4	95	Teyma Abengoa, S.A.	(**)	(2)	C
Transportadora Mar del Plata S.A.	Buenos Aires (AR)	–	51	Teyma Abengoa, S.A.	(**)	(2)	A
Transportadora Río Coronda, S.A.	Buenos Aires (AR)	3	95	Teyma Abengoa, S.A.	(**)	(2)	C
Valleland, S.p.A.	Chile (CL)	225	100	Portezuelo, S.p.A. (antes Valleland III, S.p.A.)	–	(2)	–

The cost of the ownership interest is calculated at the year-end exchange rate for the current year. The % of par value reflects the parent company's direct interest in the subsidiary.

(*) Companies incorporated or acquired and included in the scope of consolidation during the year. (**) Companies included in the Company's consolidation scope due to the integration of Cox Infrastructuras, S.L.

(a) Name change, formerly Cox Energy América, S.A.B. de C.V. (b) Name change, formerly Cox Energy Latin América, S.L.U. (c) Name change, formerly Valleland III, S.p.A. (d) Name change, formerly Pradera Solar, S.A.S.

(1) Water (2) Energy (3) Services

A Audited by PricewaterhouseCoopers Auditores. B Audited by Deloitte (statutory audit). C Other (statutory audit).

Annex XI - Associates and Joint Ventures included in the 2023 Scope of Consolidation using the equity method

Company Name	Registered office	% share of par value	Shareholder	(*)	Line of business	Auditor
El Gritón Solar, S.A. de C.V.	Mexico (MX)	20	Cox Energy, S.L.U.	–	(2)	–
Ibexia Cox Energy Development, SL (***)	Spain (ES)	40	Cox Energy Europa, S.L.U.	–	(2)	C
Inapreu, S.A.	Barcelona (ES)	50	CA Infraestructuras T&I, S.L.U.	(**)	(2)	A
Operador Atacama CSP Chile, SpA.	Santiago de Chile (CL)	50	CA Infraestructuras O&M, S.L.U.	(**)	(3)	–
Sonnedix Cox Energy Chile, S.p.A.	Chile (CL)	30	Cox Energy Latam Chile, S.L.U.	–	(2)	C
XiNa Operations and Maintenance Company (Pty) Ltd	Cape Town (ZA)	46	Coxabengoa Services South Africa (Pty) Ltd.	(**)	(3)	C

The % of par value reflects the parent company's direct interest in the subsidiary.

(*) Companies incorporated or acquired and included in the scope of consolidation during the year. (**) Companies included in the Company's consolidation scope due to the integration of Cox Infraestructuras, S.L. (***) 81 SPVs are affiliated with this company.

(1) Water (2) Energy (3) Services

A Audited by PricewaterhouseCoopers Auditores. B Audited by Deloitte (statutory audit). C Other (statutory audit).

Annex XII - Temporary Joint Ventures (UTEs) included in the scope of consolidation in 2023 under the proportionate method

Company Name	Registered office	% share of par value	Shareholder	(*)	Line of business	Auditor
Aeropuerto SVQ	Seville (ES)	1	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Agencia Andaluza de Energía	Seville (ES)	35	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Almanjayar	Madrid (ES)	25	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Argelia UTE Hadjerat	Madrid (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Barcience	Seville (ES)	50	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	-
Cartagena	Murcia (ES)	37.50	CA Infraestructuras O&M, S.L.U.	(*)	(3)	-
Cedillo I and II	Madrid (ES)	1.00	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	-
Ciudad Rodrigo	Seville (ES)	1.00	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	-
Edificio ITA	Zaragoza (ES)	30	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Enaire	Madrid (ES)	45	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Energía Línea 9	Barcelona (ES)	20	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Fontenla-Inabensa Monterroso	Santiago Compost. (ES)	30	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Fontenla-Inabensa Sarriá	Santiago Compost. (ES)	30	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
H. Campus de la Salud	Seville (ES)	20	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Hitachi Rail STS-Inabensa	Madrid (ES)	40.12	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Hospital Costa del Sol	Málaga (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Inabelec	Madrid (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Inacom	Madrid (ES)	25	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Incubadora	Madrid (ES)	30	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
La Faisanera	Burgos (ES)	30	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Mantenimiento AVE Energía	Madrid (ES)	11.27	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Mantenimiento Centro Lote 1	Madrid (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Mantenimiento Noreste Lote 5	Madrid (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Metro Ligero de Granada	Madrid (ES)	40	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Ontoria	Vizcaya (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Orthem-Inabensa Campanar II	Seville (ES)	1	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-

Company Name	Registered office	% share of par value	Shareholder	(*)	Line of business	Auditor
Pizarro	Seville (ES)	1	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	–
Preufet Juzgados	Barcelona (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Puertollano	Seville (ES)	50	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	-
Sisecat	Madrid (ES)	20.95	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
Tagus II, III and IV	Madrid (ES)	1	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	-
Usansolo Hospital	Vizcaya (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
UTE Alacat	Madrid (ES)	50	CA Infraestructuras T&I, S.L.U.	(*)	(2)	-
UTE Abeima Fisiah Shuaibah	Seville (ES)	50	CA Infraestructuras Agua, S.L.U.	(*)	(1)	-
UTE Abeima Teyma Agadir	Seville (ES)	100	CA Infraestructuras Agua, S.L.U. / CA Infraestructuras O&M, S.L.U.	(*)	(1) / (3)	-
UTE Abeima Teyma Nungua	Seville (ES)	100	CA Infraestructuras Agua, S.L.U. / CA Infraestructuras O&M, S.L.U.	(*)	(1) / (3)	-
UTE Guadalajara	Guadalajara (ES)	55	CA Infraestructuras O&M, S.L.U.	(*)	(3)	-
UTE Hassi R´Mel O&M	Seville (ES)	70	CA Infraestructuras O&M, S.L.U.	(*)	(3)	C
UTE Salalah	Seville (ES)	49	CA Infraestructuras Agua, S.L.U.	(*)	(1)	C
UTE Tenes O&M	Seville (ES)	100	CA Infraestructuras Agua, S.L.U. / CA Infraestructuras O&M, S.L.U.	(*)	(1)	-
Velilla Sur	Madrid (ES)	1	CA Infraestructuras T&I, S.L.U. / CA Infraestructuras Energía 2023, S.L.U.	(*)	(2)	-

(*) Temporary consortia (UTEs) included in the Company's consolidation scope due to the integration of Cox Infrastructuras, S.L.

(1) Water (2) Energy (3) Services

A Audited by PricewaterhouseCoopers Auditores. B Audited by Deloitte. C Other.

Cox ABG Group, S.A.
and subsidiaries

Consolidated Management Report

31 December 2024

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1.- Status of the entity

1.1. Organisational structure

Cox ABG Group, S.A., formerly Cox Energy Solar, S.A., (hereinafter 'Cox ABG Group' or 'the Company') and its subsidiaries comprise the Cox Group (hereinafter the 'Group').

Cox ABG Group, S.A. (the "Parent Company" or the "Company") is a public limited company incorporated under Spanish law on 25 July 2014, and domiciled in Madrid, Spain.

The Parent company and its subsidiaries and associates ('Cox' or the 'Group') constitute the holding company of an international group operating in 21 countries.

Cox is a vertically and horizontally integrated water and energy utility company, a global leader in infrastructure and efficient management of water resources, specialising in desalination, reuse, and treatment technologies, as well as renewable energy generation and transmission. The company offers services across the entire value chain and, through its divisions, leverages the synergies generated by its complementary capabilities to maximise value creation. It has a presence in the Middle East, Latin America, Europe, South Africa, and North Africa.

One of its strategic pillars is *Energy Follows Water*, a model whereby water Concessions open up new opportunities for the energy division, thus improving project efficiency and cost optimisation. The company is a global benchmark in highly strategic and critical sectors for the economy: water and energy, where it has extensive experience and technical capabilities. In addition to these two divisions, the group provides engineering and procurement (EP) as well as operation and maintenance (O&M), permitting and complementary services.

Areas of activity

The Group specialises in the development of turnkey or EPC projects for third parties in four key areas: energy, water, services, and transmission and infrastructure.

- Energy:

  Cox has extensive experience in the power generation sector with open cycle, combined cycle, cogeneration, wind farms, solar thermal and photovoltaic energy plants, and biomass plants, which together exceed 15 GW installed and under construction.

- Water:

  Cox specialises in the design and construction of desalination systems, with more than 30 plants in Spain, Africa, Latin America, the United States, Asia, and the Middle East, for the production of potable or industrial water. These plants use conventional and advanced membrane processes, from seawater or brackish water. It currently has an installed capacity of more than 4 million m^3/day for desalination, and 172,000 m^3/day are under construction.

  It has extensive experience in wastewater treatment, with more than 120 projects executed both in purification and in the treatment and reuse of urban and industrial wastewater, including sludge digestion and recovery.

  Cox has always been at the forefront of hydraulic initiatives, working with public and private institutions in the implementation, improvement, and operation of regulation, transport (over 40 pumping stations and over 1,100 km of large pipelines), distribution (serving over 4 million people), irrigation (over 500,000 ha), and hydroelectric power plants (400 MW installed in more than 40 plant construction, improvement, and modernisation projects).

  In all these sectors, Cox carries out turnkey projects that encompass the entire value chain: development, engineering, procurement, construction, and commissioning of the installation, in addition to offering O&M.

  Its ability to design and hybridise technologies to offer its clients optimal solutions is a key strength.

- Transmission and Infrastructure:

  Cox has more than 70 years of experience in industrial engineering, construction, and industrial and infrastructure maintenance in the energy, industry, environment, transportation, and communications sectors, covering the development of power transmission and distribution lines, railway electrification, installations and infrastructure for all types of plants and buildings, as well as auxiliary electrical, electronic, and metal structure manufacturing.

  The differentiating aspect is the customer focus, providing customised solutions adapted to the different markets, regulations, and specifications of each project. The capitalisation of the vast experience accumulated over all its years of existence is another important point to highlight.

  Cox has a highly specialised team equipped with the best technical equipment, with a leading position in Spain and a strong international presence.

Cox has experienced continuous growth, following a strategy of diversification and greater profitability by expanding its international projection and presence in large industrial projects, within a framework of management modernisation and cost reduction.

- Services:

Cox has generated a wide portfolio of products and services that optimise plant operation and maintenance, providing clients with high-quality service.

Cox provides comprehensive predictive, preventive, and corrective maintenance operation and implementation services for renewable, conventional, and water treatment plants, with the aim of optimising their reliability, performance, and technical availability, minimising the consumption of fuels, chemicals and consumables, as well as greenhouse gas (GHG) emissions, and maximising their production.

Additionally, the Group engages in Innovation activities:

Cox is committed to innovation as a driver of technological development and value generation. This empowers it to enhance the specific features of products and services by offering them significant added value, simultaneously granting it a competitive edge in the international market, with the goal of establishing itself as a global leader in its sector and continuing to expand in an increasingly competitive and demanding market. Cox is currently engaged in five research lines where it is undertaking strategic innovative developments: Hydrogen, Electric Power Systems, Solar Thermal Energy, and Railway Systems.

History of the Group

In 2014,

- Cox Energy Solar, S.A. was incorporated.

In 2015,

- Cox Energy Solar commenced operations in Central America and the Caribbean.
- On 4 March 2015, Cox Energy Solar commenced operations in Mexico with the incorporation of Cox Energy México, S.A. de C.V.

In 2016,

- In August, Cox Energy Solar secured an annual generation capacity of 264 GWh in the Chilean electricity auction.
- Cox Energy Solar entered the energy trading business in Spain with the acquisition of Avalia Energía (now Cox Energía Comercializadora).

In 2017,

- The subsidiary Cox Energy México Suministrador, S.A. de C.V. received permission from the Commission for Energy Regulation (CER) to trade energy in Mexico.
- Cox Energy Solar entered into a partnership agreement with Sonnedix for the development, construction, and operation of renewable energy projects in Chile. Cox Energy Solar sold 70% of its Chilean subsidiary, which owns the 264 GWh annual PPA contracts awarded the previous year, to Sonnedix. Furthermore, Sonnedix transferred 30% of the capital of SPV P4, S.p.A. to Cox Energy Solar. SPV P4, S.p.A. is a special purpose vehicle company with operational assets of 7 MWp.
- In October, Cox Energy Solar sold 80% of the share capital of its El Gritón Solar project in Mexico to GPG.
- In November, Cox Energy Solar secured a 20-year electricity supply contract for 140 GWh annually in Chile through a tender process.

In 2018,

- In March, Cox Energy Solar signed a private PPA with Audax Energía, S.A. for 660 MWp of solar photovoltaic energy across various locations in Spain and Portugal.
- In June, Cox Energy Solar acquired 40% of Cox Energy Suministrador, S.A. de C.V. and Cox Energy Generador, S.A. de C.V. from Nexus Energía, S.A.
- In August, Cox Energy Solar signed a solar photovoltaic PPA for 450 GWh/year with Nexus Energía in Spain.

- In December, Cox Energy Solar agreed to split its project portfolio into two subholding companies. Efficient organisation and management, along with the pursuit of necessary funding in geographic areas with significantly different economic structures and cycles, energy models, reference currencies, and investor community interests, prompted a reconsideration of the company's restructuring. This was centred around two distinct platforms, Europe and Latin America, each with specific structures, administrative bodies, and teams, and the capability to manage operational functions and secure necessary resources with the required autonomy, to maximise value creation for each platform.

In 2019,

- In July, Cox Energy Solar sold its 30% interest in the SPV P4, S.p.A. special purpose vehicle company.
- In the second half of the year, Ibexia Development, S.L. acquired Sonnedix's stake in the joint venture with Cox Energy Solar for the development of projects in Spain. The joint venture company, in which Cox Energy Solar holds a 40% share, was renamed Ibexia Cox Energy Development, S.L. ("Ibox Energy").

In 2020,

- In April 2020, Cox Energy Solar carried out a corporate restructuring in Latin America. Consequently, Cox Energy, S.A. de C.V. (formerly Cox Energy América, S.A.B. de C.V.) was established, together with its subsidiary entities as a legally consolidable Group.
- On 7 July, Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A.B. de C.V.) completed an Initial Public Offering of shares in Mexico.
- On 8 July, the shares of Cox Energy América (now Cox Energy, S.A.B. de C.V.) began trading on BIVA.

In 2021,

- In June, the construction of the Meseta de los Andes photovoltaic project began in Chile, featuring a capacity of 160 MW, a substation, and a 15.6 km x 220 kV transmission line.
- On 16 November, the Extraordinary General Shareholders' Meeting of Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A.B. de C.V.) formally approved the commencement of the necessary procedures to apply for authorisation to list its shares on the BME Growth trading segment of BME MTF Equity.

In 2022,

- In June, Ibox Energy and Nexwell Power sold 619 MWp of photovoltaic capacity to CTGS.
- In September, Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A.B. de C.V.) received authorisation from XM to function as an agent in Colombia's Wholesale Electricity Market, via its subsidiary Cox Energy Comercializadora, S.A.S. With the granted approval, it will be able to negotiate contracts for the supply and purchase of energy in Colombia's electricity market.
- In the second half of the year, Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A.B. de C.V.) commenced operations in the Dominican Republic and Puerto Rico.
- In December, the Spanish government authorised the sale of 619 MWp to CTGS.

In 2023,

- On 18 April 2023, the Business Court no. 3 of Seville found in favour of awarding Abengoa’s production units to Cox Energy (the company 'Cox Energy Europe, S.L.U.') as part of the insolvency proceedings which were ongoing since 10 November 2022.
- The Board of Directors of BME Growth approved the incorporation of Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A.B. de C.V.) on 3 July 2023, after all the documentation submitted by the company had been analysed and studied and the favourable assessment report of the Market Coordination and Incorporations Committee had been issued.

In 2024,

- On 1 August 2024, Cox Energy signed an agreement to acquire 60.0% of Ibexia Cox Energy Development, S.L. (Ibox Energy).

  Ibox Energy is a power generation company primarily focused on the development, promotion, and operation of renewable energy plants, as well as storage and biogas projects. It boasts a project portfolio totalling over 900 MW, with 161 MW currently under construction and/or in the backlog phase. In the year 2022, IboxEnergy and its strategic partner, Nexwell Power, finalised the sale of a portfolio of 619 MW of photovoltaic assets to China Three Gorges. The turnover of this portfolio is contingent on compliance with certain development milestones.

- On 15 November, Cox made a significant stride in its history. At the Palacio de la Bolsa in Madrid, at 12:00 noon, Cox performed the traditional "Bell Ringing", which signifies the commencement of trading of its shares on the Spanish Stock Exchanges.

- On 2 December 2024, the group announced the formalisation of the acquisition of a 51% stake in the Khi Solar One solar thermal plant, following the fulfilment of the conditions precedent outlined in the deed of sale, after receiving approval from the South African Department of Minerals and Energy and the financing bodies. The remaining 49% is owned by local partners.

  The Khi Solar One solar thermal plant is situated near the South African town of Upington, within the Northern Cape province, and is part of the first round of the country's Renewable Energy Independent Power Producer Procurement Programme (REIPPP). This is a one-of-a-kind solar thermal power plant in the world, featuring central tower technology and a heliostat field, with a capacity of 50 MW and thermal storage. Khi Solar One commenced operations in 2016 and is currently one of the foremost solar thermal facilities in South Africa, and the first tower facility to become operational on the African continent.

2.- Business evolution and results

Unless otherwise indicated, the figures shown in this Consolidated Management Report are expressed in millions of euros.

2.1. Financial position

a) Application of new accounting standards

The standards, amendments, and interpretations, whether already in force, adopted, or pending, by the European Union, have been described in note 2.2. of the Report.

b) Changes in the consolidation scope

The main changes in the consolidation scope have been described in note 6.2. of the Report.

c) Main acquisitions and disposals

a) Acquisitions

- During the fiscal year 2024, the following acquisitions have occurred:

- On 16 April 2024, the subsidiary company CA Infraestructura T&I, S.L.U was awarded as the highest bidder for the shares representing 19% of Transportadora Mar de Plata, as well as 12.5% of Transportadora Cuyana, S.A, and 5% of Transportadora del Norte, S.A and Transportadora Rio Coronda, S.A. These are companies in which the group already held majority stakes, for €2 thousand, as per the public auction of Abengoa, S.A., in liquidation.

- On 16 April 2024, the subsidiary CA Infraestructura Agua, S.L.U. emerged as the highest bidder for 30% of the shares of Aman El Baraka (Morocco), a company in which it already held the remaining 70%, for €160 thousand, as per the public auction of Abengoa, S.A., in liquidation.

- On 3 July 2024, the Company formalised a sale agreement for the transfer of 100% of the shares of Son Rivieren (Pty) Ltd, the majority shareholder holding 51% of the shares in Khi Solar One, a thermosolar power plant in South Africa (see note 6.3). The effectiveness of the transaction was contingent upon several conditions precedent, all of which were satisfied on 30 November 2024.

- On 1 August 2024, Cox Energy acquired 60% of the shares in Ibexia Cox Energy Development, a company in which Cox already held the remaining 40% (see note 10), for a fixed price of 452 million Mexican pesos, approximately equivalent to €22.2 million, to be paid through the issuance of 13.3 million shares of Cox Energy, S.A.B. de C.V. (see notes 16.3 and 19). Furthermore, Cox Energy has entered into an agreement with Ibexia Investment Holding for the provision of call options on 10 million shares of Cox Energy, S.A.B. de C.V., to be exercised within 18 months after reaching a specified milestone, at a price above the current market value.

During the fiscal year 2023, significant acquisitions took place as a result of the integration of Cox Infraestructuras, S.L. into the Group's consolidation scope in relation to Abengoa's production units (see note 6.3).

b) Disposals

In the years 2024 and 2023, no disposals have been made, except for:

- On 28 June 2024, the company Cox Infraestructura, S.L.U. entered into an agreement to purchase 100% of the shares of the commercial company CA Infraestructuras Innovación & Defensa, S.L.U. (now Aytana Aeroespacio y Defensa S.L.) from Riquelme Capital, S.L.U., the main shareholder of Inversiones Riquelme, S.L. and Ondainvest, S.L.U., for €5.4 million (see note 30.2). The parties agree, via bank transfer, on a payment schedule for the next three annual instalments, accruing interest at a fixed rate of 6.25%. The impact of the operation amounts to €2 million (see note 27).

d) Highlights

Economic data

Item	2024	2023
Income Statement (in millions of euros)		
Sales	702	581
EBITDA (**)	183	103
Operating margin (**)	26%	18%
Net profit	42	32
Statement of financial position (in millions of euros)		
Total assets	1,389	994
Equity	332	108
Net financial debt (*)	62	99
Share information (*)		
Closing price (Price €/share)	9.69	–
Market capitalisation of Cox ABG Group (Million EUR)	755	–
Market capitalisation of listed subsidiaries (Million EUR)	267	310

(*) See section 8.1 of this Consolidated Management Report. (**) Alternative performance indicator outlined in section 8.4 of this Management Report.

Operating figures

International operations account for 91% of total sales.

The key operating figures of the assets at the end of fiscal years 2024 and 2023 are as follows:

Key operating figures	2024	2023
Desalination (ML/day)	335	335
Generation (MW)	220	220
Solar Power (MW)	213	163
Biofuels (ML/year)	145	145

Figures for booking and the backlog at the end of the fiscal years 2024 and 2023 are as follows, in millions of euros:

Item	2024	2023
Booking (1)	2,026	300
Backlog (2)	2,230	769

(1) Booking: value of construction contracts awarded and signed during the period. (2) Backlog: value of construction contracts awarded and signed but pending execution.

e) Consolidated income statement

A summary table of the Consolidated Income Statement as of the end of the fiscal years 2024 and 2023 is presented below, along with an explanation of the main variations between these two periods:

Item	2024	2023 (*)
Revenue	702	581
Operating income and expenses	(519)	(478)
EBITDA (**)	**183**	**103**
Depreciation/amortisation and impairment	(68)	(42)
I. Operating profit	**115**	**61**
Finance income and costs	(29)	(35)
Net foreign exchange differences and other financial results	(8)	8
II. Financial results	**(37)**	**(27)**
III. Share of profit/(loss) from associates	**(1)**	**1**
IV. Consolidated profit(loss) before income tax	**77**	**35**
V. Income tax expense	**(18)**	**2**
Profit/(loss) for the fiscal year	**59**	**37**
VI. Non-controlling interests	17	5
Profit/(loss) attributable to the parent company	**42**	**32**

(*) In the 2023 fiscal year, the production units of Abengoa were acquired (see note 6.3.), which significantly affected the global consolidated figures. They are included for a 9-month period. (**) Alternative performance indicator outlined in section 8.4 of this Management Report.

Revenue

Net revenue has risen to €702 million, marking an increase of €121 million compared to the same period of the previous year, during which Abengoa's production units were included for a 9-month period.. This indicates a decline in sales when considering 2023 as a 12-month period, primarily because the awarding of contracts for fiscal year 2024 occurred at the end of the year. The breakdown of these sales is detailed in section 2.1.f) of this Management Report.

EBITDA

The EBITDA amount has increased by €80 million, reaching €183 million compared to the same period of the previous year. The negative impact of the delayed booking in 2024 mentioned above is balanced by the revenue from the claim against Aneel regarding the sale of a previous concession in Brazil (€25 million) and the purchase of the Khi Solar One plant in South Africa (€20 million). The breakdown of EBITDA by segment is detailed in section 2.1.f) of this Management Report.

Operating profit

The operating profit has risen by €54 million, reaching a profit of €115 million in 2024. This is due to the previously explained factors in EBITDA, reduced by higher amortisation (€26 million) owing to the 12-month period in 2024 compared to the 9-month period in 2023, mainly in connection to Abengoa's production units.

Net financial results

Financial results have reached a net expense of €37 million, which represents a deterioration of €10 million compared to the expense in the same period of the previous year. The integration of Abengoa Group's subsidiaries into the consolidation scope in 2023 has led to a recurring expense primarily due to the interest accrued on the debt linked to the concessional assets of the Ghana and Agadir projects and the subordinated loans with minority partners. Furthermore, the increase in this fiscal year is primarily due to the higher expenditure on guarantee commissions, which amounts to €14 million this year (compared to €3 million in the fiscal year 2023).

Income tax expense

The income tax expense has worsened by €20 million, reaching a loss of €18 million by the end of the 2024 fiscal year. This is mainly due to the expense recorded in this fiscal year as a result of the tax effect of the capital gains recorded both in Khi Solar One and in the acquisition of Ibox, as well as the current tax expense recorded in the geographies of Brazil, Algeria, and Morocco.

Profit/(loss) attributable to the parent company

Due to the variations mentioned in the previous sections, the profit(loss) attributable to the Parent company at the end of the fiscal year 2024 is more favourable by €10 million compared to the previous year.

f) Profit(loss) by activity

Item	2024				2023			
	Sales		EBITDA		Sales		EBITDA	
	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)
Water	26	76	(9)	45	22	50	(1)	29
Energy	344	157	44	89	296	125	9	75
Services	**99**	**–**	**8**	**–**	**88**	**–**	**2**	**–**
- O&M	45	–	9	–	32	–	1	–
- Supply	53	–	–	–	44	–	2	–
- Tech	1	–	(1)	–	12	–	(1)	–
Governance	–	–	6	–	–	–	(11)	–
Total	**469**	**233**	**49**	**134**	**406**	**175**	**(1)**	**104**

(1) Relates to Service Co. (2) Relates to Asset Co.

Sales within the Energy activity primarily encompass the Transmission and Infrastructure business, with operations in Latin America, Europe, the Middle East, and Spain, contributing €300 million, the Bioethanol activity at the Sao Joao industrial plant in Brazil amounting to €98 million, the solar-gas hybrid power station in Hassi R'Mel (Algeria), which contributed €55 million, the construction of three parabolic trough plants in Dubai valued at €21 million, and the work on the Noor 3 project in Morocco totalling €8 million.

In the Water activity, the sales of the desalination plant concessions in Agadir (Morocco) and Accra (Ghana) were notable, amounting to €52 million and €23 million, respectively, along with the construction of the desalination plant in Taweelah (Abu Dhabi) for 23 €million.

The Service activity encompasses all third-party Operation and Maintenance activities, as well as primarily the trading of electricity. Among the first, notable are the O&M sales of the Ain Beni Mathar solar-gas hybrid plant (Morocco) for €21 million, the Tenes desalination plant (Algeria) for €9 million, and the Khi Solar One solar thermal power plant (South Africa) for €9 million.

2.2. Key financial and non-financial indicators

The main operational and financial indicators as of the end of fiscal years 2024 and 2023 are presented below:

Item	2024	2023
Consolidated EBITDA (million euros) (**)	183	103
Operating margin (EBITDA/sales) (**)	26%	18%
Basic earnings per share (euros)	0.54	52.00
Diluted earnings per share (euros)	0.54	52.00
Market capitalisation (millions of euros) (*)	755	293

(*) See section 8.1 of this Consolidated Management Report. (**) Through alternative performance measure outlined in section 8.4 of this Management Report.

The key performance indicators for each activity are detailed below as of the end of the fiscal years 2024 and 2023:

Item	2024	2023
Engineering and Construction		
Backlog (M€)	2,230	769
Concession-type infrastructure		
Generation		
- MW in operation	220	220
- Total MW	220	220
Solar		
- MW in operation	213	163
- MW in construction and development	3,286	3,286
- Total MW	3,499	3,449
Water		
- Operational installed capacity (ML/day)	335	335
- Total ML	335	335
Industrial Production		
Biofuel production capacity (ML/year)	145	145
Total ML	145	145

3.- Risks and capital resources

a) Liquidity risk

The Group's liquidity and financing policy aims to ensure that the Group has sufficient funds available to meet its financial obligations (see note 4 of the Consolidated Annual Financial Statements).

b) Capital risk

The Group's objectives regarding capital risk management are to safeguard its ability to continue as a going concern, provide returns to shareholders and benefits to other stakeholders, and maintain an optimal capital structure to minimise its cost (see note 4 of the Consolidated Annual Financial Statements).

c) Contractual obligations and off-balance sheet arrangements

The table below provides details of nominal commitments and undiscounted interest, along with purchase commitments with third parties as of the end of the fiscal years 2024 and 2023 (thousands of euros):

2024	Total	2025	2026	2027	2028	2029	Subsequent years
Borrowings from credit institutions (note 18.2)	19,592	18,727	601	186	78	–	–
Finance lease liabilities (note 18.3)	56,163	10,396	9,592	8,077	5,907	4,582	17,609
Other external resources (note 18.4)	16,571	3,843	3,296	2,208	2,208	2,208	2,808
Purchase commitments	127,577	123,797	3,618	162	–	–	–
Project financing (note 17)	413,348	105,292	41,637	35,358	34,660	36,046	160,355
Long-term payables (note 19)	205,821	4,092	28,269	8,552	7,643	15,659	141,606

2023	Total	2024	2025	2026	2027	2028	Subsequent years
Borrowings from credit institutions (note 18.2)	6,483	3,169	2,849	156	165	78	66
Finance lease liabilities (note 18.3)	55,614	9,351	8,425	8,005	6,247	5,907	17,679
Other external resources (note 18.4)	13,249	–	2,208	2,208	2,208	2,208	4,417
Purchase commitments	33,875	33,875	–	–	–	–	–
Project financing (note 17)	420,365	74,907	37,840	17,964	17,371	15,975	256,308
Long-term payables (note 19)	169,403	2,873	13,111	29,335	36,694	2,843	84,547

d) Investment plan

The strategic plan approved by the Group encompasses an investment plan for various renewable energy projects anticipated to be executed in the forthcoming years.

The following projects are included in this investment plan

Project	Line of business	Capacity (MW)	Country
Sol de Vallenar	Renewable energy	308	Chile
Portezuelo	Renewable energy	147	Chile
PMGDs	Renewable energy	41	Chile
Dominica	Renewable energy	24	Colombia
Pascua	Renewable energy	24	Colombia
Egina	Renewable energy	24	Colombia
Kos	Renewable energy	24	Colombia
Jamaica	Renewable energy	24	Colombia
Calamar	Renewable energy	12	Colombia
Pétalos de Bolívar	Renewable energy	12	Colombia
WePower 7 projects	Renewable energy	7	Colombia
WePower 4 projects	Renewable energy	4	Colombia
WePower 1 project	Renewable energy	3	Colombia
Ladrillera Santafé	Renewable energy	2	Colombia
Rodas	Renewable energy	24	Colombia
Barbados	Renewable energy	18	Colombia
Tenerife	Renewable energy	12	Colombia
Cartón Colombia	Renewable energy	10	Colombia
Arroz Supremo	Renewable energy	1	Colombia
Iscali	Renewable energy	300	Mexico
Atlacomulco	Renewable energy	113	Mexico
La Granja Solar	Renewable energy	336	Mexico
Estanzuela	Renewable energy	90	Guatemala
Escuintla	Renewable energy	75	Guatemala
Chuquimulilla	Renewable energy	50	Guatemala
Iberia Solar I	Renewable energy	52	Spain
Iberia Solar II	Renewable energy	46	Spain
Iberia Solar III	Renewable energy	103	Spain
Iberia Solar IV	Renewable energy	213	Spain
Iberia Solar V	Renewable energy	146	Spain

4.- Main risks and uncertainties

4.1. Business and operational risks

4.1.1. Risks associated with the group's business activities

Limited joint operating experience of Abengoa and Cox

The integration of Cox's traditional PV energy generation and trading businesses with Abengoa's water operations presents both operational and cultural challenges.

As of 31 December 2023, the assets that made up Abengoa's production units constituted 91% of the Group's total assets. Therefore, the operating history prior to the acquisition may not provide a meaningful basis for evaluating the current and future business, financial performance, and prospects.

The limited operational history following the acquisition as a Group might complicate the assessment of the business's success to date and the assessment of its future viability. Therefore, the prospects should be evaluated considering the costs, uncertainties, delays, and challenges that companies with a limited operating history frequently encounter.

Specifically, due to the Integration, the Group has transformed from a company primarily focused on the generation and trading of solar photovoltaic energy to a company with an integrated utilities business model. This model covers the entire value chain for both water (desalination, purification, reuse, treatment, and integrated water resource management) and energy (generation, transmission, and trading of clean energy), in addition to providing a variety of services to the water and energy industries.

Although some of the assets that make up the production units are energy assets, familiar from previous operational activities, it is likely that in the future they will be subject to certain risks and uncertainties inherent to a new business (primarily the water concessions and infrastructure businesses), such as the assimilation and integration of operations, intellectual property and products, maintaining productivity among employees (especially those who were transferred to the Group following the acquisition of Abengoa's production units), training existing employees unfamiliar with the new business, uncertainties about the ability to maintain key customer relationships, the inability to generate the expected revenues from the acquired technology or products, adapting to new industry standards and market developments, and/or the successful implementation of the Group's marketing and growth strategy.

Risk of disproportionate inorganic growth

Since its inception, the Group has consistently expanded its operations and anticipates further expansion as it follows its growth strategy, which centres on an EPC plus concession strategy in the water and energy sectors. Any operational efficiency or increase in profitability that the Group anticipates achieving through integration or future growth (such as acquiring the Khi Solar Project) may differ from its expectations.

As part of its strategy to establish itself as a vertically and horizontally integrated utility company in the water and energy sectors, the Group anticipates growth that relies on revenues generated from both existing and newly acquired water and transmission concessions, as well as captive power generation projects (including energy projects near water concessions and other existing projects). Over the past three years, the Group's business has grown organically by 7%, 38%, and 13%.

The execution of the strategic plan might incur higher costs, take more time, and require more resources than initially expected. It could exert significant pressure on its internal processes and capabilities, and might experience delays outside of its control (e.g., due to permits, supply chain disruptions, etc.). If the Group is unable to manage these changes effectively, it might not be able to capitalise on market opportunities, successfully implement its business strategy, or respond to increasing competitive pressures. The Group's capacity to execute its future projects depends, among other factors, on its ability to fulfil its operational and financial requirements to complete each project, as well as on the successful development and construction of each project.

The strategy includes continuing to grow organically. However, acquisitions have been made from time to time to support the growth strategy, such as the acquisition of certain production units from the Abengoa group for a total of €30.3 million.

Considering the scale and transformative nature of this acquisition, effectively integrating the production units within the Group is vital for the combined Group to capture the material benefits stemming from the financial and operational synergies of the transaction in a timely manner.

If Cox is unable to manage inorganic growth or faces challenges in integrating these acquisitions, this could materially adversely affect the business, prospects, financial condition, and operating results, including the potential inability to enforce and retain acquired assets.

Moreover, the anticipated growth might necessitate substantial capital expenditure and could redirect financial resources from other projects. If the group does not efficiently manage the anticipated growth, expenses might rise more than projected, the ability to generate and/or increase revenues could be diminished, and Cox might not be able to execute the business strategy.

Inherent Risks of PPAs and WPAs

Through its various projects, the group sells electricity under PPAs and water under WPAs at a predetermined price to counterparties, including government entities, state and non-state utilities, and corporate consumers. According to the development strategy, the aim is to secure long-term PPAs and WPAs, either through private contracts or tender processes, with revenues denominated or linked to strong currencies such as the US dollar (e.g., Meseta de los Andes and Accra) or in the same currency as the project financing (e.g., SEDA, SPP1, and Project Khi Solar).

Almost 100% of the total energy generated by the operational plants is covered by PPAs, and 100% of the total water produced is covered by WPAs.

In particular, PPAs have been signed concerning four of the power concession projects currently in operation (SPP1 in Algeria; Meseta de los Andes in Chile; São João in Brazil; and the Khi Solar Project in South Africa). WPAs/concessions have also been signed concerning the three desalinated water concession projects in Morocco (Agadir SEDA and AEB) and Ghana (Accra).

PPAs and WPAs sell the energy and water produced by the Group's projects to the purchaser at a predetermined price. Therefore, the revenues generated from PPAs and WPAs in concession-type projects largely depend on regulated tariffs or, in some instances, long-term fixed prices established in these agreements, with terms ranging from 25 to 30 years, depending on the project.

Risks associated with PPAs and WPAs are centred around the inability to adjust prices, failure to deliver the minimum amount of energy and water stipulated in these agreements, construction delays, counterparty credit risk, or lack of financing, which could adversely impact the business.

Reliance on the public sector

Out of the eight operational concession-type projects, five rely on the public sector: (i) the two WPAs concerning the two desalinated water concession projects located in Morocco (Agadir SEDA and Agadir AEB); (ii) the WPA concerning the desalinated water concession project located in Ghana (Accra); (iii) the PPA concerning the ISCC project located in Algeria (SPP1); and (iv) the PPA concerning the solar thermal energy project located in South Africa (Project Khi Solar).

Projects that involve the operation of concessions are subject to the terms of public contracts, which confer certain powers to the relevant public administration. These encompass the authority to oversee compliance with contractual obligations by mandating the submission of technical, administrative, or financial reports, as well as the capacity to unilaterally modify (within certain boundaries) the stipulated commitments. These contracts typically include clauses that allow for revocation or termination, which can be invoked if the agreed commitments are not properly fulfilled. These commitments might encompass investment requirements, adherence to efficiency and safety standards, along with other conditions outlined in the contracts. Non-compliance with these obligations may activate the enforcement of these clauses, potentially resulting in the termination of the concession and significantly and adversely impacting the business, financial condition, operating results, and outlook.

Furthermore, some of these projects reliant on the public sector are situated in emerging markets like Morocco, Ghana, Algeria, Brazil, and South Africa. Engaging with public enterprises in emerging markets carries several risks that are more common than in developed markets. These risks include nationalisation and expropriation of private property, challenges in payment collection, unpredictability in the enforcement of contractual terms, arbitrary and unpredictable discretion by government authorities regarding the issuance of permits, licences, and approvals necessary for project operations, unfair or corrupt business practices, restrictions on the right to convert and repatriate currency, and other adverse interventions imposed by public authorities.

Moreover, reductions in funds allocated to public sector projects may compel private sector infrastructure companies like Cox to suspend projects that are already in progress. For these reasons, a sustained reduction in expenditure on the development and implementation of public sector projects by governments and local authorities in the markets where the Group already operates or might operate in the future could negatively impact the business.

Errors in the execution of projects for third parties

As part of its business strategy, Cox provides EPC services to third parties, which include (i) engineering services, (ii) procurement services, and (iii) construction services (primarily in transmission). The organisation has the capability to perform EPC activities for its own infrastructure, yet the majority of the construction projects it executes are for third-party clients.

Most of the agreements entered into concerning EPC activities are "turnkey" agreements. According to these agreements, the owner and the contractor agree to the construction of a facility in return for a fixed price. The owner transfers all risks related to design, procurement, and construction to the contractor, who bears sole responsibility for completing the project and delivering it to the owner in a turnkey condition. In addition to these responsibilities, the contractor takes on the technical risk and warranty obligations associated with the project.

These projects are subject to lengthy construction timelines that can range from one to three years. This prolonged period between the commencement and completion of a project, along with the various milestones involved, exposes the company to monetary risks associated with the fixed price under the relevant EPC agreement. This is because the price offered before the start of project execution is based on cost estimates that may change during the construction process, potentially resulting in the unprofitability of certain projects and even substantial losses.

Aside from cost overruns, construction delays can lead to missed deadlines and trigger penalty payments, negotiated under EPC agreements. In the event of construction delays impacting EPC services offered to third parties, it may result in receiving revenue later than anticipated and encountering penalties or even contractual termination. These risks might increase expenses and decrease revenue.

Reliance on third-party suppliers

The Group does not produce components or equipment for the plants and infrastructure it constructs, except for certain highly specific equipment or infrastructure, such as transmission towers and infrastructure for thermal collectors for solar thermal plants developed at its factory in Seville, with manufacturing costs accounting for 2.20% of total costs for the year ended 31 December 2024 (1.92% in 2023).

Consequently, there is a reliance on external suppliers for certain services, software, components, and equipment, such as photovoltaic modules and system components, coils, conductors, thermal heat exchangers, pumps or membranes for water infrastructure, gas, steam, or water turbines, metal structures for solar thermal collectors or photovoltaic trackers, photovoltaic panels, mirrors, air condensers, steam generators, and fluidised bed boilers. As the market for this type of equipment and supplies is quite diverse, and plants and infrastructures accommodate equipment from various suppliers, there is no reliance on any specific supplier. Nevertheless, the role of suppliers and manufacturers of this essential equipment is crucial for the successful execution of projects.

Generally, contracts based on projects are signed with suppliers and contractors, instead of long-term fixed-price contracts. Therefore, there may be exposure to fluctuations in the prices of components and equipment used for the construction of projects and infrastructure. For instance, rises in the cost of these components, such as photovoltaic modules, inverters, anchoring structures, or other essential elements for the construction of solar photovoltaic farms, can undermine the profitability of investments to the extent that they become unviable, thereby negatively impacting future growth.

Furthermore, increases in logistical costs affecting the price of raw materials used in components and equipment supplied by vendors (such as aluminium, copper, nickel, iron ore, etc.) may prompt suppliers and contractors to seek renegotiation of current contracts or adjustments in pricing. These adjustments might not be passed on to customers, leading to reduced margins and profitability.

Replacing external contractors and suppliers involves a transition period during which, if the necessary services, software, components, equipment, or raw materials cannot be sourced on comparable terms from other suppliers, there may be a material adverse impact on production capacity, quality, and costs.

If contractors or suppliers do not fulfil their obligations, raise their rates, or pass on costs associated with their production or distribution chains (e.g., freight costs), or encounter financial difficulties, they may be subject to a range of negative impacts, such as significant delays and cost overruns, reduced technical availability ratios and/or performance levels, default events under certain contractual clauses or cross-default in agreements with clients, reputational damage, and exposure to potential criminal sanctions and significant liabilities for which they may not have adequate insurance coverage. The ability to secure compensation from contractors and suppliers to mitigate these adverse effects may be constrained by their financial solvency or contractual limitations, and the assurances provided by these contractors or suppliers might not entirely cover the losses.

International operational risks

Commercial operations within the water, power generation and transmission, and services divisions are globally diversified across multiple jurisdictions.

The Group's current international operations and expansion strategy expose it to various risks associated with entering new markets and managing international operations, including, but not limited to, the following: (i) experience, knowledge, and competitive advantages in current Key Markets may not be entirely transferable to other markets; (ii) assets may fail to meet technical specifications or could be subject to laws or regulations that limit access to the electricity distribution grid or water treatment; (iii) increased exposure to disputes, litigation, or other proceedings (including legal, administrative, governmental, regulatory, or arbitration proceedings); and (iv) inability to monitor a broad range of foreign laws, legal standards, and regulations, including corporate formalities, export and import restrictions, labour laws, zoning, environmental protection, and regulatory requirements.

Reliance on key customers

Cox receives steady revenue from certain clients and, consequently, the loss of one or more of these clients could negatively impact the business.

Over the past few years, a third of the recurring revenue has been generated by four clients. If one or more of these key clients were to breach or terminate their current contracts, enter into agreements with competitors, and/or otherwise become unable or unwilling to fulfil their obligations under existing agreements, such events would likely have a materially adverse effect on the business. Furthermore, if any of the key clients were to declare bankruptcy or become insolvent, it could result in the loss of part or all of the business with that client, leading to a consequent loss.

Risk of working in hazardous locations

The construction of projects related to engineering and construction activities, as well as infrastructure facilities similar to concessions, are considered hazardous workplaces. Due to the nature of the work conducted on projects, workers are exposed to the risk of accidents or injuries.

Employees and other workers involved in the construction of EPC projects, infrastructure facilities similar to concessions, and O&M services are often surrounded by large-scale mechanical equipment, moving vehicles, manufacturing processes, or hazardous materials. Even though this equipment is highly regulated, working on the projects might involve the use of hazardous or highly regulated materials which, if not managed properly, could result in employee injuries.

Furthermore, employees and contractors working on the premises may be affected by falls and cuts from objects, tools, and machinery. They may also be exposed to flying debris, excessive noise, vibrations, and other risks associated with the handling of loads and heavy machinery. The risk of injury to employees and contractors exposes the company to potential claims that may lead to various civil, criminal, and administrative liabilities, including fines and surcharges on Social Security benefits.

Furthermore, high levels of security are crucial for reputation. Numerous clients explicitly demand that specific security criteria be met to submit bids, and many contracts contain clauses for automatic termination or the total or partial withdrawal of contractual fees or benefits if these requirements are not met. As a result, the inability to uphold adequate security standards could lead to decreased profitability or the loss of clients or projects.

4.1.2. Risks associated with power generation and transmission concessions

Reliance on the connection and, in particular, on the transmission capacity of the transmission grids where the projects are situated.

To sell the electricity generated by power plants, it is crucial to connect them to the public distribution grid and the electrical transmission grid. Therefore, the feasibility of building a power plant at a particular site largely depends on the ability to secure a connection to existing distribution and/or transmission grids or to establish the necessary infrastructure to connect to the nearest grid point. The success of these grid connections depends on a range of factors that vary from one country to another, including the scope of the necessary transmission infrastructure development and the reliability and availability of the existing local transmission infrastructure.

Considering that potential sites for projects within the power generation portfolio are occasionally located far from the nearest distribution and/or transmission grids, it cannot be assured that suitable grid connections will always be accomplished within the scheduled timeframe and at the estimated costs. This challenge is especially significant in emerging markets (such as Chile, Guatemala, Mexico, or Colombia). In these markets, grid operators may lack the necessary expertise to effectively integrate renewable energy installations into the grids.

Furthermore, operational projects may be impacted by insufficient capacity in the grid, which might prompt the grid operator to request a reduction in supply to the grid below production capabilities (a practice referred to as curtailment). If a request for curtailment is received, it would lead to revenue losses for the affected plants and a corresponding reduction in their profitability. Curtailments and their impact on the revenue and profitability of plants are especially challenging for renewable energy producers. Unlike non-renewable energy sources like oil and gas, renewable energy production costs are fixed, and resources (such as solar energy)

cannot be stored for future use, or only a limited amount can be stored. This implies that any disruption in the ability to supply generated energy to the grid directly results in a loss of potential revenue without a decrease in ongoing operational costs.

While there have been no curtailments in the past year, it cannot be ruled out that such a lack of capacity might necessitate reducing supply below production capacity.

Risk of distributed generation in the Energy Vertical

The Group's business model in the Client area is centred around two business lines: generation for self-consumption and electricity retail.

In self-consumption, the Group provides a comprehensive service that encompasses engineering, installation, management of administrative authorisations, as well as maintenance. Customers have the option to either purchase the self-consumption plant through the corresponding payment (Build & Sell) or enter into a PPA agreement. Under this agreement, they agree to consume the energy generated by the installation for a specified number of years, after which the installation can be acquired by the customer at a very low marginal cost. PPA contracts might feature minimum monthly payments (which in some situations are waived when the installation is connected to the grid to discharge unconsumed energy) and a purchase option available from the first year, although the terms agreed upon do not render the option appealing until the eighth year.

In self-consumption PPAs, the Group's obligations are restricted to keeping the plant operational, as long as the customer has fulfilled the stipulated payments. PPAs do not ensure a minimum energy supply, but they do guarantee a fixed price for the energy actually consumed by the client. The PPAs do acknowledge the Group's right to feed surpluses into the grid, without this resulting in any revenue for the customer.

Based on the business model described, there is a risk with self-consumption PPAs that plant shutdowns might occur due to issues attributable to the design or materials of the installation, which could lead to claims for damages or contract termination, negatively impacting the Issuer's revenue, operating profit, financial position, and outlook.

Interruptions in production or the inability to feed energy into the grid and sell it to third parties at market rates may also occur if self-consumption setups in private locations, such as factory roofs, residential rooftops, etc., incur damage due to incidents like fires, building destruction, vandalism, or even access blockages caused by strikes, demonstrations, etc., which hinder access to the installations and their proper maintenance. This kind of risk is typically transferred to the insurance market, but such coverage might be inadequate, potentially leading to a reduction in the Group's revenue.

4.1.3. Risks associated with water concessions

Risks due to the malfunctioning of water treatment facilities

In the desalination and water treatment sector, Cox commits to a contractual obligation to design, build, deliver, operate, and maintain a water purification facility, ensuring that a specified quantity of water of a specified quality is available to the customer for a designated period. Failure to meet these contractual obligations may result in warranty or performance claims.

If warranty or performance claims arise, reputation, profits, and the ability to secure future business could be negatively impacted. Failures in installations, non-adherence to client specifications or performance guarantees can escalate costs and necessitate additional engineering resources and services, replacement of parts, equipment, and consumables, or financial reimbursement to the client, potentially resulting in customer liability, reputation damage, and possible litigation and associated costs.

The performance of water treatment systems largely depends on the quality of the treated water. High temperatures, red tides caused by microscopic algae, and the presence of sediments and fats in the water pose significant threats to treatment systems, particularly desalination plants. Underperformance of treatment plants could result in increased electricity consumption, higher operating and maintenance costs, and ultimately in lower water generation than anticipated in the corresponding WPAs.

Furthermore, although the water plants operate with the necessary environmental permits and certifications to perform water treatment and purification activities, there remains a possibility that the systems might malfunction in the future. In the worst case, this could lead to the discharge of wastewater or inadequately purified water, resulting in environmental liability. In such a case, there could also be significant costs or reputational damage associated with the investigation and remediation of environmental contamination.

4.1.4. Risks associated with operation and maintenance

Risks resulting from inadequate operation and maintenance of power generation and water treatment plants, as well as transmission infrastructure

Cox provides O&M services for energy transmission infrastructure and water and power plants, including wholly owned plants, plants with a non-controlling interest, and plants entirely owned by third parties. Cox is present and has local experts in the O&M market across various countries in Latin America, Africa, the Middle East, and Europe, including Spain, Morocco, Algeria, Ghana, Saudi Arabia, South Africa, and Chile.

The operation and maintenance of water and renewable energy facilities, as well as other related infrastructure, involve risks such as equipment or process breakdowns or failures, and performance falling below expected production or efficiency levels, among others. Such failures and performance issues may arise from various factors, including human error, deliberate damage, power outages, insufficient maintenance, and general wear and tear over time. Unplanned interruptions, as well as extensions of scheduled interruptions due to mechanical failures or other issues at the plants, can occasionally occur and represent an inherent risk associated with business operations.

Unplanned interruptions usually raise O&M expenses and may result in penalties under the applicable O&M agreement. In situations where O&M services are offered to plants that are fully or partially owned, these outages or interruptions also negatively impact PPAs and WPAs. Interruptions can reduce revenue as a result of selling reduced quantities of electricity or water, and require incurring significant additional costs when operating a higher-cost facility, which may not be transferable to third-party providers nor recoverable under the corresponding PPA or WPA. In the worst case, these interruptions may lead to a breach under a PPA or WPA, which could provide grounds for termination.

Furthermore, essential equipment or components required to operate and maintain the plants may not always be immediately available, which can lead to significant downtime and delays in resuming the facility's operation, resulting in revenue loss and penalties under the respective O&M agreement. Some specially manufactured or designed equipment or components require significant time and expenses for construction and delivery, and if they do not function as intended or sustain damage, their replacement may incur additional costs from services rendered under the O&M agreement and cause substantial downtime for the relevant facility.

4.1.5. Risks associated with Engineering, Procurement, and Construction (EPC)

Risks arising from delays and cost overruns in the Energy and Water EPC activities due to the technical complexity of the projects and the extended duration required for their completion

Regarding the EPC activities within the Energy and Water verticals, it is important to note that, except in cases where the contracting process is carried out under a unit price scheme, all contracts are executed under the "turnkey" construction model ("EPC" contracts). These contracts involve the construction of a facility for the customer in exchange for a fixed price.

These projects are subject to lengthy construction periods, which can vary between one and three years. This type of contract involves a certain level of risk because the price quoted before the project begins is based on cost estimates that can change during the construction process, potentially leading to some projects becoming unprofitable and even incurring significant losses. Delays, apart from causing cost overruns, can lead to missed delivery deadlines and result in penalty payments to the client, as per the negotiated terms. Additionally, in most EPC contracts, the Company is responsible for all aspects of each project, from engineering and construction to commissioning. In addition to the generic responsibilities of each project, the Company takes on the technical risk and the warranty obligations associated with these projects.

Similarly, the Company must ensure that it consistently adheres to the minimum subcontracting levels permitted by the applicable regulations in the construction sector and is registered in the Register of Accredited Companies (which aims to certify that companies operating in the construction sector meet the capacity and quality requirements for occupational risk prevention), as well as ensure that subcontracted companies are duly registered. Otherwise, the Company could be held jointly and severally liable for wages and social security contributions. These circumstances should be given special consideration in turnkey contracts.

The Company's projects often entail highly complex management concerning engineering and the procurement of materials. The Company might face challenges during the engineering phase, in equipment delivery, subcontractor quality, schedule changes, or other factors (some of which are beyond its control), which could impact its ability to finish the project as per the original plans, or to fulfil the contractual obligations.

Consequently, the Group may face claims and lawsuits, including those related to costs incurred due to alleged defects or incomplete work, warranty breaches and/or delayed project completion, as well as claims for suspended projects, damages to third parties, or breaches of contracts with clients.

If such claims are not resolved through out-of-court settlements, they may result in lengthy and expensive legal or arbitration proceedings. Furthermore, insurance policies typically do not cover the company's liability in instances where it has been declared guilty, or when the policy coverage is significantly less than the amount the company must pay following an unfavourable court ruling.

To mitigate these risks, the Group has implemented a Risk Management System that mandates the preparation of a risk analysis and quantification for significant projects, encompassing the entire project life cycle, from the initial bidding phase to the conclusion of the warranty period. This analysis is periodically reviewed in line with the standards established by ISO 31000 and the Project Management Institute, ensuring that only projects aligning with the Group's acceptable risk profile are undertaken, and with agreed contingency and mitigation plans in place.

The nature of the Energy and Water EPC business exposes the Group to potential liability claims

The Energy and Water EPC activities involve operations where failures in design, construction, or systems can lead to significant harm to third parties. Furthermore, the nature of the Engineering and Construction sector implies that clients, subcontractors, and suppliers sometimes file claims against the Group to recover costs they have incurred beyond what was anticipated, or for which they are not contractually liable. The Group has been and will continue to be a defendant in legal proceedings where parties seek damages and compensation related to Group projects or other issues. These claims and lawsuits arise in the normal course of the Group's operations. In situations where the Group's liability is established, it might not be covered by its insurance, or if it is covered, the amount of these liabilities could surpass the Group's policy limits.

4.2. Risks associated with the group's structure

Absence of majority ownership in partnerships with third parties

The Group carries out large projects that are technically complex, typically designed ad hoc, capital intensive, and require complex financing requirements. Therefore, the participation of specialised third parties is necessary. Typically, these projects are awarded to a single contractor or concessionaire, which is usually a SPV specifically established to construct and manage the project, and is owned by a consortium of entities that have agreed to collaborate in the development of the project.

For instance, investments have been made in specific projects with third parties under agreements whereby those third parties commit to contribute their technical expertise, financial capacity, or both. In certain cases, these collaborations are developed through temporary joint ventures (UTEs) or joint ventures over which the Group has only partial control or joint control.

Disputes or disagreements with other shareholders could cause a deadlock, resulting in the inability to follow Cox's intended strategy and/or compel the exit from the SPV. Furthermore, there is a risk of potential claims and disputes arising among shareholders or between the project company and the client. In this latter case, the assumption of liability would increase, as shareholders are jointly and severally liable to third parties.

The success of these partnerships also relies on the partners satisfactorily fulfilling their obligations. If the partners cannot satisfactorily fulfil their obligations due to financial difficulties or other reasons, the partnership may be unable to meet its obligations towards the client. Under these circumstances, it might be necessary to make further investments or provide additional services to ensure compliance with the obligations under the EPC agreement. This includes, among other things, delivering services beyond the initial commitment, taking on liabilities for customer defaults, and assuming new financial or operational obligations that could eventually lead to reduced profits or losses.

Furthermore, the ability to receive dividends and other payments from the companies that own these plants depends, or will depend, not only on the cash flows and profits of these projects, but also on the terms of the agreements made with the shareholders of these companies and/or the decisions of these other shareholders. The shareholders of these companies might (i) have economic or business interests or objectives that do not align with those of Cox, (ii) experience a change in control that could lead to unforeseen issues with their successor or impact the agreements made by these companies, (iii) face financial and other challenges that might affect their ability to fulfil obligations under the shareholders' agreement or towards the customer, (iv) breach international sanctions, (v) be unable or unwilling to meet their obligations under any relevant shareholders' agreement, or (vi) exercise drag-along or tag-along rights that could influence Cox's ownership in the relevant company.

Furthermore, some of the partners or potential partners are governments, governmental bodies, or state-owned enterprises, which might entail certain risks associated with political changes in these countries.

The Company is a holding company without direct cash-generating operations and depends on the Group's operating companies to supply the necessary funds to meet its financial obligations

The Company is a holding company without significant direct commercial operations. The Company's primary assets are its equity interests in the companies that constitute the Group. The Company depends on the Group's operating companies to generate the funds required to fulfil its financial obligations, pay dividends, and cover expenses as a publicly listed company. The funds that the Company receives from Group companies come in the form of dividend distributions, loans, and other payments.

Regarding the distribution of dividends by Group companies, the amount and timing of these distributions will depend on various factors, including the laws of the respective jurisdictions of the Group's operating companies, their operational performance, decisions made by other shareholders of these entities, any restrictions related to anticipated actions by rating agencies, and any financial arrangements that these Group companies have entered into that may limit their ability to distribute dividends.

Furthermore, as an investor in the Group's companies, the Company's entitlement to receive assets during the liquidation or reorganisation of these companies would essentially be subordinate to the claims of their creditors. To the extent that the Company is acknowledged as a creditor of its subsidiaries, the Company's claims might still be subject to subordination to any security interest, or any other encumbrance, on the assets of the relevant Group company and to any debts or other (lease) obligations of such Group company that take precedence over the Company's claims.

Risks associated with turnover in Senior Management and key employees

The future success of the Group relies heavily on the full engagement of senior executives and key employees, who possess valuable experience across all areas of the business. The Group's capacity to retain and motivate senior executives and key employees, as well as attract highly skilled employees, will significantly impact its ability to successfully develop the business and expand operations in the future. If the Group were to lose one or more of its senior executives or valuable managers with significant experience in the markets in which it operates, it might encounter difficulties in appointing replacements.

4.3. Financial risks

Lack of necessary funding or bank guarantees

As part of the business model, agreements for project financing are routinely signed. In this model, a company or consortium of companies requiring funding for a project establishes an SPV using equity or debt to secure the loan, and the lender views the future cash flows generated by the SPV as the primary source for repaying the loans. In the case of projects funded under the project finance model, the company's involvement in the project is integrated into the SPV, and the funding thus remains off-balance sheet. Thus, lenders typically have limited recourse to the assets and cash flows of the company or its consolidated group and are restricted to the assets and cash flows of the project (non-recourse financing).

Generally, the aim is to finance capital expenses and investment requirements associated with project execution through a combination of project financing at the project SPV level (70-80%) and equity provided by the group through its own or third-party funds (30-20%). Conversely, projects are not funded through corporate debt.

This model is utilised for the construction of plants and facilities as it exclusively uses the assets and cash flows of the company or group of companies involved in the project as collateral. In most cases, the assets and contracts are established as collateral for the repayment of the financing, rather than those of the Group as a whole.

The most significant component of the debt pertains to SPP1, SEDA, AEB, Accra, and the solar photovoltaic projects currently under construction (namely, the IBS2 projects), which account for 50% of the debt.

Due to the capital intensive nature of the business, the commercial and growth strategy (including the ability to develop projects and concessions) is highly sensitive to the availability, cost, and other terms of project financing.

Facing challenges in obtaining debt financing for projects promptly, on terms that do not yield satisfactory project profitability, may lead to higher operational costs and diminished project values.

The ability to secure debt financing for projects may vary depending on the market, and as projects and concessions grow, there is no assurance that lenders who previously provided debt financing for projects will continue to do so for new projects.

Factors that might adversely impact the availability or cost of financing for projects include, among others:

- PPAs and WPAs with clauses that are less bankable than those meeting current standards or the inability to secure PPAs and WPAs;
- diminished credit quality of PPA/WPA counterparties and increased concentration risk due to reliance on a small group of PPA/WPA counterparties;
- high market exposure for project revenues leading lenders to require greater capital investment;
- technical or legal problems of a project identified during the bank's due diligence;
- lack of availability or difficulty in securing technologies or equipment that are sufficiently bankable for planned projects; and
- international economic and financial markets.

If debt financing for projects is unavailable or only available on unfavourable terms, it might not be possible to develop the Portfolio of water, transmission, and energy projects, or it might only be feasible under less profitable conditions. This may involve making larger capital contributions to new projects than those made in the past, which could impact the project's profitability. There might also be a need to sell portfolio assets (or stakes in portfolio assets) to release capital for new investments or to reduce debt.

Restrictive covenants

Every project financing agreement includes financial and non-financial covenants that are binding on the special purpose vehicle (SPV) of the respective project and must be considered when managing financial resources.

Financing agreements usually stipulate that the SPV of the respective project must comply with, among other ratios, a minimum debt service coverage ratio (DSCR) which differs according to the agreement. Furthermore, the project financing agreements also impose restrictions on the distribution of funds to shareholders and the repayment of current account advances.

The agreements set minimum capital-to-debt ratios and maximum debt ratios. Moreover, the agreements include obligations to fund a minimum deposit in a DSRA (typically an amount equivalent to six months of debt service) before making any distribution.

They also include default events that enable banks to expedite the loan if there is a failure to make an interest or principal payment on the specified payment date, or in the case of other events, such as not meeting the minimum DSCR. Lenders under the applicable project finance agreements may also call in the loan in the event of a change of control.

Furthermore, these financing agreements include cross-default clauses that permit lenders to hasten the repayment by the project SPV if the project SPV defaults on its own debt (exceeding certain thresholds) or in the event of bankruptcy. The financing agreements also include provisions that limit the debt capacities of the project's SPV, as well as negative pledge clauses, and requirements for reporting, disclosure, and document submission.

The primary consequence of failing to adhere to covenants and obligations under project financing is the accelerated repayment of project finance debt.

Finally, these financing agreements comprise a security package, which includes pledges over the share capital of the project's SPV, credit claims derived from specific project agreements entered into by the project's SPV, and/or credit claims derived from specific bank accounts owned by the project's SPV.

Exchange rate exposure

Given the volume of business outside of Spain, Cox is subject to fluctuations in various foreign exchange rates. In particular, revenue is generated and/or expenses are incurred in currencies other than the euro, primarily the US dollar, the Chilean peso, the Moroccan dirham, the Algerian dinar, the Mexican peso, the Saudi riyal, the Brazilian real, and the South African rand. Consequently, fluctuations in foreign currencies in relation to the euro impact the financial situation and operational outcomes.

Nevertheless, for some of the operational concession projects, such as SPP1 in Algeria, Agadir in Morocco, São João in Brazil, and the Khi Solar Project in South Africa, the revenue received from the active PPAs and WPAs is denominated in local currencies (Algerian dinar, Moroccan dirham, Brazilian real, and South African rand, respectively), as are the payments related to the project's financing.

This ensures that collections from O&M and EPC activities are in the same currency as the payments, while collections from concession-type projects and proprietary developments match the currency in which the financing is finalised. Where there is foreign exchange exposure in transactions, exchange rates are applied with an adequate level of contingency to cover the historical volatilities of the currencies, calculated using a Value at Risk (VaR) methodology.

Although the aim is for revenues from plants located outside the Eurozone to be denominated in strong currencies, or linked to strong currencies (such as the US dollar), the company remains exposed to fluctuations in local currencies in relation to market or spot prices (i.e., energy production not covered by PPAs) and foreign currency debt. This exposure may further increase as it continues to grow internationally.

Interest rate fluctuation

The company is exposed to interest rate fluctuations, which can impact net financial expenses due to variable interest on financial assets and liabilities, as well as the valuation of financial instruments contracted at fixed interest rates. However, the group's primary funding is at a fixed rate, which mitigates the risk of interest rate fluctuations.

In particular, some of the debt obligations under project financing facilities and debts with credit institutions have variable interest rates, typically tied to market benchmarks like EURIBOR and the Secured Overnight Financing Rate (SOFR). Any rise in interest rates would elevate the financial costs associated with variable rate debt and increase the expenses of refinancing existing debt and issuing new debt. This risk of interest rate fluctuation is particularly significant in the context of projects subject to project financing, which are highly leveraged in their initial stages and whose performance depends on potential changes in interest rates. To manage interest rate risk in cases linked to variable interest rates, swap contracts and interest rate options (caps and collars) are utilised, which, in exchange for a premium, provide protection against interest rate fluctuations.

Variable interest rates are affected by macroeconomic factors, and due to the global economic situation, central banks are likely to keep the current rates to control inflation. On 12 September 2024, the European Central Bank (ECB) made a crucial monetary policy decision by cutting the deposit facility interest rate by 25 basis points. The ECB also updated the operational framework, establishing a spread of 15 basis points between the main refinancing rate and the deposit facility. The difference between the marginal lending facility and the main refinancing operations remains at 25 basis points. Furthermore, on 17 October 2024, the ECB lowered the three key ECB interest rates by an additional 25 basis points. Consequently, the interest rates for the deposit facility, the main refinancing operations, and the marginal lending facility were reduced to 3.25%, 3.40%, and 3.65%, respectively, effective from 23 October 2024. In particular, the decision to cut the deposit facility rate is based on the updated assessment of inflation forecasts, the dynamics of core inflation, and the robustness of monetary policy transmission. Recent data on inflation indicates that the process of reducing inflation is progressing well. The inflation outlook is also influenced by recent unexpected downturns in economic activity indicators. In the meantime, financing conditions continue to be restrictive. Inflation is anticipated to increase in the upcoming months, before declining towards the ECB's 2% target throughout 2025. The ECB's asset purchase programme, which aids in stabilising inflation, is also concluding, as the reinvestment of maturing securities has stopped.

As a company with over 80% of its debt at a fixed rate, it faces opportunity risk in a falling interest rate environment. If market interest rates fall significantly after securing fixed rate debt, the company will not benefit from these lower rates and will be paying more interest than necessary, impacting competitiveness and profitability. Moreover, if the debt needs to be refinanced, it will be at less favourable rates than current market rates, which could lead to higher financial costs over the long term.

Inadequate insurance coverage

As Cox carries out activities mainly related to the construction and operation of high-value infrastructure, water, and energy assets, the company is exposed to potential contingent liabilities resulting from the execution of various contracts entered into by the Group's companies. Projects are subject to various types of risks, including natural hazards, incidents during assembly, construction, or transportation, and revenue losses associated with these events, which require adequate insurance to mitigate their potential effects.

To safeguard against these contingent liabilities and risks, the company maintains insurance coverage concerning: (i) general and product liability, (ii) property damage and business interruption due to direct material damage (including sudden and unforeseen environmental damage), (iii) employer liability, (iv) directors' and officers' liability, (v) environmental liability, and (vi) all risks of construction.

Accidents may occur in projects that could severely disrupt operations and harm reputation. In particular, projects may incur damage due to disruptions caused by natural disasters, epidemics or pandemics, extreme weather conditions, wars, riots, political actions, acts of terrorism, or cyber-attacks, leading to losses, including revenue loss, which might not be fully or partially covered by insurance contracts.

Moreover, unforeseen events may arise that could impact information technology (IT) infrastructure and systems, such as failures and cybersecurity threats, which are becoming increasingly significant due to the highly digitised and interconnected economic environment in which we operate. Similarly, the rise in remote work policies means that many employees operate outside corporate networks, which could potentially impact IT security and heightens the complexity of the necessary protective measures. IT system disruptions could severely impact administrative tasks, manufacturing processes, and business operations, potentially leading to a loss of operational capacity and critical data. They might also lead to a loss of service for customers and incur significant expenses to fix security breaches or system damage.

The Group's insurance policies might not cover all losses or damages arising from the materialisation of any risks. Furthermore, certain types of losses mentioned, typically catastrophic in nature, such as wars, acts of terrorism, earthquakes, and floods, may be uninsurable or not economically insurable. Furthermore, losses might not be recovered, either partially or completely, if the insurers become insolvent.

Counterparty market risk

Our business is subject to counterparty credit risk (customers, suppliers, partners, financial institutions, insurers, etc.), which could affect our business, financial condition, and operational outcomes.

Although credit risk is managed by means of collection assurance mechanisms such as non-recourse factoring, credit risk insurance, irrevocable letters of credit, ensuring that customers obtain funding before making commitments, PPA receipts secured by sovereign guarantees or with highly-rated customers, and various counterparty financial viability analyses, unforeseen situations could arise in which our mitigation strategy fails to fully limit our exposure, and the business could be affected.

Risks derived from the necessity to generate positive cash flows

Indebtedness demands allocating a significant portion of operating cash flows to debt repayment, thereby diminishing the Group's capability to make payments, refinance debt, and fund investments in fixed assets (capex). Moreover, a significant portion of the financing for project companies is completely amortised during the term of the financing, and the Group depends on the cash flow generation by these companies to fulfil the stated payment obligations. The Group's cash flows are largely influenced by economic, financial, competitive, legislative, regulatory, and other factors that are beyond the Company's control. The Group cannot guarantee, however, that the business will generate sufficient cash flows from operations; that ongoing cost savings and operational improvements will be achieved according to the planned schedule; that the Group will be able to maintain the same terms regarding receivables and payables and thus maintain the negative working capital balance; or that future provisions under financing contracts will be sufficient to repay indebtedness, finance other liquidity needs, or allow the continuation of the Strategic Plan. The Group might need to refinance all or part of its debt by its maturity date or earlier. It cannot ensure that it will be able to refinance such debt under commercially reasonable terms.

4.4. Industry-related risks

Increased competition

The water and energy markets are highly competitive and continually evolving, which entails facing ever-increasing and better-prepared competition. Competition arises with both local and global companies, many of which possess extensive experience (both nationally and internationally) in the development, construction, and operation of power generation and/or water facilities, alongside financial resources, technical capabilities, or local knowledge that may be comparable or superior to those of the Group.

Furthermore, in recent years, the renewable energy sector has been characterised by a trend towards consolidation, leading to larger market players with substantial financial resources.

The energy generation business is highly dependent on weather conditions

Cox invests and will continue investing in electricity generation projects that primarily rely on solar resources. The production of electricity by renewable energy plants largely relies on the availability of sunlight for photovoltaic (PV) and solar thermal power plants. These resources are outside the Group's control and may fluctuate significantly over time. Insufficient sunlight may cause a reduction in electricity production. Conversely, excessive heat may result in decreased electricity generation from photovoltaic solar plants, and winds surpassing specific velocities can harm these plants and necessitate halting their operation.

The impact of climate change could affect concession-type assets or projects under long-term contracts, resulting in catastrophic natural phenomena like an increased occurrence of tornadoes, torrential rains, hurricanes, or fires caused by extreme droughts, causing damage to facilities, or situations such as rising sea levels that render some locations inaccessible or unsuitable for the development of future projects.

In addition to these climate phenomena, drought conditions, particularly in Brazil, could impact sugar cane production, its availability and production costs, affecting sugar and bioethanol output and diminishing the profitability of the Brazilian bioethanol plant (São João).

Furthermore, extreme weather events can lead to increased downtime and operation and maintenance (O&M) costs or disrupt the development and construction of large-scale projects.

Price fluctuations in raw materials

Cox's business is impacted by the increasing costs of raw materials (such as aluminium, copper, nickel, iron ore, etc.), which heavily rely on market conditions. Commodity prices are liable to significant, and sometimes volatile, fluctuations due to global or regional supply and demand dynamics in commodity markets, supplier insolvency, transportation costs, energy prices and rationing, infrastructure failures, government regulations and tariffs, geopolitical events including military conflicts, exchange rate fluctuations, price controls, the economic climate including inflationary pressure, natural disasters, and other unforeseen events.

The engineering and construction activity is primarily exposed to the evolution of materials such as aluminium, copper, nickel, or iron ore, which influence the price of much of the equipment that the Group acquires from its suppliers, as well as the cost of natural gas and electricity, which are generally consumed during the construction of projects and in the operation of the plants and assets operated by the Group, or sugarcane bagasse, which is consumed for the production of bioethanol, as described further.

The rise in the price of Brent crude oil and natural gas impacts the cost of fuel used in construction machinery and site vehicles, as well as in the operation of conventional power plants. Throughout 2021 and 2022, prices of these raw materials (Brent crude oil and natural gas) increased, with annual increases exceeding 50%. However, from 2023 and continuing through 2024, the prices have decreased.

In most industrial construction projects, part of this risk is transferred to clients using price adjustment mechanisms. When this is not possible, contingencies and hedging structures are incorporated through financial derivatives to limit this risk. Nonetheless, the occurrence of a price increase of similar magnitude in the future could negatively impact margins and profitability, particularly if excessive costs cannot be transferred to customers or appropriate hedging mechanisms implemented.

The risk of a rise in the cost of raw materials is particularly significant for the production of sugar and bioethanol, which are manufactured at the São João plant in Brazil, where raw materials constitute between 60% and 70% of the production costs for biofuels. Profitability in the biofuels sector relies on the ability to manage the price discrepancies between raw materials (primarily sugar cane and natural gas) and final products (bioethanol and sugar), which are subject to high volatility and uncertainty. Ethanol raw material prices and supply are influenced by several market factors, such as the balance of supply and demand or speculative flows, and other external factors like weather, export prices, and certain protectionist government policies. The price of bioethanol is linked to the price of sugar, and its correlation with the price of crude oil is strengthening. If there were a reduction in gasoline prices, bioethanol prices (which primarily cater to the highly regulated Brazilian market) would need to be adjusted downwards to stay competitive, positioning themselves around 35% below gasoline prices to encourage consumption and sustain demand levels. This adjustment would result in a decrease in both the price and production margins.

To mitigate these risks, the Group utilises commodity trading strategies, including forward sales contracts for a specific production volume, with delivery dates agreed in advance with a buyer (who subsequently sells the product to end consumers).

4.5. Legal and regulatory risks

Successful integration of Abengoa's production units and Khi Solar One

In 2023, the acquisition of certain production units of the Abengoa Group was finalised. The transfer of Abengoa's production units and the underlying assets became effective in Spain after the award of the production units through a judicial ruling by the Commercial Court No. 3 of Seville (resolution AJM SE 169/2023) on 18 April 2023. Besides the judicial recognition of the enforceability of the resolution and the integration of certain assets and rights acquired, it necessitates certain actions that, depending on the situation, include local regulatory and administrative approvals, shareholder consents, and consents from financing parties regarding the transfer of share certificates or the novation of contracts, as applicable.

Additionally, on 27 February 2024, within the framework of the ordinary insolvency proceedings number 827/2022 of the Commercial Court No. 3 in Seville concerning South Africa Solar Investments, S.L. (a Spanish limited liability company that is part of the Abengoa insolvent entities not included in the scope of Abengoa's insolvency), Cox Energy submitted a binding offer to the insolvency administrators to purchase the production units comprising the entire unencumbered share capital of Son Rivieren, the majority shareholder of Khi Solar One (holding 51% of its share capital), which owns the Khi Solar One project, a solar thermal power plant with an installed capacity of 50 MW located in Upington, South Africa (Khi Solar Project). On 14 June 2024, the Commercial Court No. 3 of Seville approved Cox Energy's acquisition of the entire share capital of Son Rivieren, free of liens and encumbrances.

Although under Spanish law the transfer has been fully effective as of 18 April 2023 (with respect to Abengoa's production units and underlying assets, including the Agadir desalination plants, SPP1, the Accra desalination plant, and the EPC and O&M contracts transferred in the context of the Integration) and 3 July 2024 (with respect to the Khi Solar Project), under certain applicable foreign local jurisdictions, the change of ownership of the shares of the acquired entities and the novation of contracts acquired as part of these transactions is not automatic and requires obtaining additional authorisations or approvals from public authorities and/or counterparties. Specifically, it is necessary to obtain authorisations or approvals from third parties.

Litigation or administrative sanctions

As a growing group with expanding global operations, Cox is exposed to the risk of claims, lawsuits, government investigations, and other proceedings related to intellectual property, data protection, consumer protection, taxation, employment, commercial, and other issues. The number and significance of these disputes and investigations have risen as the political and regulatory landscape shifts, and as the scope of services, geographic presence, and the complexity of operations grow and expand.

Operations within the EPC sector are complex and entail the risk of failures in design, construction, or systems that could lead to substantial harm to third parties. Furthermore, the nature of the business frequently results in situations where clients, subcontractors, and suppliers may lodge claims against the Group, seeking reimbursement for costs that surpassed initial estimates or for which they believe they are not contractually liable. The Group has encountered, and will likely continue to encounter, legal proceedings in which plaintiffs seek damages and compensation related to the projects. Such claims and lawsuits are a normal part of the Company's operations. Although the Group maintains insurance coverage and establishes litigation provisions where appropriate, there may be situations where the Group is held liable and the resulting liability is not covered by insurance or an associated provision, or if it is covered, the cost of the liability exceeds the limits of the Group's insurance policy or provision.

Highly regulated environments subject to regulatory changes and risks related to contracts with government authorities

The activities are to some extent dependent on public policies based on incentives in the countries where operations take place, which are designed to encourage the production and sale of energy from renewable resources. Depending on the country, these measures may include state commitments and renewable energy production plans, direct or indirect subsidies to operators, purchase obligations at regulated tariffs, pricing rules for electricity produced from renewable resources, renewable energy supply quotas imposed on non-state professional consumers, the issuance of tradable green certificates, priority access to distribution and transmission grids, and fiscal incentives. These policies and mechanisms typically enhance the commercial and financial viability of renewable energy plants and frequently facilitate the acquisition of financing.

The availability and support of such policies and mechanisms depend on political and policy developments related to environmental concerns in a specific country or region, which can be influenced by a wide range of factors, including macroeconomic conditions, the financial situation of the electricity industry (particularly considering potential revenue deficits for compensating regulated services and activities), and changes in governments and lobbying efforts by various affected stakeholders (including the renewable energy industry, other electricity producers and consumers, environmental groups, agricultural companies, and others).

Furthermore, the presence of tendering and public auction processes, through which PPAs, WPAs, and concessions are signed and the energy produced is sold, largely depends on the commitment of countries and regions to fostering renewable energy production within their territories. Any revocation or unfavourable change in such government incentive policies, issues of interpretation and uncertainties regarding their implementation, or any reduction in the number of public tender calls or the volumes of energy allocated through them, could have an adverse effect.

Any changes in global trade policies impacting the international markets in which the company operates, including the imposition of tariffs on products, could adversely affect net sales, margins, and profitability.

Moreover, the company is bound by stringent environmental regulations. In the countries where it operates, there are local, regional, national, and supranational authorities that regulate activities and set applicable environmental regulations. These laws may include strict liability for damage to natural resources, pollution exceeding established limits, or threats to public health and safety. Strict and/or criminal liability regimes in environmental matters could involve joint and several liability and/or fines resulting from potential environmental damage, even in cases where no actual environmental damage is present or proven, and despite the absence of negligent behaviour.

Lastly, authorities typically possess the right to unilaterally terminate, alter, or expropriate concessions based on public interest, or to enforce further restrictions on toll rates. Therefore, concessions carry the risk that government authorities might unilaterally undertake actions that oppose the interests or rights established in the concession agreements. However, such scenarios are rare and, if they do occur, the relevant legal frameworks generally include a mechanism for legal compensation, although there is no legal certainty regarding fair and adequate compensation.

Access to permissions

The company's operations require obtaining and maintaining authorisations, licences, permits, and other regulatory approvals, and complying with the requirements of these licences, permits, and other approvals, as well as conducting environmental impact assessments for current and future projects.

As a result, the company is subject to the following risks: (i) public opposition, which could lead to the delay, modification, or cancellation of any project or licence; (ii) changes to or revocation of approvals by governmental authorities.

Furthermore, there may be significant challenges in obtaining or renewing approvals, licences, permits, and certificates essential for conducting business, as well as in maintaining compliance with the conditions under which such authorisations are granted by the authorities. Delays may also occur in regulatory, administrative, or other relevant bodies when reviewing applications and granting the necessary authorisations. Furthermore, to bid for, develop, and complete a construction or energy project, permits, licences, certificates, and other approvals from the relevant administrative authorities might also be necessary. This could lead to both non-compliance and schedule risks. Obtaining environmental permits and securing the relevant rights of way are crucial components in the pre-construction phase of numerous transmission line or energy generation projects.

Moreover, securing land rights primarily depends on government action, as it often requires government authorities to take measures to expropriate the land where the asset is to be constructed.

Once permits, licences, and authorisations are granted, they may be challenged by local residents and associations. These groups may argue that the projects' locations will harm the landscape and biodiversity or result in noise pollution, among other social and environmental concerns. Such opposition could prolong the project development period, lead to litigation, or even compel us to abandon certain projects.

Tax risk

The company's operations are subject to tax laws and regulations in the various jurisdictions where it operates, and these laws and regulations are complex and do not always offer clear or definitive guidelines on certain aspects. As a result, there is no guarantee that the interpretation of these laws and regulations will not be contested by the relevant tax authorities, and thus any successful challenge by the tax authorities or any non-compliance with these laws or regulations might lead to reassessments, interest on overdue payments, fines, and penalties.

Moreover, Cox currently benefits from certain favourable or incentive-driven tax regimes in some of the countries where it operates. Conversely, it is subject to specific taxes applicable to companies operating within the energy sector and local taxes applicable to the construction of energy generation facilities or the utilisation of electrical grids.

Furthermore, tax laws and regulations may change, and there may be changes in their interpretation and application by the relevant authorities, potentially with retroactive effect, particularly in the context of international and European initiatives (such as those of the OECD, the G20, or the EU).

Risks arising from reductions in government budgets and subsidies, and adverse legislative changes that could affect the Group’s business and the development of its current and future projects.

Cuts in public infrastructure expenditure affect the Group's results, since a large part of the Group’s projects are promoted by public entities, which provide the Company with a volume of revenue that is difficult to replace through private investment, especially in the current economic environment.

Risks arising from strict environmental legislation

The Group's business is subject to significant environmental regulations which, among other matters, forces the Company to carry out environmental impact studies for future projects or project changes, and obtain and comply with regulatory licences, permits and other authorisations.

We cannot guarantee that:

- the laws or regulations will not change or be interpreted in a way that increases our costs of compliance or that significantly or adversely affects our operations or plants; or
- the governmental authorities will approve our environmental impact studies when necessary to implement proposed changes to projects in the commercial operation phase.

We consider that all applicable regulations, including environmental legislation, are currently fulfilled. Although we apply sound policies on compliance with environmental regulations, occasional infringements do arise. However, we cannot guarantee that we will continue to comply or that we will avoid fines, penalties and significant expenditure relating to regulatory compliance matters in the future. The infringement of these regulations could give rise to significant liability, including fines, damages, fees, costs and site closure.

A more stringent application of laws or regulations in the countries where we operate, the entry into force of new legislation, the discovery of environmental pollution that is currently unknown, or the introduction of new or stricter requirements for obtaining licences and permits could give rise to significant liability, including fines, damages, fees, costs and the closure of facilities, which could have a significant adverse impact on our business, financial situation, results of operations and cash flows.

Risk of relying on legislation favouring the renewable energy business

Renewable energies are maturing fast, but the cost of renewable power generation is still considerably higher than conventional energies (nuclear, coal, gas, hydro). For renewable generation projects to be economically feasible, governments have put in place support mechanisms in the form of subsidised rates (mainly in Spain), which are supplemented in specific cases by direct investment aid.

Subsidised rates vary depending on the technology (wind, photovoltaic, solar thermal, biomass), since each technology is in a different phase of maturity and regulators aim to favour their development by providing the promoters with sufficient economic incentives through reasonable investment returns. Without this support, no renewable project would currently be feasible, although, depending on how each technology matures, the need for such assistance will decline or completely disappear, in the long term.

Aid schemes for renewable energy generation have been the subject of legal proceedings in the past, in various jurisdictions (including claims that such schemes are state aid prohibited in the EU).

If all or part of the aid and incentive schemes for renewable energy generation in any jurisdiction in which the Group operates were to become illegal and were therefore eliminated or reduced, the Group might not be able to compete effectively with other forms of renewable and conventional energy. In the case of the third-party Engineering and Construction business, booking might fall due to reduced investment in renewables by other developers.

In addition, changes in the objectives included in government agendas for the reduction of greenhouse gas emissions could affect government policies on the development of renewable energy sources, which would impact the Group's future business portfolio in this activity.

4.6. Risks relating to ESG and geopolitical conflicts

Reputational and Compliance risks

Reputational risks pose critical challenges for large companies operating in global markets and strategic sectors. These risks can be heightened due to society's growing sensitivity to issues such as diversity, inclusion, gender equity, and the social impact of business activities. Lack of alignment with the expectations of communities and other stakeholders can lead to negative campaigns in the media and on social media, causing significant harm to the corporate image. In industries that require strong public support to function, these perceptions might even threaten the sustainability of crucial projects.

Compliance risks primarily originate from the failure to adhere to local and international regulations, particularly concerning public procurement, labour rights, and environmental sustainability. In addition to direct financial consequences, regulatory sanctions may undermine the confidence of investors and business partners, thereby weakening the company's competitive standing in an environment that is increasingly demanding in terms of transparency and ethics.

The Group has a regulatory compliance programme designed to prevent, detect and penalise any conduct that could result in liability for the companies and their employees.

Risks arising from non-compliance with the US Foreign Corrupt Practices Act and similar anti-corruption laws

Regarding corruption and money laundering, the spread of legislation like the FCPA in the United States or the UK Bribery Act necessitates stringent oversight of international operations. Failure to ensure effective compliance with these regulations can lead not only to substantial fines, but also to restrictions on participating in future tenders. These laws impose strict obligations requiring proactive and diligent management by companies.

The Group maintains robust compliance policies, including a strict code of conduct, and employees receive extensive training in this area. Furthermore, all contracts with third parties incorporate clauses that prohibit fraudulent acts, malpractice, and actions that might be deemed as corruption. Cox has an extensive array of procedures and control mechanisms to prevent this risk from occurring.

However, there can be no assurance that, in all cases, these policies, procedures and control mechanisms will be effective against acts of corruption by employees, suppliers or agents,or that all materials in the supply chain originate from non-sanctioned countries. If such issues arise, we might be exposed to sanctions, penalties, contract cancellations, legal claims and investigations, affecting the Issuer's reputation and profitability.

Geopolitical risks

Conflicts in the Middle East, political tensions between the People's Republic of China and Taiwan, and military developments in Ukraine, which have led to strained relations between the United States and Russia, and sanctions imposed by the United States, the EU, and the United Kingdom against Russia, Belarus, and/or regions of Ukraine, may also adversely impact the global economy and the local economies of many countries. This, in turn, could affect the availability of supplies and the relationships with suppliers and contractors. Geopolitical conflicts can also lead to increased inflation, rising energy and raw material prices, and increased material costs (alongside shortages or inconsistent availability of materials), which may also raise the costs of supplies and components essential for plants and infrastructure, and adversely impact the business, financial condition, operating results, and prospects.

Social risk in the supply chain

There may be situations, within the Group's supply chain, of unlawful employee recruitment, discrimination on the basis of religion, gender or political orientation, labour exploitation or child labour. Situations could also arise in which the concerns of various stakeholders are neglected.

The Group has a Corporate Governance System, of which the Regulatory Compliance System, the Risk Management System and the code of conduct form an integral part, ensuring the correct treatment of the organisation's risks, including the social sphere, under a prudent approach in which mitigation measures are identified and implemented for the potential risks of factors arising in the project and in the supply chain that affect human rights, forced labour, child labour, discriminatory practices, non-inclusive practices, inequality based on race, gender or religion, conflicts with the local community, bribery, corruption or fraud, as well as the necessary measures to account for the concerns of all affected stakeholders. Various policies have been drawn up specifically prohibiting these practices in the Company and in the supply chain, and regular audits of contracting process and contractual relationships with the supply chain are conducted.

However, the Group cannot guarantee that these practices can be avoided in the supply chain in 100% of cases and it could be exposed to claims, penalties and reputational risk.

Climate Change risk

The impact of climate change, particularly physical risks classified as acute or chronic according to the EU Taxonomy, could affect assets or concessions under long-term agreements by triggering catastrophic natural phenomena such as an increase in the number of tornadoes, torrential rains, hurricanes, etc. that damage facilities, or situations such as rising sea levels, making certain locations inaccessible or unfit for future projects.

Some of the Group's assets could be located in areas that are more vulnerable than others and might be significantly affected by natural disasters. In particular, several of the Group's assets may be situated in regions prone to natural disasters, such as earthquakes, heavy rainfall, floods, hurricanes, or tornadoes, and in other areas exposed to the risk of chronic climate change, such as rising sea levels, water stress, or changes in ambient temperature conditions, impacting the operational conditions of these assets.

Besides these climate phenomena, droughts, especially in Brazil, could affect sugar cane production, availability and production price, affecting sugar and bioethanol output and reducing the profitability of the bioethanol plant.

The Group operates under the ISO 14001 framework and applies a climate change risk analysis methodology that enables it to anticipate the impact of climate change on its facilities and future projects.

The Group might not be suitably prepared by means of insurance, contingency plans or recovery capacity in the event of any such natural disasters, incidents or crises, and therefore its business and results of operations could be materially adversely affected.

4.7. Risk Management and internal control

The Group is aware of the importance of managing risks for proper strategic planning and the achievement of the defined business objectives. With this aim, our philosophy is based on a set of shared beliefs and attitudes reflecting how risk is viewed, from strategy development and implementation to our daily activities.

The Group's risk management process is a continuous cycle comprising five key phases:

- Identify
- Assess
- Respond
- Monitor
- Report.

For good outcomes, consistent, regular communication is essential in each phase. As a continuous cycle, permanent feedback is needed to continuously improve the risk management approach. These processes target all the Group's risks.

The Group's risk management approach comprises three elements.

They form an integrated system that facilitates the appropriate management of risks and controls at all levels in the organisation.

a) Shared Management Systems

The Group's Shared Management Systems integrate the internal rules and procedures and risk assessment and control method, creating a common culture for business management through the sharing of accumulated knowledge, criteria and guidelines for action.

These Shared Management Systems include specific procedures developed by drawing on our experience, addressing all significant risks to the organisation, whether financial or non-financial. They are available to all employees electronically, regardless of their geographic location and work post.

The Shared Management Systems span the entire organisation on three levels:

- all business lines and areas of activity;
- all levels of responsibility;
- all kinds of transactions.

The Shared Management Systems represent a common culture for the Group's various businesses and consist of 11 Mandatory Rules defining how each of the potential risks included in the Group's risk model are to be managed. They identify risks, specify appropriate hedges and define control mechanisms.

The shared management systems are being constantly evolved and adapted to new situations and operating environments, so as to enhance risk identification and minimise exposure by means of hedging and control activities.

b) Mandatory Procedures

Mandatory Procedures are in place to mitigate risks relating to the reliability of financial information through a combined system of procedures and control activities in the Group's key areas.

The internal control system undergoes an annual independent evaluation performed by external auditors.

An adequate internal control system comprises two tools:

- A description of the company's relevant business processes having a potential impact on the financial information being prepared. Management processes have been defined and are grouped into corporate cycles and cycles common to the Group's core areas.
- An inventory of control activities for each process, ensuring that the control objectives are met.

The Group regards internal control as an opportunity for improvement and, far from being satisfied with mere compliance, we have sought to develop our internal control structures and control and assessment procedures to the maximum extent possible.

The Group's internal control structure has been redefined following a risk analysis-based top-down approach. This risk analysis begins by identifying areas of significant risk and assessing the company's related controls, beginning with those implemented at the highest level (corporate and supervisory controls) and then moving down to the operational controls in place for each process.

c) Risk Management System (ERM)

The Group's risk tolerance is established at the corporate level.

The Group's ERM approach is the tool for identifying and assessing all risks. All risks addressed are assessed on the basis of probability and impact indicators.

These parameters are employed to classify risks as follows:

- Minor risk: those that are frequent but have a low economic impact. These risks are managed to reduce the frequency only if economically feasible.
- Tolerable risk: those that are infrequent and have a low economic impact. These risks are monitored to check that they remain tolerable.
- Severe risk: frequent, very-high-impact risks. They are managed immediately, although the Group is unlikely to face risks of this kind in view of the risk management processes in place.
- Critical risk: Risks that are infrequent but have a very high economic impact. They have an associated contingency plan, since the impact is very high when they materialise.

The Group also has various insurance programmes allowing most of these risks to be adequately transferred to the insurance market.

5.- Report on the Company's prospects

Following the Group's acquisition of the assets and liabilities of the former Abengoa subsidiaries, an industrial group has been formed with a focus on technology, innovation and sustainable solutions, and worldwide operations in over 21 countries.

In September 2023, the Group drew up its strategic plan for the next five years, in which its growth and future prospects are analysed.

The first milestone of this strategic plan occurred during 2024, with the complete integration of the businesses resulting from the acquisition of Abengoa's assets, along with the businesses previously developed by the former Cox companies.

All of this within two business units: Water and Green Energy.

This growth is based on two pillars: the concession business, comprising seven concessions in operation at 2024 year-end, and a 3.6 GW portfolio of photovoltaic projects in operation or under construction or development.

New concessions will be secured in the Water and Transmission and Infrastructures sectors, currently under construction.

The construction and services business, which is based on a portfolio of projects already contracted and will bring in future revenues of €2.23 billion, together with new contracts in the pipeline in the coming 12 months (for which bids have been made or are expected to be made in 2025) amounting to approximately €35 billion.

Building on these two pillars, the business is forecast to grow at an average rate of 40% per annum in the next five years to reach revenues of over €3.8 billion in 2029 and an EBITDA margin of 20%.

6.- R&D&i activities

Technological development is still Cox's main competitive advantage when undertaking high added value projects. The Group develops R&D and innovation projects to enhance both the features of existing products and services, and the acquisition of new competencies. Cox has accumulated over 250 patents since 2008, making us a technology leader.

7.- Acquisition and divestment of own shares

Cox ABG Group, S.A., along with its related companies, have complied with the legal provisions established for transactions in its own shares.

The Parent company has neither pledged its own shares as collateral nor used them in any commercial or legal transaction. There are also no shares in Cox ABG Group, S.A. owned by third parties who could act in their own name but on behalf of the group's companies.

Any reciprocal shareholdings that may have been established with investees have been carried out on a transitory basis and in compliance with the limits of the revised text of the Spanish Companies Act.

On 13 December 2024, the Company signed a liquidity agreement concerning the shares listed on the Continuous Market and integrated into the Spanish Stock Exchange Interconnection System with JB Capital Markets, S.V., S.A.U., in compliance with the stipulations of Circular 1/2017, dated 26 April, issued by the National Securities Market Commission regarding Liquidity Contracts, and Circular 2/2019, dated 27 November, which amends Circular 1/2017, along with other applicable regulations.

As of 31 December 2024, the balance of treasury shares stands at 14,173 shares, all of which were acquired during the fiscal year 2024.

8.- Other relevant information

8.1. Stock market information

8.1.1. Cox Group stock market information

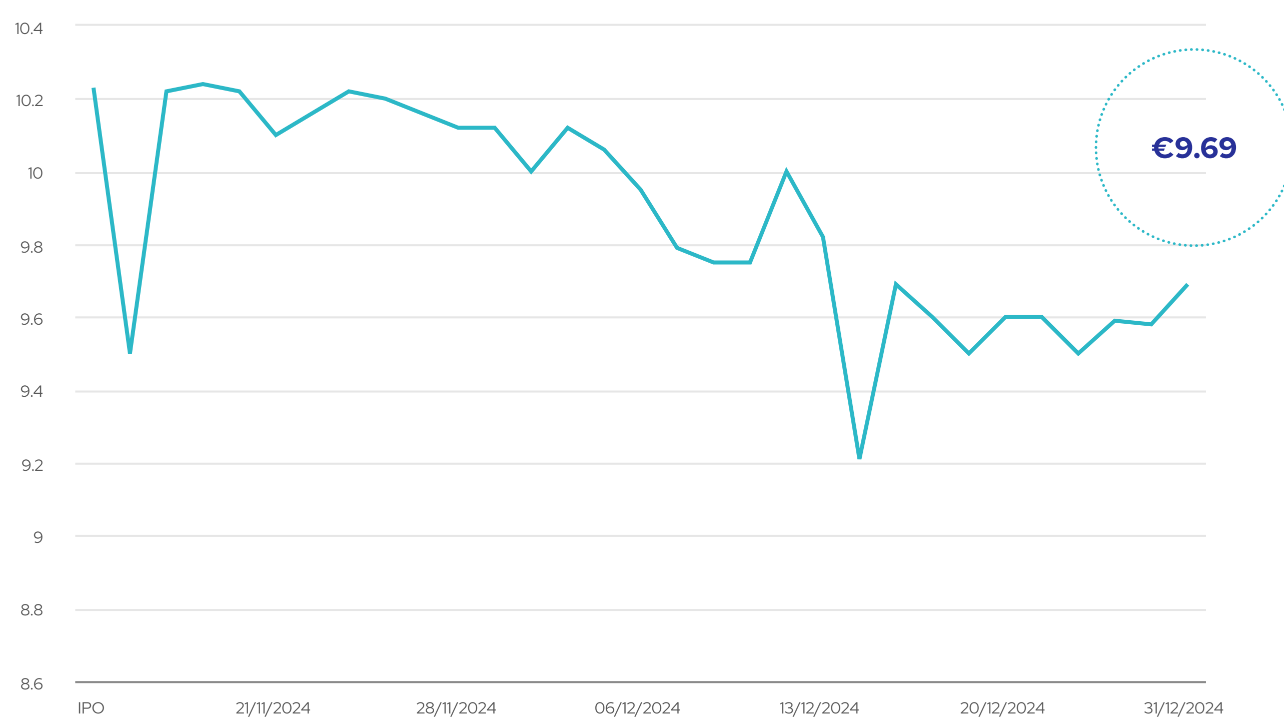
Cox shares have been traded on the Continuous Market of the Spanish stock exchanges (Madrid, Barcelona, Bilbao, and Valencia), under the symbol COXG, since 15 November 2024, when the Initial Public Offering (IPO) was conducted at an initial price of 10.23 euros per share.

As of 31 December 2024, Cox's market capitalisation reached €755 million, represented by 77,902 thousand fully subscribed shares.

Cox's share price closed the fiscal year 2024 at 9.69 euros per share, experiencing a variation of -5.3% compared to the IPO price. During this period, the highest, lowest, and average trading prices were 10.24 euros, 9.21 euros, and 9.87 euros, respectively.

In EUR	31.12.2024
Share price at year-end	9.69
Number of shares at year-end	77,901,860
Market capitalisation (thousand)	**754,869**

Cox share price evolution since IPO



8.1.2. Other publicly traded subsidiaries of the Cox Group

Since 7 July 2020, the shares of Cox Energy, S.A.B. de C.V., a subsidiary of the parent company, have been listed on Mexico's Institutional Stock Exchange (BIVA) under the ticker symbol COXA*, and since 3 July 2023 they have been dual-listed in BME MTF Equity's BME Growth trading segment in Spain under the symbol COX, later changed to COXE, and ISIN code MX01CO0U0028.

As of 31 December 2024 and 2023, the share price and market capitalisation were as follows:

	31 December 2024		31 December 2023	
	BIVA	BME Growth	BIVA	BME Growth
	MXN	EUR	MXN	EUR
Share price at year-end	33.00	1.48	32.00	1.81
Number of shares at year-end	180,441,176	180,441,176	171,531,966	171,531,966
Market capitalisation (thousand)	5,954,559	267,053	5,489,023	310,473
Euro/peso official exchange rate	21.5571	–	18.7231	–
Equivalent value in euro	**276,223**	**267,053**	**293,168**	**310,473**

8.2. Average supplier payment period

Note 23.4 of the notes to the Consolidated Annual Financial Statements provides information on Cox ABG Group's degree of fulfilment of supplier payment periods for commercial transactions, pursuant to Law 15/2010 of 5 July, as amended by Law 18/2022 of 28 September.

8.3. Dividend policy

In the context of its recent stock market flotation, the Company has established a dividend policy that prioritises sustainability and long-term growth as fundamental pillars for creating shareholder value. In line with this strategy, and as communicated in the prospectus of the IPO dated 5 November 2024, the Company does not plan to distribute dividends in the short term or during the upcoming fiscal years.

This decision is based on the need to allocate the resources generated to strengthen the Company's financial structure and to finance strategic investment projects that support its growth and the compliance with the Strategic Plan. The reinvestment of profits is crucial to strengthen our competitive position in the market and to meet the objectives outlined in this plan, thereby creating a positive and sustainable impact for shareholders.

The dividend policy will be periodically reviewed by the Board of Directors, taking into account various factors such as the evolution of financial results, capital needs for new project development, the economic environment, and the Company's long-term prospects. In this context, any future decisions about dividend distribution will consider not only the financial capacity of the Company, but also the commitment to maximise shareholder returns in a sustainable and responsible way.

While in this initial phase following the IPO the Company does not intend to distribute dividends, in the future, once the strategic objectives have been met and a robust and balanced financial structure has been established, the possibility of introducing a new dividend policy will be considered.

This policy demonstrates the Company's firm commitment to guaranteeing long-term value creation.

8.4. Alternative Performance Measures

The Group presents its results in accordance with International Financial Reporting Standards (IFRS), as indicated in note 2.1. However, certain alternative performance measures (APM) are employed to provide additional information favouring the comparability and clarity of its financial information, as well as facilitating decision-making and the assessment of the Group's performance.

The main APMs are set out below:

› **EBITDA**

› Definition: Operating profit/(loss) + Depreciation, amortisation, impairment losses and provisions.

› Reconciliation: The Group discloses the EBITDA calculation in section 2 of this consolidated management report and in note 5 to the Consolidated Annual Financial Statements.

2024	Operating results		Amortisation and Impairment charge		EBITDA	
	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)
Water	(17)	45	(8)	–	(9)	45
Energy	28	51	(16)	(38)	44	89
Services	**3**	**–**	**(5)**	**–**	**8**	**–**
- O&M	4	–	(5)	–	9	–
- Supply	–	–	–	–	–	–
- Tech	(1)	–	–	–	(1)	–
Corporate	5	–	(1)	–	6	–
Total	**19**	**96**	**(30)**	**(38)**	**49**	**134**

(1) Relates to Service Co. (2) Relates to Asset Co.

2023	Operating results		Amortisation and Impairment charge		EBITDA	
	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)	EPC/ Services (1)	Projects/ Concessions (2)
Water	(3)	27	(2)	(2)	(1)	29
Energy	5	45	(4)	(30)	9	75
Services	**–**	**–**	**(2)**	**–**	**2**	**–**
- O&M	–	–	(1)	–	1	–
- Supply	2	–		–	2	–
- Tech	(2)	–	(1)	–	(1)	–
Corporate	(13)	–	(2)	–	(11)	–
Total	**(11)**	**72**	**(10)**	**(32)**	**(1)**	**104**

(1) Relates to Service Co. (2) Relates to Asset Co.

› Explanation of use: The Group considers EBITDA to be a measure of its business performance, as it provides an analysis of operating results (excluding depreciation and amortisation, which are non-cash variables), as an approximation to operating cash flows reflecting cash generation before changes in working capital. This indicator is also widely used by investors when assessing companies, and by rating agencies and creditors when evaluating indebtedness by comparing EBITDA with net debt.

› Comparability: The Group presents previous-year comparative figures.

› Consistency: The method used to calculate EBITDA is the same as in the previous year.

- **Operating margin:**
- Definition: Ratio of EBITDA to Revenue.
- Reconciliation: The Group discloses the operating margin calculation in section 2 of this consolidated management report.

Item	2024	2023
Revenue (a)	702	581
EBITDA (b)	183	103
Operating margin (b/a)	**26%**	**18%**

- Explanation of use: The operating margin is a measure of the profitability of the business itself, before the effect of depreciation, amortisation and impairment losses, financial results and taxes. It measures the monetary units earned in operations per unit sold.
- Comparability: The Group presents previous-year comparative figures.
- Consistency: The method used to calculate the operating margin is the same as in the previous year.
- Backlog;
- Definition: The total value of awarded and signed contracts pending execution.
- Reconciliation: The Group discloses the backlog calculation in section 2 of this consolidated management report.

Item	2024	2023
Backlog	2,230	769

- Explanation of use: The backlog is a financial indicator that measures the Group's capacity to generate future revenue.
- Comparability: The Group presents previous-year comparative figures.
- Consistency: The method used to calculate the backlog is the same as in the previous year.
- **Booking;**
- Definition: The total value of contracts awarded and signed during the reporting period.
- Reconciliation: The Group discloses the booking calculation in section 2 of this consolidated management report.

Item	2024	2023
Booking	2,026	300

- Explanation of use: Booking is a financial indicator that measures the Group's capacity to generate future revenue.
- Comparability: The Group presents previous-year comparative figures.
- Consistency: The approach used to calculate booking is the same as is employed in the Group's management systems.
- **Net Financial Debt;**
- Definition: Finance lease liabilities and others - Project financing - Cash and cash equivalents

- Reconciliation: Net financial debt including the information of the Statement of Financial Position at that date:

Item	2024	2023
+ Finance lease liabilities and borrowings from credit institutions (note 18)	74	61
- Lease liabilities within the scope of IFRS 16 (note 18.3)	(34)	(39)
+ Project financing (note 17)	290	219
- Cash and cash equivalent (note 15)	(187)	(98)
- Current term and other deposits (note 13.2)	(71)	(44)
- Current financial assets at fair value (note 12)	(10)	–
Net Financial Debt	**62**	**99**

- Explanation of use: net financial debt is a financial indicator that measures the overall debt position of a company. This indicator is also widely used by investors when assessing financial leverage and by rating agencies and creditors when evaluating indebtedness.
- Comparability: The Group presents previous-year comparative figures.
- Consistency: The method used to calculate Net Financial Debt is the same as in the previous year.

8.5. Management of credit ratings

On 11 February 2025, the company announced that the credit rating agency Ethifinance Ratings, S.L. has assigned a long-term credit rating of 'BB+' with a stable outlook to Cox.

9.- Major events after the reporting date

There have been no other events since the year-end that could have a material effect on the information disclosed in the Consolidated Annual Financial Statements issued by the directors on this same date, or that must be reported in view of their significance.

Consolidated Non-Financial Information
Statement and Sustainability Statement

Annex I

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1. General information

1. 1. Basis for Preparation

BP-1 General basis for the preparation of the sustainability statement

Pending the transposition to Spanish law of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (CSRD), the Board of Directors of Cox ABG Group, SA (hereinafter 'Cox' or 'the company') issues this Consolidated Non-Financial Information Statement and Sustainability Statement (hereinafter 'EINFCIS') in compliance with Law 11/2018 of 28 December 2018 on disclosure of non-financial and diversity information, in accordance with Directive 2022/2464 of 14 December on Corporate Sustainability Reporting (CSRD), the European Sustainability Reporting Standards (ESRS) established by EFRAG, European Sustainability Reporting Standards (ESRS), and the regulation on the European Taxonomy—Regulation 2020/852 of the European Parliament and the Council of 18 June 2020.

The main goal of the Sustainability Statement (hereinafter, this report) is to provide information about the company's sustainability, strengthening the trust of investors, consumers and society at large. In a context where transparency and business responsibility in Environmental, Social, and Governance (ESG) matters are increasingly in demand, **Cox undertakes to lead with sustainable and responsible strategies.**

This report shows a description of Cox's business model, a summary of the policies and diligence procedures that must be applied for the identification, assessment, prevention and mitigation of significant risks and impacts, together with the result of these policies and their main risks, as well as the Responsible Management Balance (RMB) with the key non-financial results indicators.

This is a public report and can be found on the corporate website.

Scope

This report has been drawn up in a consolidated manner and with the same scope as the financial statements. Unless otherwise stated, all performance indicators and information included in this report refer to the activities carried out during 2024 by the companies under the control of the company (as stated in Appendices I, II and III of the Annual Financial Statements Report) and which have a social, environmental, economic and governance impact both inside and outside the organisation's scope of consolidation. Additionally, the Temporary Joint Ventures (TJVs) and Permanent Establishments (PEs) in which one of Cox's companies controls the management structure and has an impact on any of the above areas.

Since Cox ABG Group (formerly Cox Energy Solar S.A.) does not comply with the requirements established in Royal Decree-Law 18/2017 and Law 11/2028, transposing the European Directive, this is the second year that it draws up the Non-Financial Information Statement (NFIS) and, therefore, it only contains data regarding the previous fiscal year.

In fiscal year 2024, 79 subsidiaries were incorporated into the consolidation perimeter (87 in 2023), primarily due to the acquisition of the production units from the old Abengoa. The expanded consolidation perimeter with respect to 2023 is mainly due to the sale of 60% of the shares of the company Ibexia Cox Energy Development, SL, of which it held 40% and which incorporates 69 companies focused on the promotion and generation of photovoltaic electricity. In addition, the company Khi Solar One has become part of the group (solar thermal power plant in South Africa, featuring central tower technology and a field of heliostats, with a capacity of 50 MW and thermal storage), after the acquisition of 51 % of its shares as well as the companies Cox Transmissora 1 and Cox Transmissora 2, incorporated in Brazil after the award of the transmission lines.

Similarly, in fiscal year 2024, CA Infraestructuras Innovación y Defensa, S.L.U., and the Net-Zero Journey Corp, S.A., were removed from the company's scope of consolidation.[1]

The group companies are identified in Annexes I and II of these consolidated annual financial statements.

In compliance with the reporting requirements of the CSRD, Cox declares that it has not omitted any specific information regarding intellectual property, technical expertise, and innovation results in this sustainability report.

The content of the Sustainability Statement responds to the double materiality analysis conducted in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of December 2022 and the recommendations of the EFRAG IG 1 Materiality Assessment Implementation Guideline, which has allowed the identification of the most relevant topics both for Cox and for its main stakeholders.
The additional information required under Law 11/2018 is provided in section *6. Table of contents for Law 11/2018* in the non-financial and diversity information index of this report. The drawing up of this information has taken into account the Global Reporting Initiative (GRI) guidelines.

Information has been included on the impacts, risks, and material opportunities through direct and indirect business relationships in prior or subsequent phases of the value chain.
The information presented in this Sustainability Statement has undergone an independent verification process, thus assuring the precision and reliability of the data. The independent verification report can be found in section 7. 'Independent verification report' of this report.

BP-2 Disclosures in relation to specific circumstances

The company took an important step in its journey by starting **to trade on the Spanish Continuous Market** on 15 November 2024. This event marks a significant milestone for the company, which, by becoming a new share-issuing entity, has become a public interest company. As a result, it is subject to the reporting requirements established by the new European Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which strengthens its commitment to transparency and is a reflection of sustainable growth.

This report complies with both Law 11/2018 of 28 December on non-financial information and diversity and with the European Corporate Sustainability Reporting Directive (CSRD). Given that the first fiscal year is reporting under the principles of the CSRD and the ESRS, the disclosure of the quantitative information is limited exclusively to fiscal year 2024. This notwithstanding, as mentioned above, as regards the requirements of Law 11/2018, a comparison with the data corresponding to fiscal year 2023 is included.

When drawing it up, it has followed the classification of terms as defined by the European Sustainability Reporting Standards (ESRS 1 - 6.4):

- Short-term: One year, corresponding to the reference period of the financial statements.
- Medium-term: between one and five years.
- Long-term: more than five years.

The corresponding section will explicitly state the cases in which a different time horizon than those aforementioned has been defined.

The content adheres to the principles of relevance, fidelity, comparability, clarity and verifiability. In cases where estimations or approximations have been used, these have been indicated throughout the document, specifying the methodology applied and the estimates used:

Scope 3 emissions: details on the calculation of scope 3 GHG emissions are provided in section 2.1. 'Climate change – (E1-6)' of this report.

Water consumption: details regarding the criteria used, estimates, and assumptions for calculating water consumption are described in section 2.3. 'Water and marine resources – (E3-4)' of this report.

Resource input: the company provides qualitative information regarding resource input for this first report, as it lacks data traceability to ensure reliable and consistent reporting. More information is available in section 2.5. 'Use of resources and circular economy – (E5-4)' of this report.

Waste: details regarding the criteria used, estimates, and assumptions for calculating, estimating, or measuring waste generation are described in section 2.5. 'Use of resources and circular economy – (E3-5)' of this report.

[1] For more information regarding the additions and removals within the company's scope of consolidation during 2024, please refer to note 6.2 of the financial statements.

Furthermore, no significant errors were detected in the information with respect to the previous fiscal year when preparing this report.

In this first edition of the Sustainability Statement aligned with the CSRD, the overall approach to value chain information has been qualitative. In this context, the climate risk and opportunity analysis included a high-level qualitative assessment. For physical risks, the most significant ones were identified in the countries of Cox's main suppliers. Regarding risks and climate opportunities, the impact was analysed for each business line and the stages of the value chain affected by the transition toward a decarbonised world. However, in terms of health and safety, quantitative indicators have been included for value chain workers operating at the company's sites.

1.2. - Governance

GOV-1 The role of the administrative, management and supervisory bodies

Having governing bodies that guarantee an appropriate strategy, which generates trust in stakeholders and which disseminates a culture of integrity is vital for a company such as Cox Its corporate governance is guided by the **principles of effectiveness and transparency**, following the current ethical and compliance recommendations and standards referenced in the market, which places the company at the highest level of adherence to international good governance criteria and principles.

Pillars of corporate governance

Structure of the governing bodies

The adequacy of the composition of the company's management body, as well as its operating rules and organisation, aligns with the most advanced corporate governance practices, ensuring that its structure and configuration are suitable for each stage of the company to guarantee effective operation in line with the reality of Cox.

Shareholder participation

The shareholders of the company are key in making essential decisions through various meetings held to reach consensual agreements on decisions that may affect the development and performance of the company in one way or another.

Compliance with current regulations

Compliance with current regulations, seeking to adopt, in accordance with the company's development, best national and international practices in terms of good corporate governance and adapting both the internal rules governing Cox ABG Group S.A.'s activities and its governing bodies and the mechanisms established for internal control to the highest standards in this area, always in accordance with the reality of the company.

Achieving the social interest

Understood as the achievement of a long-term profitable and sustainable business, promoting its continuity and maximising Abengoa's economic value.

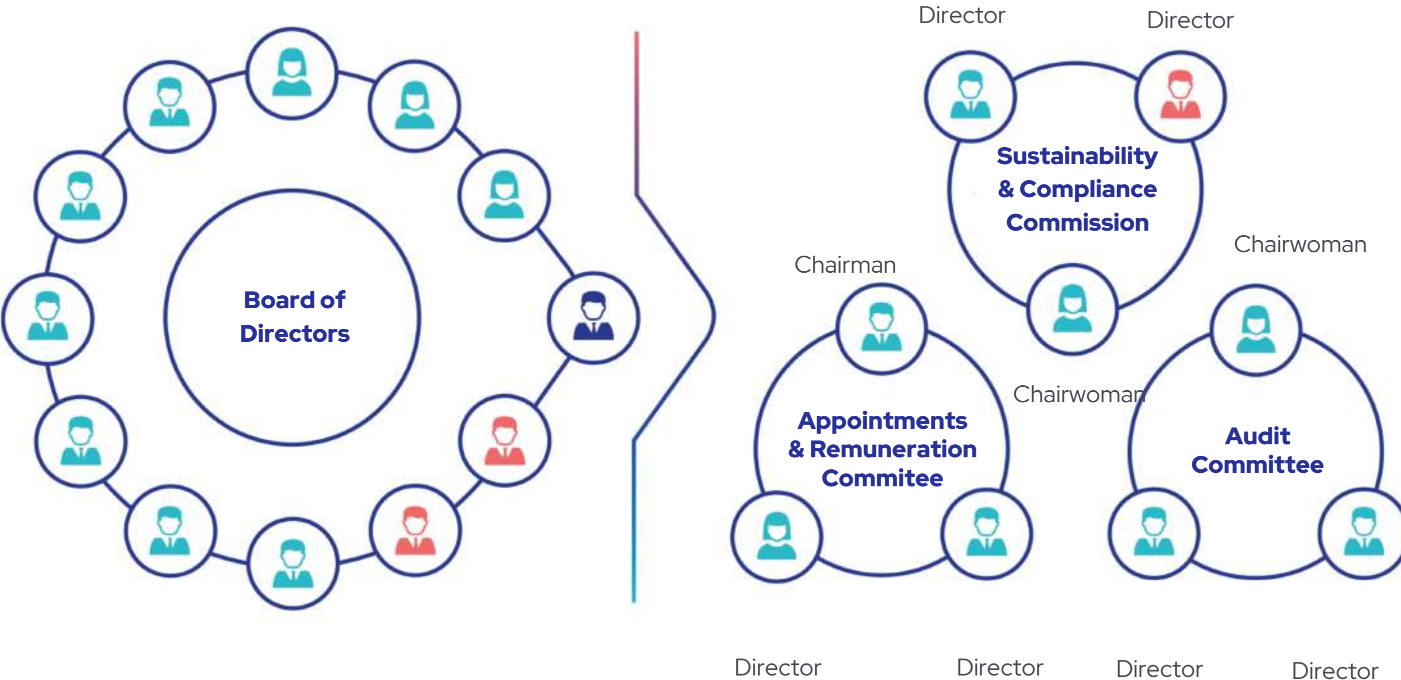
Transparency in management

Ensuring that the information transmitted is always truthful and correct.

Board of Directors

The Board of Directors is the supreme governing and representative body of Cox, and at the date of publication of this report is composed of 12 directors. Of these, three are women, nine are classified as independent, and the presidency of the Board is held by an executive director.

	Member of the Board	Position	Category	Start date	Committee
1	Mr Enrique José Riquelme Vives	Chairman	Executive	17 September 2024	Sustainability and Compliance Committee (Director)
2	Mr Alberto Zardoya Arana	Director	Shareholder-Appointed	17 September 2024	Appointments and Remuneration Committee (Chairman)
3	Mr Alejandro Fernández Ruiz	Director	Independent	17 September 2024	Appointments and Remuneration Committee (Chairman)
4	Mr Arturo Saval Pérez	Director	Independent	17 September 2024	Appointments and Remuneration Committee (Chairman)
5	Ms Cristina González Pitarch	Director	Independent	17 September 2024	Sustainability and Compliance Committee (Director)
6	Ms Elena Sánchez Álvarez	Director	Independent	17 September 2024	Sustainability and Compliance Committee (Director)
7	Mr Ignacio Maluquer Usón	Director	Independent	17 September 2024	Sustainability and Compliance Committee (Director)
8	Mr Juan Ignacio Casanueva Pérez	Director	Independent	17 September 2024	-
9	Mr Luis Arizaga Zárate	Director	Independent	17 September 2024	Audit Committee (Director)
10	Ms Mar Gallardo Mateo	Director	Independent	17 September 2024	Audit Committee (Chairwoman)
11	Mr Román Ignacio Rodríguez Fernández	Director	Independent	17 September 2024	Audit Committee (Director)
12	Mr Dámaso Quintana Pradera	Director	Shareholder-Appointed	09 December 2024	-



During fiscal year 2024, the number of members of the supreme governance body of the company was increased from three to 12 members. This change was the result of the incorporation of Cox to the stock markets of Madrid, Barcelona, Bilbao and Valencia within the Stock Market Interconnection System (Continuous Market) in the general trading segment. As a result, the company is governed not only by its internal regulations but also by the applicable provisions for those companies whose shares are admitted for trading on a regulated Spanish market.

As regards the quantitative composition of the Board of Directors, the current Articles of Association, approved at the General Shareholders' Meeting on 17 September 2024, stipulate that the Board must consist of at least five members and no more than fifteen, a resolution made by the General Shareholders' Meeting.

During the General Shareholders' Meeting held on 17 September 2024, it was resolved to fix the number of members of the Board of Directors at twelve (12). Subsequently, the members of the Board were appointed, and they accepted their positions at the Board meeting held immediately after the Shareholders' Meeting. Since then, the composition of the Board of Directors of Cox remained unchanged to the closing date of the fiscal year, with the only exception noted in the corresponding table.

The director Mr Dámaso Quintana was appointed by co-option at the meeting of the Board of Directors held on 19 December 2024 to replace Mr Antonio Medina Cuadros who, until that date, had been a member of the Board of Directors, continuing as secretary of the body.

With the current composition, the criteria of the Articles of Association are fulfilled. These establish that the external or non-executive directors should account for a broad majority of the executive directors on the Board of Directors. Likewise, the number of independent directors should account for at least one-half of the total, the number of executive directors should be the minimum necessary; and, lastly, the percentage of shareholder-appointed directors over total non-executive directors should not surpass the proportion existing between the share capital represented by these and the rest of the capital.

Regarding the qualitative composition of the governing body of Cox, both the Board of Directors and the Appointments and Remuneration Committee, within the scope of their responsibilities, ensure that their members have recognised competence, experience, qualification, training, availability, and commitment to their roles. These qualities enable them to be briefed and to prepare adequately for Board meetings, to play an active part in the discussions and to contribute their strategic vision, as well as criteria and innovative measures for the development and performance of the company, in compliance with their obligations and duties are directors.

The structure encourages diversity of competencies, experience, knowledge, origin, nationality, age and gender, with the aim of enhancing decision-making and contributing different viewpoints to the debate on the matters within its purview. This approach is particularly salient as regards other geographic locations where Cox operates or carries out its activity.

On the one hand, the composition of the Board of Directors reflects the commitment to the professionalism of its directors, most of whom have the category of independent according to the requirements established in the Board of Directors Regulations and the duties of each committee. On the other hand, it also reflects its diversity, given that, in the first year of forming the committee, almost 25% of the Board of Directors are women.. The Appointments and Remunerations Committee is responsible for promoting equality among its members in future renewals and appointments.

The curricula of all the members of the governing bodies of Cox are available on the company's website (www.grupocox.com), in the Corporate Governance and Board of Directors section.

The Board of Directors has broad powers in the management and governance of the company, within the limits established by the applicable law, the Articles of Association and the Regulation governing its operation. Likewise, it oversees the duties allocated to the different committees that report to it.

The following are among its main responsibilities:

- Drawing up the company's annual financial statements, the management report and the proposed application of earnings, both individual and consolidated.
- Call the General Shareholders' Meeting, publish the pertinent notices, draw up the agenda, and propose resolutions.
- Oversee the proper operation of the committees formed.
- Determine and approve the following policies:
  - Investment and Financing Policy.
  - Corporate Governance Policy.
  - Corporate Responsibility Policy
  - Director and Management Personnel Remuneration Policy.
  - The company and its group's fiscal policy and strategy.
  - Risk Control and Management Policy.
- The determination and approval of the Strategic and Business Plan.
- Annual assessment of the operation of the Board of Directors and its committees and proposal of an action plan to correct any shortcomings detected.
- Efficient, adequate coordination between the company and its subsidiaries.

In line with best corporate governance practices, the strengthening and efficiency of the Board of Directors requires the existence of specialised committees in key areas for the development of the company and its business. In this regard, the Board of Directors is assisted by three committees.

- **Audit Committee**
- **Appointments and Remuneration Committee**
- **Sustainability and Compliance Committee**

Considering the current structure and composition of the Board of Directors and the company's situation, the number of committees existing is deemed adequate in this initial stage of the share-trading process. However, in order to adapt to best practices in corporate governance, the possibility of creating new delegated committees will be evaluated, with consultative or advisory functions if deemed appropriate, to address the needs of the company.

Audit Committee

Cox's Audit Committee was set up on a permanent basis on 17 September 2024 by a resolution of the **Board of Directors.** Its Operating Regulations came into effect with the admission of the company's shares for trading on the Stock Exchanges of Madrid, Barcelona, Bilbao, and Valencia, through the Stock Exchange Interconnection System (Continuous Market), a process that materialised on 15 November 2024.

The Regulation of the Committee was drawn up in line with the recommendations of the **Corporate Governance Code for Listed Companies** of the Spanish National Securities Market Commission, and the Technical Guide 1/2024 on audit committees at public-interest entities

It is made up of three members, of whom **33.33% are women**. All its members are **independent directors (100%)** in accordance with the criteria established in the applicable law.

Audit Committee	Position	Start date
Ms Mar Gallardo Mateo	Chairwoman	17 September 2024
Mr Luis Arizaga Zárate	Director	17 September 2024
Mr Román Ignacio Rodríguez Fernández	Director	17 September 2024

The members of the Audit Committee, and particularly its Chairwoman, **Ms Gallardo Mateo**, have been selected based on their knowledge and experience in accountancy, auditing and financial and non-financial risk management. The position of Chair of the Committee will be held for a maximum of four years, after which they may not be re-appointed until one year has passed since their departure, notwithstanding their continuity or re-appointment as a member of the Committee.

The Secretary of the Audit Committee is the Secretary of the Board of Directors, Mr Antonio Medina Cuadros.

It is an **internal body of an informative and consultative nature**, without executive functions, possessing powers of information, advice, and proposal within its scope of action and competence. Its **Operating Regulations** govern these functions and include mainly the following:

- **Oversee** the process of **drawing up and submitting** the **regulatory financial and non-financial information** and submitting recommendations or proposals to the Board of Directors aimed at safeguarding its integrity.
- **Inform** the Board of Directors about the **financial information and the management report,** including, when applicable, the mandatory non-financial information that the company must publish periodically.
- **Ensure** that the annual financial statements presented by the Board of Directors to the General Shareholders' Meeting are drawn up **according to the accounting law in force.**
- **Oversee** the effectiveness of the company's and its group's internal control, as well as the **internal audit** and the systems for **managing financial and non-financial risks**, ensuring that the policies and systems established for internal control are applied effectively.
- **Report on related-party transactions** that must be approved by the General Shareholders' Meeting or the Board of Directors.

Functions regarding the external auditor

- **Propose** the selection, appointment, reappointment or replacement of the **statutory auditor** to the Board of Directors for submission to the General Shareholders' Meeting according to the law in force.
- **Issue** an annual document prior to the audit report in which it expresses its **opinion on the independence** of the external auditors.
- **Ensure** that the external auditor meets annually with the entire Board of Directors to report on the work carried out and the company's development.

Appointments and Remuneration Committee

Cox's Appointments and Remuneration Committee was set up on a permanent basis on 17 September 2024 by a resolution of the **Board of Directors.** Its Operating Regulations came into effect with the admission of the company's shares for trading on the Stock Exchanges of Madrid, Barcelona, Bilbao, and Valencia, through the Stock Exchange Interconnection System (Continuous Market), a process that materialised on 15 November 2024.

The Regulation of the Committee was drawn up in line with the recommendations of the **Corporate Governance Code for Listed Companies** of the Spanish National Securities Market Commission, specifically with regard to appointments and remuneration committees.

It is made up of three members, of whom **33.33% are women**. All its members are **independent directors (100%)** in accordance with the applicable law.

Appointments and Remuneration Committee	Position	Start date
Mr Alejandro Fernández Ruiz	Chairman	17 September 2024
Ms Cristina González Pitarch	Director	17 September 2024
Mr Arturo Saval Pérez	Director	17 September 2024

The members of this Committee, and in particular, its chairman, **Mr Fernández Ruiz**, have been selected based on their knowledge of the sector, skills, professional experience, diversity and personal capacities, and which are suitable for the roles they are expected to fulfil. The position of Chair of the Committee will be held for a maximum of four years, after which they may not be re-appointed until one year has passed since their departure, notwithstanding their continuity or re-appointment as a member of the Committee.

Mr Antonio Medina Cuadros.is the secretary of the Board of Directors.

It is an **internal body of an informative and consultative nature**, without executive functions, possessing powers of information, advice, and proposal within its scope of action and competence. Its Operating Regulations govern these functions and include mainly the following:

- **Assess the necessary competencies, knowledge, and experience** in the Board of Directors. To do this, it defines the functions and skills that the candidates must possess to cover each vacancy and assess the time necessary to efficiently fulfil the responsibilities.
- **Establish** a **representation target** for the **under-represented gender** on the Board of Directors and draw up guidelines on how to achieve this.
- **Submit proposals** to the Board of Directors for the **appointment** of independent directors for their designation by co-option or for submission to the General Shareholders' Meeting, as well as proposals for the re-appointment or removal of such directors by the General Shareholders' Meeting.
- **Report** on proposals for the appointment, re-appointment, and removal of senior management, as well as the basic terms of their contracts.
- **Review and organise** the succession of the Chair of the Board of Directors and the company's CEO, drawing up proposals to the Board to ensure that this process is conducted in an orderly and planned manner.
- **Propose** the **remuneration policy** for directors and executives to the Board of Directors, reviewing it periodically.
- **Ensure compliance with the company's remuneration policy**.
- **Safeguard** against **potential conflicts of interest that may affect the independence** of the external advice provided to the Committee.
- **Verify** the information regarding the **remuneration of directors and senior executives** contained in the various corporate documents, including the annual remuneration report.

Sustainability and Compliance Committee

Cox's Sustainability and Compliance Committee was set up on a permanent basis on 17 September 2024 by a resolution of the Board of Directors. Its Operating Regulations came into effect with the admission of the company's shares for trading on the Stock Exchanges of Madrid, Barcelona, Bilbao, and Valencia, through the Stock Exchange Interconnection System (Continuous Market), a process that materialised on 15 November 2024.

The Regulation of the Committee was drawn up in line with the recommendations of the Corporate Governance Code for Listed Companies of the Spanish National Securities Market Commission, specifically with regard to appointments and remuneration committees.

This committee is made up of three members, of whom **33.33% are women**, most of whom are **independent directors** (**66.66%**), in accordance with the law in force.

Sustainability and Compliance Committee	Position	Start date
Elena Sánchez Álvarez	Chairwoman	17 September 2024
Mr Alberto Zardoya Arana	Director	17 September 2024
Mr Ignacio Maluquer Usón	Director	17 September 2024

The members of the Sustainability and Compliance Committee, and in particular, its chairman, **Ms Sánchez Álvarez**, have been selected based on their knowledge of the sector, skills, professional experience, diversity and personal capacities, and which are suitable for the roles they are expected to fulfil. The position of Chair of the Committee will be held for a maximum of four years, after which they may not be re-appointed until one year has passed since their departure, notwithstanding their continuity or re-appointment as a member of the Committee.

The Secretary of the Sustainability and Compliance Committee is the Secretary of the Board of Directors, Mr Antonio Medina Cuadros.

It is an **internal body of an informative and consultative nature**, without executive functions, possessing powers of information, advice, and proposal within its scope of action and competence. These functions are governed by its **Operating Regulations** and include mainly, the following:

- **Oversee** compliance with the **corporate governance rules and the company's internal codes of conduct**, ensuring that the corporate culture is aligned with its purpose and values.
- **Oversee**, in coordination with the Audit Committee, the implementation of the general policy regarding the **communication of economic, financial, non-financial, and corporate information,** as well as communication with **shareholders, investors, proxy advisers, and other stakeholder groups**.
- **Periodically assess and review the corporate governance system and the company's environmental and social policy**, with the aim of promoting the public interest and, as appropriate, considering the legitimate interests of the various stakeholder groups.
- **Oversee** that the company's **environmental and social practices** comply with the established strategy and policy.
- **Oversee and assess** the **processes** related to the different **stakeholders**.
- **Follow up** the company's activities with regard to **corporate reputation** and report on this to the Board of Directors, as appropriate.
- **Report** to the Board of Directors on the **Annual Corporate Governance Report** prior to its approval.
- **Issue reports and carry out activities** within its purview according to the **corporate governance system** or at the request of the Board of Directors or its chair.
- **Assume** the **duties** assigned to it in the company's **Code of Ethics**.
- **Report** on the proposals of the Appointments and Remuneration Committee for the **appointment of compliance officers**.
- Regularly **evaluate** the **functioning of the compliance programme**, **rules of governance**, and the **compliance function**, formulating proposals for improvement. Furthermore, carry out an annual assessment of the performance of those responsible for compliance and report on the results to the Appointments and Remuneration Committee and the Board of Directors.
- **Oversee and monitor** the operation, implementation, and compliance with the **Criminal Risk Prevention Model**, as well as any other compliance policies, including those related to money laundering and labour risks, approved by the Board of Directors.
- **Receive periodic information** about the **compliance activities** and request any information considered necessary. In addition, it may summon any executive or employee, particularly those responsible for compliance and the committees existing in this area, to assess their performance.

The Sustainability and Compliance Committee will meet whenever the Board of Directors or its chair request the issuance of a report or the adoption of proposals and in any event, when it is deemed necessary for the adequate performance of its functions.

The Committee will be convened by its chair or by the Compliance Officer, either on their initiative or at the request of the chair of the Board of Directors or any member of the Committee.

This body will be validly constituted when at least the majority of its members are present, either in person or by proxy. Its decisions will be adopted by an absolute majority of those present, and in the event of a tie, the chair will have the casting vote.

Assessment of the Board of Directors and its Committees

The Board of Directors and its committees periodically assess the competencies and knowledge of their members to ensure alignment with the sector's objectives and challenges.

The chair of the Board of Directors is responsible for the proper functioning of the body and coordinates this periodic evaluation. It may seek the support of an external consultant if deemed appropriate.

As regards sustainability, the members of the Board of Directors and its committees have the necessary experience and training to address issues related to sustainability, diversity, and good governance. The Board relies on expert personnel within the organisation and, when necessary, on external professionals, for the management of material impacts, risks, and opportunities.

Once a year, the Board of Directors assesses its performance and that of its committees and draws up an action plan to address any identified deficiencies.

The Sustainability and Compliance Committee is the body responsible for oversight and approval of the double materiality analysis. In addition, it will ensure that the management of impacts, risks, and opportunities is aligned with Cox's Sustainability Strategic Plan.

GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

In the Fiscal Year 2024, Cox's Board of Directors met eight times to address various matters, especially the request for admission for trading on the Stock Exchanges of Barcelona, Bilbao, Madrid and Valencia, and its inclusion in the Spanish Stock Market Interconnection System (Continuous Market) of all the company's shares in circulation. These actions were carried out through the powers delegated to the Board of Directors by the **Extraordinary and Universal General Shareholders' Meeting** held on **30 October 2024.**

As stipulated in the statutory regulations, the Board of Directors always meets when the company's interests require it and when it is appropriate to fulfil its functions. Even so, at least eight sessions are held each year, following a calendar of meetings and topics defined at the start of each year.

The Chairman of the Board of Directors, or whoever fulfils this function, is responsible for announcing the sessions and must do so with at least three days' notice. The announcement includes the agenda of the meeting and information to enable the members of the board to prepare.

Unless indicated otherwise, the sessions are held at the company's offices and are considered to be valid when attended by a majority of the members. The agreements are adopted by absolute majority of the attendees, with the Chairman having the deciding vote in the event of a tie.

Committees of the Board of Directors

Audit Committee

The Audit Committee meets at least once a quarter to review the periodical financial information that must be sent to the Stock Market authorities, and the annual documentation passed by the Board of Directors. It may also be convened as often as necessary at the Chairman's request, by any of its members or the Board of Directors.

The Committee is considered constituted when the majority of its members are present, and agreements are adopted by absolute majority. The Chairman has the deciding vote in the event of a tie.

In the Fiscal Year 2024, the Audit Committee met three times, on 26 November, 11 December and 16 December 2024. In light of its recent creation, these meetings addressed the following topics, among others:

- Inauguration and organisation of the Committee
- Presentation and knowledge of the members, the structure and functions of the different departments that can report to the Committee (Internal Audit, Risk management, Administration and Control, Fiscal Department, IT Systems and Sustainability).
- Presentation of the External Auditor, planning, estimates, most significant risks and calendar of the milestones for financial publications in the Fiscal Year 2025.
- Coordination plan for supervising Financial and Non-financial Information in compliance with the functions corresponding to the Audit Committee.
- Establishment of a monthly meeting plan for the Fiscal Year 2025.
- Establishment of a working plan for the Audit Committee.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee meets at least twice a year and whenever required to by the Chairman, any of its members or the Board of Directors.

The Committee is considered constituted when the majority of its members are present, and agreements are adopted by absolute majority. The Chairman has the deciding vote in the event of a tie.

In the fiscal year 2024, the Appointments and Remuneration Committee met twice, on 28 November and 19 December 2024. In light of its recent creation, the following topics were addressed:

- Evaluate the proposed appointment of Dámaso Quintana Pradera as member of the Board of Directors, which resulted in the issue of a favourable report for the appointment by co-opting and its expected confirmation at the next General Meeting.
- Launch and start of an external study on the remuneration of board members and senior managers of the company, by comparing the group's salary policy with similar companies in the market.
- Setting a calendar for meetings in 2025, whenever necessary or when a committee report is required by the Board of Directors.

Sustainability and Compliance Committee

In the Fiscal Year 2024, the Sustainability and Compliance Committee met once, on 19 December 2024, due to its recent creation. This meeting addresses topics such as:

01 Strategic Sustainability Plan

02 Sustainability Statement for Fiscal Year 2024

03 Current Regulation

04 Scope for verifying non-financial information

05 Corporate policies

06 Regulatory Compliance

07 Oversight Model for Preventing Criminal Risk

08 Internal regulations on Corporate Governance

09 Related-Party Transactions

10 Treasury stock

The Board of Directors of Cox confirms its commitment to the **integration of sustainability in its corporate strategy** and its decision-making processes, guaranteeing the accuracy, significance and quality of the information on this matter. It has accordingly arranged regular meetings with the Sustainability Directorate to oversee its performance in sustainability.

Since its establishment and until the present report, the Sustainability Directorate has presented the following key documents to the Board of Directors.

- **Consolidated Non-Financial Information Statement and Sustainability Statement**
- **Double Materiality Analysis**: Identification of **impacts, risks, and material opportunities,** in accordance with **international standards**.
- **Evaluation** of eligibility according to European Taxonomy: Analysis of business volume and CAPEX, in accordance with (EU) Regulation 2020/852
- **Report on Climate Risks:** assessment based on the recommendations of the *Task Force on Climate related Financial Disclosure* (TCFD), identifying physical and transition risks, and opportunities derived from climate change.
- Budget for the fiscal year 2025
- Corporate policies

Double Materiality Analysis and priority of key aspects

In the Fiscal Year 2024, the company carried out a double materiality analysis as part of the process of **identifying and prioritising the key aspects for the company strategy**.

The advances in this process and preliminary results were presented to the Sustainability Committee, informing about the topics in this area that entail material impacts, risks and opportunities.

This is the first fiscal year to include the results of the double materiality analysis, and the report is structured in accordance with CSRD, where the section on managing IROs shows **impacts, risks and material opportunities**, and each thematic area includes the actions, metrics and targets associated with their management. For further information regarding the methodology and key findings of the analysis, it is recommended to refer to sections *1.3 Strategy – SBM-3* and *1.4 Management of impacts, risks, and opportunities – IRO-1* of this report.

GOV-3 Integration of sustainability-related performance in incentive systems.

The commitment of **Cox** to **sustainability** is a fundamental aspect of its **business strategy,** aligned with the **Sustainable Development Goals (SDG)** of the **Agenda 2030.** The company acknowledges that **long-term** success depends on its capacity to create balanced **economic, social and environmental value**.

Applying the model already implemented in **Health and Safety,** in which the whole workforce has a **variable remuneration target** linked to **continuous improvement** in this area (through the **IFCB index),** the organisation is working to define an **additional indicator** related to **sustainability,** with the goal of strengthening the collective commitment in this matter.

This **shared goal,** which applies to **all workers,** including the members of the **administrative, management and supervisory bodies,** will be a tangible reflection of responsibility in aspects such as the **environment, climate change, social welfare and ethical governance.**

Besides, this **new indicator** will become a key tool for encouraging an **organisational culture committed** to **sustainable development** and with a **positive impact** on the communities where the company operates.

Cox confirms its commitment to **lead by example** and contribute actively to the creation of a **more sustainable future for everyone.**

GOV-4 Statement on due diligence

Correspondence is attached that lists **how and where** the application of the main aspects and stages of the **due diligence process** is reflected in the **Consolidated Non-Financial Information Statement and Sustainability Statement.** The purpose of this document is to offer a clear and accurate image of the company's **real practice** with regard to **due diligence.**

Essential elements of due diligence	Section of the sustainability statement
a) Integration of due diligence in the governance, strategy and business model	1.2. (GOV-2) Information provided to the bodies 1.2 (GOV-5) Risk management and internal controls 1.3 (SBM-3) Material impacts, risks, and opportunities and their interaction with strategy and business model 3.1 (SBM-3) Material impacts, risks, and opportunities and their interaction with strategy and business model of employees 3.2. (SBM-3) Material impacts, risks, and opportunities and their interaction with strategy and business model in the value chain
b) collaboration with the stakeholders affected in each key stage of due diligence	1.3 (SBM-2) Interests and views of stakeholders 3.1 (SBM-2) Interests and views of employees 3.2 (SBM-2) Interests and views in the value chain
c) Identification and assessment of adverse impacts	1.4 (SBM-3) Material impacts, risks, and opportunities and their interaction with strategy and business model
d) Adoption of measures to deal with adverse impacts	Thematic chapters addressing material matters through policies, actions, targets, and metrics.
e) Tracking effectiveness of actions and communication	Thematic chapters addressing material matters through policies, actions, targets, and metrics.

GOV-5 Risk management and internal controls over sustainability reporting

In order to manage and measure the company's impacts, Cox implements a reporting tool called Integrated Sustainability Management System (SIGS, for its acronym in Spanish) combining the non-financial information of the entire organisation with a sound internal control system in terms of capture, validation and consolidation carried out by different users, ensuring the reliability of the information.

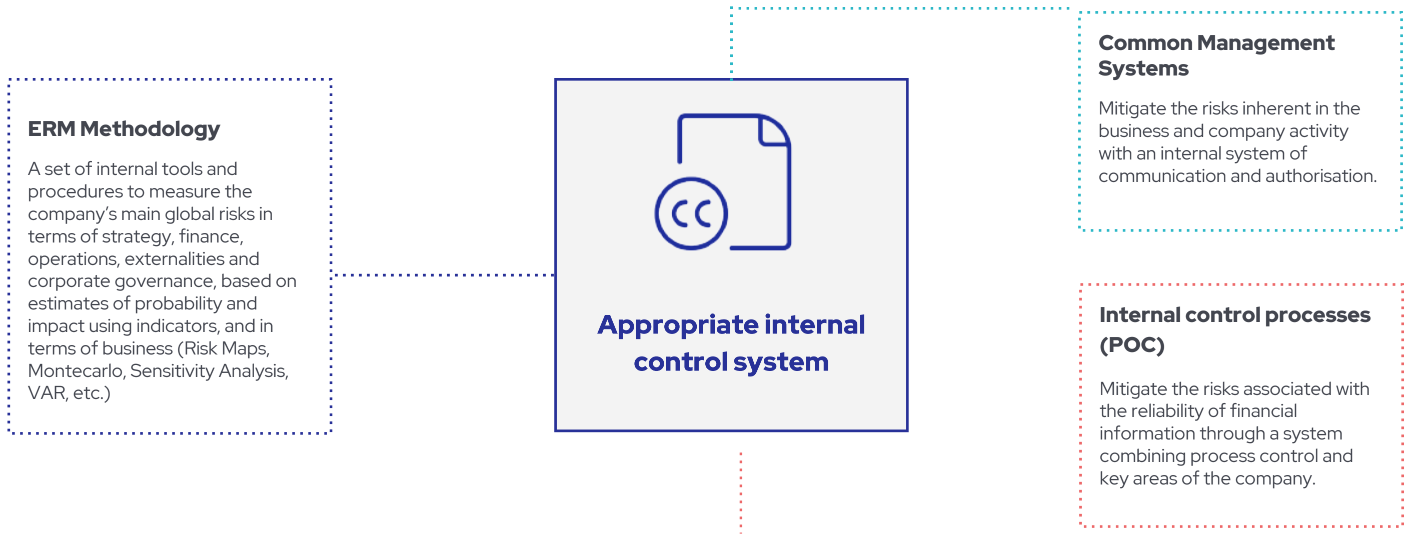
During the fiscal year 2024, controls on indicators for non-financial information were carried out at corporate level during the revision and consolidation process, as well as analytical reviews with data from previous periods to identify significant deviations, substantive tests, review of unusual and very large items, random sampling, etc.

Cox has started working on updating the Internal Control System for Non-Financial Information (SCIINF, for its acronym in Spanish) to strengthen procedures and provide the Board of Directors with suitable tools to exercise its monitoring and supervision role and ensure the accuracy of non-financial information. To do this, a non-financial information reporting policy has been designed, whose purpose is to define a structure that will offer a transparent overview of the company's performance in terms of sustainability and to identify risks to increase confidence among investors, consumers and society at large, who demand ever-increasing levels of transparency and corporate responsibility with regard to non-financial aspects or sustainability.

In the fiscal year 2024, Cox has carried out the **integration of the Risk Management System (RMS)** across the organisation. This system, which is based on the ISO 31000 and COSO ERM standards and reference frameworks, is designed to identify, analyse and manage risks that may have an impact on the fulfilment of strategic targets.

The system is based on **three main supports** that guarantee an integrated and structured approach to the organisation's management of risks:

Pillars of the Risk Management System



At Cox, business management means managing risks

The purpose of the Risk Management System implemented by Cox is to guarantee the **integrated** management of the risks that the organisation is exposed to. To achieve this, it focuses on the following fundamental principles.

- **Early detection and effective response** to risks, enabling proactive and preventive management.
- **Encouraging a culture of awareness and anticipation** at all levels of the company, promoting shared responsibility in risk management.

- **Implementation of a structured methodology** that enables decision making and strengthens corporate governance.
- **Transparent communications** about the main risks, to ensure that the information is available and clear for the organs of governance and stakeholders.
- **Regulatory Compliance** and alignment with the best practices in corporate governance, strengthening trust in business management.

This integrated approach enables the company to stay ahead of its challenges, optimise its risk management and consolidate its commitment to **sustainability, operational efficiency and corporate responsibility.**

The **Risk Management System** is **mandatory** for the whole organisation and is made up of a set of standards, policies and procedures that establish the company's Common Management Systems.

This system also includes the governance methodology and the process for approving strategic decisions, defining:

- The approval scope corresponding to each member of the organisation.
- The decisions that require approval by the different management bodies.
- The correct segregation of functions within Cox, to guarantee suitable internal controls and transparency in management.

This approach makes it possible to ensure a clear and efficient organisational structure, strengthens corporate governance and risk management at all levels of the company.

Common Management Systems

Regulation
Business risks
Rules of the game

Obligatory compliance rules (NOC)
Code of Conduct,

Management
Chain of approvals

NOC authorisation forms
Workflow in the systems,...

Business input:
Documentation, mail, committees

Implementation
Personal performance

Segregation powers

The risk management process is preventive and proactive. It is structured in five key phases with two-way communication between the business units and the risk management department.

The **phases of the process** include:

- **Identifying and classifying risks**, through the creation of a risk map.
- Risk analysis and assessment to **define appropriate responses**.
- **Definition of mitigating measures,** aimed at minimising impacts or transferring risks.
- **Monitoring and control**, to assess the effectiveness of the system.
- **Continuous revision and improvement**, through regular measurements of the effectiveness of the measures implemented.

This approach is applied to all significant projects, from the initial phase through to operation and maintenance, to ensure the integrated management of risks in every stage of the process.

Cox is currently updating its internal Enterprise Risk Management (ERM) methodology with the aim of aligning it with its new organisational structure and its strategic approach as an integrated utility company for water and energy.

This methodology allows for the measurement of key risks across various categories, including strategic, financial, technological, contingent, operational, and market risks.

The system also provides **risk maps in real time**, enabling more agile and efficient management.

The company is currently carrying out a project to redefine its risk categories, indicators and maps, which is expected to be completed for 2025. The objective of this effort is to adapt the ERM methodology to the needs of the group, strengthening its capacity to respond and ensuring its **alignment with the strategic goals.**

Risk Map

Financial Risk
Liquidity
Credit
Capital
Credit lines
Operational Risk
Staff turnover
Project profitability
Margin drop
Sales drop
ROS drop
EBITDA drop
Concessions
Backlog
H&S
General expenses
Offers
Non-complianc
Booking
Market risk
Political violence
Transportation
Spot Market
Commodities
Supply
Exchange rate
Interest rate
Inflation
Demand
Nature
Regulation
Contingent Risk
Execution of guarantees
Tax
Debt
Litigation
Claims
Technological risk
R&D Investment
IT Component
Obsolescence
Continuity
Cybersecurity
ESG Risk
Reputational
NOC
Internal control
Functions
Board
Strategic Risk
Booking
Plan
Diversification
Dependence
Concentration

The **main risks**[2] to which Cox was exposed in 2024 are listed below: Further information about these risks can be found in the prospectus submitted to the Spanish National Securities Market Commission (CNMV) as part of the process of stock exchange listing.

[2] For further details on key risks, see the Management Report of the financial statements, note 4.1.

1. Business and operational risks

	Definition	Description	Time horizon	Potential impact	Control measures and main actions
1.1 Risks associated with the group's business					
1.1.1	Limited joint operating experience of Abengoa and Cox	The integration of COX's traditional PV energy generation and trading businesses with Abengoa's water operations presents both operational and cultural challenges.	Medium	Loss of contracts for early termination (nationalisation, expropriation...) Reduction of public expenditure that affects concessions Non-payment or late payment	Complete project risk analysis Country risk analysis Business diversification Diversification by country
1.1.2	Disproportionate inorganic growth	The company has had 162% inorganic growth since 2021 It was 91% in 2023	Medium	Additional costs for incorrect calculation of bid price Penalties Loss of guarantees Loss of customer confidence	Complete project risk analysis Insurance policies Coverage Transfer of risks to sub-contractors and suppliers
1.1.3	Inherent Risks of PPAs and WPAs	PPA and WPA can expose the company to risks such as the incapacity to modify prices, or the company's inability to supply the minimum amount of energy and water stipulated in the agreements, delays in construction, counter party credit risk or failure to obtain financing, which may have a negative effect on the business.	Long-	Loss of customers Penalty clause for delays Reputational damage Increase in logistics costs. Decline in quality ratios Cross-default clauses with customers	Closed contracts with suppliers Insurance policies Closed formulas for reviewing prices Signing guarantees with suppliers
1.1.4	Reliance on the public sector	The client for nearly half of the concessions is the public sector of emerging markets, which increases the risk of nationalisation or budget cuts.	Long-term	Inability to extrapolate experience in known markets to new ones Difficulty in monitoring legislation, regulations, standards, restrictions in new countries. Greater exposure to litigation or disputes Higher cost of operative compliance	Legal and risk analysis for new countries Maximum standards for quality and procedures
1.1.5	Errors in the execution of projects for third parties	Cox provides EPC services to third parties. As an integrated operator, it offers turnkey services. The projects can last between 1 and 3 years, in which the owner transfers all risk onto the company managing the project.	Medium	Loss of recurring revenue Loss of profits	Business diversification Stronger long-term relationships with strategic customers
1.1.6	Reliance on third-party suppliers	Reliance on external contractors and suppliers exposes the company to risk, including fluctuations in prices, errors or interruptions in supplies and adverse financial and political and market conditions.	Medium	Loss of customers Penalty clause for delays Reputational damage Increase in logistics costs. Decline in quality ratios Cross-default clauses with customers	Closed contracts with suppliers Insurance policies Closed formulas for reviewing prices Signing guarantees with suppliers

1. Business and operational risks					
1.1.7	International operational risks	Global business and a strategy of international growth exposes the company to legal and operating risks and others associated with international operations.	Long-term	Inability to extrapolate experience in known markets to new ones Difficulty in monitoring legislation, regulations, standards, restrictions in new countries. Greater exposure to litigation or disputes Higher cost of operative compliance	Legal and risk analysis for new countries Maximum standards for quality and procedures
1.1.8	Reliance on key customers	Cox receives steady revenue from certain clients, so the loss of one or more of these clients could negatively impact the business.	Long-term	Loss of recurring revenue Loss of profits	Business diversification Stronger long-term relationships with strategic customers
1.1.9	Hazardous work environments	The construction of projects related to engineering and construction activities, as well as infrastructure facilities similar to concessions, are considered hazardous workplaces.	Short-term	Accidents Personal injuries Reputational damage Loss of contracts Financial costs Litigation for safety non-compliance	High safety levels Strict compliance with safety measures Regular programmes for safety training and awareness
1.2 Risks associated with power generation and transmission concessions					
1.2.1	Dependence on the grid	The company relies on the connection and especially the transmission capacity of the grids where its projects are located, and these can affect its capacity to sell the electricity it generates. This is more complicated in emerging markets.	Short-term	Reduction of electricity sold Cuts in production Loss of revenue	Study of connections to the grid Sign contracts with connections established Analyse the feasibility of the evacuation line
3. Risks associated with water concessions					
1.3.1	Mismanagement of the water treatment plans	COX has the goal of increasing the number of water concessions to ensure a constant source of revenue, mismanagement of these plants can have a negative effect on the group's strategy.	Long-term	Compensations Reputational damage Loss of revenue Additional costs (engineering, spare parts...) Higher maintenance costs	Preventive maintenance Employee training
4. Risks associated with operation and maintenance					
1.4.1	Risks inherent in O&M	The O&M of energy plants and transmission infrastructures entail significant risks that can lead to unscheduled energy outages, lower production and unexpected capital expenditure.	Medium	Extra costs for equipment breakage, lower than agreed performance... Penalties Loss of contracts Loss of profits	Preventive maintenance Continuous monitoring Employee training

Category	No.	Risk	Description	Time horizon	Impact	Mitigation
2. Risks associated with the group's structure	2.1	Not holding the majority in associations with third parties	The business model is based on projects which are technically complex and capital intensive, so that the company often seeks associations with third parties where it is not always the majority partner.	Medium	Lack of control over decision making Conflicts or disagreements with partners Litigation against associates that affect us as joint partners Choice of inadequate partner that prevents the awarding of contracts.	Carry out financial, technical and reputational checks on partners Work with previously known partners Look for partners with international prestige Sign agreements to protect the group's interests
	2.2	The holding does not generate revenue	The Company is a holding company without direct cash-generating operations and depends on the group's operating companies to supply the necessary funds to meet its financial obligations.	Long-term	Financial dependency of subsidiaries due to local regulatory restrictions, contracts or the decisions of other shareholders Subordination in the case of bankruptcy Lack of liquidity to cover shareholder obligations Lower listed value	Proactive management of subsidiaries Analysis of legal and regulatory risks
3. Financial risks	3.1	Failure to obtain necessary funding or bank guarantees	EPC activity is capital intensive. On the other hand, EPC projects and concessions are based on the guarantees offered because they do not create revenue until the assets are fully built.	Short-term	Funding under unfavourable conditions Loss of tenders Negative cash flows Difficulty in obtaining guarantees	After listing on the Stock Exchange, renegotiate Cox's rating Look for a wider banking pool
	3.2	Restrictive covenants	Every project finance agreement contains financial and non-financial clauses that are binding and must be respected when managing the company's financial resources.	Long-term	Difficulty in changing strategy Higher financing cost Cross-default clauses that affect other projects Blockage of profit distribution	Look for a wider banking pool Proactive renegotiation
	3.3	Exchange rate exposure	Cox operates in many countries with different currencies and fluctuations in these exchange rates can have an effect on its profits.	Medium	Loss of profits Hedging costs	Interest rate hedges: Cost planning in local currency Use of VaR (Value at Risk) calculations to study historical volatility of currencies
	3.4	Interest rate fluctuation	Interest rates affect both the cash flows from concessions and interest on borrowing.	Long-	Increased cost of financing Lower profitability of leveraged projects	Look for fixed rate financing Use interest rate hedges: Renegotiate conditions
	3.5	Inadequate insurance coverage	The group's business is mainly related to construction and operation of high-value infrastructure assets, water and energy, and is subject to potential contingent liabilities.	Long-term	Payment of compensation Litigation Reputational risks Loss of business	Correct insurance cover Demand the same diligence from sub-contractors Appropriate investment in equipment, training and cybersecurity

Category	No.	Risk	Description	Term	Impact	Mitigation
4. Industry-related risks	4.1	Increased competition	Execution of various contracts between group companies.	Long-term	Lower growth Lower margins Loss of tenders PPA and WPA constantly reduced Financing under stricter conditions	Committees to analyse investments Greater commercial deployment Focus on business phases with higher profitability Innovation
	4.2	Climate change	Generation of renewable energy and bioethanol depends on climate conditions that can have an adverse effect on the business.	Long-term	Less electricity generated Lower production of sugar cane Lower profits Payment of penalties	Analysis of climate risks in the short and long term Insurance against extreme weather phenomena
	4.3	Price of raw materials	The group's business depends on the price of raw materials such as aluminium, nickel, copper and iron, but also energy costs and sugar cane.	Long-term	Higher costs Lower margins and profits Lack of suitable financial tools	Transfer of EPC risks through price review formulas Hedging structures Raw material trade strategies (fixed price future sales for a specified volume of production)
5. Legal and regulatory risks	5.1	Correct integration of the Abengoa and Khi Solar One production units	Integration in Spain has been fully effective but other jurisdictions require approvals from local authorities, changes of ownership and contract novation.	Short-term	Legal disputes Delay with permits Excess operating costs	Proactive legal management Transparent communications Management of financial risks
	5.2	Litigation and fines from authorities	Cox's business activities are complex, and it is normal to be involved in litigation and legal proceedings.	Long-term	Higher costs Reputational damage	Provision of funds Preventive legal management
	5.3	Regulatory changes	Cox operates in a highly regulated sector which is subject to changes due to national legislation.	Medium	Lower margins Zero project feasibility Commercial barriers Government decisions contrary to the company's interests	Business diversification Geographical diversification Taking out insurance policies Negotiating changes in contract conditions
	5.4	Access to permits	Cox has to obtain and maintain permits, authorisations and licences to carry out its business	Long-term	Failure to obtain or termination of permits Difficulty in renewing permits Surcharges Effects on normal plant operations	Normative monitoring Active relations with stakeholders Contractual flexibility Legal advice Contingency plans.
	5.5	Tax Risks	Operating in various countries with different jurisdictions. Legislations can be complex, and do not always provide clear guidelines	Long-term	Financial deterioration Increased tax burden Retroactive impact of legal changes Reduction or elimination of tax incentives	Regular review and update of tax practices Monitor international tax changes Investment in countries with stable legal frameworks

Cox's **risk management policy** stands out by its full integration of risk management objectives with the corporate strategy and the activities it undertakes. This integration is mirrored in the formulation of its Strategic Plan, which is designed around activities and markets aligned with the organisation's risk profile.

The Strategic Plan will prioritise:

- Well-known **markets** and strategic clients, minimising exposure to uncontrolled risks.
- **Adaptation to opportunity markets** based on predefined criteria, reducing exposure to regulatory risks.
- **Collaboration** with strategic partners who complement local market capabilities or more complex or high-risk activities.

Approval and decision-making system

The internal approval system ensures that all strategic decisions made by senior management and the Board of Directors are supported by a thorough risk analysis.

- These decisions are assessed and recommended by the **head of the Risk Management Department,** who has the authority to approve or veto any decision involving an unacceptable risk exposure.
- The **Chief Risk Officer (CRO)** plays a key role as a member of the management committee, reporting daily to the Executive Chairman.
- Despite being integrated into strategic decision-making, the CRO maintains independence in the process and the right to veto in cases of unacceptable risk.
- The Risk Management Department participates in a framework of monthly committees with the Chairman, the CEO, and the top management of each vertical and geography within the Group. In these committees, economic, environmental, social, and security risks are identified and assessed.

Commitment of the Board of Directors and Senior Management

The commitment of the Board of Directors and senior management to risk management is reflected in:

- Its organisational structure, which ensures strategic alignment.
- Direct reporting to the Board, ensuring monitoring and control.
- Its involvement in decision-making, fully integrating risk management into corporate strategy.
- The priority given to the risk management function, which reports directly to the Board of Directors.

Risk management oversight and governance

The risk management function reports directly to the Board of Directors, the Audit Committee, and the Executive Chairman, enabling continuous monitoring of the effectiveness of risk management processes.

Additionally, periodic committees have been established, such as the monthly governance committee, which includes participation from:

- The CEO.
- Internal Audit Manager.
- The Manager of Compliance.
- The Manager of Risk Management.

These meetings review the risk status and make decisions to strengthen mitigation and control strategies.

Roles of governance bodies in risk management

The **risk management policy** clearly defines the roles of each **governance body:**

Board of Directors

Approves the risk management policy.

Defines risk tolerance levels.

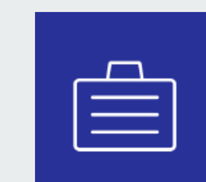
Establishes a framework to ensure proper system implementation.

Oversees its effectiveness and ensures communication of risk strategy and culture.

Audit Committee

Periodically evaluates the risk management system.

Ensures its proper functioning and the adequate identification and mitigation of risks.



Executive Committee

Allocates resources for risk management.

Defines responsibilities and approves the risk map.

Leads the implementation of risk management policies and tools.

Chief Risk Officer (CRO)

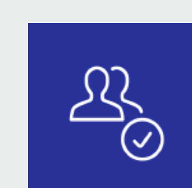
Defines risk policy and strategy.

Develops a risk awareness culture.

Ensures the effectiveness of the risk management system.

Prepares information for the Audit Committee and the Board of Directors.

Oversees risk mitigation and response plans.



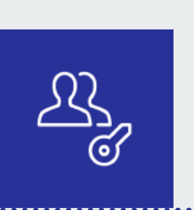
Department managers

Identify risks within their respective areas.

Develop risk management procedures.

Promote risk awareness within their teams.

Business units: verticals, geographies, and corporate areas



Manage operational risks within their scope.

Implement mitigation measures.

Ensure the integration of risk management in decision-making and strategic planning processes.

1.3 – Strategy

SBM-1 strategy, business model, and value chain

Cox is firmly committed to sustainability. In fact, it considers it one of the key drivers of its business strategy and a priority differentiating factor.

The company contributes to the fight against climate change by reducing GHG emissions, promoting the sustainable production of renewable energy, and ensuring access to water and sanitation resources. Additionally, Cox provides accessible water and renewable energy solutions to its customers, including disadvantaged or low-income communities. Moreover, it always operates with an ethical and sustainable approach in all its activities.

Cox focuses on delivering solutions that drive the sustainable development of the communities in which it operates, ensuring environmental protection and the responsible use of natural resources while maintaining social responsibility.

Strategic Sustainability Plan (PES) update

The company is updating its Sustainability Strategic Plan to ensure alignment with regulatory demands, stakeholder needs, and best market practices in sustainability.

This Plan will establish the company's framework and guidelines through a series of actions that:

- Integrate stakeholder expectations into the organisation's strategy.
- Set concrete objectives and specific short-, medium-, and long-term targets.
- Promote a sustainable and globally responsible business model.

Innovation and sustainable development initiatives will enable the company to anticipate new business challenges related to sustainability and mitigate associated risks. Additionally, they will facilitate the implementation of the sustainability strategy across different sectors and regions through specific actions tailored to the social realities of each community where Cox operates.

The update of the Strategic Plan is a mature, structured, and cross-functional process involving all areas of the company and will be carried out in different stages.

To update the Plan, the company builds upon its previous sustainability strategic plan, adapting it to:

- The results of the **double materiality analysis**.
- **Current regulations.**
- The **commitments** established in the **Sustainability policy**.
- The **Sustainable Development Goals** (SDGs).
- The **European Green Deal**.

During the 2025 fiscal year, Cox will work on strengthening the Sustainability Strategic Plan to ensure its compliance with the material impacts, risks, and opportunities identified in the double materiality analysis. The objective is to establish a solid framework and strategic guidelines that combine growth and sustainability, generating a positive impact aligned with global sustainability trends and emerging challenges.

Furthermore, the company will advance in analysing the resilience of its strategy and business model against identified material impacts, risks, and opportunities.

Although Cox does not currently have a formally structured resilience analysis, its sustainability management approach is based on:

- Specific action plans.
- Business continuity plans.
- Management systems.
- Control mechanisms.

These elements strengthen the company's ability to adapt and respond to adverse scenarios, consolidating its commitment to sustainability and risk management.

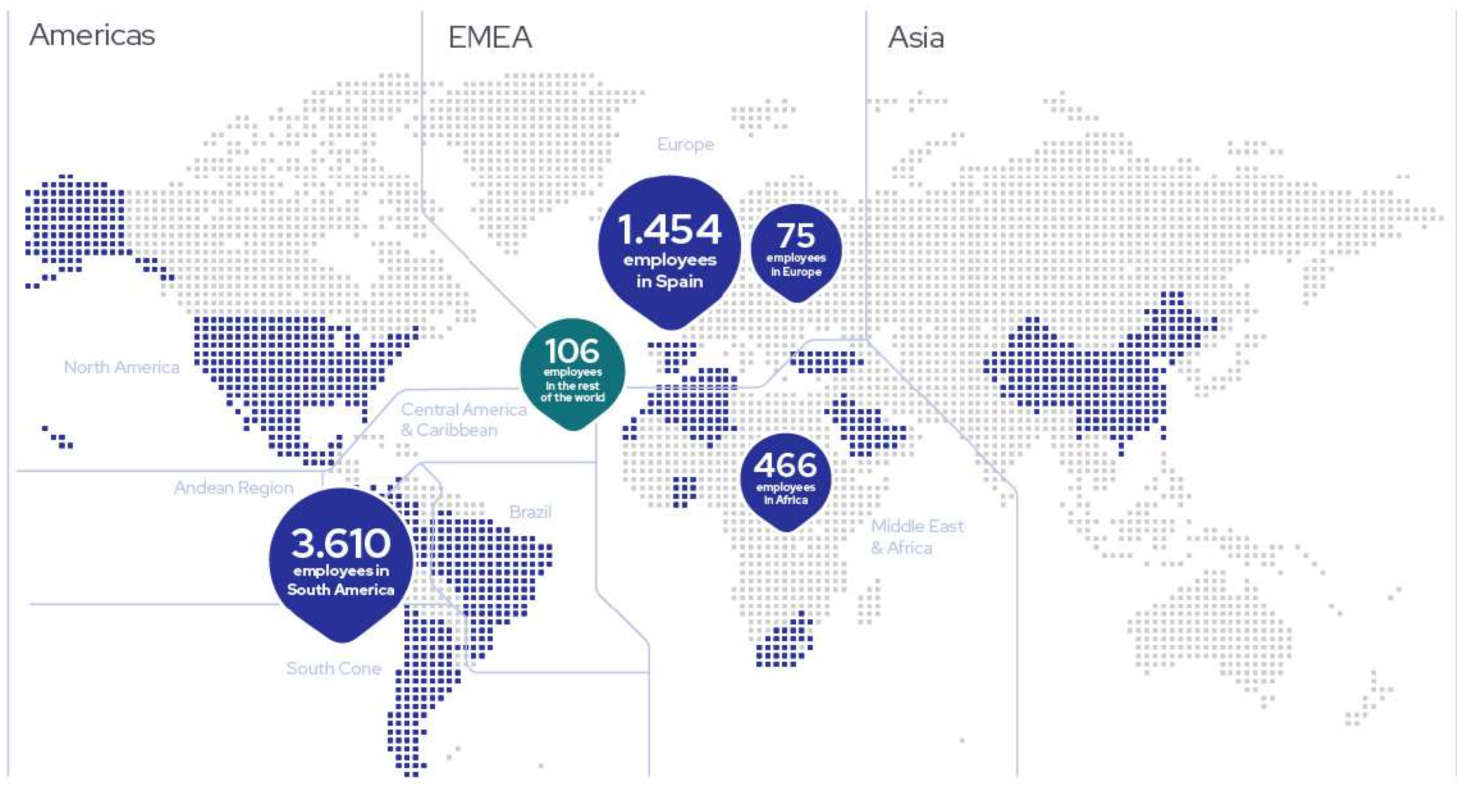
Map of presence, economic impact and contribution to progress

Cox, headquartered in Madrid (Spain), operates in 34 countries across four continents, with a network of plants and premises supporting its activities. As of the end of 2024, the company has a workforce of 5,711 professionals[3].

Cox is firmly committed to the socioeconomic development of the communities where it operates. In this sense, the company strengthens local economies and contributes to the improvement of living conditions in areas and countries where it operates by creating direct and indirect employment. Additionally, Cox remains committed to fostering local procurement, giving preference to suppliers from the areas where the company operates.

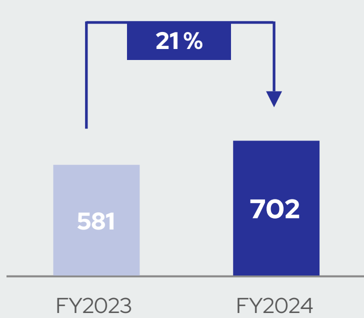
	Africa	Latam	Spain	Europe (ex. Spain)	Rest of the world
Sales (€k)	191,030	329,357	60,495	60,607	60.970
Employees	466	3,610	1,454	75	106
Local suppliers (%)	5.93	58.85	16.49	5.32	5.36
Local purchases (€k)	20,818	206,720	57,911	18,676	18,821
Taxes paid (€k)	26,662	23,098	13,937	5,166	2,589

Sales: note 5 of the consolidated Annual Financial Statements for Fiscal Year 2024
*Sales: sales in the rest of the world are broken down as follows: €60,482 thousand attributable to the Middle East, while €488 thousand originated from other countries outside this region.
Employees: note 30.1 of the consolidated Annual Financial Statements for Fiscal Year 2024
Local suppliers: more information in 4.5.3 Supply Chain
Local procurement: more information in 4.5.3 Supply Chain
Taxes paid: more information in 4.5.5 Responsible Taxation



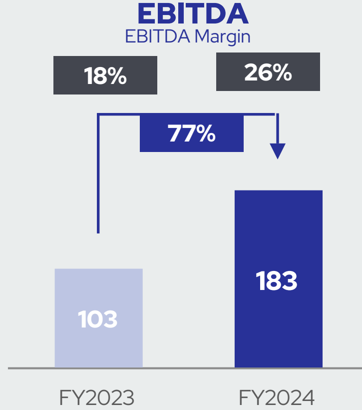
[3] For a detailed breakdown of professionals by country, please refer to section *3.1 Own workforce – S1-6* of this report.

Income

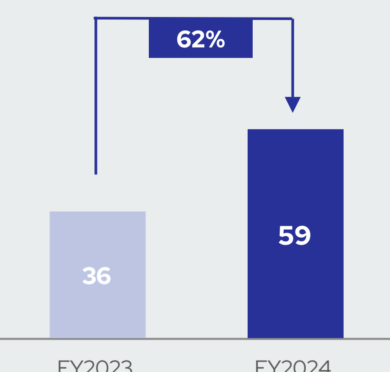


EBITDA

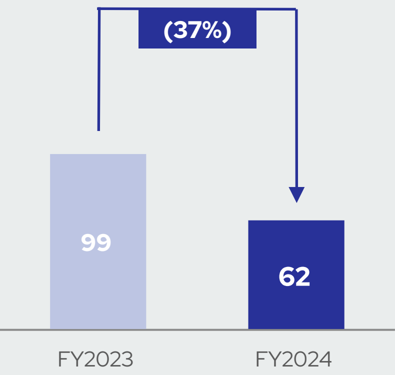
EBITDA Margin



Net profit



Net Financial Debt



Turnover evolution

The net revenue amounted to €702 million, representing a 21% increase compared to the 2023 fiscal year (€581 million).

Regarding EBITDA for the Fiscal Year, it stood at €183 million, compared to €103 million in 2023. This reflects a 77% increase and an EBITDA margin of 26% versus 18% in the previous year.

Net profit reached **59 million euros**, up from 36 million euros in 2023, marking a 62% increase.

*Revenue: see note 25 of the financial statements; net profit: see the income statement of the financial statements. EBITDA and net financial debt: see note 8.4 of the Management Report of the financial statements.

Concept	2024	2023
Income statement (€M) (*)		
Sales	702	581
EBITDA	183	103
Operating margin	26%	18%
Net profit	59	36
Balance sheet (*)		
Total assets	1,389	994
Equity	332	108
Net Financial Debt	62	99

Asset Co.

€M

Income

33%

	2023	2024
Water	50	76
Energy	125	157
Total	175	232

EBITDA

EBITDA Margin

60% 58%

29%

	2023	2024
Water	29	45
Energy	75	89
Total	104	134

[1] 2023 Fiscal Year: Consolidation of Abengoa S.A. production units in the company's results from the date the acquisition became effective under the terms of the share purchase agreement.
*More information in the income statement of the financial statements and balance sheet and Note 8.4 of the Management Report of the financial statements.

Service Co:

€M

Income

16%

406
45
361
FY2023

470
100
371
FY2024

Engineering
O&M

Revenue by Geography

Middle East, 12%
Africa, 15%
North America, 9%
Europe, 27%
Latam, 37%

Africa
North America
Europe
Middle East
Latam

EBITDA

EBITDA Margin

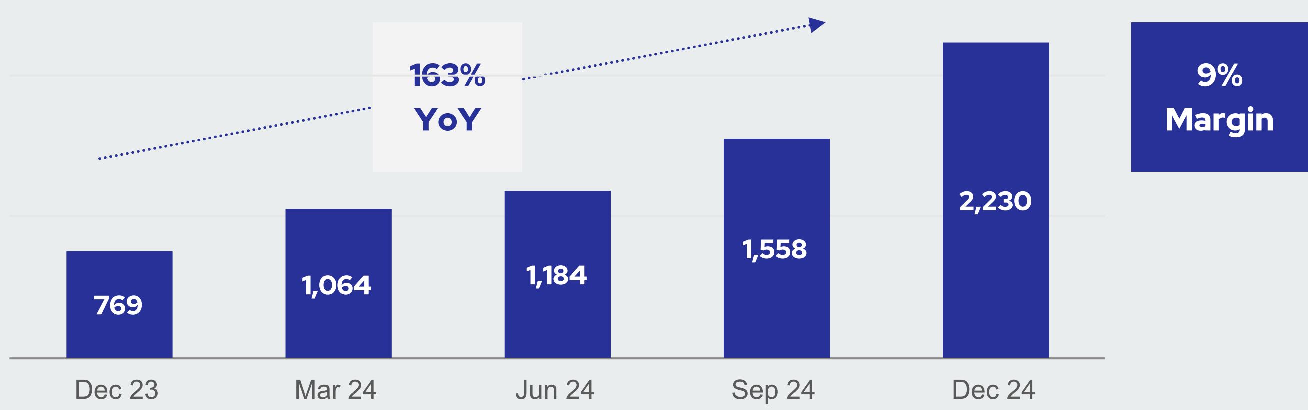
0%
10%
5000%

(1)
2
8
-11
FY2023

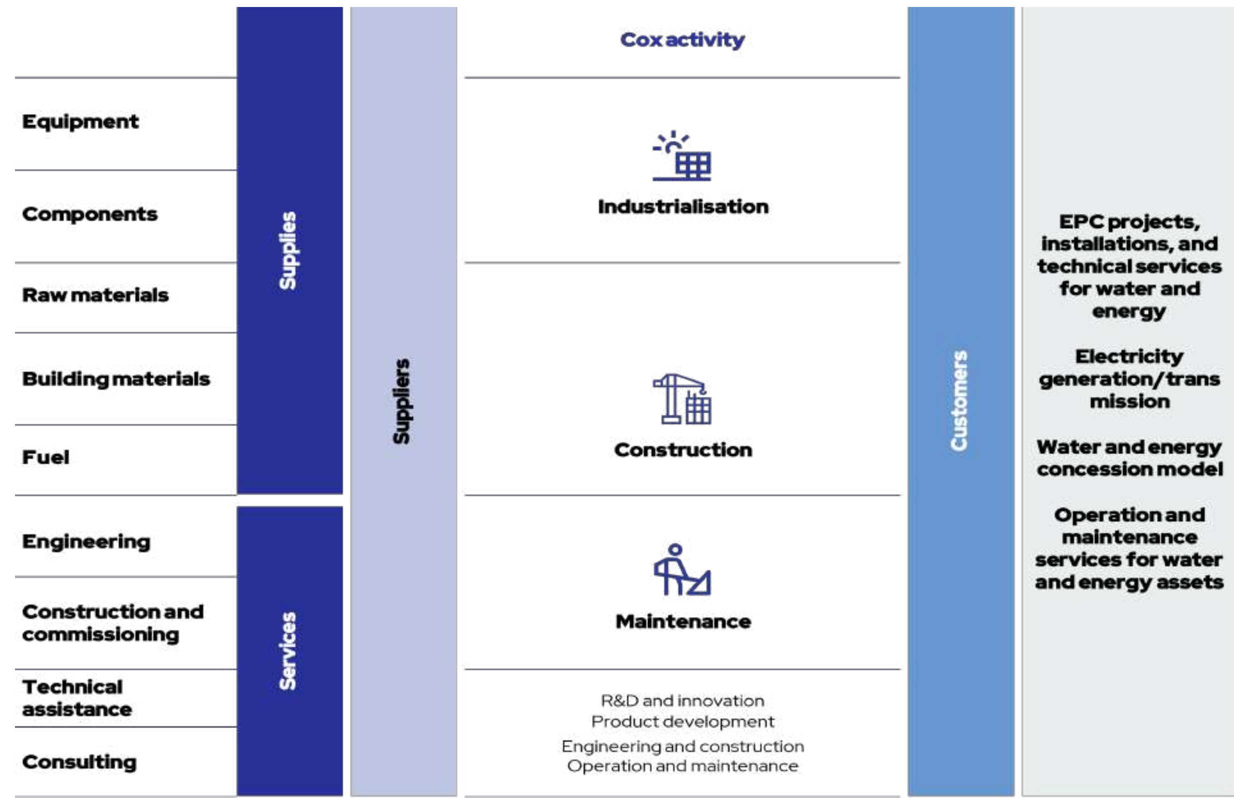
49
8
49
-8
FY2024

Engineering
O&M
Corporate Expenses

Service Backlog



Cox's value chain structure is represented in the following diagram, showing key processes and interactions within the company's business model.



Supplier classification

Cox identifies two main supplier categories based on their contribution to company operations:

1. Service providers for core company activities, such as:
   a. Engineering
   b. Industrial construction
   c. Operation and maintenance (O&M)
2. Suppliers supporting the internal infrastructure necessary for company operations.

Key supply categories include:

- Capital goods with a broad technological development spectrum.
- Essential raw materials and components for operations.
- Professional services, including:
  - Engineering, construction, and commissioning.
  - Advisory and consultancy services.
  - Technical assistance and transport.

Customer strategy

Cox operates in a **highly competitive environment**, making it essential to have a **strong customer strategy** aligned with the company's core values, including:

- **Excellence in health and safety.**
- **Integrity and transparency.**
- **Reliability and customer focus.**
- **Respect for the environment.**

Areas of activity

The company offers a **wide range of solutions** aligned with **sustainable development**, structured into **four main business areas**: energy, water, transmission, infrastructure, and utilities. The main activities[4] and projects in each of these areas are detailed below:

Water

Desalination

- Reverse osmosis for brackish water
- Reverse osmosis for seawater

Hydro

- Water management and control
- Water transmission and distribution

Water treatment

- Wastewater purification plants
- Drinking water treatment plants
- Industrial water treatment plants
- Integrated water and energy plants
- Comprehensive water cycle management

Competitive advantages

- Development, engineering, supply, construction, and commissioning of turnkey EPC water projects. Water concession model
- Leadership position in desalination and extensive experience in water treatment and hydraulic infrastructure (integrated water cycle).
- Strong positioning for opportunities in the Middle East, South America, and Africa, where water treatment infrastructure and management systems are expected to grow exponentially

Energy

Solar thermal technology

- Plants that integrate solar energy and combined-cycle or other types of conventional generation plants
- Solar thermal energy for industrial processes
- Electricity generation from parabolic trough collectors
- Electricity generation from tower solar technology
- Parabolic trough structure

Photovoltaic technology

- Photovoltaic solar plants
- Fixed PV structures
- Single-axis PV structures

Energy storage

- Salt storage
- H2 Storage
- BESS storage

Conventional

- Cogeneration plants
- Combined-cycle plants
- Simple-cycle plants
- Plant repowering
- District heating
- Engines

Competitive advantages

- Development, engineering, procurement, construction, and commissioning of turnkey EPC energy projects.
- Specialised in conventional and renewable energy generation plants, waste-to-energy, and biomass.
- Leader in the solar thermal market.
- Pioneer in hybridising solar thermalenergy (CSP) with conventional generation.
- Currently developing the world's first waste-to-jet fuels plant.
- Leaders in energy storage.

T&I

Transmission and distribution

- Transmission and distribution power lines
- Electrical substations

Railways

- Electrification and catenary installations
- Traction substations
- Railway communications

Installations and infrastructure

- Electrical and mechanical installations
- BOP for renewable generation plants
- Maintenance and instrumentation and control
- Industrial plants and unique buildings

Manufacture of metal structures and auxiliary equipment

- Lattice towers for T&D
- Substation structures
- Structures for solar plants
- Telecommunications towers
- Testing station
- Manufacture of electrical panels
- Manufacture of control and integrated electronics equipment

Competitive advantages

- International benchmark in the construction of transmission and distribution infrastructure.
- Installations in all types of industrial plants, generation facilities, and unique buildings, covering the design, supply, manufacturing, assembly, and testing of systems, as well as operation and maintenance.
- Design, supply, assembly, commissioning, and maintenance of railway electrification facilities.
- Manufacture and testing of metal structures, electrical panels, and integrated electronics modules.

Services

O&M Energy

- Conventional power plants
- Solar power plants
- Biomass/biofuel plants
- Solar thermal energy, PV, and hybrid plants
- General O&M services

O&M Water

- Desalination plants
- Wastewater treatment plants
- Water transmission & distribution infrastructure

Competitive advantages

- Operation and maintenance (O&M) services for internal and third-party clients.
- Extensive experience in O&M for solar thermal plants, desalination plants, and combined-cycle plants.
- High competitive advantage by offering combined EPC and O&M services.
- Pioneers in O&M of combined-cycle solar plants.
- Highly experienced team of professionals who have provided these services for over 30 years.
- Consulting on the development, improvement, and optimisation of O&M processes.

Cox's activities encompass both the development of concession assets and the execution of turnkey projects, whether for internally developed assets or third parties. These projects focus on known geographies where the company has consolidated experience and markets with recurring clients.

Cox prioritises activities where it can add significant value through its integrator capabilities, the high engineering component of its solutions, and proprietary technologies.

[4] The company does not engage in activities related to fossil fuels, chemicals, weapons, or tobacco production.

Project selection criteria

When evaluating new opportunities, Cox ranks projects that meet the following criteria:

- Low capital intensity, minimising financial risk.
- Self-sufficiency in cash flows, ensuring the ability to manage the necessary working capital for project execution.
- Sufficient cash generation to cover the company's overhead costs.
- Avoiding increased indebtedness, ensuring a sustainable financial structure.

These criteria align with the company's expansion strategy. This enables it to operate in countries where it has greater knowledge of the socio-political environment, culture, and labour market, prioritising markets with legal security and lower geopolitical tension compared to unfamiliar geographies.

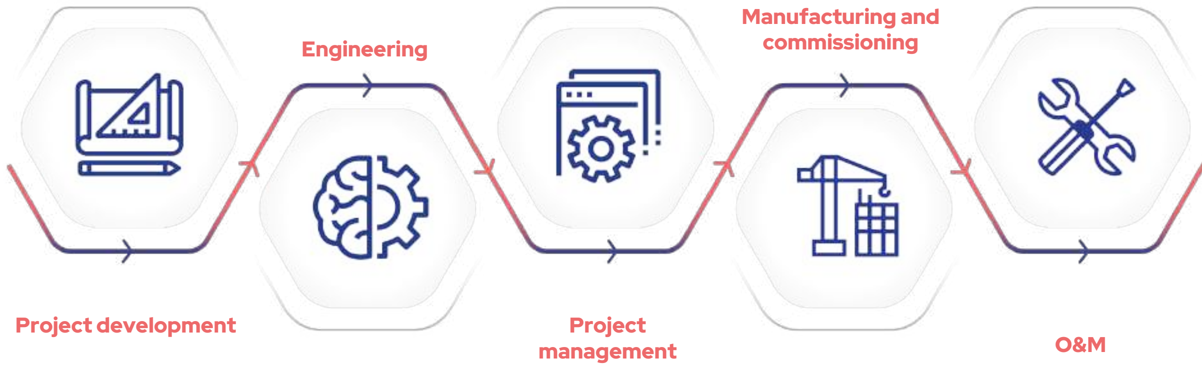
Diversification and competitive advantage

Thanks to this strategy, Cox has achieved:

- Greater diversification of its customer base.
- Expansion of its product and service backlog.
- Adaptation to projects of different sizes and scalability.
- Focus on higher value-added and profitable activities.

Value chain integration

A key competitive differentiator for Cox is its ability to integrate the value chain across various sectors, covering:



This integration enables the company to offer comprehensive and integrated solutions in its sectors, as well as advanced technological solutions combining multiple technologies. Technological diversification is a distinguishing element of the company and strengthens its market competitiveness.

SBM-2 Interests and views of stakeholders

In an increasingly interconnected world, Cox works daily to build solid, trust-based relationships with its stakeholders. The company recognises that its sustainable growth and market impact depend on transparency, consistency, and the ability to actively listen to all actors within its business ecosystem.

2024: a key year for business-aligned communication

In 2024, **Cox's communication and marketing department** reinforced its commitment to clear, truthful communication aligned with the company's strategic objectives. The priority has been to ensure that both internal and external communication accurately reflects the company's evolution, values, and goals, thereby strengthening stakeholder **trust** and **engagement**.

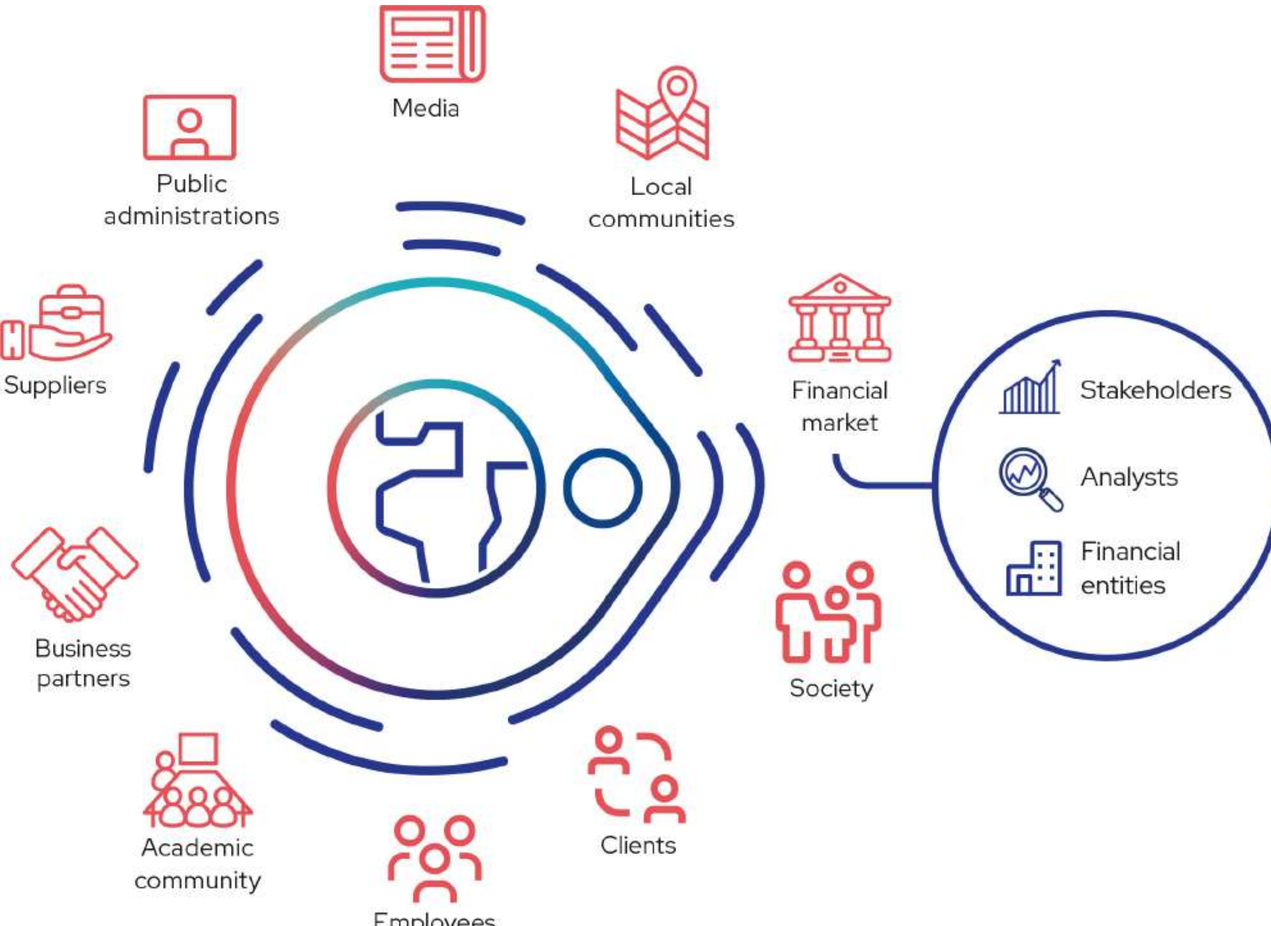
To achieve this goal, **Cox** has defined a strategy based on **six key pillars**:

- **Consistency**: messages aligned with corporate identity and company values.
- **Transparency**: accessible, clear information based on verifiable facts.
- **Back to basics**: a straightforward approach, prioritising understanding and impact.
- **Measurable**: strategies with concrete indicators to assess effectiveness.
- **Distinctive voice**: an authentic narrative that differentiates Cox in the market.
- **Digital-driven:** communication optimised for digital environments to enhance reach and engagement.

Stakeholders at the core of the strategy

Cox places its **stakeholders** at the **centre of its communication and marketing strategy.** These include both internal actors within its value chain and external entities whose decisions and actions directly impact the business.

Listening to, understanding, and responding to stakeholders' expectations is fundamental to ensuring sustainable growth and long-term value creation for the company.



To **strengthen relationships** with stakeholders, Cox has implemented various **communication and consultation channels** designed to gather key insights and tailor its strategy to the real needs of the market.

These channels facilitate **fluid, two-way interaction**. This way, it ensures that **all stakeholders' opinions** are considered in decision-making, thus reinforcing transparency and strategic alignment.

Company

Corporate website
Annual report
Press releases: 31
Exhibitions, forums, and conferences
Interviews and media requests: 31
Sustainability mailbox
Communication mailbox
External whistleblowing channel
Stakeholder mailbox
Offices/Sales agents
Social networks: LinkedIn, X, Facebook, YouTube, and Instagram

Financial market

Corporate website and shareholder/investor section
CNMV website
Quarterly results publications
Earnings webcast
General Shareholders' Meeting
Investor relations email and contact
One-on-one meetings
Conference participation
Material disclosures
Press releases
Social networks: LinkedIn

Public administrations

Corporate website
Periodic meetings
Email
Forums and conferences
Work groups
Social networks: LinkedIn, X, Facebook, YouTube, and Instagram

Employees

Corporate website
Connect@ Corporate Intranet
Chairman newsletters
And corporate mailboxes (sustainability, health & safety, communication, investor relations)
Internal complaints channel
Employee self-service
Employee Handbook
HR representatives
Feedback mailbox
Health and Safety Committees
Employee self-service
Evaluation surveys
Executive Intercommunication Programme
Social networks: LinkedIn, X, Facebook, YouTube, and Instagram
Workplace climate initiatives

Local communities

Corporate website
Annual report
Sustainability mailbox
Sustainability department
Communication and marketing department
Meetings with
PMs
Exhibitions, forums, and conferences
External whistleblowing channel
Interviews
Social networks: LinkedIn, X, Facebook, YouTube, and Instagram

Academic community

Corporate website
Annual report
Press releases
Exhibitions, forums, and conferences
Interviews and media requests
Publication of papers and scientific articles
Meetings with educational institutions
Organisation of seminars and conferences
Participation in seminars and conferences
Social networks: LinkedIn, X, Facebook, YouTube, and Instagram

Customers

Corporate website
Commercial branches
Sales agents
Shareholder mailbox
Individual meetings
Satisfaction surveys
Exhibitions, forums, and conferences
External whistleblowing channel
Social networks: LinkedIn, X, Facebook

Media

Corporate website
Press releases
Press releases
Meetings and sessions with the media
Exhibitions, forums, and conferences
Interviews and media requests: 31
Communication department
Communication mailbox
Social networks: LinkedIn, Twitter, Facebook,

Suppliers

Corporate websites
Periodic meetings
Email
Exhibitions, forums, and conferences
External whistleblowing channel
Satisfaction surveys
Corporate purchasing Mailbox
Sustainability mailbox
Social networks: LinkedIn, X, Facebook, YouTube, and Instagram

Partners

Corporate website
Annual report
Press releases
Exhibitions, forums, and conferences
Corporate blog
Interviews and media requests
Sector-specific magazines/newsletters
Specialised magazines or publications for associations and industries

Apart from **specific communication channels adapted** to each stakeholder group, **Cox** uses the following primary channels for sustainability issues:

Main sustainability communication channels

External channels

Sustainability mailbox

Cox has a specific sustainability mailbox (sostenibilidad@grupocox.com) in which the members of the department examine all the emails received from any stakeholder. Mainly, proposals for collaborations or sustainability projects are received, which undergo a thorough evaluation. Likewise, this is the most suitable channel to send any kind of question, query, or comment about the projects carried out or even about the contents of this report.

Social media

To strengthen its digital presence and corporate identity, Cox has defined a content strategy for each platform, aligned with its communication objectives.

Interviews and articles

Collaboration with media outlets to carry out interviews or draw up articles on critical or cutting-edge sustainability topics.

Specialised studies

Collaboration with independent organisations or cluster working groups to carry out studies on topics of interest such as transparency, innovation, and diversity.

Internal channels

Corporate intranet - 'We are sustainable' section

The corporate intranet 'Connect@. Your meeting point' has had a specific section on sustainability for more than 20 years. Employees can access the guidelines and objectives established in the Strategic Plan, main performance indicators, and the like.

Posters and screens in work centres

On a monthly basis, the company's main work centres have posters with sustainability information to help raise awareness or reflect the performance indicators of Cox's projects.

SBM-3 Material impacts, risks, and opportunities and their interaction with the strategy and the business model

In the **2024** financial year, **Cox** carried out its **first double materiality analysis** to assess relevant **impacts, risks, and opportunities (IROs)**, taking into consideration both its **own operations** and its **value chain**.

This process covered **all business areas** and countries in which the company operates, ensuring that its scope is **aligned with the financial statements** and reflects a comprehensive overview of the organisation's most significant aspects.

Topics identified in the materiality analysis

Materiality was identified via the following **European Sustainability Reporting Standards (*ESRS*)**:

- **Climate change (E1)**
- **Water Resources (E3)**
- **Biodiversity and Ecosystems (E4)**
- **Circular Economy (E5)**
- **Own Workforce (S1)**
- **Value Chain Workers (S2)**
- **Business Conduct (G1)**

A detailed description of the **impacts, risks, and opportunities** associated with each of the issues identified can be found in the respective **sections** of the report.

The key **material ESG issues** identified in the analysis are presented below, together with their **link to the IROs**.

Issue	Sub-issue	Impact	Risk	Opportunity	Own Operations/Value Chain
Climate change	Climate change adaptation and mitigation	✓	✓	✓	Both
	Energy		✓	✓	Own operations
Water and marine resources	Water	✓	✓	✓	Both
Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	✓	✓	✓	Own operations
	Impacts on the extent and state of ecosystems	✓	-	-	Own operations
Circular economy	Resources inflows, including resource use	✓	✓	✓	Own operations
	Resource outflows related to products and services	-	-	✓	Own operations
	Waste	✓	✓	-	Both
Own workforce	Working conditions	✓	✓	✓	Own operations
	Equal treatment and opportunities for all	-	-	✓	Own operations
Value chain workers	Working conditions	-	✓	-	Value Chain
	Other workers' rights (human rights)	✓	-	-	Value Chain
Business conduct	Corporate culture	-	✓	✓	Own operations
	Management of relationships with suppliers	-	✓	-	Value Chain

The key **material impacts** identified for **Cox** and its relationship with the **value chain** are presented below.

The **material impacts** identified for each **ESG issue** have been analysed and classified according to the following criteria:

- **Impact level:** Indication as to whether the impact is a reality or could potentially occur.
- **Link with the group's activity:** assessment on whether the business model is contributing to or the direct cause of the impact.
- **Location of the impact in the value chain**: identification of the specific point at which the impact occurs within the company's operations.
- **Time frame**: determining the period in which the impact is considered relevant.

These criteria provide a comprehensive understanding of how **Cox** manages its **material ESG impacts**, ensuring that the strategy is aligned with **sustainability and corporate responsibility**.

Issue	Sub-issue	Own Operations/ Value Chain	Actual/Potential	Time frame	Engagement
Climate change	Climate change adaptation and mitigation	Both	Current	Short-term	Cause and contribution
Water and marine resources	Water consumption	Both	Current	Short-term	Cause
	Water extraction	Own operations	Potential	Medium term	Offset
Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Own operations	Actual and Potential	Short-term Medium term Long-term	Cause and contribution
	Impacts on the extent and state of ecosystems	Own operations	Actual and Potential	Short-term Medium term Long-term	Cause and contribution
Circular economy	Resources inflows, including resource use	Own operations	Potential	Medium term	Cause and contribution
	Waste	Both	Current	Short-term	Cause
Own workforce	Working conditions (health and safety)	Own operations	Current	Short-term	Cause
Value chain workers	Other workers' rights (human rights)	Value Chain	Potential	Medium term	Cause

The **double materiality process** carried out by Cox involves an assessment of the current and potential financial repercussions resulting from the risks and opportunities associated with sustainability.

During fiscal year 2024, Cox did not identify any material financial impacts on its financial position, performance, or cash flows. Nor did it detect them on the risks, opportunities, or relevant events that might result in a significant adjustment in the next annual reporting period.

Regarding the anticipated financial repercussions, Cox is working on the preparation of homogeneous quantitative information on the risks and opportunities analysed. This quantification is not disclosed for fiscal year 2024. As of the closing date of this consolidated Management Report, the disclosure requirement related to this section is in a gradual implementation phase (phase-in).

As part of efforts to simplify ESG information, pollution has not been raised as an individual material issue due to the fact that it has been included in other sections reviewing pollution of air (climate change), pollution of water (water and marine resources), and environmental pollution (biodiversity and ecosystems).

The link between IROs and Cox's Strategic Plan can be reviewed in section *1.3. Strategies – SBM-1* of this report.

1.4. - Management of impacts, risks, and opportunities

IRO -1 Description of the processes to identify and assess material impacts, risks and opportunities

The double materiality analysis was carried out in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council, in line with recommendations in the EFRAG IG 1 Materiality Assessment implementation guideline.

Methodology and Approach

The methodology used relied on the participation of expert internal partners and key stakeholders, ensuring that:

- The relevance of IROs has been confirmed from a strategic perspective.
- Alignment with best practice standards has been guaranteed.
- Stakeholder expectations and concerns have been addressed in the analysis.

Integration in decision-making

The results of the materiality analysis have been reviewed by Risk Management and Sustainability Management, who are responsible for supervising and validating the comprehensive overview of the results and their link with the business model to ensure that the material issues are suitably reflected in strategic decisions.

This integration allows for coordinated and rigorous risk and opportunity management, in line with the company's corporate objectives.

Phases of the double materiality analysis

The analysis was structured in three main phases:

1. **Context analysis**

   The purpose of this phase is to identify sustainability issues that are directly linked to the company's activities and, therefore, shall be subject to analysis in the following stages through the identification and evaluation of impacts, risks, and opportunities.

   To do so, a documentation analysis was performed which included:

   a. An internal information assessment.

   b. Benchmarking with comparable and leading companies.

   c. A review of sustainability standards and reporting requirements.

   d. An analysis of sector trends and non-financial ratings.

   e. An assessment of the business model, Cox's activities, and its market context.

This approach has ensured that they analysis is robust, structured, and aligned with international best practices.

2. **Identification of impacts, Risks, and Opportunities (IROs)**

   This phase includes the identification of Cox's impacts, risks, and opportunities in relation to the sustainability issues analysed in the previous stage and that are the direct result of the company's activity.

   Identification of impacts

   a. Both positive and negative impacts are identified.

   b. This stage incorporates the perspective of expert internal partners to ensure a comprehensive assessment.

   Identification of Risks and Opportunities

   c. Resource dependencies or relationship are analysed.

   d. This stage integrates the Cox management team's perspective through consultations to validate *ESG* issues.

3. **Assessment of IROs**

   To determine materiality, the impacts, risks, and opportunities were assessed according to the parameters established in EFRAG's '*Double Materiality Conceptual Guidelines for Standard-Setting*' guidance.

   During the assessment phase, stakeholders participated via:

   a. External consultations, targeting four key segments: employees, suppliers, clients, and financial stakeholders.

   b. Internal consultations, carried out with the Cox management team, who validated the relevance of the issues and ensured that stakeholder expectations were reflected in the analysis.

Impact materiality

The level of severity was assessed for negative impacts, taking into consideration the following factors:

- Scale
- Scope
- Irremediable character

For potential negative impacts, probability was added as an additional criterion. This is unlike the assessment for actual impacts, which does not consider probability.

For positive impacts, only scale and scope were assessed.

Financial materiality

The risks and opportunities were assessed by taking into consideration the severity of the financial repercussion on the company, including:

- Resource dependency.
- Relationship dependency.
- Probability of occurrence (of potential risks and opportunities).

Once the final result of the double materiality analysis has been obtained, incorporating both impacts and financial perspectives, the list of issues and sub-issues analysed can be used to identify which sustainability issues shall be included in reporting information in the Sustainability Statement (see the list of issues and their location in the report in section *1. 4 Impact, risk, and opportunity management – IRO-2* of this report.

The double materiality analysis shall be revised annually to ensure that it is in line with the company's current situation, accurately reflecting:

- Operational developments.
- Environmental changes.
- Stakeholder expectations.

All impacts, risks, and opportunities considered in the analysis, regardless of the issue with which they are associated, were subject to the same methodology in terms of the identification and assessment process. Double materiality is a general umbrella, which, with broadly applicable criteria, allows all aspects to be assessed with a standard criterion, taking into account the company's activity and potential circumstances derived from the locations in which it operates.

ESG-related dependencies have been considered via an approach that is intrinsic to Cox's activity (such as water and energy as natural resources and ecosystem services). In future financial years, there will be a more specific, in-depth analysis of IROs related to water, biodiversity, ecosystems, species and the circular economy that may provide more detail from a localisation and ad hoc assessment perspective.

Link between the results of the double materiality analysis and the management model:

Following implementation of the requirements associated with the Corporate Sustainability Reporting Directive (CSRD), Cox is working on a comprehensive review of policies and the Strategic Sustainability Plan which will enable the development of specific action plans, targets, and metrics for the integrated management of material IROs and ensure compliance with disclosure requirements established by the CSRD (MDR-P, MDR-A, MDR-T, and MDR-M). The goal is to provide more detailed and relevant information in the next report.

Minimum Disclosure Requirements - Policies (MDR-P)

In each section, Cox presents information about the key social, environmental, and corporate governance policies, as well as the way in which material IROs are addressed through them. With the results of the double materiality analysis for this financial year, work will continue to consolidate these documents so that they include all material IROs.

Minimum Disclosure Requirements - Actions (MDR-A):

In each section, COX presents information about the key social, environmental, and corporate governance actions, as well as the way in which material IROs are addressed through them. With the results of the double materiality analysis for this financial year, work will continue to consolidate these documents so that they include all material IROs.

Minimum Disclosure Requirements - Targets (MDR-T):

In each section COX presents information about the key social, environmental, and corporate governance targets, as well as the way in which material IROs are addressed through them. With the results of the double materiality analysis for this financial year, work will continue to consolidate these documents so that they include all material IROs.

Minimum Disclosure Requirements - Metrics (MDR-M):

In each section COX presents information about the key social, environmental, and corporate governance metrics, as well as the way in which material IROs are addressed through them. With the results of the double materiality analysis for this financial year, work will continue to consolidate these documents so that they include all material IROs. The 2024 reported parameters have not been externally validated by an independent third-party body other than the assurance provider.

IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

To determine the disclosure requirements that should be included in this report, we have worked on the classification of the sustainability topics and subtopics established in AR16 of ESRS 1. Based on this identification, we have selected the disclosure requirements (DR) that should be included in the report.

#	Standard	Cross-sectional/ Thematic	RDs	Scope	Description of the RDs	DP	Location in the report:
1	*ESRS* 2	General information	BP-1	General	General basis for the preparation of the sustainability statement	3; 4; 5 (a); 5 (b) i.; 5 (b) ii.; 5 (c); 5 (d)	1.1 Basis for preparation BP-1
2	*ESRS* 2	General information	BP-2	General	General basis for the preparation of the sustainability statement Disclosures in relation to specific circumstances Disclosures in relation to specific circumstances-Time horizons Disclosures in relation to specific circumstances - Value chain estimation Disclosures in relation to specific circumstances - Sources of estimation and uncertainty of the result Disclosures in relation to specific circumstances - Changes in the Presentation and Preparation of Sustainability Information Disclosures in relation to specific circumstances - Information on errors from previous periods Disclosures in relation to specific circumstances - Information derived from other legislation and generally accepted statements on sustainability information Disclosures in relation to specific circumstances - Incorporation by reference Disclosures in relation to specific circumstances - Use of phase-in provisions in accordance with Appendix C of NEIS 1	6; 7; 8; 9 (a); 9 (b); 10 (a); 10 (b); 10 (c); 10 (d); 11 (a); 11 (b) i.; 11 (b) ii.; 12; 13 (a); 13 (b); 13 (c); 14 (a); 14 (b); 14 (c); 15; 16	1.1 Basis for preparation BP-2
3	*ESRS* 2	General information	GOV-1	Governance (GOV)	The role of the administrative, management and supervisory bodies	(b); 20 (c); 21 (a); 21 (b); 21 (c); 21 (d); 21 (e); 22 (a); 22 (b); 22 (c) i.; 22 (c) ii.; 22 (c) iii.; 22 (d); 23 (a); 23	1.2 Governance GOV-1
4	*ESRS* 2	General information	GOV-2	Governance (GOV)	Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them.	24; 25; 26 (a); 26 (b); 26 (c)	1.2 Governance GOV-2
5	*ESRS* 2	General information	GOV-3	Governance (GOV)	Integration of sustainability-related performance in incentive systems	27; 28; 29 (a); 29 (b); 29 (c); 29 (d); 29 (e)	1.2 Governance GOV-3
6	*ESRS* 2	General information	GOV-4	Governance (GOV)	Statement on due diligence	30; 31; 32; 33	1.2 Governance GOV-4
7	*ESRS* 2	General information	GOV-5	Governance (GOV)	Risk management and internal controls over sustainability reporting	34; 35; 36 (a); 36 (b); 36 (c); 36 (d); 36 (e)	1.2 Governance GOV-5
8	*ESRS* 2	General information	SBM-1	Strategy (SBM)	Strategy, business model and value chain	38; 39; 40 (a) i.; 40 (a) ii.; 40 (a) iii.; 40 (a) iv.; 40 (b); 40 (e); 40 (f); 40 (g); 41; 42 (a) ; 42 (b); 42 (c)	1.3 Strategies SBM-1

9	*ESRS* 2	General information	SBM-2	Strategy (SBM)	Interests and views of stakeholders	43; 44; 45 (a) i.; 45 (a) ii.; 45 (a) iii.; 45 (a) iv.; 45 (a) v.; 45 (b); 45 (c) i.; 45 (c) ii.; 45 (c) iii.; 45 (d)	1.3 Strategies SBM-2
10	*ESRS* 2	General information	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	46; 47; 48 (a); 48 (b); 48 (c) i.; 48 (c) ii.; 48 (c) iii.; 48 (c) iv.; 48 (d); 48 (e) i.; 48 (e) ii.; 48 (f); 48 (g); 48 (h); 49	1.3 Strategies SBM-3
11	*ESRS* 2	General information	IRO-1	Impact, risk and opportunity management (IRO)	Description of the process for determining and evaluating material impacts, risks and opportunities	53 (b) i.; 53 (b) ii.; 53 (b) iii.; 53 (b) iv.; 53 (c) i.; 53 (c) ii.; 53 (c) iii.; 53 (d); 53 (e); 53 (f); 53	1.4 Management of impacts, risks, and opportunities IRO-1
12	*ESRS* 2	General information	IRO-2	Impact, risk and opportunity management (IRO)	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	54; 55; 56; 57; 58; 59	1.4 Management of impacts, risks, and opportunities IRO-2
13	*ESRS* 2	General information	MDR-P	Impact, risk and opportunity management (IRO)	Policies adopted to manage material sustainability matters	63; 64; 65 (a); 65 (b); 65 (c); 65 (d); 65 (e); 65 (f)	1.4 Management of impacts, risks, and opportunities IRO-1
14	*ESRS* 2	General information	MDR-A	Impact, risk and opportunity management (IRO)	Actions and resources in relation to material sustainability matters	66; 67; 68 (a); 68 (b); 68 (c); 68 (d); 68 (e); 69 (a); 69 (b); 69 (c)	1.4 Management of impacts, risks, and opportunities IRO-1
15	*ESRS* 2	General information	MDR-M	Parameters and targets (MT)	Parameters in relation to material sustainability matters	73; 74; 75; 76; 77 (a); 77 (b); 77 (c); 77 (d)	1.4 Management of impacts, risks, and opportunities IRO-1
16	*ESRS* 2	General information	MDR-T	Parameters and targets (MT)	Tracking effectiveness of policies and actions through targets	(b); 79 (c); 79 (d); 79 (e); 80 (a); 80 (b); 80 (c); 80 (d); 80 (e); 80 (f); 80 (g); 80 (h); 80 (i); 80 (j); 81 (a) ; 81 (b) i.; 81 (b)	1.4 Management of impacts, risks, and opportunities IRO-1
17	*ESRS* E1	Climate change	GOV-3	Governance (GOV)	Integration of sustainability-related performance in incentive systems	13	2.2 Climate change GOV-3
18	*ESRS* E1	Climate change	E1-1	Strategy (SBM)	Transition plan to mitigate climate change	14; 15; 16 (a); 16 (b); 16 (c); 16 (d); 16 (e); 16 (f); 16 (g); 16 (h); 16 (i); 16 (j); 17	2.2 Climate change E1-1
19	*ESRS* E1	Climate change	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	18; 19 (a); 19 (b); 19 (c)	2.2 Climate change SBM-3
20	*ESRS* E1	Climate change	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material impacts, risks and opportunities related to climate	20 (a); 20 (b) i.; 20 (b) ii.; 20 (c) i.; 20 (c) ii.; 21	2.2 Climate change IRO-1

21	*ESRS* E1	Climate change	E1-2	Impact, risk and opportunity management (IRO)	Policies related to the mitigation of and adaptation to climate change	22; 23; 24; 25 (a); 25 (b); 25 (c); 25 (d); 25 (e)	2.2 Climate change E1-2
22	*ESRS* E1	Climate change	E1-3	Impact, risk and opportunity management (IRO)	Actions and resources in relation to climate change policies	26; 27; 28; 29 (a); 29 (b); 29 (c) i.; 29 (c) ii.; 29 (c) iii.	2.2 Climate change E1-3
23	*ESRS* E1	Climate change	E1-4	Parameters and targets (MT)	Targets related to climate change mitigation and adaptation	30; 31; 32; 33; 34 (a); 34 (b); 34 (c); 34 (d); 34 (e); 34 (f)	2.2 Climate change E1-4
24	*ESRS* E1	Climate change	E1-5	Parameters and targets (MT)	Energy consumption and combination Energy consumption and mix - Energy intensity based on net revenue	35; 36; 37 (a); 37 (b); 37 (c) i.; 37 (c) ii.; 37 (c) iii.; 38 (a); 38 (b); 38 (c); 38 (d); 38 (e); 39; 40; 41; 42; 43	2.2 Climate change E1-5
25	*ESRS* E1	Climate change	E1-6	Parameters and targets (MT)	Gross scope 1, 2 and 3 GHG emissions and total GHG emissions GHG intensity based on net revenue	44 (a); 44 (b); 44 (c); 44 (d); 45 (a); 45 (b); 45 (c); 45 (d); 46; 47; 48 (a); 48 (b); 49 (a); 49 (b); 50 (a); 50 (b); 51; 52 (a); 52 (b); 53; 54; 55	2.2 Climate change E1-6
26	*ESRS* E1	Climate change	E1-7	Parameters and targets (MT)	GHG removals and GHG mitigation projects financed through carbon credits	56 (a); 56 (b); 57 (a); 57 (b); 58 (a); 58 (b); 59 (a); 59 (b); 60; 61 (a); 61 (b); 61 (c)	2.2 Climate change E1-7
27	*ESRS* E1	Climate change	E1-8	Parameters and targets (MT)	Internal carbon pricing system	62; 63 (a); 63 (b); 63 (c); 63 (d)	2.2 Climate change E1-8
29	ESRS E3	Water and marine resources	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material impacts, risks and opportunities related to water and marine resources	8 (a); 8 (b)	2.3 Water and marine resources IRO-1
30	ESRS E3	Water and marine resources	E3-1	Impact, risk and opportunity management (IRO)	Policies related to water and marine resources	9; 10; 11; 12 (a) i.; 12 (a) ii.; 12 (a) iii.; 12 (b); 12 (c); 13	2.3 Water and marine resources E3-1
31	*ESRS E3*	Water and marine resources	E3-2	Impact, risk and opportunity management (IRO)	Actions and resources related to water and marine resources	15; 16; 17; 19	2.3 Water and marine resources E3-2
32	*ESRS E3*	Water and marine resources	E3-3	Parameters and targets (MT)	Targets related to water and marine resources	20; 21; 22; 23 (a); 23 (c); 24 (a); 24 (b); 24 (c); 25	2.3 Water and marine resources E3-3
33	ESRS E3	Water and marine resources	E3-4	Parameters and targets (MT)	Water consumption	26; 27; 28 (a); 28 (b); 28 (c); 28 (e); 29	2.3 Water and marine resources E3-4
35	*ESRS* E4	Biodiversity and ecosystems	E4-1	Strategy (SBM)	Transition plan and review of biodiversity and ecosystems in the strategy and business model	11; 12; 13 (a); 13 (b); 13 (c); 13 (d); 13 (e); 13 (f); 14	2.4 Biodiversity and ecosystems E4-1

36	*ESRS* E4	Biodiversity and ecosystems	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	16 (a) i.; 16 (a) ii.; 16 (a) iii.; 16 (b); 16 (c)	2.4 Biodiversity and ecosystems E4-1
37	*ESRS* E4	Biodiversity and ecosystems	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems	17 (a); 17 (b); 17 (c); 17 (d); 17 (e) i.; 17 (e) ii.; 17 (e) iii.; 19 (a); 19 (b)	2.4 Biodiversity and ecosystems IRO-1
38	*ESRS* E4	Biodiversity and ecosystems	E4-2	Impact, risk and opportunity management (IRO)	Policies related to biodiversity and ecosystems	20; 21; 22; 23 (a); 23 (b); 23 (c); 23 (d); 23 (e); 23 (f); 24 (a); 24 (d)	2.4 Biodiversity and ecosystems E4-2
39	*ESRS* E4	Biodiversity and ecosystems	E4-3	Impact, risk and opportunity management (IRO)	Actions and resources related to biodiversity and ecosystems	25; 26; 27; 28 (b) i.; 28 (b) ii.; 28 (b) iii.; 28 (c)	2.4 Biodiversity and ecosystems E4-3
40	*ESRS* E4	Biodiversity and ecosystems	E4-4	Parameters and targets (MT)	Targets related with biodiversity and ecosystems	29; 30; 31; 32 (a) i.; 32 (a) ii.; 32 (a) iii.; 32 (b); 32 (c); 32 (d); 32 (e); 32 (f)	2.4 Biodiversity and ecosystems E4-4
41	*ESRS* E4	Biodiversity and ecosystems	E4-5	Parameters and targets (MT)	Impact metrics related to changes in biodiversity and ecosystems	33; 34; 35; 37; 38	2.4 Biodiversity and ecosystems E4-5
43	*ESRS* E5	Circular economy	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material impacts, risks and opportunities related elated to the use of resources and the circular economy	11 (a); 11 (b)	2.5 Use of resources and circular economy IRO-1
44	*ESRS* E5	Circular economy	E5-1	Impact, risk and opportunity management (IRO)	Policies related to resource use and the circular economy	12; 13; 14; 15 (a); 15 (b); 16	2.5 Use of resources and circular economy E5-1
45	*ESRS* E5	Circular economy	E5-2	Impact, risk and opportunity management (IRO)	Actions and resources related to the use of resources and the circular economy	17; 18; 19; 20 (a); 20 (b); 20 (c); 20 (d); 20 (e); 20 (f)	2.5 Use of resources and circular economy E5-2
46	*ESRS* E5	Circular economy	E5-3	Parameters and targets (MT)	Targets related to the use of resources and the circular economy	21; 22; 23; 24 (e); 25; 26 (a); 26 (b); 26 (c); 27	2.5 Use of resources and circular economy E5-3
47	*ESRS* E5	Circular economy	E5-4	Parameters and targets (MT)	Resource inflows	28; 29; 30; 31 (a); 31 (c); 32	2.5 Use of resources and circular economy E5-4

48	*ESRS* E5	Circular economy	E5-5	Parameters and targets (MT)	Outflow of resources Resource outflows - Products and materials Resource outflows - Waste	33; 34 (a); 34 (b); 35; 36; 37 (a); 37 (b) i; 37 (b) ii; 37 (b) iii; 37 (c) i; 37 (c) ii; 37 (c) iii; 37 (d); 38 (a); 38 (b); 39; 40	2.5 Use of resources and circular economy E5-5
50	*ESRS* S1	Own workforce	SBM-2	Strategy (SBM)	Interests and views of stakeholders	12	3.1 Own workforce SBM-2
51	*ESRS* S1	Own workforce	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	13 (a); 13 (b); 14 (a); 14 (b); 14 (c); 14 (d); 14 (e); 14 (f) i.; 14 (f) ii.; 14 (g) i.; 14 (g) ii.; 15; 16	3.1 Own workforce SBM-3
52	*ESRS* S1	Own workforce	S1-1	Impact, risk and opportunity management (IRO)	Policies related to own workforce	17; 18; 19; 20 (a); 20 (b); 20 (c); 21; 22; 23; 24 (a); 24 (b); 24 (c); 24 (d)	3.1 Own workforce S1-1
53	*ESRS* S1	Own workforce	S1-2	Impact, risk and opportunity management (IRO)	Processes for engaging with own workforce and workers' representatives about impacts	25; 26; 27 (a); 27 (b); 27 (c); 27 (d); 27 (e); 28; 29	3.1 Own workforce S1-2
54	*ESRS* S1	Own workforce	S1-3	Impact, risk and opportunity management (IRO)	Processes to repair negative incidents and channels for own workforce to raise concerns	30; 31; 32 (a); 32 (b); 32 (c); 32 (d); 32 (e); 33; 34	3.1 Own workforce S1-3
55	*ESRS* S1	Own workforce	S1-4	Impact, risk and opportunity management (IRO)	Adoption of measures related to material impacts concerning own workforce, approaches to manage material risks and take advantage of material opportunities related to own workforce and the effectiveness of such actions	35; 36 (a); 36 (b); 37; 38 (a); 38 (b); 38 (c); 38 (d); 39; 40 (a); 40 (b); 41; 42; 43	3.1 Own workforce S1-4
56	*ESRS* S1	Own workforce	S1-5	Parameters and targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	44 (a); 44 (b); 44 (c); 45; 46; 47 (a); 47 (b); 47 (c)	3.1 Own workforce S1-5
57	*ESRS* S1	Own workforce	S1-6	Parameters and targets (MT)	Characteristics of the undertaking's employees	48; 49; 50 (a); 50 (b) i.; 50 (b) ii.; 50 (b) iii.; 50 (c); 50 (d) i.; 50 (d) ii.; 50 (e); 50 (f); 52 (a); 52 (b)	3.1 Own workforce S1-6
59	*ESRS* S1	Own workforce	S1-8	Parameters and targets (MT)	Coverage of collective bargaining and social dialogue	58; 59; 60 (a); 60 (b); 60 (c); 63 (a); 63 (b)	3.1 Own workforce S1-8
60	*ESRS* S1	Own workforce	S1-9	Parameters and targets (MT)	Diversity parameters	64; 65; 66 (a); 66 (b)	3.1 Own workforce S1-9
61	*ESRS* S1	Own workforce	S1-10	Parameters and targets (MT)	Adequate wages	67; 68; 69; 70	3.1 Own workforce S1-10

62	*ESRS* S1	Own workforce	S1-11	Parameters and targets (MT)	Social protection	72; 73; 74 (a); 74 (b); 74 (c); 74 (d); 74 (e); 75	3.1 Own workforce S1-11
63	*ESRS* S1	Own workforce	S1-12	Parameters and targets (MT)	Persons with disabilities	77; 78; 79; 80	3.1 Own workforce S1-12
64	*ESRS* S1	Own workforce	S1-13	Parameters and targets (MT)	Parameters for training and skills development	81; 82; 83 (a); 83 (b)	3.1 Own workforce S1-13
65	*ESRS* S1	Own workforce	S1-14	Parameters and targets (MT)	Health and safety parameters	86; 87; 88 (a); 88 (b); 88 (c); 88 (d); 88 (e); 89; 90	3.1 Own workforce S1-14
66	*ESRS* S1	Own workforce	S1-15	Parameters and targets (MT)	Parameters for work / life balance	91; 92; 93 (a); 93 (b); 94	3.1 Own workforce S1-15
67	*ESRS* S1	Own workforce	S1-16	Parameters and targets (MT)	Parameters for remuneration (pay gap and total remuneration)	95; 96; 97 (a); 97 (b); 97 (c)	3.1 Own workforce S1-16
68	*ESRS* S1	Own workforce	S1-17	Parameters and targets (MT)	Incidents, claims and serious impacts related to human rights	100; 101; 102; 103 (a); 103 (b); 103 (c); 103 (d); 104 (a); 104 (b)	3.1 Own workforce S1-17
69	*ESRS* S2	Value chain workers	SBM-2	Strategy (SBM)	Interests and views of stakeholders	9	3.2 Employees in the value chain SBM-2
70	*ESRS* S2	Value chain workers	SBM-3	Strategy (SBM)	Material impacts, risks and opportunities and their interaction with strategy and business model	10 (a) i.; 10 (a) ii.; 10 (b); 11 (a) i.; 11 (a) ii.; 11 (a) iii.; 11 (a) iv.; 11 (a) v.; 11 (b); 11 (c); 11 (d); 11 (e); 12; 13	3.2 Employees in the value chain SBM-3
71	*ESRS* S2	Value chain workers	S2-1	Impact, risk and opportunity management (IRO)	Policies related to workers in the value chain	14; 15; 16; 17 (a); 17 (b); 17 (c); 18; 19	3.2 Employees in the value chain S2-1
72	*ESRS* S2	Value chain workers	S2-2	Impact, risk and opportunity management (IRO)	Processes to interact with workers in the value chain in impact matters	20; 21; 22 (a); 22 (b); 22 (c); 22 (d); 22 (e); 23; 24	3.2 Employees in the value chain S2-2
73	*ESRS* S2	Value chain workers	S2-3	Impact, risk and opportunity management (IRO)	Processes to repair negative impacts and channels for value chain workers to raise concerns	25; 26; 27 (a); 27 (b); 27 (c); 27 (d); 28; 29	3.2 Employees in the value chain S2-3
74	*ESRS* S2	Value chain workers	S2-4	Impact, risk and opportunity management (IRO)	Adoption of measures related to material impacts concerning value chain workers, approaches to manage material risks and take advantage of material opportunities related to value chain workers and the effectiveness of such actions	30; 31 (a); 31 (b); 32 (a); 32 (b); 32 (c); 32 (d); 33 (a); 33 (b); 33 (c); 34 (a); 34 (b); 35; 36; 37; 38	3.2 Employees in the value chain S2-4

75	*ESRS* S2	Value chain workers	S2-5	Parameters and targets (MT)	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	39 (a); 39 (b); 39 (c); 40; 41; 42 (a); 42 (b); 42 (c)	3.2 Employees in the value chain S2-5
76	*ESRS* G1	Business conduct	GOV-1	Governance (GOV)	The role of the administrative, management and supervisory bodies	5 (a); 5 (b)	4.1 Business conduct GOV-1
77	*ESRS* G1	Business conduct	IRO-1	Impact, risk and opportunity management (IRO)	Description of the processes to identify and assess material impacts, risks and opportunities	6	4.1 Business conduct IRO-1
78	*ESRS* G1	Business conduct	G1-1	Impact, risk and opportunity management (IRO)	Corporate culture and business conduct policies	7; 8; 9; 10 (a); 10 (b); 10 (c) i.; 10 (c) ii.; 10 (d); 10 (e); 10 (g); 10 (h); 11	4.1 Business conduct G1-1
79	*ESRS* G1	Business conduct	G1-2	Impact, risk and opportunity management (IRO)	Management of relationships with suppliers	12; 13; 15 (a); 15 (b)	4.1 Business conduct G1-2

List of datapoints in cross-cutting and topical standards derived from other EU legislation

In the development of the Sustainability Statement, aspects derived from other EU legislation not related to the Group's sector of activity have not been considered, such as Regulation (EU) 2019/2088 of the European Parliament and of the Council, of 27 November 2019, on the disclosure of sustainability information in the financial services sector (OJ L 317 of 9.12.2019, p. 1), Regulation (EU) No 575/2013 of the European Parliament and of the Council, of 26 June 2013, on the prudential requirements for credit institutions and investment firms, and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation, 'CRR') (OJ L 176 of 27.6.2013, p. 1), 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 of 29.6.2016, p. 1) and the (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 information on environmental, social and governance risks (OJ L 324 of 19.12.2022, p. 1).

The cross-cutting standards considered for the material aspects are as follows:

Associated disclosure And related datapoint	Reference of the Benchmark Regulation (3)	Reference of the European Climate Law (4)	Reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Commission Delegated Regulation (EU) 2020/1816 (5) Annex II		1.2. Governance GOV-1
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	Delegated Regulation (EU) 2020/1816, Annex II		1.2. Governance GOV-1
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Delegated Regulation (EU) 2020/1816, Annex II		1.3. SBM-1 Strategy
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Delegated Regulation (EU) 2020/1816, Annex II		1.3. SBM-1 Strategy
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Delegated Regulation (EU) 2020/1818 (7) Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		1.3. SBM-1 Strategy
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		1.3. SBM-1 Strategy

ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14		Regulation (EU) 2021/1119, Article 2(1)	2.2. Climate change E1-1
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		2.2. Climate change E1-1
ESRS E1-4 GHG emission reduction targets paragraph 34	Delegated Regulation (EU) 2020/1818 Article 6		2.2. Climate change E1-1
ESR E1-5 Non-renewable fossil energy consumption, disaggregated by sources (only for high climate impact sector) – Section 38			2.2. Climate change E1-1
ESR E1-5 Energy consumption and mix – Section 37			2.2. Climate change E1-1
ESR E1-5 Energy intensity related to activities in sectors with high climate impact – Sections 40 to 43			2.2. Climate change E1-1
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		2.2. Climate change E1-1
ESR E1-6 Gross GHG emissions intensity – Sections 53 to 55	Delegated Regulation (EU) 2020/1818, Article 8(1)		2.2. Climate change E1-1
ESR E1-7 GHG removals and carbon credits – Section 56		Regulation (EU) 2021/1119, Article 2(1)	2.2. Climate change E1-1
ESR E1-9 Exposure of the benchmark backlog to climate-related physical risks – Section 66	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Cox opts for appendix C: list of phased-in disclosure requirements of ESR 2.
ESR E1-9 Degree of exposure of the backlog to climate- related opportunities – Section 69	Delegated Regulation (EU) 2020/1818, Annex II		Cox opts for appendix C: list of phased-in disclosure requirements of ESR 2.
ESR S1-1 Due diligence policies regarding the issues referred to in the ILO Fundamental Conventions 1 to 8 – Section 21	Delegated Regulation (EU) 2020/1816, Annex II		3.1. Own workforce S1-2
ESR S1-14 Number of fatalities and number and rate of work-related accidents – Section 88, letters b) and c)	Delegated Regulation (EU) 2020/1816, Annex II		3.1. Own workforce S1-2
ESR S1-16 Unadjusted gender pay gap – Section 97, letter a)	Delegated Regulation (EU) 2020/1816, Annex II		3.1. Own workforce S1-2
ESR S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines – Section 104, letter a)	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		3.1. Own workforce S1-2
ESR S1-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines – Section 19	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		3.1. Own workforce S1-2
ESR S2-1 Due diligence policies n issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 – Section 19	Delegated Regulation (EU) 2020/1816, Annex II		3.2. Employees in the value chain S2-1
ESR G1-4 Fines for violating anti-corruption and anti-bribery laws – Section 24, letter a)	Delegated Regulation (EU) 2020/1816, Annex II		5.6. Anti-corruption

2. Environmental information

2.1. EU Taxonomy for Sustainable Activities

This section fulfils the disclosure requirement of **Article 8 of EU Regulation 2020/852**, which establishes a framework for sustainable investment, and its implementing regulations.

Scope of the Taxonomy and description of Cox's activities

To establish the activities eligible under the European Commission's criteria for the Taxonomy, all companies within the scope of consolidation of COX ABG Group, SA will be considered in the analysis carried out.

Cox operates in the **energy and water sectors**[5], two key areas for the ecological transition defined in the **European Taxonomy**. Its business model is aligned with economic activities identified in the **Delegated Regulations of Regulation (EU) 2020/852**, contributing mainly to the objectives of **climate change mitigation and adaptation to climate change.**

Eligibility assessment

The first step in the eligibility assessment is **to determine which Cox activities can contribute to one or more of the six EU environmental objectives.**
Based on this approach, a detailed analysis of the **corporate purpose of Cox companies and their accounting records** has been carried out to identify eligible activities, by cross-referencing descriptions of projects executed during the financial year with descriptions of taxonomic activities.
This year, Cox evaluated Delegated Regulation C(2023)3851 to ascertain whether the activities included within it are carried out by the company and, as a result, whether they can be deemed eligible in relation to the environmental objectives of the Regulation.

- **Sustainable use and protection of water and marine resources**
- **Transition to a circular economy**
- **Pollution Prevention and Control**
- **Protection and restoration of biodiversity and ecosystems**

Following this review, it has been concluded that the **turnover and CapEx associated with these objectives** are already included within the eligible activities that the company had identified, associated with the objectives of **mitigation and adaptation to climate change.**

For this reason, in the current fiscal year, the assessment of **eligibility and the alignment** of Cox's activities has focused on these objectives, with the exception of an activity of the circular economy objective associated with the manufacture of electronic equipment.

[5] For more information, see section *1.3. Strategies – SBM-1* of this report.

EU Sustainable Finance Taxonomy

The business model and management of Cox are aligned with the environmental objectives of the European Union and the requirements of the green taxonomy, committing to the fight against climate change through decarbonisation and sustainable solutions. The performance in 2024 by business volume is 80% eligibility and the alignment of investments is 85%.

List of eligible activities

Climate change mitigation

- 4.1 Electricity generation using solar photovoltaic technology.
- 4.2 Electricity generation using concentrated solar power technology.
- 4.9 Transmission and distribution of electricity.
- 4.10 Electricity storage.
- 4.13 Manufacture of biogas or biofuels for use in transport and of bioliquids.
- 4.20 Cogeneration of heat/cooling and electricity from bioenergy.
- 4.25 Production of heat/cooling from waste heat.
- 4.30 High-efficiency cogeneration of heat/cooling and electricity from gaseous fossil fuels
- 5.1. Construction, extension and operation of water collection, treatment and supply systems.
- 5.9 Recovery of non-hazardous waste materials.
- 6.14 Railway transport infrastructure.
- 7.2 Renovation of existing buildings.
- 7.3 Installation, maintenance and repair of energy efficiency equipment.
- 7.7 Acquisition and ownership of buildings.

Climate change adaptation

- 8.2 Computer programming, consultancy and related activities.
- 5.13 Desalination.

Transition to a circular economy

- 1.2 Manufacture of electrical and electronic equipment.

Alignment assessment. Substantial contribution and *Do No Significant Harm (DNSH).*

The taxonomy assessment process requires analysing **eligible** activities against **technical screening criteria**. This analysis determines whether activities **are aligned with** established environmental objectives. To fulfil this requirement, the activity is required to make a **substantial contribution** to a minimum of one of the six objectives defined within the regulation. Furthermore, it is essential to demonstrate that the activities **do not significantly harm (DHSH)** the remaining five objectives.

To this end, Cox conducted a compliance review against these criteria for each business unit, with detailed conclusions recorded in corporate documentation.

To facilitate the review of the technical selection criteria in all its activities, Cox has implemented a standardised methodology based on questionnaires that collect specific requirements according to the applicable regulations. This methodology enabled compliance analysis of each activity, considering location and technology.

In this context, the recent European Taxonomy reporting obligation, resulting from financial year restructuring, presented a significant challenge for Cox in comprehending the technical criteria for eligible activities. In contrast to sector companies with a more extensive history of taxonomy disclosure,this initial taxonomy disclosure involved adapting to regulatory requirements.

This factor significantly influenced the reported alignment percentage, largely because of variations in supporting documentation and the integration of technical criteria within investment plans. This situation, however, offers a chance for considerable advancement in subsequent years. Optimising documentation and planning from the start of the year, in accordance with the CSRD and European Taxonomy, will greatly enhance the identification and reporting of aligned activities.

In the process of compiling evidence for the alignment of projects with the European Taxonomy, certain evidence has not been incorporated, because its management and documentation correspond to other entities involved in the projects, falling outside the scope of Cox's responsibility.

With respect to the electricity transmission and distribution framework project, the Environmental Impact Assessment (EIA) is the exclusive responsibility of *Réseau de Transport d'Électricité* (*RTE*), the transmission system operator, which is subject to legal responsibility for its preparation and presentation. Thus, Cox cannot compile or report this documentation within its defined scope.

Likewise, in the Klaipėda-Vilnius electrification project, the responsibility to demonstrate the recycling of construction and demolition materials is assigned to the civil works operator for the railway line construction. This evidence is directly associated with the railway infrastructure project's waste management, rather than Cox's electrification activity..

Since this evidence relates to entities external to Cox and falls outside its contractual obligations, it has been excluded from compilation and the Taxonomy alignment assessment.

Indicators of the taxonomy

After identifying the eligible and aligned economic activities, the financial indicators of the European Taxonomy have been calculated using the financial and operational results of the fiscal year as a reference. The indicators have been calculated according to the provisions of Delegated Regulation (EU) 2021/217, which defines the methodology and disclosure of information requirements for non-financial companies.

Turnover

The calculation of alignment with the European Taxonomy starts from the eligibility percentage of the group's activities, maintaining the same denominator. At the same time, the numerator only includes revenue from the aligned activities. In the electricity sector, activities such as renewable generation and electricity transmission and distribution are electricity under Delegated Regulation (EU) 2021/2139. In contrast, electricity trading is not included. For groups with vertical integration, intercompany transactions between generation and marketing are consolidated by eliminating internal revenues, ensuring that reporting aligns with accounting standards and the Taxonomy's requirements. The total revenue can be found in note 5.1 c) of the consolidated Annual Financial Statements.

CapEx

CapEx includes additions to tangible and intangible assets during the Fiscal Year considered before depreciation, amortisation, and potential revaluations, including those resulting from revaluations and value impairments pertaining to the relevant period, with exclusions for fair value adjustments. Tangible and intangible assets resulting from business combinations will also be included.

For companies applying national generally accepted accounting principles (GAAP), CapEx will include costs recorded under the applicable GAAP that correspond to costs included in fixed asset investments by non-financial companies applying the IFRS. Leases that do not give rise to the recognition of a right to use the asset are not included in CapEx.

CapEx includes investments in tangible fixed assets, in intangible assets and real estate investments, excluding amortisations and value impairments. Operating leases arising from right-of-use assets and fixed asset additions resulting from business combinations are also included.

During the current fiscal year, Cox eligible and aligned CapEx experienced a significant increase due to fixed asset additions resulting from scope changes arising from business combinations. Specifically, these additions originated from the acquisitions of Khi Solar One and Ibox Energy, with the former comprising the vast majority of the assets. Both companies carry out eligible activities. In particular, Khi Solar One is aligned with the European Taxonomy under activity CCM 4.2, concentrated solar power generation. As the regulations stipulate that additions to tangible and intangible assets arising from business combinations must be included in the CapEx indicator. The inclusion of all Khi Solar One assets resulted in an unusual impact on the reported metric for this fiscal year.

It is important to highlight that this is an isolated circumstance, as acquisitions of companies with aligned activities of this magnitude do not occur regularly. Therefore, it is expected that in future fiscal years, aligned CapEx—both in absolute terms and as a percentage of total investments—will be lower than recorded this year. Furthermore, holding ownership of Khi Solar One in subsequent fiscal years is expected to contribute to an increase in the alignment indicator of turnover.

This potential trend does not reflect a reduction in Cox commitment to investing in aligned activities. Instead, it responds to the calculation methodology of the indicator and the exceptional nature of this transaction. In this regard, the company continues to focus its investment strategy on the development and expansion of sustainable activities, maintaining its commitment to energy transition and long-term sustainability.

In accordance with the consolidated financial statements, the total CapEx is listed in note 5.1 c) of the Consolidated Annual Financial Statements 2024, as well as in note 6 related to changes in scope. The denominator for Cox's CapEx includes additions of tangible and intangible assets from the Consolidated Annual Financial Statements.

To determine the amount expressed in the numerator, evidence was requested for the amounts actually spent on investments and environmental projects associated with the activities previously designated as eligible under the Taxonomy Regulation, together with certain investments in renovations and energy efficiency equipment carried out in the group's buildings.

Materiality of OpEx taxonomy in Cox

Cox's operating expenses (OpEx) taxonomy is **immaterial** in the context of reporting alignment with the European Taxonomy, given that the main items included in this indicator have a minor impact on the group's financial structure.

OpEx includes non-capitalised direct costs related to Research and Development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct expenses associated with the daily upkeep of tangible fixed assets.
Firstly, Cox currently does not undertake R&D projects that are eligible according to the taxonomy, so there are no relevant operating expenses in this category.

On the other hand, amounts allocated to renovations and improvements in infrastructure are capitalised and, therefore, recorded in the CapEx indicator rather than being considered OpEx.
Lastly, the operation and maintenance (O&M) expenses of assets do not have a significant impact on OpEx, as Cox performs these activities internally. Since Operation and Maintenance (O&M) is one of the main lines of business, costs associated with these activities are found in the group's general cost structure rather than in the OpEx taxonomy.

As a result, Cox's eligible and aligned OpEx is immaterial, does not have a significant impact on the reporting results of the Taxonomy and, therefore, it is not included in the tables reported this Fiscal Year.

Alignment assessment. Minimum Social Safeguards

The Sustainable Finance Platform published the Final Report on Minimum Social Safeguards Taxonomy in October 2022, which outlines the requirements to be considered by companies to comply with the Minimum Social Safeguards (MSS) and thus demonstrate their alignment with the EU Taxonomy.

In line with the report's guidelines, companies must have processes in place to ensure compliance with the following international frameworks:

The OECD Guidelines for Multinational Enterprises | The UN Guiding Principles on Business and Human Rights. | The principles and rights established in the International Labour Organisation (ILO) declaration concerning the principles and fundamental human rights in work and in its conventions. | The International Bill of Human Rights of the United Nations (UN).

The MSS are made up of four fundamental requirements that companies must consider when reporting their alignment with the taxonomy.

Human rights, including workers' rights. | Bribery and corruption. | Taxation | Fair competition.

Regarding compliance with the four requirements that make up the MSS, it can be stated that Cox is aligned with the minimum requirements of the Safeguards and has been working on the design and implementation of several due diligence tools and processes related to ESG and legal compliance to ensure their proper application, such as the Human Rights and Environmental Due Diligence policy[6], the Declaration against slavery and human trafficking, the Sustainability Code for suppliers and subcontractors, the Sustainability Policy, the Anti-Corruption Compliance Programme Guide for employees, management, and directors, the Crime Prevention and Regulatory Compliance Policy, and the Code of Conduct.

The policies that ensure compliance with the MSS requirements of the taxonomy reaffirm Cox's commitment to sustainability and business ethics, integrating human rights and environmental due diligence (HR-EDD) as a key pillar of its management model. This approach is structured through the aforementioned policies and implemented via a prevention and compliance system. This way, the company ensures that its operations respect fundamental rights, the environment, and the communities where it operates.

Sustainability due diligence is embedded within Cox's Common Management System, structured within the PDCA (Plan-Do-Check-Act) cycle, ensuring cross-cutting integration throughout all business areas. Through structured processes for identifying, assessing, and mitigating risks, the company strengthens its ability to respond to potential impacts across its value chain. Thus, it promotes a culture of transparency, continuous improvement, and regulatory compliance.

This framework enables Cox to operate under high standards of responsibility, ensuring that its business growth is aligned with environmental protection and human rights, in line with sustainable governance principles.

[6] Policy pending approval (2025)

Taxonomy objective	Proportion of turnover /Total Revenue		Proportion of total CapEx/CapEx	
	that aligns with the taxonomy by objective	**eligible according to the taxonomy by objective**	**that aligns with the taxonomy by objective**	**eligible according to the taxonomy by objective**
Climate change mitigation	16.00%	63.00%	85.00%	95.40%
Climate change adaptation	-	16.90%	-	1.20%
Water and marine resources	-	-	-	-
Circular economy	-	0.10%	-	-
Pollution Prevention and Control	-	-	-	-
Biodiversity and ecosystems	-	-	-	-
TOTAL	**16.00%**	**80.00%**	**85.00%**	**96.60%**

Therefore, the group's eligibility is 80% in revenue and 96.6% in CapEx, while the alignment is 16% of revenue and 85% of CapEx.

As mentioned in the section on the CapEx indicator, business combinations have been particularly relevant this fiscal year. The fixed asset additions related to the acquisition of Khi Solar One contributed €138,222 thousand to the reported CapEx, all of which are aligned under activity CCM 4.2. The acquisition of Ibox Energy, meanwhile, contributed €3,221 thousand to the reported CapEx as business combinations, which are eligible but not aligned.

Economic activities	Codes	Total turnover	Proportion of turnover	Sustainable contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Does no significant harm (DNSH) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Minimum Social Safeguards	Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) revenue, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A Activities of the Taxonomy																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	6,972	1.0%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	-		
Electricity generation using concentrated solar power (CSP) technology.	CCM 4.2	33,724	4.8%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	-		
Transmission and distribution of electricity	CCM 4.9	41,044	5.8%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	-	F	
Production of heat/cool using waste heat	CCM 4.25	12,799	1.8%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	-		
Infrastructure for rail transport	CCM 6.14	17,839	2.5%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	-	F	
Revenue from environmentally sustainable activities (taxonomy-aligned) (A.1).		112,378	16.0%	16.0%	–	–	–	–	–	I	I	I	I	I	I	I	-		
Of which: facilitators		58,883	8.4%	8.4%	–	–	–	–	–	I	I	I	I	I	I	I	-	F	
Of which: transitional		–	–	–						I	I	I	I	I	I	I	-		T

Economic activities	Codes	Total turnover	Proportion of turnover	Sustainable contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Does no significant harm (DNSH) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Minimum Social Safeguards	Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) revenue, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities).																			
Electricity generation using solar photovoltaic technology	CCM 4.1.	2,149	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2.	305	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Transmission and distribution of electricity	CCM 4.9.	193,976	27.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Electricity storage	CCM 4.10	1,381	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13.	17,214	2.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Cogeneration of heat/cool and power from bioenergy	CCM 4.20.	13,306	1.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
High-efficiency cogeneration of heat/cooling and electricity from gaseous fossil fuels	CCM 4.30.	83,436	11.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1.	- 885	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Material recovery from non-hazardous waste	CCM 5.9.	2,559	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		

Economic activities	Codes	Total turnover	Proportion of turnover	Sustainable contribution criteria: Climate change mitigation	Sustainable contribution criteria: Climate change adaptation	Sustainable contribution criteria: Water and marine resources	Sustainable contribution criteria: Emissions	Sustainable contribution criteria: Circular economy	Sustainable contribution criteria: Biodiversity and ecosystems	Does no significant harm (DNSH) criteria: Climate change mitigation	Does no significant harm (DNSH) criteria: Climate change adaptation	Does no significant harm (DNSH) criteria: Water and marine resources	Does no significant harm (DNSH) criteria: Emissions	Does no significant harm (DNSH) criteria: Circular economy	Does no significant harm (DNSH) criteria: Biodiversity and ecosystems	Minimum Social Safeguards	Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) revenue, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities).																			
Infrastructure for rail transport	CCM 6.14.	16,410	2.30%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Acquisition and ownership of buildings	CCM 7.7.	143	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Computer programming, consultancy, and related activities	CCA 8.2.	940	0.10%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								-		
Manufacture of electrical and electronic devices	CE 1.2.	984	0.10%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								-		
Desalinitation	CCA 5.13	117,529	16.70%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								-		
Revenue from taxonomy-eligible activities that are not environmentally sustainable (taxonomy non-eligible activities) (A.2).		450,332	64%	47.0%	16.9%	–	–	0.1%	–								-		
Revenue from taxonomy-eligible activities (A.1 + A.2).		562,710	80%	63.0%	16.9%	–	–	0.1%	–								-		
B. Taxonomy non-eligible activities																			
Revenue from taxonomy non-eligible activities.		139,749	20%																
TOTAL (A+B)		702,459	100%																

Economic activities	Codes	CapEx	CapEx ratio, year 2024	Sustainable contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Does no significant harm (DNSH) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Minimum Social Safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) CapEx, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A Activities of the Taxonomy																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	1,067	0.6%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	–		
Electricity generation using concentrated solar power (CSP) technology.	CCM 4.2	138,222	83.8%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	–		
Transmission and distribution of electricity	CCM 4.9	911	0.6%	I	N/EL	N/EL	N/EL	N/EL	N/EL	I	I	I	I	I	I	I	–	F	
CapEx of environmentally sustainable activities (that align with the Taxonomy) (A.1)		140,200	85%	85.0%	–	–	–	–	–	I	I	I	I	I	I	I	–		
Of which: facilitators		911	0.6%	0.6%	–	–	–	–	–	I	I	I	I	I	I	I	–	F	
Of which: transitional		–	–	–						I	I	I	I	I	I	I	–		T

Economic activities	Codes	CapEx	CapEx ratio, year 2024	Sustainable contribution criteria						Does no significant harm (DNSH) criteria									
				Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Minimum Social Safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) CapEx, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities).																			
Electricity generation using solar photovoltaic technology	CCM 4.1.	9685	5.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Transmission and distribution of electricity	CCM 4.9.	6581	4.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Cogeneration of heat/cool and power from bioenergy	CCM 4.20.	172	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
High-efficiency cogeneration of heat/cooling and electricity from gaseous fossil fuels	CCM 4.30.	132	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		

Economic activities	Codes	CapEx	CapEx ratio, year 2024	Sustainable contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Does no significant harm (DNSH) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Minimum Social Safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) CapEx, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities).																			
Renovation of existing buildings	CCM 7.2	416	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	116	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Acquisition and ownership of buildings	CCM 7.7	41	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Desalinitation	CCA 5.13	1908	1.2%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								–		
CapEx of taxonomy-eligible activities that are not environmentally sustainable (taxonomy non-aligned economic activities.) (A.2).		19,051	11.6%	10.4%	1.2%	–	–	–	–	–							–		
A. CapEx of taxonomy-eligible activities (A.1 + A.2).		159,251	96.6%	95.4%	1.2%	–	–	–	–	–							–		
B. Taxonomy non-eligible activities																			
CapEx of taxonomy non-eligible activities		5,632	3.4%																
TOTAL (A+B)		164,883	100.0%																

Economic activities	Codes	OpEx	OpEx ratio, year 2024	Sustainable contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Does no significant harm (DNSH) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Emissions	Circular economy	Biodiversity and ecosystems	Minimum Social Safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) OpEx, year N-1.	Category (facilitating activity)	Category (transition activity)
		Thousands of €	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N	S;N	S;N	S;N	S;N	S;N	S;N	%	F	T
A Activities of the Taxonomy																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (that align with the Taxonomy) (A.1)		–	–	–	–	–	–	–	–	I	I	I	I	I	I	I	–		
Of which: Facilitators		–	–	–	–	–	–	–	–	I	I	I	I	I	I	I	–	F	
Of which: transitional		–	–	–						I	I	I	I	I	I	I	–		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities).																			
OpEx of taxonomy-eligible activities that are not environmentally sustainable (taxonomy non-aligned economic activities.) (A.2).		–	–	–	–	–	–	–	–								–		
A. OpEx of taxonomy-eligible activities (A.1 + A.2).		–	–	–	–	–	–	–	–								–		
B. Taxonomy non-eligible activities																			
OpEx of taxonomy non-eligible activities		–	–																
TOTAL (A+B)		37,755	100%																

Row	Nuclear energy and fossil gas activities	
Row	Nuclear energy activities	YES/ NO
1	The company conducts, finances or has exposures to research, development, demonstration and deployment of innovative power generation facilities that produce energy from nuclear processes with minimal fuel cycle waste.	NO
2	The company undertakes, finances or has exposures to the construction and safe operation of new nuclear facilities to produce electricity or process heat, including for district heating purposes or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3	The company conducts, finances or has exposures to the safe operation of existing nuclear facilities that produce electricity or process heat, including for district heating purposes or industrial processes such as the production of hydrogen from nuclear energy, as well as their safety upgrades.	NO
Row	Fossil gas activities	YES/ NO
4	The company carries out, finances or has exposures to the construction or operation of power generation facilities that produce electricity from gaseous fossil fuels.	NO
5	The company carries out, finances or has exposures to the construction, renovation and operation of combined heat/cold and power generation facilities using gaseous fossil fuels.	YES
6	The company carries out, finances or has exposures to the construction, renovation and operation of heat generation facilities producing heat/cooling from gaseous fossil fuels.	NO

Taxonomy-aligned economic activities (denominator) - Turnover							
Row	Economic activities	(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€K)	%	Amount (€K)	%	Amount (€K)	%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable ICR	0	–	0	–	0	–
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable ICR	112,378	16.0%	112,378	16.0%	0	–
8	Total applicable ICR	702,459	100.0%	702,459	100.0%	0	–

Taxonomy-aligned economic activities (denominator) - CapEx							
Row	Actividades económicas	(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€K)	%	Amount (€K)	%	Amount (€K)	%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable ICR	0	–	0	–	0	–
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable ICR	140,200	85.0%	140,200	85.0%	0	–
8	Total applicable ICR	164,883	100.0%	164,883	100.0%	0	–

Taxonomy-aligned economic activities (numerator) - Turnover							
Row	Economic activities	(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€K)	%	Amount (€K)	%	Amount (€K)	%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the applicable ICR	0	–	0	–	0	–
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable ICR	112,378	100.0%	112,378	100.0%	0	–
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable ICR	112,378	100.0%	112,378	100.0%	0	–

Taxonomy-aligned economic activities (numerator) - CapEx							
Row	Economic activities	(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€K)	%	Amount (€K)	%	Amount (€K)	%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the numerator of the applicable ICR	0	–	0	–	0	–
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable ICR	140,200	100.0%	140,200	100.0%	0	–
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable ICR	140,200	100.0%	140,200	100.0%	0	–

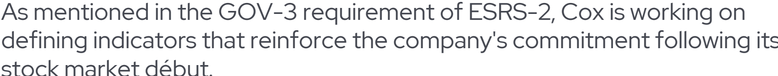
Economic activities eligible according to the taxonomy but not conforming to the taxonomy - Turnover							
Row	Economic activities	(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€K)	%	Amount (€K)	%	Amount (€K)	%
5	Amount and proportion of economic activity eligible according to the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable ICR	83,436	11.9%	83,436	11.9%	0	0
7	Amount and share 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 ICR	366,896	52.2%	366,896	52.2%	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 ICR	450,332	64.1%	450,332	64.1%	0	–

Economic activities eligible under the taxonomy but which do not conform to the taxonomy - CapEx							
Row	Economic activities	(CCM+CCA)		Climate change mitigation		Climate change adaptation	
		Amount (€K)	%	Amount (€K)	%	Amount (€K)	%
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 Delegated Regulation (EU) 2021/2139 in the denominator of the applicable ICR	132	0.1%	132	0.1%	0	–
7	Amount and share 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 ICR	18,918	11.5%	18,918	11.5%	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 ICR	19,050	11.6%	19,050	11.6%	0	–

Non-eligible economic activities			
Row	Economic activities	Turnover	
		Amount (€K)	%
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 ICR	0	–
7	Amount and share of other non-taxonomy eligible economic activities not mentioned in rows 1 to 6 above in the denominator of the applicable ICR	139,748	20%
8	Total amount and share of non-taxonomy-eligible economic activities in the denominator of the applicable ICR	139,748	20%

Non-eligible economic activities			
Row	Economic activities	CapEx	
		Amount (€K)	%
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 ICR	0	–
7	Amount and share of other non-taxonomy eligible economic activities not mentioned in rows 1 to 6 above in the denominator of the applicable ICR	5,633	3%
8	Total amount and share of non-taxonomy-eligible economic activities in the denominator of the applicable ICR	5,633	3%

2.2. – Climate change



GOV-3 Integration of sustainability-related performance in incentive systems.

As mentioned in the GOV-3 requirement of ESRS-2, Cox is working on defining indicators that reinforce the company's commitment following its stock market début.

This shared objective for all staff (including members of the management, direction, and supervisory bodies) will be a tangible reflection of their commitment to climate change, ensuring that all employees understand their role in achieving the sustainable goals set forth in the Strategic Plan. This new indicator will be a key tool for fostering an organisational culture committed to sustainable development and will have a positive impact on the communities where the company operates.

The remuneration plan is based, among others, on the following factors:

i Suitability and competitiveness

ii Proportionality

iii Long-term profitability and sustainability

E1-1 Transition plan to mitigate climate change

During the 2025 Fiscal Year, the company will work on defining and developing its **transition plan** to be aligned with the goals of the Paris Agreement and the Science-Based Targets (SBTi)[7]. To achieve this, it will base its work on the current decarbonisation plan drawn up by the company during the Fiscal Year 2024, which already includes specific measures related to the use of renewable energy and emission reduction directly linked to its activities.

The company will focus its efforts on implementing a climate strategy to achieve **carbon neutrality by 2050**, with an emphasis on the gradual reduction of emissions in the short, medium, and long term. This plan includes key initiatives such as carbon footprint certification, the establishment of an internal carbon price, employee training and awareness, energy certification, and digitalisation.

SBM-3 Material impacts, risks and opportunities and their interaction with the strategy and the business model

The double materiality analysis has identified impacts, risks, and opportunities related to climate change adaptation and mitigation.

In relation to the identified impacts, these are associated with greenhouse gas (GHG) emissions, including those arising from the use of fossil fuels in operations, electricity consumption from non-renewable sources, and indirect emissions throughout the value chain.

Regarding the **identified material risks**, they include both **physical risks** linked to potential damage to the group's facilities caused by extreme weather events resulting from climate change, as well as **transition risks** related to a possible insufficient alignment with the transition process towards a low-carbon economy.

However, opportunities have also been identified to strengthen the company's resilience and **competitiveness**, such as access to **sustainable financing** for adaptation and mitigation projects, **promotion of sustainable and renewable solutions**, and participation in **carbon markets** to contribute to climate goals and generate additional revenue.

[7] Cox is not subject to the exclusions applicable to EU benchmark indices aligned with the Paris Agreement.

Cox updated its climate risk and opportunities analysis in 2024 to enhance the mechanisms supporting the double materiality analysis regarding the identification and assessment of risks, providing greater detail on the impact of various specific climate risks on the company's activities and business lines. This update also serves as an initial step towards establishing a more granular resilience analysis against specific climate risks derived from those already identified as material by the company.

This is how Cox is progressing toward formalising strategic procedures that support its ability to adjust its operational model to the short, medium, and long term physical and socio-economic contexts anticipated as a result of climate change. In this regard, it is proposed that the results of this climate risk and opportunities analysis (which lay the groundwork for the resilience analysis) should serve as the basis for strengthening the Sustainability Strategic Plan in 2025, ensuring full alignment to guarantee an effective response to the most relevant climate challenges facing the company. Specifically, it is expected that the advances described in this section will support and complement specific action plans, business continuity plans, management systems, and the control mechanisms currently available within Cox for managing its operational sustainability.

The methodological breakdown on the update of the climate risk analysis, concerning scope, definition of time horizons, and considered climate scenarios, are developed in section *2.2. Climate change – IRO-1* of this report. The most salient findings of the analysis are set out below.

Physical climate risks

The physical climate risk analysis conducted in 2024 by Cox for its operations identified that, globally, the aggregated inherent risk level of the business areas tends to be very medium across all time horizons for all risk types considered in the most pessimistic scenario (SSP5-8.5). However, certain key business lines—including commercialisation in all time horizons, manufacturing in the short and medium term, and technical office in all time horizons—which are limited relevant revenue standpoint, present lower medium risk levels (low level) to the physical climate hazards in their respective geographic areas. The following paragraphs emphasise specific physical climate hazards that resulted in a high inherent risk level, and are therefore of greater relevance to the organisation. In this context, **Cox proactively manages the resilience of its business model by securing insurance coverage for its operations against natural disasters.**

Addressing the specific physical climate hazards for which a high-risk level was identified, according to this analysis, the electricity generation and transmission business lines (and the associated operation and maintenance activities) are expected to be primarily affected by water stress, thermal stress, or heavy rainfall. This assessment was influenced by high or very high exposure levels of activities located in Spain, the Middle East, and South America, although, generally, the potential impact of these hazards was estimated as medium or low.

Some adaptation measures already considered to ensure the resilience of these business lines—related to water stress—include securing alternative water sources through systematic assessment of local conditions, feasibility studies for acquiring portable water plants, and assessing alternative solar field cleaning processes. Regarding heavy rainfall, Cox is designing water drainage systems and increasing the availability of spare parts at its facilities to repair potential damages that could disrupt operations. The issue of heat stress is being addressed through the design of structural components with oversized safety coefficients and the implementation of forced ventilation in substations and transformers.

In the case of the desalination business area, the highest specific risk levels identified arise from the fact that its plants are predominantly located in the Middle East and North Africa, where climate change is expected to significantly increase the incidence of both acute and chronic climate hazards related to temperature. Additionally, the nature of the activity requires desalination plants to be located in coastal areas, making them significantly exposed to sea level rise and coastal erosion. In response, Cox is already working to strengthen the resilience of its desalination business line, as these identified hazards also present a potential medium-to-high impact on operations.

To mitigate the risk related to coastal erosion, for example, Cox has implemented preventive maintenance measures, increased monitoring of marine infrastructure (which is underground to minimise exposure), and adopted erosion- and corrosion-resistant materials. Regarding thermal stress, the company has improved the safety coefficient in the mechanical design of metallic materials.

Forest fires are also identified as a significant physical climate risk for the bioethanol production business line. Preventive actions to mitigate this risk include clearing vegetation near facilities and designing firebreak.

The following chart provides an illustrative summary by business line of the results corresponding to the inherent physical **climate risk assessment on Cox's operations under the most pessimistic climate scenario (SSP5-8.5)**. In the first column, the bubble size is proportional to the revenue associated with each business area. The colour scale represents the aggregated inherent physical risk level for each business line (considering the combined effect of all climate hazards and weighted by the revenue level of each activity) across different time horizons. In turn, the proportions shown in each pie chart represent the percentage of specific physical climate risks in each area assessed as high, while the list on the right identifies the types of climate hazards influencing that fraction.

Assessment of physical climate risk level

	Revenues	Physical climate risk level			Most relevant physical climate hazards
		Short Term	Medium Term	Long Term	
Electrical transmission		Medium	Medium	Medium	Drought Thermal stress Heavy precipitation
O&M		Medium	Medium	Medium	Thermal stress Water stress Heavy precipitation
Power generation		Medium	Medium	Medium	Water stress Thermal stress Heavy precipitation
Desalination		Medium	Medium	Medium	Thermal stress Sea level rise Water stress
Bioethanol production		Medium	Medium	Medium	Thermal stress Forest fire Heavy rainfall
Commercialisation		Low	Low	Low	Heat wave Cyclone, hurricane, typhoon Heavy rainfall
Manufacturing		Low	Low	Medium	Heavy rainfall Water stress Heat wave
Technical Office		Low	Low	Low	Heavy rainfall Forest fire
Electrical storage		Low	No exposure	No exposure	Water stress Drought Thermal stress

High | Medium | Low | **No exposure (The temporality of the asset is less than the time horizon)**

The level of physical climate risk represented by the colour scale is aggregated by considering the combined effect of all physical climate hazards within a business area, weighting each of the operations within them according to their revenue level. There may therefore be specific physical climate risks to some of the facilities or projects with risk levels different from the average result (those assessed as high are quantified and identified in the following columns).

Regarding the high-level consideration of the upstream value chain (suppliers), it is estimated that physical climate risks in Brazil, Chile, Mexico, the United Arab Emirates, or South Africa—countries where most of the company's procurement spending was concentrated in 2024—may significantly impact the availability and supply of raw materials and essential services for electricity generation, power transmission, or water desalination activities.

In Brazil, for example, prolonged droughts reduce hydroelectric generation. Consequently, this weather phenomenon increased demand for fossil fuels and raised costs associated with the extraction and processing of raw materials, while extreme rainfall can damage transportation infrastructure for these materials. In the Middle East and South America, extreme temperatures and water scarcity increase energy supply demand. Sandstorms, however, can limit economic operations at all levels, compromising, for instance, the availability of mirror cleaning services at a solar thermal plant (a key activity for maintaining its efficiency). Lastly, in South Africa, droughts are expected to impact hydroelectric generation and coal production (the primary component of the country's electricity mix). Similarly, fires and floods can damage power transmission infrastructure, increasing the risk of blackouts and consequently reducing productivity in mining activities critical for renewable electricity production infrastructure.

Regarding the downstream value chain (customers), Cox's business activities suggest that these customers may be exposed and vulnerable to physical climate hazards in a manner equivalent to the company's operations (due to analogous locations and potentially similar impacts on their activities).

The progress reflected in this update to the physical climate risk analysis, alongside the progressive consideration and integration of identified and planned adaptation measures for the company's various activities, enables Cox to further strengthen the resilience of its business model against climate change. These efforts will also support the adjustment of materiality thresholds applicable to physical climate risks, whose variables can now be linked to the results of a more detailed and granular study.

Transition climate risks

The results of the **transition climate risk analysis** for both Cox's own operations and its value chain focus on **the SSP1-1.9 climate scenario**, which envisions a rapid and effective transition to a sustainable energy model supported by strict environmental policies and robust climate regulations. This scenario presents significant challenges for the company and highlights the need to consider the whole value chain in the analysis, as the energy transition affects its direct operations plus its suppliers, strategic partners, and customers.

Environmental regulations will tighten rapidly. This will exert pressure on construction and operating costs, impacting both infrastructure investments and the services Cox offers in O&M and engineering. In the short term, regulatory uncertainty will have a significant impact due to policy adjustments. However, as the medium- and long-term progress, the regulatory framework is expected to stabilise, providing a more predictable environment aligned with the global energy transition. In this context, implementing strategies to anticipate potential regulatory or economic disruptions ensures Cox's ability to adapt without compromising its growth and competitiveness in the energy sector.

One of Cox's main challenges in this scenario will be the need to invest in importing key technological components. It will aim to accelerate the adoption of clean energy across its various business lines while facing new carbon and material taxes related to construction and electricity (CBAM). Cox's ability to diversify its supply chain, to ensure the availability of critical resources, and to manage financial risks will be essential to maintaining its competitiveness and operational stability.

In this case, the market will demand a high level of regulatory compliance and transparency. Additionally, increasing pressure from stakeholders and society at large motivates Cox to **reinforce control mechanisms** across its entire value chain. This way, the company ensures that its actions align with its climate commitments and avoids any greenwashing practices.

The identified transition climate risks are fundamental to Cox's strategic planning, as they not only present short- and medium-term challenges but also open new opportunities for long-term value generation. The company's ability to effectively manage these risks and proactively seize climate-related opportunities will strengthen its competitiveness in a market increasingly focused on sustainability. Investments in clean technologies, supply chain diversification, and the adoption of innovative solutions—such as improving energy efficiency and expanding its global presence—are some key areas where Cox can maximise generated value. Furthermore, by aligning with stakeholder expectations, incorporating industry best practices in energy transition, and responding to the growing demand for renewable energy, Cox not only fulfils its climate commitments but also contributes to its long-term growth and financial sustainability.

On the other hand, while more gradual scenarios could provide more time to adapt, they imply higher levels of regulatory uncertainty and risks of market fragmentation. Cox has chosen the most optimistic scenario due to its confidence in its ability to lead the change. Still, this leadership must be accompanied by a flexible strategy that allows the company to react swiftly to potential deviations from current projections. Cox acknowledges that the energy transition requires a comprehensive vision encompassing the entire value chain, from production and supply to the commercialisation and consumption of energy and water products. Continuously assessing Cox's ability to adapt to emerging challenges will be crucial to ensuring its success in the new energy paradigm.

A particularly relevant transition risk case is the uncertainty regarding new environmental or climate change regulations associated with the future of the Paris Agreement and its impact on costs. This risk shows a HIGH exposure level in the short and medium term, while for the long term, it is estimated at a MEDIUM level. Under the SSP1-1.9 climate scenario, the transition towards sustainability progresses rapidly and under strict environmental regulations. As a result, uncertainty over regulatory developments regarding climate change becomes a critical factor, directly impacting Cox's construction and operating costs. However, as the transition stabilises and regulations consolidate, the risk level decreases over the long term, creating a more predictable and structured environment for the company. In this context, the ability to proactively adapt to new regulations will be crucial in mitigating negative impacts and ensuring competitiveness in an accelerated sustainability landscape.

From a resilience perspective, this analysis enables the company to anticipate potential regulatory scenarios and adopt strategies that strengthen its position in a transforming market. The early identification of climate risks and opportunities will facilitate informed strategic decision-making, promoting an efficient and sustainable transition aligned with CSRD requirements and Cox's corporate sustainability objectives.

The following chart provides an illustrative summary of the results of the **transition risk assessment** (shown in red), classified by risk type within the most optimistic decarbonisation scenario (SSP1-1.9), across different time horizons. It also shows the stages of the value chain impacted by each of these risk and opportunity types. The colour intensity in the chart reflects the established risk assessment scale (LOW, MEDIUM, or HIGH). Transition risks categorised as MEDIUM or HIGH are considered particularly relevant for the company due to their potential impact on operations and corporate strategy. The description of each specific risk considered in each category is detailed in section *2.2 Climate change – IRO-1* (Transition climate risks) of this report.

The progress reflected in this update to the transition climate risk analysis, alongside the progressive consideration and integration of identified and planned adaptation measures for the company's various activities, enables Cox to further strengthen the resilience of its business model against the decarbonisation of the economy. These efforts will also support the adjustment of materiality thresholds applicable to transition climate risks, whose variables can now be linked to the results of a more detailed and granular study.

Assessment of transition climate risk level

		Risk level			Value chain
Climate scenario SSP1-1.9		Short-term	Medium-term	Long-term	
Transversal					
Transmission risk	Regulatory & legal				
	Market				
	Technology				
	Reputational				

		Suppliers	Own operations	Customers
Water				
Transmission risk	Regulatory & legal	Low	Low	Low
	Market	Medium	Medium	Medium
	Technology	Low	Low	Low
	Reputational	Low	Low	Low
Energy generation				
Transmission risk	Regulatory & legal	Low	Low	Low
	Market	Medium	Medium	Medium
	Technology	Low	Low	Low
	Reputational	Low	Low	Low
Energy transmission				
Transmission risk	Regulatory & legal	Medium	Medium	Medium
	Market	Low	Medium	Medium
	Technology	Low	Low	Low
	Reputational	Low	Low	Low
Electricity commercialisation				
Transmission risk	Regulatory & legal	Medium	Medium	Medium
	Market	Medium	Medium	Low

Suppliers | Own operations | Customers

Low | Medium | High

IRO-1 Description of the processes to identify and assess material climate-related impacts, risks, and opportunities

Cox's double materiality analysis has enabled the identification of material impacts, risks, and opportunities related to climate change, following the methodology described in section *1.4 Management of impacts, risks, and opportunities IRO-1* of this report.

The results of the assessment determined material impacts derived from direct emissions related to fossil fuel use, emissions associated with non-renewable electricity consumption, and emissions linked to the value chain. GHG emissions results by scope are found in section *2.2 Climate change – E1-6* of this report.

In relation to the Risks and Opportunities linked to Climate Change, the details of each process related to their identification and assessment are presented below.

At Cox, the process of identifying and assessing risks and opportunities related to climate change, within the framework of double materiality, is complemented by the company's internal climate risk analysis. This type of analysis is structured as a method for examining climate change hazards and their potential impacts on the company's operations. It is designed to provide relevant information for decision-making in planning, capital allocation, and strategic positioning. The key information derived from this evaluation enables Cox to quantify the significance of risks for each activity in its value chain, based on current and future climate conditions. It therefore serves as the foundation for determining, assessing, selecting, and implementing appropriate adaptation and mitigation measures.

In 2024, Cox's risk department updated the procedure used to conduct its climate risk analysis, ensuring alignment with best practices in the field. This activity involved engagement with various business areas and was approved by the organisation's Chief Risk Officer. The updated analysis covered 99.1% of Cox's 2024 revenue, with the remaining amount linked to highly dispersed and non-material maintenance and minor construction operations. Additionally, the analysis also considered, at a high level, key upstream and downstream activities across the Group's value chain.

The climate risk analysis was conducted in 2024 following the standardised methodology outlined in ISO 14091, which is based on the recommendations of the 5th Assessment Report of the International Panel on Climate Change (IPCC). In this regard, climate risk is primarily defined by two components: **exposure** to a **climate hazard** (understood as its incidence in each specific geography relevant to the company's operations, under applicable climate projections) and **vulnerability** (in this risk analysis, approached by assessing the potential impact of a climate hazard on Cox's operations).

Based on Cox's internal risk management considerations, specifically adapted to its business activities, the updated climate risk analysis was structured according to the following time horizons:

- **Short-term:** less than 3 years for third-party construction projects (2025-2028).
- **Medium-term**: less than 10 years (2028-2035).
- **Long-term:** less than 25 years. This approach reflects the fact that the useful life of Cox's current assets and concessions extends until 2049 at most. This means that projections beyond this horizon (2035-2049) are not considered material so far.

Each of these time horizons was analysed within the context of different climate scenarios. Despite inherent uncertainty in forward-looking studies, these scenarios provide a scientific basis for climate change-related decision-making by modelling alternative futures based on physical and socioeconomic variables relevant to the company's expected climate risks. Therefore, using climate scenarios in climate risk analysis is a key tool in Cox's strategic planning. The reason is that it enables the company to assess the potential impacts of climate change issues on societal dynamics from different perspectives and to develop effective adaptation and mitigation strategies aligned with its financial statements. Currently, the reference climate scenarios for climate risk analysis are those proposed in the 6th Assessment Report of the IPCC. It is recommended to consult this document for a more detailed explanation of the methodological specifics regarding the definition of these scenarios and their key uncertainties. The specific climate scenarios included in the analysis—selected from the range proposed by the IPCC and related to both physical and transition climate risks—are described in detail in the following sections.

It is important to highlight that all risks included in the analysis were addressed inherently. Furthermore, a high-level approach was taken to residual risk, identifying existing measures already implemented in Cox's operations that are specifically related to mitigating each risk. Cox has not experienced climate-related impacts on its operations nor identified material financial impacts on its financial position, performance, or cash flows during fiscal year 2024.

In 2025, Cox will continue working on the full integration of this updated climate risk analysis into its double materiality assessment process. This will allow the current criteria for determining climate risk materiality (established at an organisational level for the overall materiality analysis) to be supplemented by the insights gained from the updated climate risk analysis at the asset and/or business line level.

Physical climate risks

The updated climate risk analysis considered the physical climate hazards recommended by the European Taxonomy Regulation. These hazards encompass both chronic and acute risks, with potential impacts in the geographical areas where the company operates.

For assessing these types of risks, Cox selected two of the climate scenarios proposed by the IPCC—those with the highest concentrations of GHG emissions in the atmosphere—across the different time horizons analysed. In other words, the two most pessimistic scenarios regarding the materialisation of climate change in the defined time horizons:

- **SSP5-8.5:** a scenario with very high GHG emissions, projected to triple by 2075 compared to current levels. The increase in global temperature is projected at 2.4ºC for the 2041–2060 period and 4.4ºC for the 2081–2100 period. Socioeconomic issues of this scenario envision a world whose development is driven by fossil fuels.
- **SSP3-7.0:** a scenario with high GHG emissions, projected to triple by 2100 compared to current levels. The increase in global temperature is projected at 2.1ºC for the 2041–2060 period and 3.6ºC for the 2081–2100 period. Socioeconomic issues include a world dominated by regional rivalries, where countries prioritise energy and food security within their territories at the expense of broader and more inclusive global development.

The **assessment of physical climate risks** was carried out through the following process:

- Each of the hazards identified by the Taxonomy Regulation was mapped to the relevant climate variables. The time evolution of each variable was geolocated (by coordinates) and sourced from climate information repositories across the various scenarios and time horizons analysed.
- All Cox activities within the analysis perimeter were geolocated.
- By overlaying the geolocation of assets with the variables linked to each hazard, the exposure to each physical climate hazard was assessed for each relevant time horizon and scenario. To facilitate interpretation, this exposure was categorised using a semi-quantitative scale, ranging from VERY LOW to VERY HIGH exposure.
- The physical climate risk analysis was complemented by a qualitative assessment of the potential impact of each Cox operation's exposure to these hazards. Internal expert criteria were applied, using a scale from NONE to HIGH. In 2025, Cox will further formalise quantitative procedures for assessing the potential impact of physical climate risks on its assets. A high-level evaluation was also conducted for physical climate risks across key value chain activities, both upstream and downstream, taking into account their regional locations.
- Lastly, the risk level associated with each physical climate hazard was derived using a conventional risk matrix, estimating the combined effect of exposure and impact variables quantified in earlier stages (on a LOW to HIGH scale).

Transition climate risks:

The types of transition risks considered were selected per **TCFD** recommendations, including market, regulatory, legal, reputational, and technological risks. Additionally, specific transition risks within each category were identified based on Cox's internal analysis, as well as sectoral best practices. These risks were identified either individually by business line (with specific details on the type of affected activity) and transversally across the organisation, including risks relevant to the main value chain activities.

Below is a consolidated list of transition risks and climate opportunities, classified by type and business area:

Climate transition risks considered in the analysis, by type and business area

	Category (per TCFD)	Transversal	Energy transmission	Energy generation (centralised and self-consumption)	Electricity trading	Water
Transition risks	**Market**	High demand for key components and raw materials necessary for clean energy technologies Tariffs on components related to clean energy technologies (e.g., solar panels from China) Digitalisation and decentralisation of energy markets (energy communities, self-supply) Market uncertainty (price volatility, stranded assets due to low distribution efficiency, uncertainty over energy generation mix) Renewable energy intermittency	Emergence of new competitors	Emergence of new competitors Changes in consumer behaviour	Fluctuations in renewable energy prices	Emergence of new competitors Changes in consumer behaviour Fluctuations in energy prices Challenges from urban concentration impacting water and energy distribution for desalination plants Delays in planned investments due to rainfall and reduced water stress
	Regulatory & legal	Uncertainty regarding new environmental or climate change regulations associated with the future of the Paris Agreement that could affect costs	Increased requirements for environmental plan approvals New carbon taxes and taxes on construction materials (CBAM)	Rising prices of current GHG emissions Increased requirements for environmental plan approvals Higher likelihood of litigation or penalties New carbon taxes and taxes on construction materials (CBAM)	New carbon taxes and taxes on electricity materials (CBAM)	More restrictive regulations on emissions and energy consumption of plants Changes in regulations on marine discharges Non-compliance with environmental process requirements (ISO 14001:2015) New carbon taxes and taxes on construction materials (CBAM) Operational restrictions due to environmental indicators

Category (per TCFD)	Transversal	Energy transmission	Energy generation (centralised and self-consumption)	Electricity trading	Water
Reputational	Sector estimates (renewable energy bubble, delays in approvals, financing challenges) Increased public scrutiny for non-compliance with environmental regulations Greater stakeholder demands for tangible climate commitment implementation	Damage to birdlife Opposition from local communities to new line development due to visual impact	Damage to birdlife Opposition from local communities to new line development due to visual impact		Reputational damage from marine works affecting coral reefs Potential excessive brine discharge in case of pipeline rupture Environmental risks from chemical spills
Technology	Investment in emerging technologies and disruptive innovations that may fail to gain traction in the sector	Emergence of new technologies Emergence of more efficient technologies for long distances, such as direct current High-capacity systems Technological obsolescence in O&M projects for energy transmission (own assets and third-party services)	Transition costs due to low-carbon technology Technological obsolescence in O&M projects for energy generation (own assets and third-party services)		Emergence of substitute technology for reverse osmosis Transition costs due to low-carbon technology Technological obsolescence in O&M projects for water (own assets and third-party services)

For assessing this risk category, two IPCC climate scenarios were selected: (i) a scenario modelling global alignment with limiting the world temperature increase to 1.5ºC by 2100 (in line with the 2015 Paris Agreement) and (ii) an intermediate scenario reflecting a moderate level of economic decarbonisation in the short, medium, and long term. These two optimistic scenarios show societies' ability to mitigate climate change challenges within the defined time horizons:

- **SSP1-1.9:** a scenario with very low GHG emissions, where global Net Zero is achieved by 2050. Socioeconomic issues involve a world gradually but generally shifting toward a more sustainable pathway, emphasising inclusive development and respecting perceived environmental limits. Management of global common goods improves slowly, while investments in education and healthcare accelerate the demographic transition. Economic growth focuses more on human well-being. Driven by a growing commitment to achieving development goals, inequality decreases between and within countries. Consumption shifts toward material-light growth with reduced resource and energy intensity.
- **SSP2-4.5:** a scenario with moderate GHG emissions, where current emissions levels are maintained through 2050. Socioeconomic issues include a world where social, economic, and technological trends remain largely consistent with historical patterns. Development and income growth are uneven; some countries progress well while others fall short. Global and national institutions work toward sustainable development goals but advance slowly. Environmental systems suffer degradation, although there are some improvements, and overall resource and energy use intensity declines. Global population growth is moderate, stabilising in the second half of the century. Income inequality persists or improves slowly, while challenges to reducing vulnerability to social and environmental changes continue.

The **assessment of transition climate risks** was carried out through the following process:

- As a starting point, Cox linked identified transition risks for its business lines to the specific climate scenarios considered in this analysis.
- Each risk, associated with the two scenarios, was further contextualised across the defined time horizons.
- A qualitative assessment was performed to determine exposure to each risk, expressed as the probability of occurrence for each transition risk, across the respective timeframes and scenarios. This evaluation was based on Cox's internal criteria for risk assessment, drawing on the experience and market knowledge of the company's relevant experts (risk area, plant directors, and vertical business directors).
- The risk assessment was further complemented by a qualitative analysis of vulnerability (expressed as severity) associated with potential exposure to each transition risk. This final part of the analysis also relied on internal criteria based on the expertise and market knowledge of the company's relevant experts (risk area, plant directors, and vertical business directors).
- Lastly, transition risk or climate opportunity levels were derived using a conventional risk matrix, estimating the combined effect of exposure and impact variables quantified in earlier phases (on a LOW to HIGH scale).

It is worth noting that no activities have yet been identified with locked-in emissions that could jeopardise Cox's alignment with the most optimistic low-carbon economy scenario.

Climate opportunities

The methodological details regarding scope, time horizons, climate scenarios, and assessment criteria for climate opportunities are analogous to those applied in the evaluation of transition risks outlined previously.

Below is a consolidated list of opportunities, classified by type and business area:

Climate opportunities considered in the analysis, by type and business area

Climate opportunities

Category (per TCFD)	Transversal	Energy transmission	Energy generation (centralised and self-consumption)	Electricity trading	Water
Resource efficiency		Construction of evacuation infrastructure for renewable plants	Implementation of plant monitoring software Investments to improve efficiency at the solar thermal plant	Reduction of energy losses during generation, storage, and distribution	Investments to reduce energy consumption in plants, potentially eliminating competitors and enabling renewable development as an additional growth driver for the company.
Energy sources			Implementation of energy storage solutions in solar thermal plants		
Market	Increased demand for green products and services	Access to new financing sources and issuance of green bonds Geographical diversification Expansion into new markets via electrical interconnection and decentralised energy systems Installation of EV charging stations New partnerships	Increased demand for renewable energy generation Political campaigns promoting investment in renewable energies Development of energy communities to accelerate market decentralisation Expansion into new markets via electrical interconnection and decentralised energy systems	Increased demand for renewable energy-certified electricity trading services	Political campaigns promoting desalination Access to new financing sources Increased demand for water desalination products
Products & services				Diversification of complementary advisory services	
Resilience			Access to new financing sources and issuance of green bonds Developing new battery technologies		Enhanced capacity of existing plants Alternative uses for brine Promotion of sustainable desalination plants as solutions for climate change adaptation and water security Development of desalination battery modules that do not require pumping Developing new technologies (nanofiltration)

Regarding the results of this updated assessment of climate opportunities, shown in the table below for the **SSP1-1.9** scenario (which represents the assessment of the level of climate opportunity on Cox's business and the value chain activities affected by them), it is noteworthy how Cox is proactively capitalising on these climate opportunities to enhance its market positioning.

In this regard, Cox is expanding its operations in the maintenance of sustainable desalination plants, both owned and third-party, as part of its contribution to climate change adaptation and water security—one of the key challenges for the most vulnerable regions. This includes improving the efficiency of its solar thermal plant in Khi, which will optimise renewable energy generation. Furthermore, within its O&M services, Cox is evaluating the potential for increasing the capacity of existing plants, which will not only help expand the supply of renewable energy but also reinforce its position in the energy transition market.

Additionally, the company is implementing monitoring software for its own plants as well as for third-party O&M activities. This not only enhances operational efficiency but also facilitates the integration of renewable energies into the system.

The growing demand for renewable energy generation and the momentum behind policies that promote investment in this sector also represent key opportunities for Cox. The company is actively fostering the development of energy communities to accelerate the decentralisation of the energy market, enabling it to play a significant role in the transformation of the sector. In addition, the expansion of markets through electrical interconnection and energy system decentralisation, along with the geographic diversification of its operations, offers new opportunities to consolidate its global presence.

Assessment of the climate opportunity level:

		Opportunity level			Value chain
Climate scenario SSP1-1.9		**Short-term**	**Medium-term**	**Long-term**	
Transversal					
Climate opportunities	Market				
Water					
Climate opportunities	Resource efficiency				
	Market				
	Resilience				
Energy generation					
Climate opportunities	Resource efficiency				
	Market				
	Resilience				
	Energy sources				

		Suppliers	Own operations	Customers
Energy transmission				
Climate opportunities	Resource efficiency	High	Medium	High
	Market	Medium	Medium	Medium
	Energy sources	Medium	High	High
Electricity trading				
Climate opportunities	Resource efficiency	Medium	High	High
	Market	High	High	High
	Product & services	High	High	High

Suppliers | Own operations | Customers

Low | Medium | High

Within its climate risk and opportunity analysis framework, Cox continues to work on quantifying the potential financial effects that climate risks and opportunities could have on the organisation. This quantification is not disclosed for fiscal year 2024. As of the closing date of this consolidated Management Report, the disclosure requirement related to this section is in a gradual implementation phase (phase-in).

E1-2 Policies related to climate change mitigation and adaptation

Among its established policies, Cox has two fundamental pillars for addressing climate change mitigation and adaptation: the **Sustainability Policy** and the **Environmental and Energy Efficiency Policy.** These policies are supported by the Code of Conduct, which incorporates principles aimed at combating climate change. All company policies are approved by senior management, apply organisation-wide, and are available to stakeholders through both internal and external publications.

The commitments outlined in these policies include:

- **Promoting the fight against climate change** within and outside the organisation by designing specific programmes for adaptation and mitigation, as well as setting an internal carbon price.
- **Minimising energy consumption and GHG emissions** across all organisational operations.
- **Supporting energy efficiency** and the production and **use of renewable energy sources**, fostering the decarbonisation of the economy and the fight against climate change.

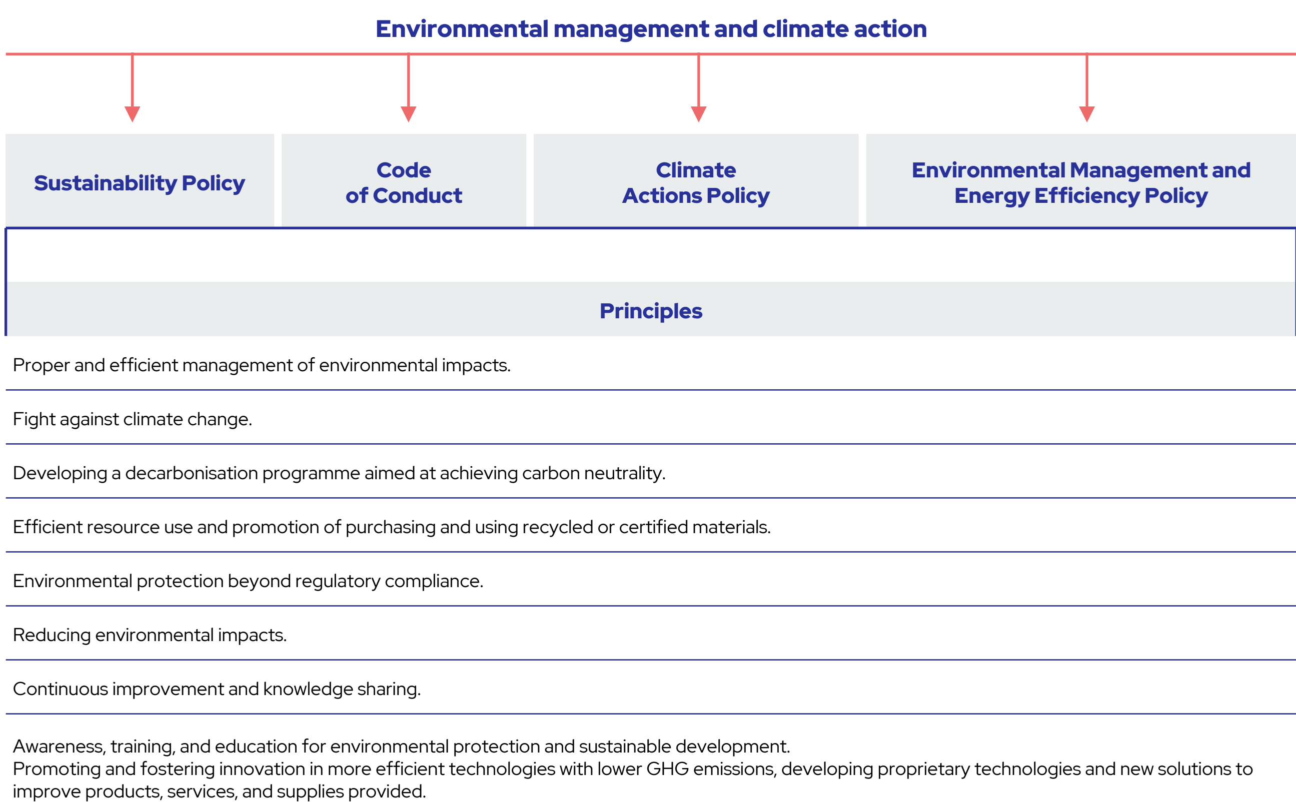
In line with its environmental commitment, Cox is developing a dedicated climate action policy, scheduled to enter into force in the first half of 2025. This policy will align with the outcomes of the double materiality analysis and ensure compliance with the minimum disclosure requirements for policies (MDR-P). This new policy will reflect the company's firm commitment to combating climate change, guiding its activities toward effective solutions that include emission mitigation and improved energy efficiency—not only in its operations but also throughout its entire value chain.

The primary objective of this policy will be to establish the necessary foundation to ensure due diligence in climate action. Through this approach, Cox aims to move towards decarbonisation, support the energy transition, and actively contribute to achieving the Sustainable Development Goals (SDGs).

Notably, in 2024, Cox was awarded **ISO 50001** certification for energy efficiency.

Excellence in environmental management and climate action is integral to Cox's business activities and is embedded across all its business areas. In this regard, the climate strategy serves as the framework encompassing the company's initiatives to reduce GHG emissions, adapt to climate change impacts, and capitalise on opportunities arising from the energy transition.

This cross-cutting commitment is reflected in the Sustainability Policy, the Environmental and Energy Efficiency Policy, and the Climate Action Policy. It is also individually extended to every member of the organisation through the guidelines established in the Code of Conduct.



Environmental management and climate action

Sustainability Policy	Code of Conduct	Climate Actions Policy	Environmental Management and Energy Efficiency Policy

Principles
Proper and efficient management of environmental impacts.
Fight against climate change.
Developing a decarbonisation programme aimed at achieving carbon neutrality.
Efficient resource use and promotion of purchasing and using recycled or certified materials.
Environmental protection beyond regulatory compliance.
Reducing environmental impacts.
Continuous improvement and knowledge sharing.
Awareness, training, and education for environmental protection and sustainable development. Promoting and fostering innovation in more efficient technologies with lower GHG emissions, developing proprietary technologies and new solutions to improve products, services, and supplies provided.

E1-3 Actions and resources in relation to climate change policies

Cox will work in the next Fiscal Year on defining an action plan. The initiatives will align with the objectives of the Paris Agreement and include key measures aimed at reducing emissions, improving efficiency both in its operations and throughout its value chain, and integrating sustainability criteria into its processes.

Additionally, during the reporting year, Cox has implemented several **measures to mitigate climate change**, grouped by decarbonisation levers:

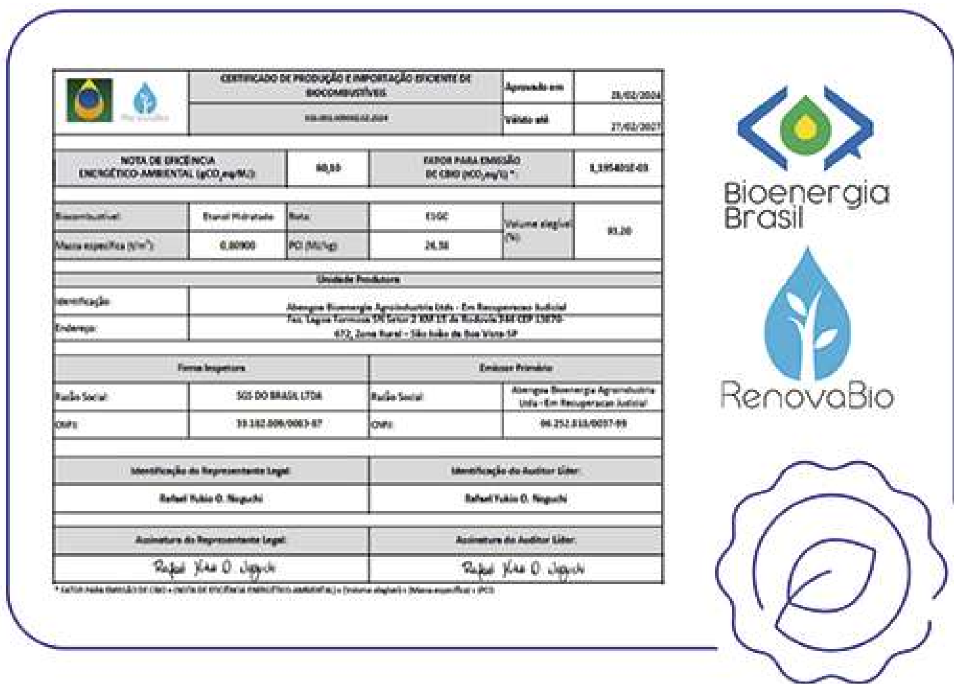
- **Use of renewable energy**: the company has promoted the procurement of scope 2 renewable energy in its stable workplaces in Spain. Therefore, it has reduced the environmental impact associated with electricity consumption and lowered scope 2 indirect emissions.
- **Energy efficiency**: Cox has begun replacing equipment at CPA facilities to enhance efficiency and reduce electricity consumption, contributing to the reduction of carbon intensity in its operations.

Moreover, its subsidiary Bioenergia Brasil is actively participating in **RenovaBio**, a Brazilian national policy promoting sustainable biofuels, created as part of Brazil's commitment to the Paris Agreement. The main objective of this programme is to reduce GHG emissions in the transportation sector by encouraging the efficient and environmentally responsible production and consumption of biofuels such as ethanol.

RenovaBio subjects the plant to external audits that measure the amount of GHG emitted for each litre of ethanol produced—referred to as carbon intensity. Based on these data, the plant has received an energy-environmental efficiency rating of 60.10. This rating compares the plant's emissions to those of fossil fuels such as gasoline.

Since the carbon intensity of ethanol produced at the plant is lower than that of gasoline, the plant can generate more decarbonisation credits (CBIOs). These credits can be sold in the market, thereby incentivising more sustainable practices.

Bioenergia Brasil's participation in **RenovaBio demonstrates Cox's ongoing commitment to global sustainability.** Through actions that promote the production of renewable biofuels, the company directly contributes to reducing global GHG emissions and supports the transition toward a low-carbon economy. This effort also strengthens Brazil's role as a leader in renewable energy generation, offering solutions to global sustainability and climate change challenges.



CERTIFICADO DE PRODUÇÃO E IMPORTAÇÃO EFICIENTE DE BIOCOMBUSTÍVEIS		Aprovado em	28/02/2024
[illegible]		Válido até	27/02/2027
NOTA DE EFICIÊNCIA ENERGÉTICO-AMBIENTAL (gCO_2eq/MJ)	60,10	FATOR PARA EMISSÃO DE CBIO (tCO_2eq/L)*	1,195405E-03
Biocombustível:	Etanol Hidratado	Rota:	E1GC
Massa específica (t/m³):	0,80900	PCI (MJ/kg):	26,38
Volume elegível (%):	93,20		
Unidade Produtora			
Identificação:	Abengoa Bioenergia Agroindustria Ltda - Em Recuperacao Judicial		
Endereço:	Faz. Lagoa Formosa SN Setor 2 KM 15 da Rodovia 344 CEP 13870-672, Zona Rural – São João da Boa Vista SP		
Firma Inspetora		Emissor Primário	
Razão Social:	SGS DO BRASIL LTDA	Razão Social:	Abengoa Bioenergia Agroindustria Ltda - Em Recuperacao Judicial
CNPJ:	33.182.006/0003-67	CNPJ:	04.252.013/0037-99
Identificação do Representante Legal:		Identificação do Auditor Líder:	
Rafael Yukio O. Noguchi		Rafael Yukio O. Noguchi	
Assinatura do Representante Legal:		Assinatura do Auditor Líder:	
[illegible]		[illegible]	

* FATOR PARA EMISSÃO DE CBIO = (NOTA DE EFICIÊNCIA ENERGÉTICO-AMBIENTAL) x (Volume elegível) x (Massa específica) x (PCI)

Looking ahead to upcoming fiscal years and as part of its Action Plan, Cox will drive initiatives focused on:

- Accessing sustainable financing to develop climate change mitigation and adaptation projects.
- Implementing technologies to reduce emissions and strengthen the resilience of its operations.
- Transitioning toward more sustainable energy sources.
- Improving the measurement and reporting of its sustainability performance.
- Raising awareness and providing environmental training for its teams.
- Promoting sustainable mobility among employees.
- Integrating best practices throughout its value chain.
- Contributing to capacity building in emerging markets to address climate challenges.
- Implementing an internal carbon pricing strategy to strengthen sustainable decision-making.

Fiscal year 2024 will serve as the baseline year for measuring progress in reducing GHG emissions, as it marks the consolidation of the company's new structure. Actions will target not only the reduction of Cox's direct emissions but also those generated throughout its value chain. Starting in the next fiscal year, Cox will report on progress based on the initiatives defined in its action plan.

Currently, Cox does not have a specific breakdown of significant monetary amounts of CapEx and OpEx linked to the execution of climate change adaptation and mitigation actions. However, in the next fiscal year, with the action plan in place, Cox will focus on collecting and structuring this data to ensure compliance with the disclosure requirements set forth by the EU Taxonomy Regulation (EU) 2020/852 and Delegated Regulation (EU) 2021/2178.

E1-4 Targets related to climate change mitigation and adaptation

The company is working on defining specific goals related to climate change adaptation and mitigation. Within this framework, the company will work on:

- Achieving **climate neutrality by 2050**, considering its Scope 1, 2 and 3 emissions.
- Obtaining **external carbon footprint certifications** to assess and validate its sustainability progress.
- The **progressive reduction of its emissions**, including a reduction in electricity consumption at its workplaces through the use of renewable sources.
- Increasing installed capacity and **renewable energy production**.
- Continuous updating of the analysis of **risks associated with climate change**.
- The implementation of an **internal carbon pricing** strategy to strengthen sustainable decision-making.

All targets will be backed by management systems that will allow them to be monitored through associated indicators (KPIs), ensuring the evolution and fulfilment of the commitments set by the company and favouring decision-making in the review of these in the corresponding committees.

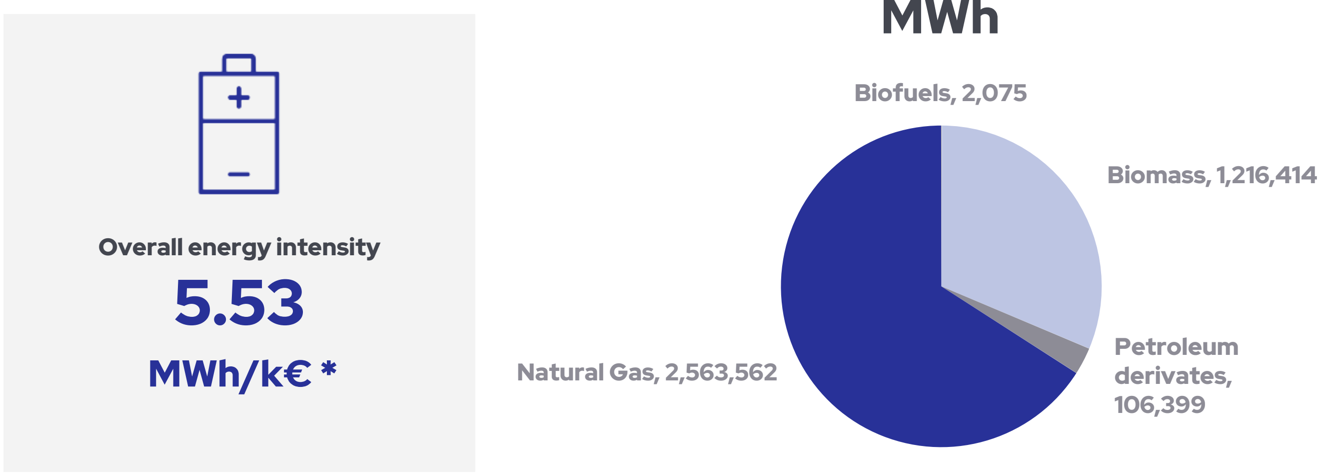
Environmental issues are also continuously addressed through the ISO 14001 certified management system.

E1-5 Energy consumption and combination

Cox plays a key role in providing engineering, construction and operational solutions for clean energy production technologies to minimise the still significant dependence on fossil fuels.

Energy consumption 2024:

Energy consumption	2024
Fossil sources	-
Coal and coal by-products (MWh)	-
Crude oil and petroleum products (MWh)	106,399
Natural gas (MWh)	2,563,562
Other fossil sources (MWh)	-
Electricity, heat, steam and cooling purchased or procured from fossil sources (MWh)	301,924
Consumption of nuclear sources	-
Consumption of fuel from nuclear sources (MWh)	316
Consumption of renewable sources (electricity)	1,665
Fuel consumption by renewable source (MWh)	-
Biomass	1,216,414
Biofuels	2,075
Biogas	-
Green hydrogen	-
Other	-
Consumption of electricity, heat, steam and cooling purchased or procured from renewable sources (MWh)	1,665
Consumption of self-generated non-fuel renewable energy (MWh)	-
Total energy consumption (MWh)	**4,192,356**
Share of fossil sources in total energy consumption (%)	**71%**
Share of nuclear sources in total energy consumption (%)	**0.008**
Share of renewables in total energy consumption (%)	**29%**



*Turnover: note 5 of the consolidated annual financial statements for the fiscal year 2024

Of the total energy consumed, 29% comes from renewable sources.

In addition, in 2024, work was done to procure green power for the Spanish sites and in the next two years work will be done to enable the procurement of green power at the other facilities where Cox operates. The company consumes certified renewable energy at the Seville centre of the metallic structures division and at the rest of the stable centres in Spain.

In terms of activity and energy consumption, Cox reports **5.53 Mwh/k€,** an indicator of the energy required per unit of economic output.

Considering the sugar production activity, and understanding this as a sector with a high climate impact, due to the vulnerability of the activity, the different specific energy indicators are broken down below:

Energy consumption by high impact sector:

Energy consumption by high impact sector	2024
Fossil sources	-
Coal and coal by-products (MWh)	-
Crude oil and petroleum products (MWh)	60,703
Natural gas (MWh)	-
Other fossil sources (MWh)	-
Electricity, heat, steam and cooling purchased or procured from fossil sources (MWh)	2,874
Consumption of nuclear sources	-
Consumption of fuel from nuclear sources (MWh)	55
Consumption of renewable sources	-
Fuel consumption by renewable source (MWh)	-
Biomass	1,216,268
Biofuels	-
Biogas	-
Green hydrogen	-
Other	-
Consumption of electricity, heat, steam and cooling purchased or procured from renewable sources (MWh)	-
Consumption of self-generated non-fuel renewable energy (MWh)	-
Total energy consumption (MWh)	1,279,899
Share of fossil sources in total energy consumption (%)	5%
Share of nuclear sources in total energy consumption (%)	0.004
Share of renewables in total energy consumption (%)	95%
Energy intensity (MWh/k€) (1)	13.07

[1]Note 2.1 F) of the consolidated management report for the fiscal year 2024, corresponding to the sales of Bio Brasil.

For the high impact sector, which corresponds to the sugar production activity in Brazil, the energy consumption of the activity alone has been considered, as well as the turnover of the specific activity, having a higher energy intensity than the total value of the company but with a higher proportion of renewable sources in the total consumption.

E1-6 Gross GHG emissions from Scopes 1, 2, 3 and total GHG emissions

Cox accounts for its GHG emissions for all its scopes and sources, integrating the entire consolidated accounting group (parent and subsidiaries). To this end, it has procedures and tools designed for this purpose, as well as more than 15 years of experience in calculation. Specifically, it has a technological solution for the **continuous measurement and reporting of its GHG emissions** called SIGS (Integrated Sustainability Management System). This tool guarantees the traceability and verification of the emissions derived from the company's activity. The methodologies are based on the reports of the Intergovernmental Panel on Climate Change (IPCC) and the emission factors used come from different sources:

- IPCC.
- IEA (International Energy Agency).
- DEFRA (UK *Department for Environment, Food and Rural Affairs*).
- Ecoinvent.
- National GHG emission inventories.
- Environmental product declarations.

In 2024, Cox has reported emissions for its three scopes considering:

- **Scope 1** direct emissions: stationary, mobile and fugitive natural gas combustion sources. The company has no emissions from regulated emissions trading schemes.
- **Scope 2** indirect emissions: electricity (location and market based)
- **Scope 3** indirect emissions: supplies, employee commuting, waste management, emissions from energy transport and distribution losses, and emissions associated with the fuel value chain in the generation of purchased energy.

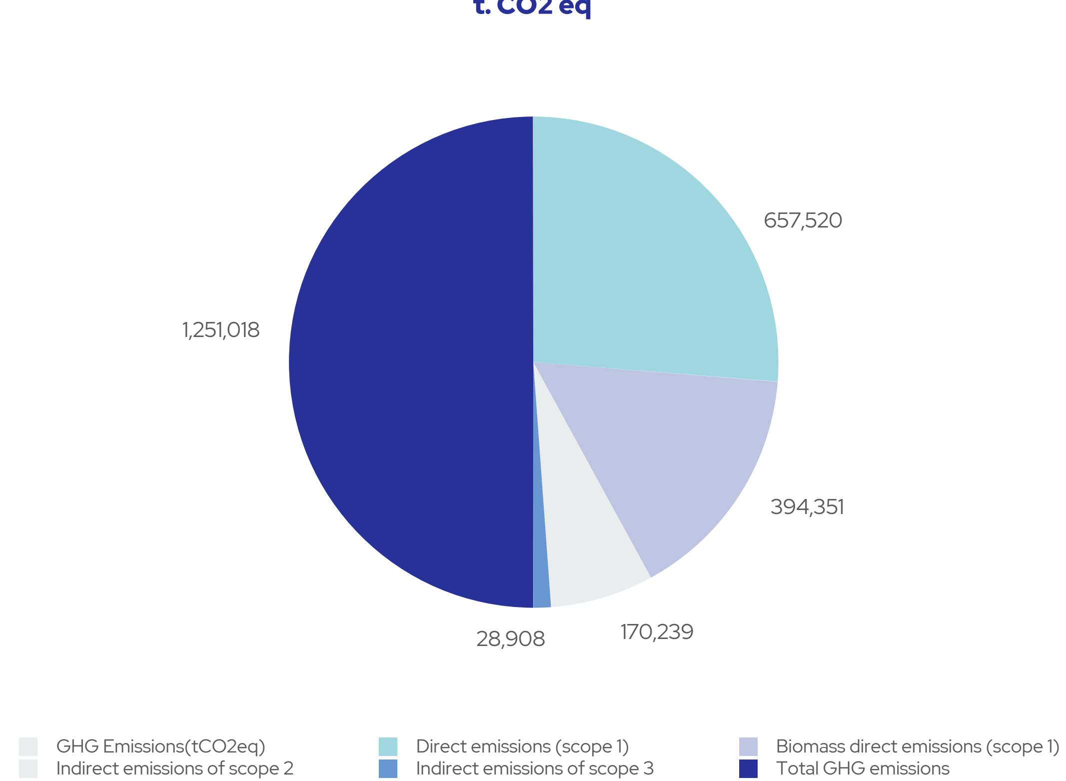
Specifically, in 2025, the company will focus efforts on improving scope 3 reporting by carrying out the following actions:

- Updating the emissions associated with the travel of its employees. A source accounting for less than 5% of the company's total emissions, which will be improved through workplace travel surveys and consolidation at the global level.
- Improved reporting of business travel emissions through the implementation of tools linked to the company's comprehensive travel management that provide reliable and up-to-date data.
- Improved reporting on the scope of supplies by improving the cataloging of materials in SAP and acquiring updated emission factors associated with the main services and raw materials. This will help to report both the scope 3 and the material input indicator.

Fiscal year 2024 is considered as the base year for the measurement of performance development. For this first fiscal year, information on milestones and target year is not provided as it is not yet available. The company is working to provide this information in the next report.

Gross scope 1, 2 and 3 GHG emissions and total GHG emissions

	Retrospective		Milestones and target year			
	2024 (Base year)	% reduction	2025	2030	2050	%/Year/ base year
GHG emissions Scope 1						
Scope 1 gross GHG emissions (2)	**1,051,871**	-	-	-	-	-
Percentage of Scope 1 GHG emissions	0.84	-	-	-	-	-
from regulated emission allowance trading schemes (%)	N/A	-	-	-	-	-
GHG emissions Scope 2						
Location-based gross Scope 2 GHG emissions (2)	**170,239**	-	-	-	-	-
Market-based gross Scope 2 GHG emissions (2)	**202,246**	-	-	-	-	-
GHG emissions Scope 3						
Total gross indirect GHG emissions (Scope 3) (tCO_2eq)	**28,908**	-	-	-	-	-
1 Goods and services purchased	22,904	-	-	-	-	-
2 Capital goods	-	-	-	-	-	-
3 Fuel and energy activities (not included in Scope 1 or 2)	2,276	-	-	-	-	-
4 Upstream transport and distribution	1,022	-	-	-	-	-
5 Waste generated from operations	2,202	-	-	-	-	-
6 Business trips	504	-	-	-	-	-
7 Pendulum travel of salaried personnel	-	-	-	-	-	-
8 Assets leased upstream	-	-	-	-	-	-
9 Transport and distribution	-	-	-	-	-	-
10 Transformation of products sold	-	-	-	-	-	-
11 Use of products sold	-	-	-	-	-	-
12 End-of-life treatment of products sold	-	-	-	-	-	-
13 Downstream leased assets	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-
15 Investments	-	-	-	-	-	-
Location-based gross Scope 2 GHG emissions)(2)	**1,251,018**	-	-	-	-	-
Market-based gross Scope 2 GHG emissions)(2)	**1,283,025**	-	-	-	-	-



*Turnover: note 5 of the consolidated annual financial statements for the fiscal year 2024.

E1-7 GHG absorption and GHG mitigation projects financed by carbon credits

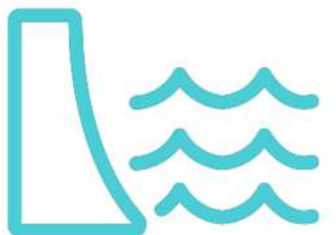
The company currently has no projects associated with the absorption of greenhouse gas emissions through carbon credits. However, it will be part of the strategy defined in the Strategic Sustainability Plan (SSP) and has been identified as an opportunity in the dual materiality analysis. In this regard, in coming years, work will be done to develop initiatives that contribute to the absorption of emissions, in line with the company's environmental commitments and decarbonisation objectives.

E1-8 Internal carbon pricing system

With the intention of contributing to the goal of limiting the global average temperature increase to 1.5°C above pre-industrial levels, Cox is working on a climate action mechanism through the establishment of an internal carbon price, aligning it with emerging climate regulation in the wake of the Paris Agreement, and with the evolution of the business itself. This will be one of the pillars of the company's Strategic Plan, related to climate change. The initiative consists of including a requirement to calculate the cost of GHG emissions associated with a new project, based on the internal price defined by the company. This monetisation of CO_2 emissions will allow Cox to optimise decision making and business strategy planning, thereby making the company aware of the economic cost of emissions from new projects, and consequently enabling it to anticipate regulatory changes aimed at monetising GHG emissions.

Carbon pricing is one of the company's strategic objectives, which will be worked on in the coming year, and which takes into account the commitments of the Carbon Pricing Leadership Coalition.

2.3. – Water and marine resources



IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related with water and marine resources

Cox has created a structured process to identify and assess the material impacts, risks and opportunities related with the use and management of water resources in its operations and throughout its value chain. This analysis takes into account factors such as the location of its sites, the sectors it operates in and the specific features of each of the activities it carried out. The gathering of internal and external information, current and potential impact assessments and the prioritisation of risks based on their likelihood and severity will allow Cox to manage the risks associated with water efficiently and explore opportunities to be more efficient in its use of this vital resource.

The information about the complete process to determine and evaluate the material impacts risks and opportunities has been aggregated in section *1.4 Impact, risk, and opportunity management – IRO-1* of this report. There has been no direct consultation with specific affected groups this fiscal year.

The double materiality analysis has revealed impacts, risks and opportunities linked to the water management and availability, which has repercussions on Cox's operations and its whole value chain. Prominent among the impacts is the high water consumption in areas with high water stress, which increases the pressure on this resource, and the alteration of ecosystems caused by the extraction and treatment of salt water, essential for desalination activities. As regards risks, factors such as international conflicts, geopolitical tensions and migratory crises can aggravate the lack of access to water in areas where Cox operates. The implementation of stricter controls in critical areas also represents a challenge in terms of compliance and adaptation to new regulations. In contrast, there are opportunities in the development of water efficiency technologies and increased investment in desalination

E3-1 Policies related with water and marine resources

In its **Environment Management and Energy Efficiency Policy**, Cox has established its commitments to prevent and minimise negative environmental impacts related to water resources, specifically through the following commitment:

'Raise awareness of the sustainable use and protection of water and marine resources and offer solutions to avoid shortages of drinking water, encouraging universal, safe access to this vital resource'.

Because this is the first year in which Cox is working on its alignment with the CSRD and the ESRS requirements through the integrated management of the IROs, the main environmental policies that Cox applies and are related to the use and supply from water resources, focusing on areas with water stress where water treatment is a step towards more sustainable supply, the prevention and reduction of water contamination as a result of its activities and the sustainable use of oceans and seas, are under review. It is working towards offering clearer and more accurate information in the next fiscal year.

E3-2 Actions and resources in relation with water and marine resources

The Strategic Sustainability Plan will establish the bases for sustainable water management in Cox, considering the material impacts, risks and opportunities identified in relation with this resource. It will focus on actions to guarantee the **optimisation of water consumption**, with a special focus on areas with high water stress, reducing the **impact on sensitive ecosystems** and **adapting to a regulatory environment** that is increasingly demanding. It will also promote actions to **develop water efficiency technologies** and encourage **investment in desalination projects** as part of its strategy.

Although the company currently has no specific action plans, water management is an integral part of its strategy and business model. Cox offers solutions for the full water cycle through desalination and water treatment, the construction of hydraulic infrastructures and promoting optimisation and efficiency in all its installations and projects, with the aim of reducing consumption to an unavoidable minimum.

Desalination projects are a key technology that is increasingly competitive and efficient for obtaining drinking water from sea water. This technology represents an essential solution for regions where water shortages represent a crucial challenge for the wellbeing and development of communities.

This is shown by the fact that **Cox's desalination projects have an installed capacity for more than 5 million m^3/day.**

The increase in investment in these projects represents an opportunity for the company, enabling it to reinforce its leadership in the management of water resources and to continue making a significant contribution to communities, offering solutions for the shortage of this resource.

E3-3 Targets in relation with water and marine resources

The company currently has no specific targets associated with the management and conservation of water resources. However, it is working to define them, with the commitment to including key targets, like the reduction of water consumption, especially at sites located in areas with high water stress. There is expected to be increased investment in desalination projects, with the goal of increasing the amount of drinking water available.

On the other hand, environmental issues are also being addressed and managed continuously through the management system certified by the ISO 14001 standard.

E3-4 Water consumption

Nowadays, it is essential for organisations to be aware of the scale of their impact on water resources and to identify the critical points in their value chain so that they can focus their efforts and design control measures to manage and apply them.

Cox has an internal tool in its information system called the Integrated Sustainability Management System (SIGS). It also has the evaluations of environmental aspects corresponding to each project/installation, which consider the use of water resources, both upstream and downstream of Cox's production processes.

This tool offers the option to manage users (Cox's environmental managers and technicians) and identify the environmental aspects and factors (in this case, associated with water consumption and discharge), the installations which the company has operational control over and the regular entry of data from the activity.

Detailed consolidated reports are made available after the close of the fiscal year, and they make it possible to report the water indicators for Cox.

The methods used include direct measurement through metering or billing, the environmental operating monitoring reported by the facility managers, or indirect measurement using calculations or estimates. The production data provided is used when making calculations, and the estimates are obtained from the consumption ratios or by the amount invoiced for consumption.

The company's intake of water resources corresponds to the extraction of the amounts needed for the various processes it carried out, including the extraction of salt water for desalination and freshwater for producing bioethanol, irrigation and sanitary use.

The total **water extraction** in 2024 was **208,005,401 m^3**. Salt water for the desalination process accounts for **99%** of the water used, while the remaining 1% comes from other sources, such as rivers, wells, mains and wastewater, with rivers being the most important of the four.

River water is used especially for the process of producing biofuels/sugar in South America (Brazil), in Sao Joao de Boa Vista, which is in the hydrographic basin on the Jaguari Mirim river, one of the region's most important basins, and the consumption is metered directly and its quality measured using chemical and physical parameters according to the operating controls of the plant.

Other uses are for sanitary purposes and irrigation. Based on the source, they breakdown into:

Source (extraction)	Total (m^3)
Seawater	204,411,143
Other sources of water	3,594,258
Total	**208,005,401**

In contrast, output corresponds to the final destination of the resource after being used in the company's various operating processes, including the distribution of desalinated water for supply and the discharges resulting from the treatment processes (discharge of brine and other less significant effluents)

As regards the outputs of the water processing, the monitoring of production facilities gives us these results, which are considered discharges:

Discharge	Total (m^3)
Brine discharge	119,118,786
Other effluents	54
Total	**119,118,840**

It should be noted that because the desalination process is the main consumer of water resources, brine is the main output and other effluents are very insignificant.

Cox creates a **product from the water cycle that is desalinated water** to supply the different regions where it operates, with an output of **85,292,357 m^3**.

This is why the Cox's consumption is calculated by mass balance for the difference between the amount of water at the source (extraction) and the output of the process in the form of discharge and production, with a total of **3,594,204 m^3**.

For now, Cox has no water stored; however, the company strives to be as efficient as possible in water management. As an example of this, the wastewater in Brazil is sourced from the evaporation and fermentation processes and the cleaning of industrial equipment. This water contains organic material, nutrients and residue from sugar cane processing, and its amount is calculated in relation to production, with an estimated total for 2024 of 963,630 m^3. This water is reused for fertigating the sugar cane crop, contributing to the irrigation and sustainable use of the water resources.

To make a more precise assessment of efficient use of water resources, the **water intensity** is calculated by comparing water consumption against the company's intake.

The water intensity value is:

296.11 m^3/k€*

*Turnover: note 5 of the consolidated annual financial statements for the fiscal year 2024.

Aware of the importance of water as a strategic resource and the responsibility entailed in its management, especially at sites located in areas with high water stress, Cox has identified these critical sites with the aim of creating specific action plans to guarantee optimal usage.

To identify sites located in **areas with high water stress**, the company used the 'Aqueduct' geographic information tool of the Water Risk Atlas by the World Resources Institute (WRI) which makes it possible to assess the zone based on the location. In 2024, the total consumption of the sites where Cox has operations located in areas with high water stress was **97,358 m^3**.

2.4. - Biodiversity and ecosystems

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Cox recognises the importance of **protecting biodiversity and ecosystems** for the sustainability of its business model. As a company active in the water and energy sectors, it is aware that the site building, operation and maintenance can have a significant impact on ecosystems. However, the company applies measures and **initiatives to minimise its impact and promotes solutions that contribute to the conservation and regeneration of ecosystems**.

The double materiality analysis has identified the impacts, dependencies, risks and opportunities for the company, taking into account both the effect of its activity on biodiversity and ecosystems and the financial and operational risks that can arise from the loss of biodiversity. The company currently has no specific analysis of physical or transitory risks of biodiversity, but it has plans to prepare this in the next fiscal year as part of the TNFD (Taskforce on Nature-related Financial Disclosures) framework.

For now, Cox does not have a Transition Plan or a resilience analysis on biodiversity. The company's road map does include the development of one as a key element to comply with its strategic targets. Although it does not have a resilience plan, the company is implementing projects designed to increase its resilience against the main impact that its activities can generate on biodiversity and ecosystems. For further details on projects, refer to section *2.4 Biodiversity and ecosystems – E4-3* of this report.

The creation of the biodiversity transition plan will take into account the relevant goals and targets of local, national and global public policies associated with biodiversity and ecosystems (such as the Kunming-Montreal Global Framework) and will include:

- **Impact assessment** on biodiversity in its operations
- Short, medium and long terms **targets** to reduce impacts and improve resilience.
- **Specific actions** for protecting and regenerating the ecosystems affected by its activities.
- **Monitoring and reporting** of advances with indicators aligned with the ESRS standards.
- **Collaboration with stakeholders**, including local communities, biodiversity experts and regulatory bodies to promote the best practices in this field.

The biodiversity Transition Plan will include the risk analysis, allowing assessment of the strategy and business model's capacity to cope with challenges and take advantage of the opportunities that are identified.

SBM-3 incidents, risks, and material opportunities and their interaction with business strategy and model

Cox has advanced the site analysis and identification for this first fiscal year, considering the different company activities that can affect the biodiversity in sensitive areas.

To do this, it has applied the definition from the TNFD initiative that considers places to be sensitive when assets and activities interact with nature in:

- Zones with important biodiversity.
- Zones where the ecosystems are complete.
- Zones where the integrity of ecosystems is in rapid decline.
- Zones with high physical water risk.

- Zones that are vital for the provision of ecosystemic services, including the benefits for indigenous peoples and local communities and stakeholders.

This definition has been used for the whole of Cox's business perimeter wherever it has operational control and ownership, because to date the company has not identified sites of relative importance from the point of view of biodiversity and ecosystems.

This assessment has used geolocation to situate the company's assets using coordinates and geographic information systems such as the Key Biodiversity Areas (KBA). The result was the creation of a **list of sites** as shown in the following table, including information about their location, the type of activity carried out there, **sensitive zones affected and their surface area.**

The activities at these sites are associated with desalination, transmission lines, photovoltaic plants and electricity sub-stations. However, the surface area in the regions of Blanca Bahia and Buenos Aires (Argentina) and Contulmo (Chile) could not be quantified accurately because of their minor importance in comparison with other activities.

Sensitive area affected	Location	Geography/ country	Line of business	Number of sites	Affected area (ha)
Parc National de Souss-Massa and Aglou	Interior	Agadir, Morocco	Desalination	1	20
Reserva Nacional Pampa del Tamarugal	Interior	Estación Alianza, Pozo Almonte, Antofagasta, Chile	Transmission lines	1	1,108
Aggenys - Pella - Pofadder	Adjacent	Pofadder, South Africa	Photovoltaic	1	600

The activities of Cox indicated in the table above associated with construction, operation and maintenance can have significant impacts on biodiversity and ecosystems.

- **Infrastructure construction**: Solar farms, desalination and transmission lines can alter habitats, affect soil quality and divide territories.
- **Desalination**: This can affect marine ecosystems by capturing water and discharging brine.
- **Operation and maintenance**: This can affect soil quality and local flora and fauna.

Moreover, the double materiality analysis has revealed material impacts in relation to land degradation associated with alterations in soil quality that can lead to the loss and impermeability of the soil as a consequence of the construction of plants. The biodiversity impact analysis also considered species as an element of the ecosystems.

Nevertheless, the next report will intensify this analysis to consolidate and identify:

- Sites of relative importance and specific activities that cause an impact on biodiversity and ecosystems.
- Protected and special interest zones at the sites where it operates and adjacent to them.
- The areas managed and how they are affected, taking into account material impacts associated with land degradation, soil use, freshwater and seawater and effects on species that have emerged in the first application of double materiality analysis.
- Species involved and monitoring
- Definition of measures and action plans according to the ecological status of the zones.

Cox is currently **studying and monitoring the biodiversity at all its sites**, to guarantee compliance with:

- **Legal and contractual requirements.**
- **Environmental Impact Assessments (EIA).**
- **Provisions by the relevant authorities** at each site, including local environmental bodies, environmental ministries and regional authorities.

As part of this process, each installation is assessed to determine its location in relation to protected areas and possible effects on the flora and fauna.

The most important species of flora and fauna within their areas of operation include:

- Ghaf tree (Prosopis cineraria), protected by the UAE's Federal Law No. 24 of 1999 for the protection of the environment
- (Oryx leucoryx), recognized as a vulnerable species by the IUCN.
- Sand gazelle (Gazella marica), recognised as a vulnerable species by the IUCN.
- Mountain gazelle (Gazella gazella), recognised as a vulnerable species by the IUCN.

If any incident is detected, there is an action plan to assess the impact and define measures to mitigate, minimise or compensate it as an integral part of operations management.

To guarantee effective management, Cox has a tool that enables it to register and control risks, establish targets and action plans, and to manage jobs, incidents and nonconformities to make sure that any impact on biodiversity and ecosystems is documented and dealt with in accordance with internal procedures.

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems

As part of the dual materiality analysis, both actual and potential impacts, risks and opportunities related to biodiversity and ecosystems have been identified according to the activities carried out and the location of the sites. Biodiversity dependencies and ecosystem services have been considered in the dual materiality analysis. However, no in-depth analysis has been carried out at this stage. For this fiscal year, no direct consultations have been carried out with specific affected groups.

The analysis of physical and transitional risks will make it possible to assess the impacts and possible alterations to ecosystem services, applying specific evaluation criteria. Based on the material sites considered for the dual materiality analysis, the associated risks will be identified, assessed and the necessary measures for their control or mitigation will be put in place.

The information about the complete process to determine and evaluate the material impacts risks and opportunities has been aggregated in section *1.4 Impact, risk, and opportunity management – IRO-1* of this report.

The dual materiality analysis has identified negative impacts derived from intervention in the natural environment through infrastructures such as desalination plants or solar plants, which can transform sensitive ecosystems, alter biodiversity and modify the balance of species. In addition, the prolonged use of desalinated water could affect soil quality, while the expansion of certain productive activities could compromise the health of ecosystems and the availability of essential resources. Cox carries out environmental impact assessments before starting its projects and establishes prevention and restoration measures if necessary.

In terms of risks, tightening regulations and increasing demands from administrations and stakeholders may pose additional operational and economic challenges. Environmental restrictions and possible sanctions could affect the viability of projects, requiring constant adaptation to new regulatory frameworks.

However, the analysis also points to opportunities arising from the adoption of sustainable approaches. Implementing environmentally and biodiversity-friendly solutions not only mitigates impacts, but also builds community trust and support. The integration of environmental criteria in infrastructure development can facilitate access to incentives and improve the social perception of initiatives, favouring a model of growth that is more harmonious with the environment.

Cox has identified sites located in sensitive areas (listed in section *2.4. Biodiversity and ecosystems – SBM-3*) that may negatively affect biodiversity by causing deterioration of natural habitats and species. The main activities are related to transmission lines, solar plants, desalination plants and operation and maintenance activities of the facilities.

The company currently has the following **mitigation measures** in place:

- In **desalination plants**: carrying out studies on marine flora and fauna to assess the impact of brine discharge on the marine environment and monitoring the state of the Posidonia oceanica meadow in the area of influence.
- In **solar plants**: periodic monitoring of avifauna to collect information on the presence of birds and nests, as well as to assess the influence of the facilities on the behaviour and viability of the populations. The main actions include species characterisation and cataloguing, behavioural studies, survival monitoring and seasonal and reproductive tracking.
- In the **construction of transmission lines and electricity substations,** birdlife monitoring and follow-up plans are carried out and implemented, as this is a high risk area for collisions and sensitive for bird traffic due to the size of the wiring, and the flora of the sensitive areas of the Antofagasta and Contulmo regions of Chile.

E4-2 Policies related to biodiversity and ecosystems

Through the **Environment and Energy Efficiency Policy**, Cox reflects its commitment to biodiversity protection among other best practice requirements in the management and efficiency of resource use:

> *"avoid degradation of natural habitats and ensure ecological restoration where necessary".*

This commitment responds to some of the impacts of dual materiality related to the transformation of terrestrial and aquatic ecosystems, alteration of natural habitats, impact on soil salinisation and habitat fragmentation and loss of key ecosystems.

In addition, the company has other guidelines that include the safeguarding and protection of the environment, such as the Code of Conduct, impact assessments, environmental authorisations and the agreement to adhere to the Code of Conduct by suppliers and subcontractors, who commit to protect and properly manage environmental aspects, including biodiversity and ecosystems.

As this is the first reporting fiscal year, Cox does not have a Biodiversity policy that addresses issues related to deforestation and the protection of biodiversity and ecosystems especially on sites located in protected and/or sensitive areas. The company will be working during 2025 to review and adapt its policies.

E4-3 Actions and resources related to biodiversity and ecosystems.

Prior to commencing any project, Cox conducts environmental impact assessments and reviews applicable contractual and regulatory requirements to identify and manage the effects of its activities on the environment.

In all its projects, Cox integrates measures for the prevention and restoration of the areas affected by its activity. The main actions include:

- **Protection and restoration of habitats.**
- **Reforestation programmes.**
- **Monitoring, rescue and relocation of fauna.**

Biodiversity management combines impact prevention, management and restoration measures, aligning with the vision of the Kunming-Montreal Global Biodiversity Framework, with the aim of **promoting the conservation and sustainable use of biodiversity.**

In cases where impacts cannot be minimised, compensation measures will be implemented in accordance with previous environmental impact studies. In addition, environmental monitoring plans are established to evaluate the effectiveness of the actions implemented and to ensure compliance with the commitments made.

Although the company does not have defined lines of action that contemplate biodiversity offsets, it does establish measures that are aligned with IROs through issues such as the transformation of terrestrial ecosystems, habitat fragmentation and the impact on areas vital for flora and fauna. The following are the main projects developed in 2024, which respond to legal, contractual and environmental authorisation requirements in force, integrating local or indigenous knowledge if applicable to each of the projects:

1. Protection of ecosystems in strategic projects

In 2024, one of the outstanding projects in terms of biodiversity impact was the installation of parabolic cylinder collectors at the Mohammed bin Rashid Al Maktoum Solar Park in Dubai. This project considers the potential effects on the dune ecosystem and the habitat of plant and animal species in the Al Marmoom Desert Conservation Reserve.

2. Collaboration with biodiversity specialists

Cox works with specialised organisations such as Ecabio, which is dedicated to biodiversity surveillance and monitoring. In particular, it collaborates in the study and protection of Lesser Kestrel colonies in the vicinity of solar facilities in Sanlúcar la Mayor, Seville (Spain).

3. Preservation of biodiversity in transmission infrastructures (France)

In France, where 90% of the sites are located in natural environments, the preservation of biodiversity is a key pillar in the environmental policy of electricity transmission. To strengthen this commitment, the company:

- Is developing a field guide to support site teams in raising awareness of the importance of biodiversity and ecosystems.
- Has used specialised environmental consultants to ensure compliance with good practices.
- Complements project-specific environmental documentation with clear biodiversity guidelines.

4. Protection of fauna and flora in Chile

In Chile, Cox has worked on the preparation of fauna and flora reports in compliance with the Environmental Qualification Resolutions of each project, among which the following are worth mentioning:

- The protection of Prosopis Tamarugo individuals in the project "Nueva Línea 2x220 kV Lagunas Nueva Pozo Almonte".
- Monitoring of Atacama Tuco Tuco colonies and controlled reptile disturbance at the Monte Mina power substation and Parinas - Monte Mina transmission line project (August 2024).

5. Sustainable management in Bioenergy Brazil

Cox has implemented innovative biological control strategies in sugar cane cultivation, reducing the use of chemical insecticides and promoting agricultural efficiency. In detail:

- Control of sugar cane borer (Diatraea saccharalis) using drones applying Trichogramma galloi and Cotesia flavipes, achieving significant pesticide reduction.
- Sustainable pest and disease management with biological inputs, such as entomopathogenic nematodes (ENPs), Metarhizium and Trichoderma fungi, and bacteria, such as Bacillus amyloliquefaciens and Azospirillum, promoting a healthier and more productive soil.
- Use of artificial intelligence (AI) and drones for weed identification and control, enabling precise and localised herbicide application, minimising environmental impact.

6. Reforestation and environmental restoration

As part of its commitment to sustainability, Cox has promoted reforestation initiatives for the recovery of areas affected by fires in Brazil:

- 24.7 hectares have been reforested with the planting of 41,132 Brazilian native trees, in compliance with the Terms of Commitment for Environmental Recovery (TCRA).
- Continuous maintenance of the planted areas has been established until the ecosystem is consolidated (approximately five years).
- 6-metre wide firebreak zones have been implemented in Permanent Preservation Areas (PPAs), reducing the risk of fire and ensuring the protection of local biodiversity.

In order to meet stakeholder expectations, the following is taken into account:

- **Identification of goals and projects** that take initiatives related to biodiversity, analysing the measures that are carried out in projects and the improvements proposed from the company's offer area, where measures and improvements in biodiversity and ecosystems are established.
- **Planning and allocation of resources.** Activity carried out with the organisation's environmental managers. Regular meetings are also held with the business to follow up on improvements.
- **Follow-up of the measures** that are promoted from the bidding process that reach the implementation phase.

As a first step in defining the Plan, the company will assess the physical and transition risks, as well as the resilience of its strategy and business model in relation to biodiversity and ecosystems, with the aim of establishing a robust Transition Plan. In this process, although biodiversity offsets are not currently used, their possible integration into the definition of the plan will be assessed.

E4-4 Targets related to biodiversity and ecosystems

Within the Strategic Plan that Cox will develop for the coming years, short, medium and long term goals will be defined, as well as performance indicators to analyse the evolution and achievement of the defined actions related to the promotion and implementation of biodiversity and ecosystem management initiatives for the sites identified as material for being in sensitive areas in terms of biodiversity.

Environmental issues are also continuously addressed through the ISO 14001 certified management system.

E4-5 Incident parameters related to changes in biodiversity and ecosystem change

In the 2024 report, the first year of reporting under the CSRD requirements, Cox has identified information relating to sites located in areas that are sensitive for biodiversity due to its activities. Area data is data on the dimensions of the perimeter of the sites and in the case of transmission line construction, refers to the areas that are envisaged to be covered in the technical data of the projects concerned. This information is elaborated on in section *2.4. Biodiversity and ecosystems – SBM-3.*

In addition, from the company's dual materiality analysis, material impacts related to the use of land, freshwater and sea are derived. As this is the first reporting fiscal year, the disclosure of the parameters associated with these impacts is given in section *2.4. Biodiversity and ecosystems – SBM-3* as an improvement for the next report.

In addition, following the **TNFD**'s **LEAP** approach, in the coming years the company will work on refining its measurement systems to be able to detect incidents related to biodiversity and ecosystems as well as the information reported, such as the ecological status of the sites or restoration or compensation actions carried out by the company at the identified sites.

2.5. - Use of resources and circular economy

Request for Information

IRO-1 Description of processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy

Cox has implemented a structured approach to identify and assess the material impacts, risks and opportunities associated with resource use and the circular economy in its operations and throughout its value chain.

The analysis considers key aspects such as the location of the sites, sectors in which it operates and the particularities of each of its activities. For the definition of IROs, the inflows and outflows of priority resources, such as water, energy, raw materials and intermediate products, used in each of the business lines, have been previously analysed.

The information about the process to determine and evaluate the material impacts risks and opportunities has been aggregated in section *1.4 Impact, risk, and opportunity management – IRO-1* of this report. There has been no direct consultation with specific affected groups this fiscal year.

The dual materiality analysis has identified impacts, risks and opportunities in terms of resource inputs, outputs and waste generation. In terms of impacts, shortages of key resources such as water, energy and electronic components, among others, can affect project implementation, while the generation of hazardous and non-hazardous waste from direct operational activities and from suppliers/subcontractors working at their sites present both environmental and management challenges. Cox integrates various measures to optimise the use of resources and improve waste management, including the **incorporation of sustainability criteria** in the selection of materials and the implementation of **digital methodologies such as BIM** to optimise project design, which contributes to reducing material waste. In addition, it carries out an **exhaustive control of its waste**, ensuring that it is managed in accordance with the **best available practices.**

Risks include increased operating costs due to lack of key inputs and pressure to comply with waste regulations, which generate additional costs. On the other hand, opportunities focus on harnessing by-products and waste for bioenergy generation, improving supply chain efficiency and expanding the market with innovative decarbonisation solutions. The company is expanding its activity in biofuels and green hydrogen generation.

E5-1 Policies related to the use of resources and the circular economy

Through the **Environmental Management and Energy Efficiency Policy** and the **Sustainability Policy**, the following commitments are made to prevent and minimise negative environmental impacts in our own operations. Specifically:

"Adopting circular economy practices, minimising waste generation in our projects by promoting reuse, recycling and efficiency in the use of resources".

"Promoting the efficient use of resources and encouraging the purchase and use of recycled or certified materials".

"Promoting the correct management of waste, focusing on waste reduction at source and promoting its revaluation as much as possible".

The company's objective is to ensure its progress towards a **more efficient production model** with a **lower environmental impact** and to promote this **commitment throughout its value chain**. As this is the first fiscal year in which Cox is working on its alignment with CSRD and ESRS requirements through integrated management of IROs, the main environmental policies currently in place at Cox that relate to issues such as managing the transition to the phase-out of virgin resources, sustainable sourcing or promoting the use of renewable resources are in the process of being reviewed.

E5-2 Actions and resources related to resource use and circular economy

Cox is currently working on specific information to define detailed strategies for the use of secondary raw materials, the efficient use of technical materials and water, and the use of circular design to improve reuse and recycling. At present, there is no link between the IROs identified and specified, measurable management actions. These aspects are not yet integrated in operations management, but they are evaluated in the SSP to advance in developing and alignment with the requirements of the CSRD in the future.

With regard to materials, however, Cox acquires and complies with all contractual requirements in all phases of the projects that it carries out, from design to execution. This includes meeting the criteria for durability and the option to remove, recycle and repair the materials used, and to manage the waste created by the activity. This is listed in full in the various contractual clauses and terms and conditions.

The company is currently engaged in various cross-departmental initiatives to encourage the circular economy at a local level.

- **Technology:** integration of R+D capacity in its operations, including the recycling activity at its plants.
- **Strategic alliances:** development of renewable fuels and energy, with a division specifically devoted to hydrogen.
- **Digitalisation:** implementation of digital tools to accelerate the circular transition and optimise processes, such as the use of BIM (Building Information Modeling) in construction projects.
- **Optimised waste management:** continuous improvement of final treatments, giving priority to more sustainable solutions and ensuring efficient management through the use of SIGS tools.

Besides, to highlight an initiative specifically aimed at obtaining bioenergy, the effluents produced by the Brazil plant are classified in two ways: as vinasse or as wastewater. Vinasse is a liquid waste product of ethanol distillation that is used to fertigate the sugar cane fields, providing essential nutrients and improving the soil's capacity to retain water. 492,780 m³ of this waste product were created in 2024, which prevented the use of 1,341 tonnes of chemical fertiliser. In addition, the wastewater that results from industrial processes is also reused for fertigation, as part of a more efficient and sustainable use of this resource[8].

To back up all the initiatives described above, Cox employs an Integrated Sustainability Management System (SIGS) as a technological solution for environmental monitoring with the goal of applying Big Data and Artificial Intelligence for advanced analysis, permanent access to data in real time and to enable reporting processes. The company's goal is to **integrate the circular economy in all its lines of business** to ensure optimal use of resources, responsible management of the natural resources used as raw materials and the correct management of the waste products created, to reduce the amount of waste and to become more efficient in making use of them. It is working towards creating a circular economy action plan for the coming fiscal year that will guarantee compliance with its commitments.

E5-3 Targets related to resource use and circular economy

To date, the company has not established specific targets to improve its performance with regard to the circular economy. Even so, Cox considers that developing an action framework to respond to its main concerns is a fundamental priority. Cox's strategic planning will establish short, medium, and long term targets, along with performance indicators, to evaluate its progress and the success of the actions defined. The targets will include topics such as the optimal use of natural resources and the reduction of waste in its own operations and along the whole value chain, among others.

Environmental issues are also continuously addressed through the ISO 14001 certified management system.

E5-4 Resource inflows

The organisation is promoting the efficient use of resources, the purchase and use of recycled or certified materials wherever possible, and the efficient use of all resources. This is reflected in the policies implemented.

[8] For more details about the work of Bio Brasil, see section *5.4 Society and associated groups of this report.*

Because the company's main business focuses on the construction and operation of installations, the key supplies for its operations can be reduced to four basic materials: steel, wood, concrete, and plastic, as well as the consumption of water and sugar cane in its productive processes. The **inflows** used by Cox are generally classified as:

- For **water**, the main inflows are salt water and fresh water, equipment and machinery, and chemical products for processes such desalination, purification, industrial and wastewater treatment.
- For **energy**, the main resources used are chemical products, biomass, fuel, mechanical, and electronic equipment associated with the generation and transmission of conventional and renewable energy.
- Due to the **construction** work, the main resources for both the energy and water service sectors include materials such as concrete, steel, wood, and plastic for the installation of infrastructure.

For this first year when the report is based on the CSRD rules, the company is reporting resource inflows qualitatively, and there is no data traceability to provide reliable and robust information.

In 2025, Cox will work on improving the traceability of all consumption batches of products and materials, improving its material cataloguing with SAP to make better estimates and so that the information about the materials used in production processes is directly sourced from the suppliers.

The company is also in the process of reusing the material indicator report as part of the environmental monitoring of its operating installations with the SIGS tool. This will improve traceability and data consistency.

E5-5 Resource outflows

The organisation's commitment to ensuring a longer working life for its products, materials, and resources and for them to remain within the economic circuit for as long as possible and reduce waste means that it continues to work to incorporate the circular economy principles in its processes, products, and services.

The company's main resource **outflows** are linked to its lines of business:

- **Water supply and management**, including drinking water and wastewater treatment
- **Generation of conventional and renewable energy**
- **Production of bioethanol and sugar**

On the other hand, the company creates a variety of **waste** products derived from its activities, especially those related to facility construction, operation and maintenance.

- Its **water** business line generates waste such as salt sludge, chemical products, and plastics from the filtering and distribution systems. This waste is produced by processes such as desalination, purification, and the treatment of industrial and wastewater.
- Its **energy** business line generates waste related to the generation and transmission of conventional and renewable energy. In photovoltaic plants, for example, the solar panels at the end of their working life. Organic waste is also generated at the bioenergy plant, with metals, plastics, and oils for electricity transmission infrastructures. Obsolete electronic equipment and other infrastructure materials.
- The waste from the **construction** work, whether for the water or energy service, include infrastructure installation materials such as metals (iron, copper, aluminium) and the plastics used in pipes, cables, machinery components, and construction and demolition rubble. There is also waste cement, concrete, and other building materials produced during the construction and maintenance of hydraulic and energy infrastructure, as well as water treatment and desalination plants and transmission grids.

The company prioritises its handling of waste materials in accordance with a **hierarchy of prevention, reuse, and recycling** wherever possible. To optimise this management, all action plans include specific measures to strengthen the commitment to reduce the environmental impact and encourage circular processes. In cases where the waste cannot be recovered, the company guarantees its correct management through authorised handlers, ensuring compliance with current legislation and responsible final disposal.

As with the data on its water consumption, Cox has an internal tool in its information system called the Integrated Sustainability Management System (SIGS). It also has the assessments of environmental aspects corresponding to each project/installation, which consider the use of marine and water resources, both upstream and downstream of Cox's production processes.

This tool can manage users, which in this case are Cox's environmental managers and technicians, and establish the environmental aspects and factors (in this case, associated with the use of resources), the installations which the company has operational control over and the regular entry of data from the activity.

The methodology is based on the tool and the indications of the operational control system for monitoring and measuring. These can be:

- **Measurement:** by billing, delivery note, removal document from authorised handlers or by regularly reading the data provided by metering instruments. (E.g. m3 read from flow meters).

- **Calculation:** obtained from the data based on known parameters and mathematical operations. (E,g. Emissions calculated using an emission factor).
- **Estimation:** obtained from the data by using alternative methods of calculation, making estimates with regard to certain parameters. (E,g. Estimating consumption based on the number of people).

Detailed consolidated reports are made available after the close of the fiscal year, and they make it possible to report the outflow of resources for Cox.

In 2024, Cox processed a total of **16,912 tonnes of waste**, only **4.76%** of which corresponds to **hazardous waste** (805 tonnes).

The classification, based on the final destination and treatment, is as follows:

Type of waste	Destination	Final Treatment	Weight (T)
Non-hazardous	Disposal	Other disposal operations	1,054.88
		Incineration	41.34
		Landfill	3,565.68
	Recovery	Other recovery operations	4.5
		Reuse	406.66
		Recycling	11,033.66
Total non-hazardous			**16,106.72**
Hazardous	Disposal	Other disposal operations	61.67
		Incineration	157.11
		Landfill	316.67
	Recovery	Other recovery operations	5.14
		Reuse	43.68
		Recycling	221.04
Total hazardous			**805.31**

The total amount of non-recycled waste in 2024 was 5,657 tonnes, which represents 33 % of all the waste generated. Thanks to the coordinated work of the whole company, the **waste recovered was 69.27%** of the total. Cox does not produce any radioactive waste from its activities.

As regards the non-hazardous waste, 11,145 tonnes were recovered, the equivalent of 69 % of the non-hazardous waste generated, while 4,662 tonnes (29 %) were sent for elimination.

As regards the hazardous waste, 270 tonnes were recovered, which represents 34 % of all the hazardous waste, and the remaining 66 % (540 tonnes) were sent for elimination.

3. Social information

3.1 Own workforce

SBM-2 interests and views of stakeholders (staff)

To achieve corporate success, the company's business model and strategy incorporates initiatives aimed at fostering **talent retention** and **developing individual potential**, all underpinned by the firm belief that **people are the organisation's greatest strength**. In this regard, the workplace atmosphere survey conducted in early 2024 resulted in a high overall satisfaction score of 8.3 out of 10. Therefore, improvement actions based on the findings have been implemented. The goal is to promote optimal career plans aligned with training adapted to employees' needs and aspirations, as well as functional mobility and the maximisation of opportunities. Through these initiatives, Cox seeks to continue meeting its strategic objectives while further strengthening employee retention.

The company recognises that success is achieved thanks to a team of committed managers, properly suited for each area and function, along with structured and consistent management always prepared for change. Thus, Cox promotes **professional development programmes** and has reviewed and updated succession plans for first- and second-line management.

The company values a **two-way, transparent, and fluid communication** approach with its stakeholders, particularly with its employees. For this reason, it provides employees with different channels and IT tools that enable them to take the initiative in improving business processes, working conditions, the work environment, and the resolution of problems.

Cox actively integrates the interests, opinions, and rights of its employees into its strategy and business model, ensuring that they serve as a fundamental pillar in decision-making. In line with the principles of the Universal Declaration of Human Rights and the fundamental conventions of the ILO, the company guarantees fair working conditions, equal opportunities, and respect for freedom of association.

To reinforce this commitment, the organisation has implemented structured **dialogue mechanisms** such as workplace environment surveys, consultation forums, and periodic meetings with employee representatives. These spaces effectively capture employee concerns and needs, directly influencing the design and improvement of well-being, training, and professional development policies.

Additionally, the company has incorporated these considerations into its strategic planning. This way, it promotes specific measures such as **work-life balance programmes**, **health and wellness initiatives**, and the strengthening of internal mobility to foster professional growth. Through these efforts, Cox reinforces its commitment to internal talent and ensures that employees' voices play a decisive role in shaping business strategy and fostering a work environment based on fairness, respect, and sustainable employment.

Main communication channels with employees:

a. A **dedicated OHS web portal** accessible to all company employees, serving as a tool for communication, consultation, and participation, encouraging greater commitment and involvement with the OHS management system. The portal shares key information on health and safety policies, objectives, safety alerts, health plans, recommendations, opinion articles, and news. This web portal include a contact section where employees can submit inquiries or suggestions related to occupational safety.

b. **Monthly email communications** sent across the organisation, including newsletters, lessons learned, opinion articles, and health promotion content.

c. '**Cox Team**,' a platform used to communicate key appointments and changes in responsibilities across the organisation.

d. Updates on the **latest news** regarding projects, achievements, awards, and industry events to ensure all employees are informed about corporate milestones and successes.

e. **OHS Committees**, where regulatory documentation such as safety and health objectives, prevention plans, and risk assessments are shared and reviewed via email.

f. **Global town hall meetings** led by the Chairman and Group CEO to communicate the company's current status, performance, and medium- and long-term challenges.

Plus, the company uses corporate applications as a tool for communication, consultation, and employee participation. These platforms facilitate activity tracking and management through a workflow system that progresses through predefined stages until completion. With the use of these applications, decision-making is encouraged. Therefore, the organisation aims to assess and improve leadership performance and practical outcomes from the Fiscal Year while recording anything that may generate information for it. The Cox Easy Management (AEM) tool is accessible to all company employees.

SBM-3 incidents, risks, and material opportunities and their interaction with business strategy and model

The double materiality (DM) analysis has identified how in-house employees may be positively or negatively affected by the company's activities. This analysis will enable Cox to adjust its strategic objectives to ensure best practices in workforce management. For the Group, strengthening internal policies to guarantee fair working conditions and improve oversight of recruitment, training, and development practices is a top priority. Furthermore, ESG criteria will be reinforced in talent management. At the same time, the company intends to promote greater transparency and control over aspects related to job security, working hours, fair wages, social dialogue, collective bargaining, work-life balance, occupational safety, and human rights.

Cox exclusively employs salaried staff, with no self-employed workers or outsourced personnel from third-party companies for employment-related activities. In this regard, material impacts arising from operations and activities solely affect employees directly hired by the company under the applicable legal and contractual frameworks in each country of operation.

The double materiality analysis has identified significant negative impacts related to employee health and safety, stemming from physically demanding tasks, awkward postures, or exposure to chemicals—factors inherently tied to the company's construction, operations, and maintenance activities. This means that these issues are intrinsically linked to the nature of operations and the requirements of the industry. In response, the company maintains a strong commitment to continuous improvement. Therefore, it implemented preventive measures and control mechanisms, including internal audits, Regulatory Compliance programmes, and accessible whistleblowing channels for employees to ensure a safe work environment.

Furthermore, Cox promotes initiatives that generate positive impacts on workplace well-being, professional development, and employee safety. These actions include continuous training programmes that enhance employee skills and career opportunities. The company also upholds an occupational safety policy that guarantees a safe work environment, minimises risks, and reduces workplace accidents. With this policy, it seeks to benefit both employees and contractors at company premises.

Additionally, the company fosters flexible work policies and work-life balance initiatives, supporting employees in maintaining a healthy equilibrium between their personal and professional lives. These initiatives have positively influenced employee satisfaction and engagement, contributing to talent retention and a favourable work environment. Cox will continue strengthening these measures to ensure that positive impacts remain sustainable and scalable.

The material risks and opportunities affecting Cox's in-house personnel are linked to the company's operational sustainability and its ability to attract and retain talent in a competitive environment.

Material risks include decreased productivity due to inadequate conditions (compensation and work schedules), leadership issues affecting competitiveness, and non-compliance with policies on work-life balance, flexibility, and inclusion, which could result in penalties. Besides, workplace accidents and absenteeism increase costs, while violations of labour and human rights could damage the company's reputation. Conversely, opportunities lie in strengthening talent retention and attraction, driven by a focus on diversity, equality, and inclusion. Thus, the company fosters goal achievement and long-term employee retention within the Group.

Cox strategically manages these risks and opportunities to ensure its business model remains resilient and aligned with best practices in people management. Furthermore, the Group is committed to reducing its environmental footprint and transitioning toward more sustainable and climate-neutral operations, in line with international climate change agreements. While these transition plans may lead to organisational and operational changes, no significant job losses or large-scale restructuring have been identified.

Should the shift toward more sustainable processes require job profile adaptations or function reallocations, Cox will prioritise employee reskilling and training in new competencies to ensure alignment with future needs. Moreover, the transition to more sustainable work models can generate employment opportunities in emerging sectors such as renewable energy, energy efficiency, and process digitalisation.

The company operates in a global environment with a strong culture of Regulatory Compliance and business ethics, ensuring that its activities and those of its strategic suppliers do not present significant risks of forced or compulsory labour. All its operations are conducted in countries with robust regulatory frameworks that guarantee compliance with labour rights. Additionally, Cox has not identified any materialised significant risks of child labour during the Fiscal Year in any of its operations. This is due to the fact that all its subsidiaries and workplaces are located in countries where child labour is explicitly prohibited, with strict controls to prevent it. Furthermore, as part of the due diligence policy in the supply chain, Cox requires its suppliers to comply with ethical standards aligned with the principles of the ILO and the UN Global Compact. To mitigate potential risks, the company conducts periodic audits to ensure compliance with minimum employment age criteria and decent working conditions.

Cox adopts a preventive approach in personnel management, ensuring that no group within its workforce is disproportionately affected by the company's activities. Following a double materiality analysis, the company has identified certain groups that, due to their characteristics, the context in which they operate, or the activities they perform, could be more exposed to impacts and/or risks. Among them are employees working in industrial or high-risk environments, such as construction, operation, or infrastructure maintenance plants. Consequently, this group may be more exposed to OHS risks. To address this situation, Cox implements a continuous analysis system based on the following criteria:

- **Individual factors:** identification of employees with greater vulnerability, such as people with disabilities, older workers, or those in particular personal situations.
- **Operational factors:** assessment of risks associated with specific working environments, such as industrial operations, working at heights, or exposure to extreme conditions.
- **Geographical factors:** review of the regulatory and social contexts of the countries where Cox operates, ensuring that working conditions comply with international standards.

S1-1 policies related to in-house personnel

The company believes its employees are the driving force behind achieving strategic objectives and building a sustainable and competitive business model. Therefore, it has developed a comprehensive set of policies related to internal personnel, designed to ensure compliance with the highest ethical, labour, and welfare standards. These policies are not only aligned with the current regulatory framework but also with the company's sustainability commitments. In particular, those belonging to the 2030 Agenda and the Sustainable Development Goals (SDGs). Moreover, these policies are designed to ensure compliance with the highest standards in human rights and ethical management, aligning with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

In this regard, key aspects such as equal opportunities, training and professional development, work-life balance, OHS, and active employee participation in decision-making are addressed. These actions are aimed at minimising risks, enhancing opportunities for improvement, and ensuring a positive impact on both the workforce and the community in which Cox operates.

All company policies are approved by the Board of Directors and are accessible and available to all employees through the corporate website and intranet.

The following policies related to our own staff are noteworthy:

Criminal Prevention and Compliance Policy

- Ensures Regulatory Compliance and business ethics, preventing any type of illicit activity within the organisation.
- Reinforces respect for human rights through internal controls and reporting mechanisms.
- Aligns with transparency and anti-corruption standards established by international frameworks.

Data Protection Policy

- Guarantees the right to privacy of employees and other stakeholders, in line with the General Data Protection Regulation (GDPR) and other applicable regulations.
- Protects personal information in compliance with the principle of due respect for individual rights.

Health and Safety Policy

- Based on the ILO Declaration on Safety and Health at Work, ensuring safe working conditions and reducing accident risks.
- Establishes a management system based on international standards and regulations, guaranteeing safe and healthy workplaces.

Human Resources Policy

- Ensures equal opportunities, non-discrimination, and professional development, aligning with ILO principles and the Universal Declaration of Human Rights.
- Reinforces ethical hiring, preventing any form of labour exploitation or child labour.

Occupational Social Responsibility Policy

- Based on the fostering of decent working conditions, respecting the fundamental rights of employees across all operations.
- Encourages relations centred on collective bargaining and social dialogue.

Diversity and Equality Policy

- Aligns with UN standards on gender equality and labour rights, promoting equity and inclusion in the workplace.
- Supports the implementation of measures against all forms of discrimination, in line with the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

Quality, Environmental, and Energy Efficiency Policy

- Linked to the principles of the UN Global Compact and environmental sustainability standards, ensuring the company's reduced environmental impact.
- Certified under international standards such as ISO 9001 (quality) and ISO 14001 (environment).

Risk Policy

- Ensures comprehensive risk management aligned with the ISO 31000 framework, minimising adverse impacts on the business and working conditions.
- Assesses compliance, operational, and sustainability risks across all company areas.

Sustainability Policy

- Integrated into the SDGs, fostering responsible business practices with a positive impact on the social, environmental, and economic spheres.
- Contributes to mitigating environmental risks and adapting to global climate challenges.

Information Security Policy

- Protects the digital rights of employees and customers, ensuring compliance with international frameworks such as the GDPR and ISO 27001 on information security.
- Ensures the confidentiality, integrity, and availability of corporate information.

Information and Communication Technologies Policy

- Adheres to ILO principles on digital transformation and employment, promoting the responsible use of technology.
- Ensures cybersecurity and data protection in the digital environment.

Code of Conduct

- Establishes a strong ethical framework governing all operations, aligned with the UN Guiding Principles on Business and Human Rights.
- Explicitly prohibits any form of discrimination, harassment, child labour, and forced labour, ensuring respect for employees' fundamental rights.

For the next Fiscal Year, the company will ensure its policies are fully aligned with the requirements set forth by the CSRD and ESRS. It will also include the impacts, risks, and opportunities deemed material in the double materiality analysis.

Human Rights

Cox maintains a zero-tolerance policy against any form of human trafficking, forced labour, compulsory labour, and child labour, in line with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

This commitment is reflected through:

- **Code of Conduct:** expressly prohibits forced, compulsory, or child labour in all operations and across the supply chain, requiring suppliers to comply with these principles.
- **Human Resources Policy:** ensures fair and transparent hiring processes, guaranteeing that all employment relationships are voluntary and regulated under applicable legislation.
- **Occupational Social Responsibility Policy:** reinforces the prevention of any form of labour exploitation and establishes monitoring and control mechanisms.
- **Criminal Prevention and Compliance Policy:** includes internal controls to prevent, detect, and sanction any practice that violates fundamental labour rights.

Additionally, Cox implements audit and due diligence mechanisms to ensure that its operations and those of its business partners respect these principles. The company maintains confidential and accessible reporting channels for communicating any irregularities on this matter.

Through these policies and measures, Cox reaffirms its commitment to defend human rights and decent work in all its activities and spheres of influence.

Safety and Health

Regarding OHS, ensuring the well-being of all employees is a top priority for the company. Cox has an OHS management system fully integrated into its strategy and aligned with international standards and regulations applicable in each country where it operates.

The goal is to achieve zero accidents. To this end, it works under the principles established in its OHS policy, structured around the following pillars:

- **Integration:** safety and health are considered in all company decisions and activities, fostering employee consultation and participation at all levels.
- **Leadership:** management promotes and guarantees a safe and healthy working environment, providing the necessary resources for hazard elimination and risk reduction.
- **Training:** continuous training on occupational health and safety is a fundamental pillar of the company's preventive culture.
- **Continuous improvement:** regular measurements, assessments, and reviews are conducted to optimise processes and operations in terms of safety.
- **Regulatory Compliance:** all Cox activities are carried out in strict compliance with applicable occupational health and safety regulations.

Additionally, the company has prevention plans and specific protocols for each activity, a reporting and incident analysis system, and internal and external audit mechanisms to ensure the effectiveness of the measures.

This approach reflects Cox's strong commitment to safety and health. Therefore, it ensures a safe work environment and promotes a culture of excellence in occupational prevention throughout the organisation.

Non-discrimination and equal opportunities

Cox has a firm commitment to non-discrimination, equal opportunities, and diversity, ensuring that its workplaces are safe, respectful, and inclusive for all the people employed by the organisation. This commitment is expressed in its Diversity and Equality Policy, its Code of Conduct, and Prevention and Action Protocol for cases of Harassment and Discrimination, all of which are aligned with applicable national and international law.

a) Specific policies to prevent discrimination and encourage equality

Cox has policies that regulate the prevent and action in the face of any kind of discrimination, harassment or inequality in the workplace. The key measures include:

- Zero tolerance towards any expression of discrimination or harassment.
- Encouragement of equal opportunities in access to work, promotion, and working conditions.

- Prevention and action protocols for cases of discrimination or harassment to guarantee a quick and effective response.

b) Specific protection areas

Cox's policies protect its employees from discrimination based on:

- Racial or ethnic origin.
- Skin colour.
- Sex and gender.
- Sexual orientation and gender identity.
- Disability.
- Age.
- Religion or belief.
- Political opinions.
- Civil status or family situation.
- Any other condition protected under current legislation.

c) Specific commitments to inclusion and positive action

Cox has accepted specific commitments to promote the inclusion of especially vulnerable groups, such as:

- Protocol for preventing sexual or gender-based harassment at work.
- Work-life measures to promote equality in the workplace.
- Diversity and inclusion training programmes for all employees, with special emphasis on team leaders and managers.
- Employment access initiatives for disabled people, to guarantee their full incorporation in the company.

d) Application and monitoring of these policies

To ensure the effectiveness of the equality policies, Cox has implemented:

- Whistleblower channels and internal procedures for handling situations of discrimination or harassment with confidentiality and to avoid reprisals.
- Regular audits and reviews to evaluate the application of the diversity and equality policies.
- Awareness and continuous training for all the workforce, to reinforce an inclusive workplace culture.

Cox confirms its commitment to a workplace free of discrimination and with the promotion of equal opportunities as a core value of its sustainability and talent management strategy.

S1-2 Processes for engaging with own workers and workers' representatives about impacts

Cox integrates the opinion of its own staff in decision-making that affects their working conditions and well-being. Collaboration is established through:

- Direct dialogue with employees through work climate surveys (every two years) and regular team meetings.
- Trade union representation and works councils in countries where regulations permit.

The Cox Human Resources and Health and Safety departments lead these processes, with ultimate oversight from General Management.

Monitoring is mainly carried out through:

- Collective bargaining agreements and agreements guarantee the protection of labour rights and establish mechanisms for the prevention and resolution of incidents.
- Impact assessment through analysis of survey results, complaint follow-up and internal audits.

Cox maintains a structured and continuous dialogue to improve the working environment and ensure the safety and well-being of its employees.

Cox is committed to inclusion and respect for diversity, ensuring that all employees, especially those in vulnerable situations, are heard and considered in decision-making. To this end, the company is taking a number of measures, including:

- **Accessibility of information and by-laws:** all company policies, including those on Diversity and Equality and Social Responsibility at Work, are available on the corporate intranet, allowing any employee to know their rights and Cox's commitments in this area.

- **Workplace climate surveys**: every two years, the company analyses the well-being and perceived inclusiveness of its workforce, including specific aspects of diversity and equity.

- **Measures to support integration:** Cox collaborates with different institutions to guarantee the employability of the most vulnerable groups.

- **Monitoring and follow-up:** from Human Resources, a continuous analysis of possible equality gaps is carried out, ensuring that inclusion policies have a real impact.

Through these actions, Cox reinforces its commitment to equity and inclusion, promoting a work environment accessible to all.

The company plans to advance along these lines in the coming years, ensuring that its sustainability and human talent strategy continues to be aligned with the highest standards of inclusion and labour participation.

S1-3 Processes for repairing negative incidents and channels for workers to voice their concerns

Cox maintains a firm commitment to protecting the rights of its own personnel by ensuring effective mechanisms to identify, manage and remedy any material adverse impacts. To this end, the company has established structured processes for dialogue, whistleblowing and labour dispute resolution, ensuring transparency and efficiency in responding to employee concerns.

a) General Approach and Incident Remediation Processes

When Cox detects or causes a relevant negative impact on its own staff, specific protocols are activated for its resolution. These include:

- Internal investigation and corrective actions, led by the Human Resources and Compliance area.
- Review of policies and processes to prevent recurrence of incidence.
- Individualised follow-up, ensuring that the solutions implemented are effective and satisfactory for the affected employees.

b) Channels for the expression of concerns

Cox has multiple internal communication channels for its own staff to express concerns, needs or complaints:

- Whistle-blowing channel, accessible confidentially through the corporate intranet and available to all staff.
- Human Resources and Labour Relations, as direct interlocutors for the management of labour incidents.
- Work climate surveys (every two years), where employees can share concerns anonymously.
- Health and Safety, Diversity and Equality and 'Present and Future' conferences, where spaces for open dialogue on key aspects of the working environment are encouraged.

c) Availability and accessibility of channels

Cox ensures that these channels are available and accessible to all staff through:

- Publication and dissemination of whistleblowing and communication mechanisms on the corporate intranet.
- Regular training for employees and leaders on the use of these channels and their labour rights.
- Oversight of regulatory compliance, ensuring that all workers have unrestricted access to these processes.

d) Follow-up and monitoring of the issues raised

To ensure the effectiveness of these mechanisms, Cox implements a monitoring and control system based on:

- Recording and analysis of incidents, evaluating recurring patterns to improve internal processes.
- Assessment of the impact of corrective measures, ensuring that the solutions implemented are effective and lasting.
- Involvement of stakeholders, such as trade unions and works councils in countries where legislation allows, to validate the effectiveness of processes.

With this approach, Cox reinforces its commitment to responsible talent management, ensuring a safe, transparent, and constantly improving working environment.

To ensure that all own staff are aware of and trust the communication and reporting mechanisms available to raise concerns or needs without fear of retaliation, the company has established assessment processes to measure the effectiveness and accessibility of these channels, ensuring a safe and transparent working environment.

To verify that employees are familiar with and trust these mechanisms, Cox implements:

- Work climate surveys (every two years), where employees' perceptions of the accessibility and effectiveness of whistleblowing channels are collected.

- Monitoring the use of the Whistleblowing Channel, analysing usage patterns to assess its effectiveness and accessibility.
- Awareness-raising and training campaigns, actively disseminating the existence of the Whistleblowing Channel and other means of internal communication.

Cox protects whistleblowers through an anonymous Whistleblower Channel, which complies with standard whistleblowing policies and guarantees full whistleblower confidentiality. In addition, the company has established:

- Express prohibition of retaliation in the Code of Conduct and Compliance policy.
- Monitoring and control mechanisms, ensuring that complaints are handled objectively and without negative consequences for the complainant.
- Enhanced protection for workers' representatives and any employee who uses the communication channels to raise concerns.

This commitment reinforces employees' confidence that they can freely express their concerns, ensuring ethical and transparent management of work-related issues.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Cox takes a holistic approach to managing the material impacts, risks and opportunities related to its own workforce, ensuring a safe, equitable and sustainable working environment. This approach will be aligned with the objectives currently under review in the draft Strategic Sustainability Plan which will include specific measures to strengthen talent management, employment equity and team wellbeing.

The main measures currently taken to manage the impacts, risks and opportunities related to own staff are as follows:

a) Prevention and mitigation of negative impacts:

- Regular assessments of working conditions, well-being, and psychosocial risks.
- Training programmes on safety, occupational health, and diversity.
- Equal opportunities and reconciliation policies to avoid bias and structural barriers.

b) Remedial actions for actual impacts:

- Anonymous and secure whistleblowing channel, with processes for investigation and corrective action.
- Protocols for mediation and resolution of labour disputes.
- Specific actions to improve job satisfaction after detecting incidents in climate surveys.

c) Initiatives to generate positive impacts:

- Professional development and internal promotion programmes.
- Flexibilisation of measures for reconciling work and personal life.
- Incentives and performance recognition to strengthen employee engagement.

d) Monitoring and evaluation of effectiveness:

- Biannual work climate surveys.
- Internal salary audits and measurement of turnover, absenteeism, and accident rate indicators.
- Evaluation of the impact of measures implemented through key performance indicators

In addition to preventing and mitigating negative impacts, Cox identifies material risks and opportunities to enhance employee well-being and development. It seeks to generate positive impacts on talent retention, organisational commitment, and productivity.

For labour impact management, Cox implements a holistic approach, ensuring that all situations are addressed quickly, efficiently, and sustainably. To this end, it has:

- Clear action protocols, which establish structured procedures for the identification, reporting and resolution of incidents.

- Specialised teams, including Human Resources, Compliance and Health and Safety, oversee and manage these processes.
- Investment in training and well-being at work, promoting prevention and providing tools for continuous improvement of the working environment.
- Digital management platforms, which allow the registration, monitoring and analysis of incidents, ensuring traceability and effective response.

Management of material impacts

When material impacts are identified, Cox implements specific corrective actions to ensure a safe and equitable work environment. For example, in response to incidents related to the working environment identified in internal surveys, improvement plans focused on internal communication and professional development have been implemented.

Similarly, if problems of harassment or discrimination are identified through the Whistleblowing Channel or the Human Resources and Compliance teams, investigation and sanction protocols are activated to ensure an effective and fair response.

To assess the effectiveness of these corrective measures, Cox continuously monitors them through internal audits, meetings with the teams concerned, and the analysis of staff satisfaction and turnover indicators, which allows us to verify that the actions taken have been effective and, if necessary, to implement additional adjustments.

Appropriate measures to address labour impacts are identified through a structured approach that includes:

a. Analysis of internal data from audits, surveys and incident reports.

b. Consultation with employees and trade union representatives, where permitted by law.

c. Supervision and review of corporate policies, ensuring alignment with industry standards and best practices.

The company works to ensure that its business practices do not cause or contribute to material negative impacts on its own people:

a. Labour rights impact assessments, ensuring that selection and talent management processes are fair and equitable.

b. Information Security Policy, ensuring ethical and secure use of employees' personal data.

Where tensions arise between incident mitigation and other commercial pressures, Cox prioritises respect for labour rights and sustainability as fundamental principles of its business model.

Cox measures the effectiveness of its policies through specific targets, aligned with corporate strategy and sustainability standards:

a. Measurable goals, such as reducing unwanted turnover and improving job satisfaction.

b. Performance indicators that assess the impact of actions on safety, health and equity at work.

c. Continuous improvement plans, periodically reviewing progress and adjusting strategies where necessary.

In addition, specific resources are earmarked for the management of labour impacts, ensuring an effective and sustainable response:

a. Financial resources, earmarked for training, employee welfare and improvement of working conditions.

b. Specialised teams, including Human Resources, Compliance and Health and Safety.

c. Management systems and technology, such as internal platforms for incident reporting and analysis.

Management of material risks and opportunities

Cox identifies and manages material risks arising from work-related incidents on its own staff through regular work climate assessments, turnover rate analyses and workload reviews. To mitigate these risks, measures such as adjustments in the distribution of tasks, reinforcement of emotional well-being programmes and strengthening of internal communication have been implemented. These actions are monitored through absenteeism indicators, employee satisfaction indexes, and the follow-up of complaints by Compliance.

In terms of opportunities for improvement, initiatives such as upskilling and reskilling programmes, boosting internal promotion and greater flexibility in work organisation have been identified. To take advantage of them, Cox has structured technical and leadership training plans, internal mentoring programmes and the consolidation of hybrid work schemes, ensuring a dynamic environment that fosters professional growth and employee engagement.

S1-5 Targets related to the management of material incidents, risks and opportunities

The Strategic Sustainability Plan will set strategic goals to effectively manage the impacts, risks and opportunities related to its own staff. These targets will be aligned with the corporate strategy and subject to continuous monitoring through key performance indicators (KPIs).

The current draft of the Strategic Plan has the following objectives:

- Reduce the voluntary turnover rate by implementing talent retention and loyalty strategies. On a quarterly basis, the figure is taken to ensure that Cox remains below market (<10%). There is no time limitation, it is done on a continuous basis.
- Improve job satisfaction through initiatives focused on well-being, work-life balance and professional development. Targets are set on a biannual basis.
- Strengthen the health and safety culture, reflected in compliance with the FRSL objective included in the company's variable. The achievement of the target is monitored on an annual basis.
- Increase employee participation in internal programmes, promoting engagement and collaboration. This is another action that is sustained over time and carried out on an ongoing basis.

Goals are monitored through work climate surveys, internal audits and performance reports, allowing for continuous adjustments and improvements. Climate is measured biannually, audits are annual and performance is measured annually.

Currently, Cox has a **structured process** to define, monitor, and improve targets for its own employees, **ensuring transparency and active participation from said employees and their representatives in each stage of the process.**

a) Setting targets

The strategic targets are defined in coordination with the Human Resources, Health and Safety, and General Management departments, integrating the views of workers' representatives through:

iisc Roundtables with the company's committees and trade unions, in which needs are identified and specific actions are proposed.

iiisc Internal inquiries in which employees can express their priorities and expectations with regards to development and working conditions.

iiiisc A review of labour market trends and a benchmark analysis with companies in the sector to ensure that the targets are competitive and aligned with the environment.

b) Results monitoring

To ensure the effectiveness of the targets set, Cox continuously monitors the main talent management indicators:

iisc A periodic analysis of key indicators is carried out, including turnover, job satisfactions, and participation in internal initiatives.

iiisc The results of the work environment survey are published on the business' intranet, allowing the entire organisation to access the data and reflect on possible improvements.

iiiisc The finding of the Health and Safety audit are shared with key partners, ensuring that the necessary corrective measures are implemented.

ivisc Follow-up meetings are held with the workers' representatives, in which progress is reviewed and adjustments in strategy execution are identified.

c) Identifying improvements and learning

The results analysis allows Cox to adapt and improve its strategies according to the areas of opportunity identified. To do so:

iisc Feedback mechanisms (listening forums, surveys and emails) are implemented for employees to propose improvements in talent management.

iiisc Evaluation sessions are held with the workers' representatives, in which the adopted measures are analysed and necessary adjustments are identified.

iiiisc The lessons learnt are integrated into new policies and programmes, reinforcing Cox's commitment to continuous improvement and building an optimal working environment.

This approach ensures that Cox's talent management is based on solid data, with a continuous improvement process that addresses both the needs of the business and the well-being of its workforce.

S1-6 Characteristics of salaried workers (employees)

By the end of 2024, Cox was made up of 5,711 salaried workers[9] across 19 countries, with 26% of those people located in Spain and 74% abroad, as indicated in the following map:

No. of employees by gender and country

United Kingdom
0
2
France
6
63
Mexico
12
16
Lithuania
1
3
Spain
380
1,074
Algeria
9
108
Panama
0
5
Morocco
13
128
India
1
5
Colombia
4
7
Saudi Arabia
2
41
Oman
0
3
Brazil
178
1,382
Ghana
2
43
Chile
114
1,793
Argentina
12
87
UAE
7
47
South Africa
37
126
778
4,933

**The information reported corresponds to the total No. of salaried workers at the end of the relevant financial year (31st December)*

[9] Note 30.1 of the consolidated annual financial statements for the 2024 fiscal year

No. of salaried workers by country[10]:

Country	Total number of salaried workers
Algeria	117
Argentina	99
Brazil	1,560
Chile	1,907
United Arab Emirates	54
Spain	1,454
France	69
Morocco	141
South Africa	163
Others*	147
Total	**5,711**

*The 'Others' category includes countries with less than 50 employees and which represent less than 10% of the total number of salaried workers (Saudi Arabia, Columbia, Ghana, India, Lithuania, Mexico, Oman, Panama, and the United Kingdom).

No. of salaried workers by sex:

Gender	Total number of salaried workers 2024
Men	4,933
Woman	778
Other	-
Unknown	-
Total	**5,711**

Cox aims to establish itself as a global leader in the sectors in which it operates, promoting employment in the local communities. It is doing so via the execution of various projects and activities, developing and implementing technological and innovative solutions in the fields of Water, Energy, and Infrastructures, always acting with social responsibility towards said communities.

By the end of the financial year, 64% of salaried workers had a permanent contract. Within the company, 36% of salaried workers have a temporary contract due to the business characteristics and operational needs.

[10] The countries with less than 50 employees and that represent less than 10% of total salaried workers are: Saudi Arabia, Columbia, Ghana, India, Lithuania, Mexico, Oman, Panama, and the United Kingdom.

No. of salaried workers by contract type and working day, and by sex:

	2024			
	Men	Woman	Other	Unknown
Number of salaried workers	4,933	778	-	-
Number of permanent salaried workers	3,032	650	-	-
Number of temporary salaried workers	1,901	128	-	-
Number of salaried workers with variable hour contracts	0	0	-	-
Number of full-time salaried workers	4,929	774	-	-
Number of part-time salaried workers	4	4	-	-

Total No. of terminations and turnover rate:

Gender	Average annual workforce	Total no. of terminations	Turnover rate*
Woman	803	59	7.3%
Men	4,767	149	3.1%

*To calculate the turnover rate, the total number of employees who leave voluntarily or due to dismissal, retirement or death in service has been taken into account in the group's average annual workforce.

S1-7 Characteristics of non-salaried workers among the company's own personnel (non-employees)

At Cox, all employees involved in its operations are salaried employees who have direct contracts with the company. Therefore, the workforce does not include any non-salaried workers. This policy reinforces Cox's commitment to job stability and equal conditions for all its employees.

S1-8 Coverage of collective bargaining and social dialogue

In relation to the applicable collective bargaining agreements, it should be noted that, regarding the obligation to consult and participate, and apart from the formally-established quarterly Health and Safety meetings, there are periodic communications with these committees:

The European Economic Area (EEA), Cox does not have collective bargaining agreements that meet the relevant employment criteria set out in the indicator. Outside of the EEA, there are regional collective bargaining agreements, developed in accordance with the legislation in each country, ensuring fair working conditions that are aligned with responsible talent management principles across all territories in which the company operates.

100% of the company's workforce is covered by current labour legislation in the country in which they are working, ensuring compliance with the commitment to labour rights and fair labour relationships at all times, always adapting to regulatory framework of the region. However, there is a small percentage of countries in which the social dialogue mechanisms and collective bargaining agreements are not permitted by the country's legislation, as outlined in the following table:

Salaried worker coverage rate:

Coverage rate	Collective bargaining coverage		Social dialogue
	Salaried workers - EEA (countries with > 50 salaried workers represent > 10% of the total)	Salaried workers - Non-EEA (estimation for regions with > 50 salaried workers, which represent > 10% of the total)	Workplace representation (EEA only) (countries with > 50 salaried workers which represent > 10% of the total)
0-19 %	–	–	–
20-39 %	–	–	–
40-59 %	–	–	–
60-79 %	–	–	–
80-100 %	Spain*	Other non-EEA countries**	Spain

*Lithuania and France don't have a number of salaried workers that equates to greater than 10% of the group's total workforce.
**Outside of the EEA, there are regional collective bargaining agreements, developed in accordance with the legislation in each country, ensuring fair working conditions that are aligned with responsible talent management principles across all territories in which the company operates, except for Saudi Arabia, Oman, and the UAE, where collective bargaining agreements are not permitted.

S1-9 Diversity parameters

Gender distribution in Management:

Categories	Woman	Men	Total	% of workforce
Management 1*	1	11	12	0.2%
Management 2	2	21	23	0.4%
Management 3	27	76	103	1.8%

*Staff belonging to the group's Management Committee

Salaried-worker distribution by age:

Age	Men	Woman	Total
< 30	733	128	861
30-50	2,988	504	3,492
>50	1212	146	1,358
Total	**4,933**	**778**	**5,711**

S1-10 Adequate wages

Cox ensures that all its salaried workers receive an adequate wage, in accordance with the applicable benchmark rated in each country in which it operates. These rates include, among other things:

- Legal Minimum Salary, set by the regulations in each country.
- Collective Bargaining Agreements and Trade Union Agreements, applied in countries where sectoral agreements regulating workers' compensation exist.
- Market Salary Benchmark, based on studies by specialised consultancy firms to ensure competitive pay.

These criteria ensure that Cox's compensation system remains competitive, equitable, and aligned with employee expectation, while respecting current regulations in each jurisdiction.

S1-11 Social protection

Cox guarantees that all salaried employees are covered by social protection, whether through public programmes or benefits provided by the company, ensuring that they have cover against income loss in the following major life events:

- Illness
- Unemployment (starting when the employee joins the company)
- Workplace accidents or acquired disability
- Parental leave
- Retirement

This cover adjusts according to the current legislation in all countries in which Cox operates, complying with its commitment to labour rights and the economic security of its employees. In addition, in some locations, employees have additional cover through life and/or accident insurance.

S1-12 People with disabilities

The social inclusion of those with disabilities has always gone beyond a legal requirement. By the end of 2024, the number of salaried workers with a disability increased to 21 people (11 men and 10 women), which corresponds to 0.4% of total employees. It is important to bear in mind that Cox has more people with disabilities in its workforce, however, the gathering and processing of such information is not permitted in all jurisdictions in which the company operates.

S1-13 Parameters for training and skills development

In the 2024 financial year, Cox did not carry out a formal performance evaluation process. However, the company maintains its commitment to talent management and continuous improvement, ensuring the professional development of its employees through initiatives such as monitoring objectives, training plans, and internal development programmes. In order to further strengthen these processes, Cox will recommence performance evaluations in 2025, ensuring that this mechanism optimally reflects the performance and contribution of its team to the company's strategic objectives.

In terms of training during 2024, each employee received an average of 60.60 hours of training.[11] The gender breakdown is given below:

Average no. of training hours by gender:

Average no. of training hours*	
Gender	**Total**
Men	60.47
Woman	61.43
General total	**60.60**

*The average number of training hours per employee has been calculated according to the percentage distribution of staff by gender according to the total number of training hours provided in the group.

[11] Women received a total of 47,795.94 hours of training and men received 298,292.56 hours, amounting to a total of 346,088.5.

S1-14 Health and safety parameters

Cox believes that its most important asset is its people, therefore, the commitment to health and safety of all company employees or those that collaborate with it is of the utmost importance.

Irrespective of the country, type of project/plant, or client, the **company's firm commitment to prevention** is evident wherever it operates, and working safely is strongly embedded at all levels of the organisation. This can be considered as the company's hallmark, based on the strength of the Occupational Health and Safety management system.

As proof of the strong commitment and clear vision regarding prevention, the company has been awarded the ISO 45001 seal, granted by Aenor after successfully passing the audit for management and occupational health and safety system certification, which covers 100% of employees.

Given the nature of the work performed and the business' inherent risks, the main issue to address in this sector is the occurrence of particularly serious accidents (fatal and severe). Therefore, the company continues to work towards the goal of 'zero accidents' and in 2024, this target was achieved.

Accident figures:

Accident figures*:

No. of fatalities	Accident rate	Number of accidents with and without sick leave	Number of fatal accidents	Occupational health issues	Missed working days (days)
0	6%	99	0	0	1,566

*Includes data on salaried workers and value chain employees
**Accident rate: Total number of accidents (without sick leave + with sick leave)/hours worked × 1,000,000

In addition, Cox has value chain employees that work directly at company sites. In the 2024 financial year, there were no employee deaths as a result of occupational injuries and health conditions.

S1-15 Parameters for work/life balance

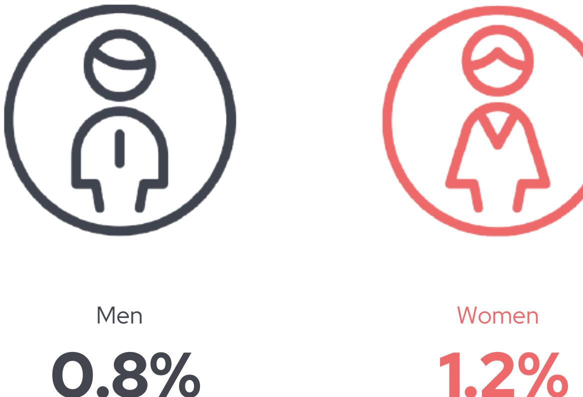
Cox recognises the importance of work/family balance, offering its employees the opportunity to take family leave in accordance with current regulations in each country in which it operates.

a) Percentage of salaried workers with the right to family leave:

100% of Cox's workforce is entitled to take family leave, ensuring equality and respect for the personal and professional lives of its employees.

b) Percentage of salaried employees that have made use of this right:

During the last period, 0.8% of employees made use of family leave, with the following distribution by gender:



Men
0.8%

Women
1.2%

Cox maintains its commitment to continue promoting measures that work in favour of balance, reinforcing the balance between the professional and private spheres.

This information covers the total number of staff but is only based on data from Spain.

S1-16 Parameters for compensation (pay gap and total compensation)

Taking into account the total number of men and women in Cox's workforce, the average salary of women is 23%[12] higher than that of men, primarily because the operative segment, which accounts for approximately 67% of the group's workforce, is predominantly male.
The ratio of the percentage increase in the annual total compensation of the organisation's highest paid person to the median percentage increase in the annual total compensation of all employees is 53.94.

S1-17 Incidents, claims and serious impacts related to human rights

Cox promotes a workplace environment based on respect, diversity, and equal opportunities, ensuring that all company employees work in a discrimination and harassment-free environment. In line with this commitment, the company has a Harassment protocol, as well as diversity and equality policies, ensuring all employees are protected against all forms of discrimination.

No incidents of discrimination based on gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation or any other forms of discrimination were logged during the reporting period. In addition, there have been no reported cases of harassment as a specific form of discrimination in any of the company's operations.

Cox continues reinforcing its commitment to equality, providing its employees with the appropriate channels to report any incident of this nature, ensuring confidentiality and protection against retaliation.

Cox did not receive any complaints related to discrimination or harassment during the reporting period, through their internal channels or through external bodies. In Detail:

a) Total number of discrimination and harassment cases reported: 0 cases reported.

b) Number of complaints submitted through internal reporting channels: No complaints of this nature were received.

c) Total amount of fines, penalties or indemnities: There were no economic penalties related to cases of discrimination or harassment.

d) Contextual information on data collection: Cos has an anonymous complaints channel which adheres to standard whistleblowing policies, ensuring the confidentiality and protection of complainants. In addition, these mechanisms are periodically reviewed to ensure their efficacy.

These results reflect Cox's firm commitment to respecting and protecting human rights across all operations, as well as the effectiveness of its prevention policies and actions in this area.

During the reporting period, Cox did not identify cases of forced labour, human trafficking, child labour or other serious human rights incidents in its operations.

3.2 Employees in the value chain

SBM-2 Interests and opinions of stakeholders (indirect workers)

The company recognises that its value chain workers are key stakeholders, directly impacted by its operations. Therefore, it integrates their expectations, interests and rights into its strategy and business model, ensuring respect for their human and labour rights.

[12] The salary gap was calculated as Average Remuneration Women - Average Remuneration Men / Average Remuneration Men, expressed in percentage terms

To guarantee that these aspects are duly considered, the company has established a series of communication channels and dialogue mechanisms that allow their opinion to be heard and incorporated into corporate decision-making. Open and continuous dialogue with these stakeholders is used as a tool to identify risks and opportunities related to sustainability, directly impacting the way in which the company defines and implements business policies.

Cox's business model is inclusive and respects workers' rights, aligning itself with the principles of sustainability and social responsibility. Through various channels, such as the corporate intranet, surveys, departmental events and suggestion boxes, key information is gathered on working conditions, health and safety, wellbeing, and responsible supply chain management.

The company has a series of communication, dialogue, and consultation channels adapted for diverse businesses.

The main channels enabled are as follows:

a. **Corporate website and intranet (Connect@):** transparent access to all relevant information about the company and its policies, including that related to workers' rights and protecting human rights in the value chain.
b. **Media agencies**
c. **Annual reports, quarterly reports, and corporate blog:** publication of information on sustainability related to company activities and key results.
d. **Corporate mailboxes:** sustainability, communication, and corporate purchases.
e. **Internal/external complaints channel:** confidential complaints channels that allow anyone within or outside of the organisation to report any irregularity related to the violation of workers' or human rights.
f. **The Human Resources Department, departmental events, the suggestion box, Health and Safety Committees:** channels designed to address wellbeing at work, workers' rights, and working conditions, prevention of occupational hazards and the promotion of health and safety in the workplace.
g. **Forums, conferences, meetings on sustainability/volunteering/social action/social innovation**
h. **Client and supplier surveys:** conducting surveys to assess suppliers' commitment and looking to identify any potential risk in the supply chain.
i. **Meetings with educational institutions, participation in seminars and the academic community**
j. **Sales offices/managers**
k. **Social networks (LinkedIn, Twitter, Facebook, Instagram and YouTube)**

In the 2024 financial year, the first double materiality assessment was carried out, integrating the opinions of stakeholders through direct external consultations. This double materiality analysis allowed the most relevant issues for value chain workers to be identified, which will enable the company to identify priority actions to adopt corresponding measures, as well as integrate the results in the strategy and business model.

SBM-3 Material impacts, risks, and opportunities and their interaction with the strategy and the business model

The double materiality analysis identifies potential negative impacts and risks related to non-compliance with human rights, in particular with regards to the working conditions of value chain workers. These issues affect the entire value chain, from suppliers to end consumers, which requires global structural solutions and compliance policies.

Regarding the reporting period discussed in this report, there were no risks related to forced labour, child labour, or any other human rights violation in specific operations, or material impacts related to specific groups of workers in the value chain. As mentioned previously, Cox operates in a global environment with a strong culture of regulatory compliance and business ethics, ensuring that its activities and those of its strategic suppliers do not present a significant risk of forced, compulsory or child labour. The company's operations are undertaken in countries with robust regulatory frameworks that ensure respect for workers' rights, and Cox carries out auditing and due diligence procedures to prevent any incidents, periodically assessing its supply chain and demanding ethical standards aligned with the ILO principles and the United Nations Global Compact.

Cox made strategic adjustments to the business model, in line with the supply chain occupational risk and impact assessment. In recent years, policies and processes for the approval and supervision of key suppliers have been strengthened, increasing the ESG criteria required and adapting subcontracting agreements to ensure greater transparency and control over labour conditions.

Risk management is addressed through the Sustainability Code for suppliers and subcontractors, which establishes clear ethical, environmental, and social guidelines. This approach enables risks to be mitigated and strengthens responsible management throughout the value chain.

The company ensures that its subcontractors are certified and comply with the safety, quality, and sustainability requirements. Supplier-related risks are assessed on an annual basis, taking into account factors such as:

- Country of operation.
- Nature of supply and activity performed.
- Amount of supply and associated reputational risks.

Potential risks	Responsible management systems for suppliers and subcontractors are established to mitigate potential supply chain risks, improving processes and working conditions, creating business opportunities and improving relationships with external parties. Failure to implement said systems may result in legal, operational, geopolitical, market and reputational risks.
Potential impact	› Falling returns. › Deterioration of customer relations. › Delays in execution deadlines and potential penalties. › Operational costs resulting from inefficiencies. › Responsibility to customer for works undertaken. › Demands and claims.
Detection, prevention, management, and mitigation measures	It is essential to ensure that suppliers comply with their commitments by disclosing ESG criteria to third parties. To do so, Cox has measures, including: › Potential supplier feasibility studies, including technical capabilities, financial statement analysis and reputational analysis. › Establishing clauses in subcontracting agreements that enable risk transference. › The inclusion of damage to suppliers' facilities in loss of profit insurance.
Indicators	Of the 2543 suppliers certified in 2024, 98.15% of suppliers adhered to Cox's Sustainability Code. The remaining suppliers have received express approval from the sustainability department for exemption from signing and subsequent approval, providing their own sustainability codes.
Applicable policies	› Quality, Environmental, and Energy Efficiency Policy › Occupational Health and Safety Policy › Sustainability Code and Policy

The company is working to integrate the results of the double materiality analysis into its strategic planning. It will set specific targets to reduce value chain risk and will strengthen monitoring and control processes. This approach will improve alignment between corporate strategies and working conditions in the supply chain.

To assess risk-country, the company uses international indices that analyse human rights, labour practices, corruption, political and civil rights, and environmental and regulatory risks. This enable operational and reputational risks to be identified, prevented, and mitigated, in addition to promoting opportunities for collaboration with suppliers.

Human rights and labour practices	Corruption	Political and civil rights	Political risks	Environmental risks
› Human rights. › Child labour. › Discrimination › Freedom of association. › Labour vulnerability.	› Corruption perceptions index. › Bribe payers Index	› Degree of freedom in political and civil rights. › Observations	› Exchange rate risk. › Government non-payment. › Political interference. › Supply chain disruption. › Regulatory and legal risks. › Political violence. › Business risk. › Banking vulnerability.	› Energy-related CO_2 emissions index. › Access to running water. › Air pollution concentration.

According to the supplier's level of risk and criticality, Cox performs an assessment on the level of compliance with the Sustainability Code, using:

- Self-assessment questionnaires
- Remote or on-site audits.

This process ensures that all supply chain actors comply with the standards required by the company.

The company has identified the following types of value chain workers that could be significantly affected by its activity:

- Project-specific personnel
- Service providers

These employees do not form part of Cox's workforce, as they are contracted by the supplier or the subcontractor.

S2-1 Policies related to workers in the value chain

Cox, aware of the magnitude of its supplier network and growing presence in emerging countries, reinforces its responsibility to the supply chain. The company promotes fair working conditions, non-discrimination, and occupational risk prevention through policies that protect the dignity of people, and fosters responsible relationships with suppliers and other value chain actors.

Compliance with ethical, occupational, environmental, and health and safety standards is a priority. Therefore, Cox promotes a culture of responsibility throughout the value chain, ensuring that its principles and commitments have a positive and sustainable impact.

To ensure compliance with the highest ethical standards in its operations and supply chain, Cox has a set of policies that reinforce its commitment.

- **Legal compliance programme:** based on Cox's Penal Prevention Compliance Policy (PPP), it establishes guidelines to mitigate legal risks and strengthen regulatory compliance.
- **Declaration against slavery and human trafficking:** Cox recognises that it has a responsibility to adopt a robust approach to slavery and human trafficking. It has a zero-tolerance policy towards non-compliance on this issue across all its activities and its supply chain. This position is clearly established in internal company policies. The company is committed to complying with its obligations under the Modern Slavery Act and to continuing to improve transparency in order to protect vulnerable employees against modern slavery and avoid potential human rights violations.
- **Diversity and Equality Policy:** established as an example of the company's commitment to diversity, which comes from prioritising people and the certainty that, simply because they are people, they deserve the utmost consideration and dignity, regardless of their race, gender and religion, creed, nationality, cultural background, age, sexual orientation and/or different physical or mental abilities.
- **Sustainability Policy:** establishes the main social, financial and environmental guidelines to be followed by the entire organisation, ensuring that sustainability is integrated into all business activities, acting as a lever to ensure the achievement of its business objectives. With this policy, the company guarantees the sustainability is fully integrated across the organisation and that monitoring mechanisms are in place to enable the company to detect non-compliant behaviour.
- **Code of Conduct:** The professional Code of Conduct that establishes the ethical behavioural guidelines that should govern Cox's activity and the prohibitions based on the values that define the organisation's corporate philosophy. In addition, it defines the employment relationship of its employees, executives, and directors, as well as the relationships with stakeholders.
- **Corporate Social Responsibility Policy (CSR):** in accordance with the social responsibility commitments acquired after joining the United Nations Global Compact, and according to that established in its Code of Conduct, Cox applies its own CSR policy to ensure respect for workers' rights throughout its value chain.
- **Health and Safety Policy:** the company has effective Occupational Risk Prevention management systems in place, which are audited regularly by certified bodies to ensure that they have been implemented correctly, in accordance with the relevant regulations.

In addition, and as mentioned previously, Cox requires all its suppliers and subcontractors to adhere to the Sustainability Code, ensuring its application throughout the value chain. This code is based on renowned international frameworks, such as:

- United Nations Global Compact.
- Universal Declaration of Human Rights.

- International Labour Organisation (ILO) Guidelines
- Rio Declaration on the Environment.
- United Nations Convention against Corruption.

The objective of the Sustainability Code is to improve working conditions and quality of life in the supply chain, contributing to sustainable development and the fulfilment of the Sustainable Development Goals (SDGs).

In addition, the code signature is recorded in the centralised supplier matrix, aligned with the organisational structure of the company. This optimises management, avoids duplication and facilitates coordination with partners and collaborators.

Cox takes a proactive role in preventing and remedying potential human rights impacts that may occur in its operations and value chain.

The company has a number of policies and procedures in place to prevent or respond to such impacts. Starting with corrective actions ranging from the suspension of contractual relations with suppliers to the implementation of measures to restore the violated rights of affected persons, and continuing with remedial mechanisms such as whistleblowing channels and grievance mechanisms.

As mentioned above, this confidential whistleblowing channel allows employees, suppliers and other stakeholders to report conduct that violates human rights. Complaints are assessed by the Compliance team, which ensures an independent investigation and the implementation of necessary remedial measures.

If any human rights violations are detected, the company tries to restore individuals to their original situation or compensate for the harm caused.

In addition to preventive audits, the company adopts a related policy of conducting specific assessments when risks of human rights impacts are identified.

These audits allow gaps in the supply chain to be identified and immediate corrective actions to be taken.

In serious cases, the company may proceed with the termination of the supplier involved. In addition, Cox establishes mechanisms for direct dialogue with groups affected by its operations or those of its suppliers.

The aim of these mechanisms is not only to identify needs for redress, but also to involve stakeholders in the decision-making process to ensure that the measures taken are appropriate and effective. As part of the continuous improvement process, Cox carries out training and awareness-raising programmes on human rights for all levels of the organisation and its value chain, with which the company seeks to prevent the occurrence of these impacts.

S2-2 Processes for collaborating with workers in the value chain on incidents

Cox recognises the importance of considering the perspectives of workers in its value chain when making decisions, especially with regard to human rights compliance and improving working conditions. The company does not have a formalised mechanism for the direct participation of value chain workers in decision-making. However, in upcoming periods a formal mechanism will be established to assess workers' conditions and ensure compliance with international standards.

This indirect stakeholder involvement focuses on Cox's annual risk assessment and audit phases:

- The company conducts an annual risk analysis on 100 % of significant suppliers.
- Inspections targeted on 15 % of those considered critical.
- Self-assessment questionnaires and audits (remote or face-to-face) to verify compliance with the Sustainability Code for Suppliers and Subcontractors.

S2-3 Processes to remediate negative incidents and channels for value chain workers to voice their concerns

Cox has a Whistleblower Channel as a reliable and secure communication mechanism, through which any stakeholder can confidentially and anonymously report any irregular conduct detected in the course of their professional activity. This channel is aligned with the requirements of the Sarbanes-Oxley Act, enabling the identification, prevention and mitigation of potential negative impacts on the organisation and its value chain.

Through the Whistleblower Protection policy Cox guarantees the protection of whistleblowers against any kind of retaliation, ensuring that communications are handled with total confidentiality and in compliance with current regulations. Specific measures are put in place to ensure that whistleblowers do not suffer adverse consequences in their working environment.

The whistleblowing channel makes it possible to detect and address potential negative impacts in the value chain, such as inadequate working conditions or human rights violations. For this purpose, the following procedures are applied:

- Reception and classification of complaints according to their severity and impact.
- Internal investigation by the Regulatory Compliance team, in coordination with other relevant departments.
- Corrective actions in case of confirmed non-compliances, with follow-up of their implementation.
- Notification of results to the parties involved, ensuring the transparency of the process.

In addition, the company maintains a strong commitment to occupational health and safety, for both its employees and workers in its value chain, by implementing initiatives to ensure safe working environments and appropriate working conditions:

- Regular medical check-ups and follow-up plans for the early detection of occupational risks, with special attention to groups exposed to conditions of greater vulnerability.
- Prevention Services: Depending on the work centre, Cox has an External Prevention Service (SPA) or its own Prevention Service (SPP), in charge of assessing and mitigating risks in terms of safety, hygiene and ergonomics at work.
- Liability insurance, which guarantees the protection of both employees and third parties involved in its operations.
- Safety Committees, responsible for the evaluation and continuous improvement of working conditions, identifying and mitigating risks in all operational areas.
- Best Practice Committees, spaces for dialogue and follow-up where relevant cases, lessons learned and opportunities for improvement in ethics, compliance and sustainability are reviewed.

All these initiatives are aligned with Human Resources policies, and are integrated into strategies for well-being at work, risk prevention and continuous training for staff.

As mentioned in previous sections, the company has a secure whistle-blowing channel through which the different stakeholders can anonymously and confidentially report any irregular conduct they have detected in the course of their professional activity. The whistleblowing channel is aligned with the requirements of the Sarbanes-Oxley Act, allowing potential negative impacts on the organisation and its value chain to be identified and mitigated. To avoid impacts such as inadequate working conditions or human rights violations, a series of procedures are applied, ranging from the reception and classification of complaints according to seriousness; internal investigation by the Regulatory Compliance team, in coordination with other relevant areas; taking corrective measures in case of confirmed non-compliance with follow-up of their implementation; and communication of results to the parties involved.

In addition, to ensure the protection of whistleblowers from retaliation, Cox has a Whistleblower Protection policy that guarantees the confidentiality of communications and compliance with current regulations. Specific measures are put in place to ensure that whistleblowers do not suffer adverse consequences in their working environment.

As mentioned elsewhere, Cox requires its suppliers and subcontractors to adhere to the Sustainability Code. It includes the obligation to respect human and labour rights, as well as the existence of internal whistleblowing mechanisms. While Cox does not establish specific whistleblowing channels for each supplier, it does encourage suppliers to adopt similar channels for their own employees, and to be aligned with international standards such as the ILO and the UN Global Compact. The absence of such mechanisms in suppliers may result in the review or cancellation of contracts.

The effectiveness of the Cox whistleblowing channel is ensured through regular audits, which review the functioning of the channel and certify that complaints are being handled appropriately. The independence of the Regulatory compliance team is also conducive to the effectiveness of the channel as it ensures an objective assessment without conflict of interest. The monitoring of corrective measures ensures their effective implementation and serves as a remedy for any impacts detected. Finally, assessing the protection and confidentiality of whistleblowers through policies that prevent retaliation helps to ensure the effectiveness of the channel.

Although Cox does not have a tool that directly measures the knowledge and trust placed in the channels by workers in the value chain, different actions are carried out to obtain an approximation thereof. In the self-assessment questionnaires sent to suppliers, questions on the implementation of internal whistleblowing channels and employees' awareness of them are included. Both in supplier audits and in the documentation shared with suppliers, the company ensures that workers are aware of the existence of the whistleblowing channel. Analysis of the volume and nature of complaints received serves to identify gaps in communication or confidence in the system. If a lack of reporting is identified in a particular sector or region, this can be interpreted as a lack of awareness or trust, which would trigger measures to strengthen communication.

S2-4 Taking action on material incidents, risks and opportunities related to workers in the value chain, and the effectiveness of such action

Cox is in the process of defining a management framework to address material impacts on workers in the value chain. This approach is based on the identification, assessment and mitigation of negative impacts (see section *3.2 Employees in the value chain – SBM-3*), mainly linked to the promotion of fair and safe working conditions.

Some examples of the measures currently being carried out in the company are as follows:

- **ESG requirements in the supplier approval process.** In addition to the requested ESG criteria, compliance risk and information security requirements have been expanded. Therefore, the requirements demanded of suppliers in the approval and evaluation processes are encompassed in the following blocks:

- **Adherence to and signing of the Sustainability Code for suppliers and subcontractors:** compliance with ethical, labour, environmental and health and safety standards with its suppliers is fundamental. Therefore, a culture of responsibility is promoted along all links of the value chain in order to multiply the positive impact of the organisation's positive attributes and principles. Compliance with this code aims to improve the quality of life and working conditions throughout the supply chain, contributing to a more sustainable world and helping to achieve the Development Goals Sustainable Development (SDG).
- **Supplier risk analysis:** the company conducts annual supplier risk analyses to assess the supply chain, monitoring suppliers' involvement and acceptance of corporate policies, determining the level of risk and establishing mitigation measures.
- **Supplier audits:** Once the risk level of suppliers has been analysed and their criticality has been assessed, suppliers are evaluated to determine the degree of compliance with the principles set out in the Sustainability Code. Cox has an evaluation and audit procedure that defines the aspects to be reviewed and establishes the scope of the work according to the supplier's degree of importance. The analyses can be carried out by means of self-assessment questionnaires or through audits (remote or on-site).
- **Due Diligence Policy:** By 2025 Cox will approve and implement a sustainability due diligence procedure as an instrument to protect and safeguard human rights and the environment. This due diligence process, which aims to protect, respect and remedy situations of risk due to business conduct regarding HR-MA, is based on the identification, prevention, mitigation, monitoring and remediation of possible adverse effects or violations on HR and the environment, and includes dialogue with stakeholders, especially those -potentially- affected.

To prevent and mitigate negative impacts on workers in the value chain, the company will implement a number of initiatives, including the following:

- Articulation of monitoring mechanisms to assess the application and effectiveness of established due diligence controls through the use of specific qualitative/quantitative indicators (KPIs). Depending on the evolution of these indicators, and to strengthen its control over priority risks, Cox will consider the implementation of specific monitoring measures).

- Execution of corrective action plans when needs for improvement or gaps in risk coverage are identified. Plans will be draw up in consultation with affected groups where appropriate and will include reasonable timeframes for action and qualitative and quantitative indicators to measure their effectiveness.
- Establishment of reliable, transparent, non-retaliatory, free and accessible complaint and dialogue mechanisms for stakeholders to communicate and resolve issues and incidents relating to potential or actual violations of their human rights and the environment occurring in the company's sphere of influence.

In the event of detected incidents, the company implements remedial mechanisms, such as dialogues with suppliers to correct bad practices, improvement plans and, when necessary, the suspension of commercial relations with those that fail to meet the established minimum standards. To ensure the effectiveness of these measures, the company continuously monitors supplier performance indicators, including ESG deviations in the procurement process, which are managed according to the company's non-conformity management procedures and using corporate tools (Cox AEM).

COX takes a precautionary approach to prevent its own practices from contributing to negative impacts in the value chain, through the responsible procurement system mentioned above that performs annual risk analyses in the supply chain and due diligence on new business relationships with the integration of ESG criteria in the new supplier certification.

The company dedicates specific resources to the implementation of these measures, such as the work carried out by the sustainability team in charge of conducting supplier risk analyses and value chain audits, or the procurement department in carrying out the evaluation and approval of suppliers with ESG criteria. Training programmes are also carried out for suppliers and workers to reinforce labour standards.

In line with its commitment to continuous improvement, the company regularly reviews its strategy to ensure the effectiveness of its initiatives and maximise the positive impact on workers in the value chain.

S2-5 Targets related to the management of material incidents, risks and opportunities

Cox is committed to setting clear, time-restricted and results-oriented goals that contribute to the continuous improvement of working conditions and the responsible management of material risks and opportunities in its value chain. These goals are developed in collaboration with its value chain employees and their representatives, ensuring an inclusive approach aligned with sustainability principles.

The strategic sustainability plan, currently under development, will include the following objectives:

- To drive the company's commitment and sustainable culture at all levels and processes of the supply chain, broadening the incorporation of ESG criteria in management and promoting compliance with sustainability codes and policies in the value chain.
- To plan and implement a training and awareness-raising programme on the importance of sustainability for stakeholders in the supply chain.
- To Conduct an annual risk analysis of significant suppliers.
- To conduct audits of suppliers identified as critical. The results are analysed to identify areas for improvement and develop strategies to strengthen Cox's ability to reduce risk, generate positive impacts and foster sustainability in its value chain.

4. Information on governance

4.1. - Business conduct

GOV-1 The role of the administrative, management and supervisory bodies

The administrative, management and supervisory bodies have solid experience in business conduct management, ensuring regulatory compliance and the application of ethical principles in all operations. Their work is based on good corporate governance practices, risk oversight and the promotion of a culture of integrity, transparency and sustainability. In addition, they have the support of external experts when they deem it necessary.

The Cox Board of Directors and the governing bodies of its subsidiaries are responsible for managing and representing their respective companies, ensuring regulatory compliance and fostering an ethical culture throughout the organisation.

The Board of Directors is the highest management body and is entrusted with a number of key functions:

1. **Regulatory Compliance:** it must implement organisational and management models that include surveillance and control measures to prevent crimes or reduce their risk.
2. **Criminal Compliance Policy:** approve the Criminal Compliance Policy in line with the company's objectives, identifying and minimising risks.
3. **Whistleblower Channel**: establish a system that guarantees the confidentiality of whistleblowers and avoids reprisals.
4. **Oversight and Strategy**: develop and manage the overall compliance strategies and approve the criminal prevention and compliance management system.
5. **Oversight of the Compliance Body**: monitor its functioning and assessment.
6. **Appointment of the CCO**: appoint or ratify the Chief Compliance Officer (CCO) in each company.
7. **Resources for Compliance:** allocate the material, financial and human resources necessary for the Compliance area.
8. **Autonomy of the CCO**: guarantee its independence in the performance of his or her duties.
9. **Review of the Criminal Compliance System:** periodically assess its effectiveness based on documented information.
10. **Compliance Culture**: maintain and reinforce the compliance culture throughout the organisation.
11. **Assessment of the CCO**: monitor the performance of the *Chief Compliance Officer* (CCO).

The Sustainability and Compliance Committee, a body delegated by the Board of Directors, oversees regulatory compliance and its effectiveness. It also receives information from the Compliance Officer and reports to the Board.

The organisation's management is responsible for ensuring that all internal standards are met in their respective departments. Through instruction, delegation and supervision, they ensure that all employees are adequately trained and apply the same ethical and compliance principles.

Annually, the senior management of each company reviews the criminal compliance system considering:

- Internal and external changes.
- Performance of the CCO.
- Improvement plans.
- Adequacy of policies and resources.

- Results of audits and complaints.

Cox maintains a strong **commitment** to a **culture of compliance** and **zero tolerance for wrongdoing**.

The Chief Compliance Officer (CCO) is an individual common to the group and its companies, responsible for ensuring regulatory compliance. The appointment of a person with strong regulatory, risk management and internal oversight expertise. They have functional independence and access to the information necessary to oversee the proper implementation of compliance policies. They report directly to the Board of Directors and the Sustainability and Compliance Committee.

In addition, Cox has a Best Practices Committee as an advisory body to oversee the Code of Conduct. It is chaired by the Head of Internal Audit and includes representatives from Legal, Human Resources and Compliance, among others. It may also invite experts as needed.

IRO-1 Description of the processes for identifying and assessing material impacts, risks and opportunities

Cox has developed a structured process to identify and assess the material impacts, risks and opportunities related to its business, considering factors such as the location of its operations, the sector in which it operates and the structure of its transactions. This analysis is carried out through internal and external information gathering, impact assessments, and prioritisation based on the likelihood and severity of identified risks. In addition, findings are integrated into the company's strategy through specific action plans and regular reviews to ensure that they are updated in line with changes in regulations and the business environment.

Within this process, several key impacts on the organisation have been identified. One of the main ones is the promotion of ethical behaviour both among employees and in the relationship with suppliers. The implementation of codes of conduct, ethics and compliance training programmes, and the provision of whistleblowing channels have proven to be effective tools for fostering a culture of transparency and accountability. Measures have also been taken to prevent and detect corruption and bribery through internal audits and specialised training, strengthening trust in Cox and its business relationships.

On the other hand, the analysis has also identified risks that could affect the organisation's performance. These include the risk of non-compliance with labour and human rights regulations, especially in the supply chain, where the lack of adequate controls could lead to regulatory sanctions and affect corporate reputation. Another relevant risk is non-compliance with ESG clauses by suppliers, which could have a negative impact on Cox's sustainability and the perception of stakeholders. To mitigate these risks, stricter audits and contractual reviews have been implemented, ensuring that business partners comply with established environmental, social and governance standards.

However, the analysis has also revealed strategic opportunities that can strengthen the company's market position. Improved communication on sustainability performance represents an opportunity to strengthen the relationship with investors and other key stakeholders, generating greater trust and transparency. Moreover, integrating sustainable practices into the value chain not only contributes to operational efficiency, but also allows the company to differentiate itself and improve its competitiveness in the industry.

Cox will work to incorporate all these aspects into the business strategy by updating internal policies, implementing measures to mitigate risks and take advantage of opportunities, and developing a continuous monitoring system of key indicators to assess the effectiveness of actions taken. These elements will be reviewed on a regular basis to adapt to a changing environment and to ensure compliance with its sustainability and governance commitments.

G1-1 Corporate culture and corporate culture and business conduct policies

Cox maintains a **'zero tolerance' policy** for unethical behaviour both within the company and in its value chain. Fundamental to this is **strict compliance with the Code of Conduct**, which must be known from the time access is gained to the company and is always available to company personnel through the intranet, with access to interested parties or stakeholders through the organisation's website.

This code sets out the standards of ethical and responsible behaviour that must be assumed in the course of business activities and in the management of the business, both by the management team and the entire workforce of Cox and its subsidiaries.

Through the performance, based on honesty, integrity, efficiency, transparency and professionalism (rigour, order and responsibility) of all members of the group (employees, managers and directors), this code is consolidated as a fundamental part of maintaining the company's good reputation and success, as well as reinforcing the company's values and principles of action. These standards are especially essential to overcome the financial restructuring actions in which the company has been involved, as well as to complete several of the necessary and complex related processes.

Cox constantly adapts its processes, strategy, organisational structure, internal policies, compliance programmes, etc. to respond to both emerging needs and risks, ensuring a continuous flow of information that it transmits both externally (stakeholders) and internally, reflecting its commitment to transparency, strict compliance with the law and respect for ethics.

The company is currently in the process of adopting and updating policies, best practices and the Common Management Systems acquired from Abengoa. One essential part of meeting this commitment is to have clear lines of action and/or defence for the control and management of risks that could arise, with a *top-down* approach.

The Cox Anti-Corruption Compliance System (ACCS) is primarily aimed at preventing, detecting and sanctioning any non-compliance with anti-corruption regulations, laws or principles. This system is aligned with international standards, such as the United Nations Convention against Corruption, the US *FCPA*, and the United Nations Convention against Corruption (UNCAC). The new legislation is based on the US Bribery Act and the UK Bribery Act 2010, adapted to the operational particularities of Cox and its markets. The company's compliance programme promotes the adoption of lawful conduct among employees and partners, and establishes a process for investigating possible violations.

The ACCS reflects the principles of integrity, legality and professional rigour, in line with the company's Code of Conduct and Common Management Systems. It also incorporates universally applicable policies for all employees, a methodology for identifying and analysing criminal risks, and a process for review and continuous improvement.

Key elements of the system include:

1 **Prevention:** tools such as the Risk Map, the Code of Conduct and training programmes aimed at fostering a culture of respect for legality.

2 **Oversight:** overseen by the Compliance Officer, it includes a confidential and anonymous whistleblowing channel for reporting misconduct.

3 **Discipline:** an internal sanctioning regime for employees and executives, ensuring the effectiveness of the system.

Cox uses an approach based on the identification of criminal risks specific to its activities, considering both the general risks of the sector and those inherent to its production model. This is reflected in the development of a risk map that assesses the likelihood and impact of potential crimes.

The Cox **whistleblowing channel** is the only officially recognised means of receiving, storing and processing complaints, guaranteeing their traceability, documentation and unalterability. This channel allows company employees to **confidentially and anonymously make reports in good faith about possible misconduct** by other employees. Furthermore, it is aligned with the *EU Whistle-blower Directive* (EU 2019/1937), ensuring the confidentiality of the whistle-blower and transparency in the procedure.

Complaints must be submitted in writing, preferably in Spanish or English, by e-mail (canal_denuncias@grupocox.com) or by sealed envelope addressed to the Corporate Compliance Officer (CCO), Mr. Miguel Ángel Jiménez-Velasco Mazarío, at the corresponding postal address. In addition, under the *Sarbanes-Oxley* Act, reports can also be made directly to any member of the company, especially to Internal Audit or Compliance, who ensure confidentiality and handle reports appropriately.

All communications received, both internal and external, are subject to a preliminary investigation by the Internal Audit and Compliance Department. This department objectively, rigorously and discreetly assesses whether the complaint is within the scope of the channel and, if so, gathers information from the necessary sources to determine the scope of the investigation. At the conclusion of the investigation, findings are reported to the Audit Committee, and a report is drawn up with recommendations to improve internal oversight if any shortcomings are identified. The process concludes with the final report and, where appropriate, the corresponding penalty.

Each complaint generates a confidential file, guaranteeing the possibility to submit information anonymously and protecting whistleblowers from retaliation. As part of a continuous improvement approach, the implementation of specific corporate tools to improve the management of complaints, the custody of information and the tracking of investigation times is being evaluated.

The Internal Audit Department and the Regulatory Compliance Department are autonomous and independent from the rest of the organisation and report directly to the Board of Directors, which gives them the necessary freedom to avoid conflicts of interest.

Cox communicates its commitment to compliance through a **multi-channel strategy** that includes:

- **Internal Circulars:** significant changes to company policies and procedures are sent to all employees in both English and Spanish.

- **Professional Code of Conduct:** mandatory for all employees, executives and directors, regardless of their position, location or group company. The Code emphasises the importance of adhering to international anti-corruption legislation, such as the FCPA, and requires the reporting of any known or suspected criminal activity related to Cox.

- **Training:** through the C@mpus Cox platform, a mandatory course on the Code of Conduct and compliance with anti-corruption legislation is offered. Completion of the course requires confirmation that the employee understands and acts in accordance with the Code.

The Compliance unit draws up an annual Training and Communication Plan in accordance with the most significant risks and the groups of employees who, due to their profile, must complete specific training with respect to these risks. The plan includes the Criminal Prevention policy and criminal risks, the Code of Conduct and the policy against Fraud and Corruption among others, the activities associated with each criminal risk and the circumstances in which criminal risks may arise in the performance of each job.

It also provides information on mechanisms for preventing these risks, the organisation's zero tolerance policy, the system of infringements and possible penalties, as well as the whistle-blowing channel.

The course is divided according to the profiles of people (according to their activity, circumstances, proximity to each criminal risk) so that they make up a homogeneous group, taking into account the same shared interests, especially with regard to sales staff and their direct managers.

Training tools or channels include corporate communications to employees, online training courses, and face-to-face meetings or specialised reports according to risk groups.

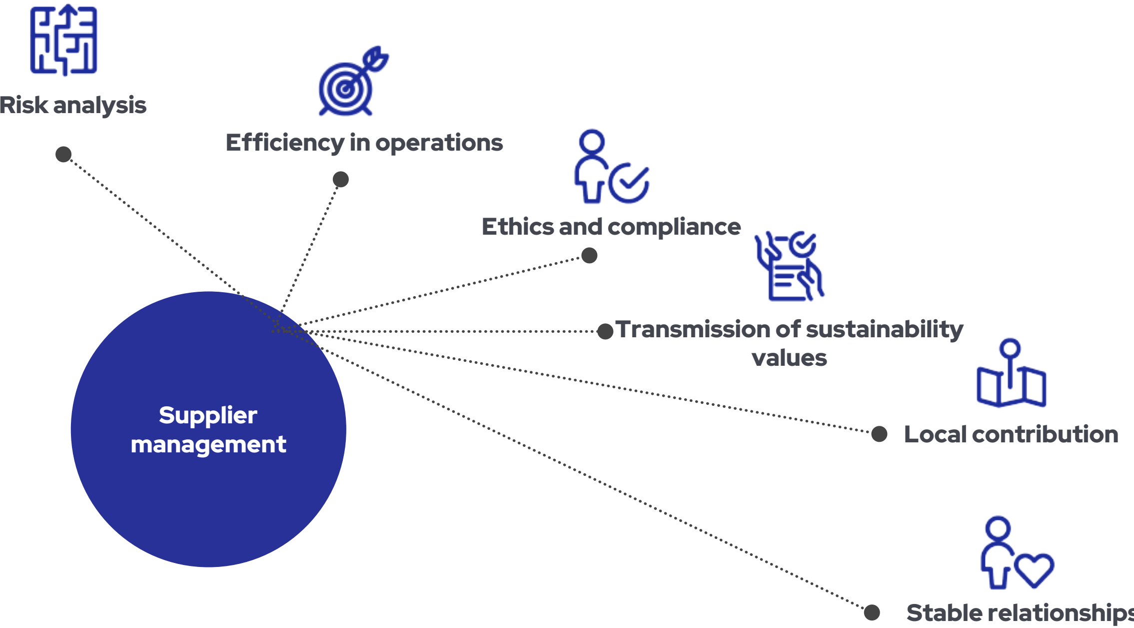
Cox implements **rigorous processes and checks**, backed by a strong **compliance culture**, and the leadership of the Board of Directors and senior management promotes **business ethics** that reject any unlawful conduct, especially those related to corruption and bribery, in line with the company's values and corporate culture.

Employees with access to resources or decision-making power, who may benefit from unlawful conduct, are most exposed to this risk. To prevent this, criteria for the separation of functions and a system of restricted and joint powers of attorney have been established. In addition, supporting documentation of expenditure and obtaining several comparable bids is required, ensuring transparency in contracting and procurement, backed by a formal, written chain of approval to avoid arbitrary decisions.

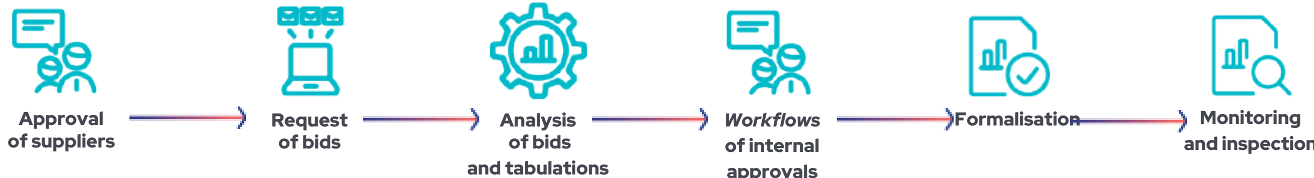
Cox has identified the positions with the highest risk of corruption or bribery, which are the following: the executive chairman, the CEO, those proxies with the power to dispose of cash, as well as members of the management committee. Insofar as the company has an internal and financial oversight system, any act of disposal, or promise of, present or future, direct or indirect, in cash or in kind, is strictly overseen. However, it will be the persons with legal capacity of disposal and/or with decision-making capacity in this respect who could involve company resources in prohibited acts, and it is on them that the oversight is focused. On the other hand, certain types of legal business are more susceptible to fraud, such as simulated contracts, generic or triangulated invoicing, third party involvement, etc. This type of legal business is also included in the system of oversight and authorisation of transactions. This covers the largest number of persons and acts that could be covered by fraud or corruption.

G1-2 Management of supplier relationships

Cox has a procurement management model designed to meet the needs of its customers, based on the optimisation of operating costs, risk mitigation and sustainability in the relationship with its suppliers. Whenever possible, priority is given to local procurement, promoting the development of the economies in the territories where it operates.



Cox's procurement policy is based on key principles such as transparency, regulatory compliance and the responsibility of the professionals who make up the group. To ensure an efficient process aligned with these values, detailed procedures have been defined that set out the responsibilities at each stage of the procurement management process.



The procurement function is organised by prioritising proximity to local suppliers, which maximises the **impact on regional economies**, leverages knowledge of the dynamics of the territory and **strengthens long-term commercial relationships.** In cases where technology or specialisation requires global suppliers, management is coordinated from headquarters.

Smooth and structured communication with suppliers not only minimises operational risks, but also lays the foundation for strong and sustainable business relationships. Cox sets out specific procurement terms and conditions, clearly outlining the responsibilities of each party.

To ensure compliance with the required standards, suppliers are regularly monitored, more frequently in critical cases. In addition, an open dialogue on potential risks is encouraged, making it possible to anticipate potential problems and work on joint solutions.

In 2024, given the circumstances that have affected the company, communication with suppliers has been intensified, ensuring their alignment with the new situation. The standardisation of processes within the supply chain is widely consolidated in most of the group's companies, and in those that do not yet have all the integrated systems, progress is being made in their implementation by means of corporate support tools.

Cox's suppliers must comply with specific requirements in the areas of quality, environment, energy management, health and safety, compliance, information security, sustainability and risk management. These criteria not only ensure regulatory compliance, but also promote a culture of responsibility throughout the value chain, amplifying the positive impact of the group's principles and values.

Suppliers are assessed both in the initial approval phase and throughout their performance, in accordance with the assessment procedures established by the group. Cox has corporate tools to record and analyse deviations in supplier performance, and in cases where the impact of these deviations is significant, the supplier may be blocked.

The supplier approval is valid for a maximum of three years, after which a re-approval process is required in accordance with current requirements.

The requirements demanded of suppliers in the approval and evaluation processes are encompassed in the following blocks:

Block	Requirements
Compliance with current law	› International norms/standards › Legislation specific to the country › *Compliance*
Civil Liability	› Civil liability insurance
Stability	› Financial › Reputational
Sustainability and ESG criteria	› Environmental performance, respect for human rights, ethics, SDGs, accidents, energy efficiency, etc. › Adherence to the Sustainability Code
Technological information	› Data governance and cybersecurity

5. Additional non-financial and diversity information (Law 11/2018)

5.1. Social and employee-related matters

5,711

Distribution of employees in 19 countries

8.3

Overall satisfaction

64%

Booking

contracts

2.91

IFCB-Accident rate

>100

Health and safety committees in 2024

+346,000

Hours of training

Cox aims to establish itself as a global leader in the sectors where it operates, promoting local employment in the communities where it has a presence It is doing so via the execution of various projects and activities, developing and implementing technological and innovative solutions in the fields of Water, Energy, and Infrastructures, always acting with social responsibility towards said communities.

As of the end of 2024, Cox had a total of 5,711 employees, distributed across 19 countries, with 26% of the workforce located in Spain and 74% abroad. Compared to the 2023 financial year, the workforce has decreased by approximately 9%.

Employees are divided into four professional categories: Management (with levels 1, 2, and 3), Supervisor Managers, Technicians, and Assistants. Additionally, there is a large group consisting of operators (due to the nature of the company's activities) and interns.

In the employee segment, excluding operators, the percentage of women is 29% of the total; however, if the entire workforce is considered, this is just 14% (in the operator category. Men account for 94% of this segment, predominantly consisting of on-site and direct execution staff for projects and industrial plants).

Total number of salaried workers by gender and professional category (2023 and 2024):

	2024		2023	
Categories	**Woman**	**Men**	**Woman**	**Men**
Management 1	1	11	14*	94*
Management 2	2	21		
Management 3	27	76		
Manager	64	303	73	306
Technician	285	677	254	600
Assistant	169	246	203	329
Employees	**548**	**1,334**	**544**	**1,329**
Operators	230	3,599	220	4,156
Total	**778**	**4,933**	**764**	**5,485**

*This information is not comparable with 2023, because the management segmentation was altered to align with the company's new structure.

On 31 December 2024, Cox had 3,682 employees with permanent contracts (64% of the workforce) and 2,029 with temporary contracts (36% of the workforce)

The percentage of permanent employees versus temporary employees increased to 86% when only considering the employee segment (excluding the operator category). This is due to the temporary nature of the operator segment, which is closely linked to project milestones and achievements, as well as the labour regulations in different countries, primarily Spain, where the ability to hire is limited or non-existent depending on the sector of activity.

The largest group among the global workforce is the 30-50 year age range for both men and women. Compared to 2023, the percentage of women has grown in all categories below 60 years of age.

Total number of salaried workers by gender and age range (2023 and 2024):

	2024		2023	
Age	**Men**	**Woman**	**Men**	**Woman**
20-29	733	128	981	137
30-50	2,988	504	3,267	503
51-60	903	128	947	107
>60	309	18	290	17
Total	**4,933**	**778**	**5,485**	**764**

Total number employees broken down[13] by gender and age range (2024):

Age	Gender	
	Men	Woman
20-29	160	77
30-50	835	379
51-60	251	82
>60	88	10
Total	**1,334**	**548**

Total number of salaried workers by type of contract and working hours by gender (2024 and 2023):

Year	Type of contract	Working Hours	Men	Woman
2024	Permanent	Full time	3,029	647
		Part time	3	3
	Temporary	Full time	1,901	127
		Part time	0	1
2023	Permanent	Full time	2,754	562
		Part time	4	6
	Temporary	Full time	2,726	196
		Part time	1	0

Total number of salaried workers by type of contract and working hours by age (2024 and 2023):

Year	Type of contract	Working Hours	20-29	30-50	51-60	>60
2024	Permanent	Full time	464	2,237	739	234
		Part time	1	1	5	1
	Temporary	Full time	395	1,254	287	92
		Part time	1	0	0	0
2023	Permanent	Full time	354	2,107	661	194
		Part time	0	5	4	1
	Temporary	Full time	598	1,823	389	112
		Part time	1	0	0	0

[13] Includes information of the employee breakdown, excluding operators.

Total number of salaried workers by type of contract and working hours by category (2024 and 2023):

Year	Type of contract	Working Hours	Management 1	Management 2	Management 3	Manager	Technician	Assistant	Operators
2024	Permanent	Full time	12	23	103	322	838	315	2,061
		Part time	0	0	0	0	5	3	0
	Temporary	Full time	0	0	0	45	118	97	1,768
		Part time	0	0	0	0	1	0	0
2023	Permanent	Full time		106		331	759	349	1,771
		Part time		0		0	4	3	3
	Temporary	Full time		2		48	90	180	2,602
		Part time		0		0	1	0	0

*In 2024 and due to the new structure of the company, the Management category has been segmented.

The average annual data regarding contract types are as follows:

Average number of salaried workers by type of contract and working hours by gender (2024 and 2023):

Year	Type of contract	Working Hours	Men	Woman
2024	Permanent	Full time	618	2,883
		Part time	4	4
	Temporary	Full time	162	1,849
		Part time	1	0
2023	Permanent	Full time	3,569	603
		Part time	1	2
	Temporary	Full time	4,384	448
		Part time	0	0

Average number of salaried workers by type of contract and working hours by age (2024 and 2023):

Year	Type of contract	Working Hours	20-29	30-50	51-60	>60
2024	Permanent	Full time	441	2,122	718	220
		Part time	1	2	4	1
	Temporary	Full time	432	1,218	268	93
		Part time	1	0	0	0
2023	Permanent	Full time	642	2,564	760	206
		Part time	0	0	3	0
	Temporary	Full time	1,418	2,696	583	135
		Part time	0	0	0	0

Average number of salaried workers by type of contract and working hours by category (2024 and 2023):

Year	Type of contract	Working Hours	Management 1	Management 2	Management 3	Manager	Technician	Assistant	Operators
2024	Permanent	Full time	12	22	103	309	771	301	1,983
		Part time	0	0	0	0	5	2	1
	Temporary	Full time	0	0	0	42	97	96	1,776
		Part time	0	0	0	0	1	0	0
2023	Permanent	Full time		94		338	763	440	2,537
		Part time		0		0	2	1	0
	Temporary	Full time		2		65	123	255	4,387
		Part time		0		0	0	0	0

*In 2024 and due to the new structure of the company, the Management category has been segmented.

In 2024, there were 37 non-voluntary leavers. This figure is 15% higher than in Fiscal Year 2023. Most of these were workers aged between 30 and 50 years of age, and they were most numerous in the technician category.

Total number of non-voluntary leavers by gender and age (2024 and 2023):

Total non-voluntary leavers by age range compared to the previous year

	2024			2023		
Age range	**Woman**	**Men**	**Total**	**Woman**	**Men**	**Total**
20-29	2	6	8	1	2	3
30-50	6	19	25	6	17	23
51-60	0	1	1	0	3	3
>60	1	2	3	0	3	3
Total	9	28	37	7	25	32

Total number of non-voluntary leavers by category (2024 and 2023):

Total number of non-voluntary leavers by professional category (2024 and 2023):

Category	2024	2023
Management 2	1	0
Management 3	1	
Manager	1	5
Technician	19	9
Assistant	15	18
Total	**37**	**32**

*In 2024 and due to the new structure of the company, the Management category has been segmented.

The following is a breakdown of average remuneration by age, gender and professional category:

Average remuneration by age (2024 and 2023):

Average remuneration by age range:

Age range	2024	2023
20-29	15,121	12,036
30-50	23,266	20,009
51-60	27,995	23,123
>60	24,710	25,570
Total	**22,967**	**19,353**

Average remuneration by gender and category (2024 and 2023):

<table>
<tr><th colspan="7">Average remuneration</th></tr>
<tr><th rowspan="2">Category</th><th colspan="3">2024</th><th colspan="3">2023</th></tr>
<tr><th>Men</th><th>Woman</th><th>% gap</th><th>Men</th><th>Woman</th><th>% gap</th></tr>
<tr><td>Management 2</td><td>€159,149</td><td>€147,500</td><td>(7) %</td><td rowspan="2">€98,843.88*</td><td rowspan="2">€82,079.79*</td><td rowspan="2">(17) %</td></tr>
<tr><td>Management 3</td><td>€86,627</td><td>€74,689</td><td>(14) %</td></tr>
<tr><td>Manager</td><td>€57,493</td><td>€52,052</td><td>(9) %</td><td>€53,387.07</td><td>€53,533.03</td><td>— %</td></tr>
<tr><td>Technician</td><td>€37,458</td><td>€33,108</td><td>(12) %</td><td>€36,095.15</td><td>€32,522.07</td><td>€10</td></tr>
<tr><td>Assistant</td><td>€21,589</td><td>€19,878</td><td>(8) %</td><td>€22,757.88</td><td>€20,789.40</td><td>€9</td></tr>
<tr><td>Operator</td><td>€13,490</td><td>€11,310</td><td>(16) %</td><td>€11,339.97</td><td>€9,663.88</td><td>(15) %</td></tr>
<tr><td>General total</td><td>€22,267</td><td>€27,404</td><td>23%</td><td>€18,467</td><td>€25,702</td><td>39%</td></tr>
</table>

*In 2024 and due to the new structure of the company, the Management category has been segmented.
**The salary gap was calculated as follows: Average Remuneration Women - Average Remuneration Men / Average Remuneration Men, expressed in percentage terms

For more information regarding the remuneration of the Board of Directors, see note 30.3 of the financial statements.

Taking into account the total number of men and women in Cox's workforce, the average salary of women is 23%[14] higher than that of men, primarily because the operative segment, which accounts for approximately 67% of the group's workforce, is predominantly male.

Implementing disengagement at work policies

It is crucial for Cox to offer a pleasant workplace where personal and professional life balance is a reality in the work environment.

In addition to the leave authorisation and request form included in the Mandatory Compliance Regulations (NOC), which allows for requests for flexible measures under specific circumstances, the 2025 work calendar continues to reinforce labour flexibility measures, offering a 30-minute lunch option to facilitate work-life balance. Other measures, such as optional remote work on Fridays, summer intensive hours, and flexible working hours for entry and exit, are also maintained.

Cox is committed to implementing measures that favour rest time after the workday, recognising the right to digital disconnection as a basic element for better management of work time. This approach aims to respect private and family life, thereby improving work-life balance and contributing to the overall health and well-being of all employees.

Because of the above, they continue to enjoy a series of benefits which are available to the staff and encourage flexible work:

- Catering services at the main headquarters (Campus Palmas Altas).
- Ticket restaurant in other headquarters.
- Flexible working hours during the day, which can start at 7:30 and end from 16:30.
- Reduced workday on Fridays all year round for office staff at headquarters.
- Intensive workdays in July and August
- Improved remuneration (we have included new health insurance, a travel card, ticket restaurant, childcare and training vouchers) in companies in Spain.
- Club Ahorro Cox launch.
- Cox Energy offer with special electricity rates for employees.
- Medical service to improve employees' healthcare (Seville).
- Parking with preferential spaces for people with reduced mobility

[14] The salary gap was calculated as Average Remuneration Women - Average Remuneration Men / Average Remuneration Men, expressed in percentage terms

- Life and accident insurance, insurance for expatriated persons and specific measures for international travel.
- Improved workday reduction models for different causes.
- Tax advice service for expatriates and application of the incentive (7p) for work performed abroad.

Although the company does not have a digital disconnection policy *per se*, it has made significant progress in the implementation of measures that foster a better work-life balance, and it continues to explore new initiatives that strengthen this approach.

Working time organisation

Cox organises work based on the needs of each project and the legal requirements in all the geographic area where it operates.

As regards labour absenteeism, the company ended 2024 with 1,122 days lost equivalent to 8,976 hours in the case of men and zero hours in the case of women, both own employees. It should be clarified that this indicator only includes work days lost for professional reasons (workplace accidents and occupational illnesses), and was prepared by the Institute for Occupational Health and Safety.

In 2023, there were 1,431 lost days, equivalent to 11,448 hours for male employees and 13 lost days, equivalent to 104 hours for female employees, both from the in-house staff. As a result, the number of hours of absenteeism has been significantly reduced during this period.

Safety and Health

With the goal of achieving zero accidents, the company works steadfastly based on the following principles that make up the Health and Safety policy:

Integration

Health and Safety at Cox is the responsibility of the entire company and is fully integrated into its strategy, encompassing all activities and decisions, encouraging employee consultation and participation, and affecting all corporate levels.

Management leadership

Management should promote and encourage a preventive organisational culture and ensure that all operations are always carried out in healthy and safe working conditions for all employees, planning activities appropriately and providing the necessary means to eliminate hazards and reduce risks to the health and safety of workers.

Training

Continuous information and training in Occupational Health and Safety for all is a basic pillar of our preventive culture.

Continuous improvement

The Health and Safety management system is based on continuous improvement and is developed through the periodic measurement, evaluation and review of all the company's activities, operations and work centres.

Legality

All activities and operations must be carried out in accordance with the applicable Occupational Health and Safety laws and regulations.

The company has **Health and Safety committees** led by senior management, which meet monthly to monitor activities and compliance with the defined objectives in this area. They alert on any aspects that may pose risks to the occupational safety of employees and draw up the relevant action plans for the proper management of these risks.

During 2024, more than 100 Health and Safety committees have been held across several organisational levels and in the various geographies where the company operates.

Evolution of accident rates

Given the nature of the work carried out and the risks inherent to the business, the main problem to be faced in this sector is the occurrence of particularly serious accidents (fatal and serious), which is why the company continues to work towards the goal of "zero accidents", an objective that has been achieved in 2024.

Evolution in 2024 of the FRSL[15] at the end of December 2024.

In 2024, there were no fatalities or occupational illnesses among the company's own staff:

Total number of particularly serious accidents (2024 and 2023):

Personnel	2024	2023
Own	0	0
CV Workers	0	1

2024 saw a total of 84 accidents. 94 % of those affected were men. Compared to the financial year 2023 they have fallen by 3.7%.

Total number of accidents with/without sick leave by sex (2024 and 2023):

	2024		2023	
Type of accident	**Men**	**Woman**	**Men**	**Woman**
With sick leave	38	0	33	1
Without sick leave	41	5	49	4
Total	79	5	82	5

[15] FRSL = (No. Accidents with sick leave/No. Hours Worked) * 1,000,000
Cumulative FRSL at the end of December 2024, including own staff and CV workers.

Accident rates by sex (2024 and 2023):

	2024			2023		
Accident rate	**Men**	**Woman**	**Total**	**Men**	**Woman**	**Total**
Overall frequency rate *	6.87	3.29	6.44	6.03	2.78	5.76
Frequency rate (with sick leave) **	3.3	0	2.91	2.43	0.56	2.20
Severity rate***.	0.09	0	0.09	0.1	0.01	0.08

*Number of total accidents (without sick leave + with sick leave) / hours worked*1,000,000
**Number of total accidents with sick leave / hours worked*1,000,000
***Number of working days lost/hours worked*1,000

Accident rate figures for workers in the value chain by sex (2024):

	2024*	
Accident rate	**Men**	**Woman**
Total number of accidents	14	1
Overall Frequency Rate **	4.6	2.49
Frequency rate (with sick leave) ***	3.29	0
Severity rate ***	0.13	0

*The comparison with the 2023 fiscal year of the figures related to the VC is not included.
**Number of total accidents (without sick leave + with sick leave) / hours worked*1,000,000
***Number of total accidents with sick leave / hours worked*1,000,000
****Number of working days lost/ hours worked*1,000

Safety inspections

Safety inspections have been carried out at each work centre in accordance with the provisions of the applicable preventive activity plans (PAP).

The company continues to systematically record and manage incidents from mobile devices on site and on the Cox AEM platform.

Joint Prevention Service (JPS)

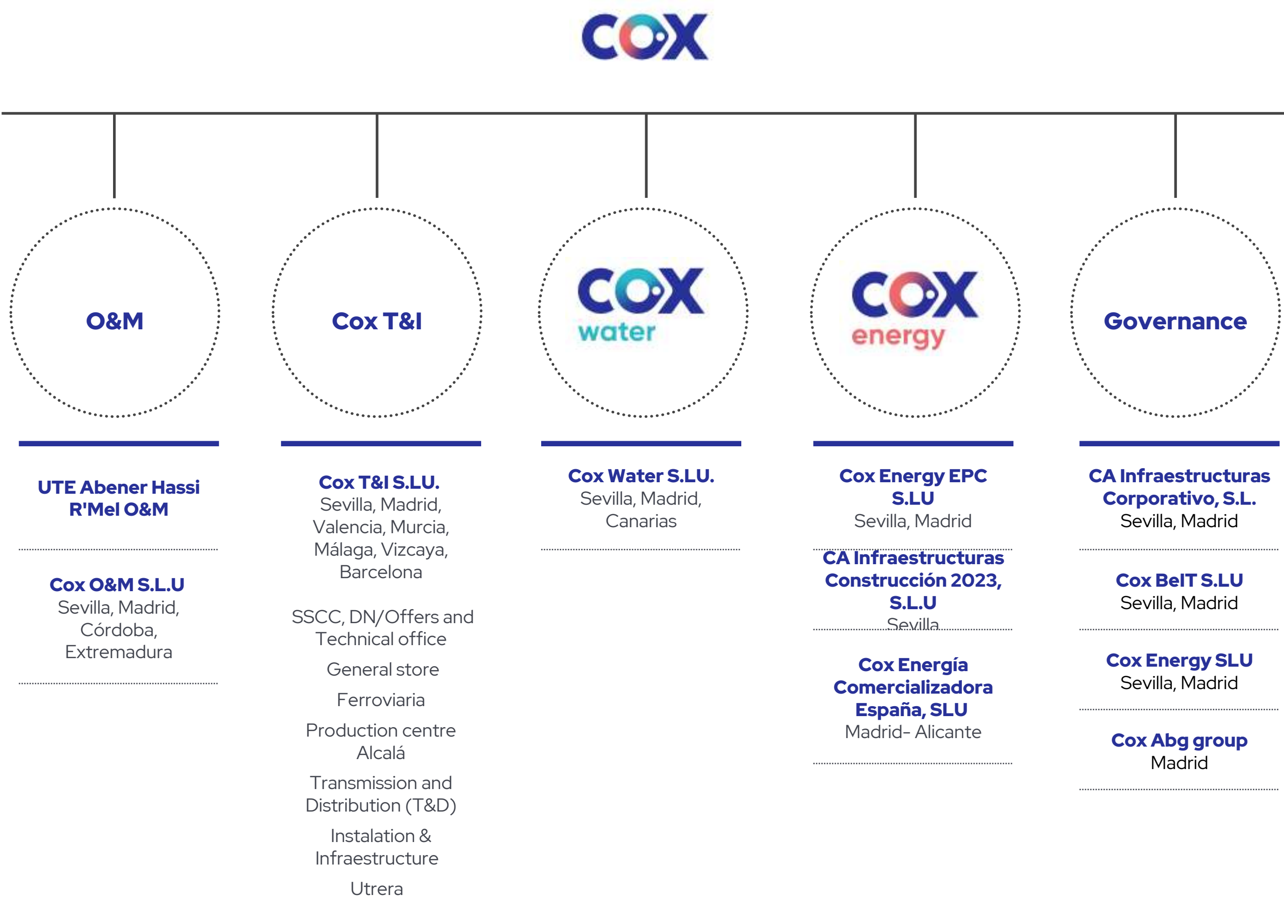
In accordance with article 21 of the Prevention Services Regulations (R.D. 39/1997), Cox has set up a Joint Prevention Service for all its companies.

This Joint Prevention Service (JPS) assumes the following preventive specialities or disciplines:

- 1. Safety in the workplace
- 2. Industrial Hygiene
- 3. Ergonomics and Applied Psychosociology

The JPS has 8 occupational risk prevention technicians, seven at senior level and one intermediate technician.

Scope of action of the Joint Prevention System



Health and safety training:

We have made an absolute commitment to health and safety training, proof if which is that training is one of the key pillars of corporate policy, with the aim of guaranteeing adequate staff training and contributing positively to the continuous improvement of performance.

During 2024, almost 320,000 hours of health and safety training were carried out, 92% of which was given to site and plant personnel, which has allowed us to strengthen the preventive culture within the organisation and reinforce the capacities of personnel in this area.

This fiscal year, there has been an increase of approximately 20,000 hours of training, since Cox successfully deployed in 2023 a solid training plan, both formal (agreements, trades...) and informal, to meet the demand for training needs and have a positive impact on the reinforcement of the health and safety culture within the organisation.

Corporate health plan

The company considers health to be a top priority, which is reflected in the content generated monthly within the framework of the Corporate Health Plan. For the seventh consecutive year, this plan has been a key tool to promote healthy habits among employees and other stakeholders.

Cox's commitment to the integration of basic principles for the promotion of health in the workplace, as well as to the effective management of the well-being of its employees, has led the company to adhere to the Declaration of Luxembourg as a healthy company. This accession was formalised on 11 April 2024.

Recognising the importance of the safety and health of its employees, Cox has initiated the process of **certification as a healthy company.** This effort seeks to implement best practices in continuous improvement approaches aimed at protecting occupational health and promoting the principles of workplace health.

Leadership in health and safety

Cox management has demonstrated an ongoing commitment to the health and well-being of its employees. In addition to leading preventive initiatives, it has promoted a comprehensive programme that includes:

- **A medical centre at the corporate headquarters:** run by the company doctor, who plays an essential role in the implementation of the Corporate Health Plan and in the medical care of employees. This holistic approach encompasses the physical, psychological and social health of workers.
- **Focus on people:** beyond the values and obligations established in the Law on Occupational Risk Prevention, the Management seeks to attend to employees as people, promoting their integral wellbeing.

The commitment to health promotion is evidenced by the continuity of the Corporate Health Plan, now in its eighth year. This includes:

- **Monthly production of dynamic and relevant content:** aimed at meeting the needs identified by the organisation and bodies such as the European Agency for Safety and Health at Work.
- **Dissemination of content:** publications on the corporate Health and Safety (H&S) website, weekly project newsletters and materials accessible to all stakeholders.

A specific health space within the corporate web environment. (monthly publication of health articles)

The Management, as the driving force behind all health and safety actions, ensures constant monitoring of the Health Plan:

- **Annual review:** At the beginning of each year, the degree of implementation of the plan and the achievement of the previous year's objectives are assessed.
- **Monitoring committees:** monthly meetings and regular reports including key indicators, developments and progress related to occupational health and safety.
- **Opinion spaces:** managers share their views on health and safety through articles on the corporate website, enriching the strategic and operational perspective.

To ensure that safety and health related information reaches all employees, Cox has implemented various communication tools:

- **Information screens at the entrances to buildings:** with information on conferences, workshops, lectures, posters of health articles and practical recommendations.
- **Communication Department:** responsible for publishing dynamic content such as newsletters, Health Plan articles and relevant news on the corporate intranet and the SyS web environment.
- **Involvement of the Health and Safety Committee:** active participation in the planning and implementation of actions, as well as in the consultation of employee concerns.

Training

The talent attraction area has been one of the main protagonists of 2024, incorporating and recovering talent, improving the brand image (employer branding) and growing in the scholarship plan (Plan Cantera), incorporating young talent into professional internships and collaborating with a host of training entities, institutes, universities and business schools.

The key to the function of the people area is to know the strategic objectives of the company and to find in its personnel the capabilities to achieve them. In Cox, this idea is embodied in the management model, one of the most important foundations of which is training. A consolidated training model that not only ensures the transmission of knowledge, but also fosters pride in belonging to the workforce (Cox Culture).

Training activities are aimed at the entire staff to create a highly-qualified, professional workforce in all positions in the organisation.

Due to the current needs of individuals and companies, the methodology and type of training content have taken a 180º turn, with the promotion of e-learning, online training, and internal peer-to-peer training, which has been shown to have a short-term return (*on the job training*). The company continues to provide training through C@mpus, especially on health and safety and cybersecurity in the use of corporate tools, but in 2024 it has introduced new tools, platforms and web environments to adapt to new e-learning technologies. This remains a top priority in employee training.

This new online training platform is designed to transform learning and professional development in a dynamic environment with an up-to-date methodology. It has more than 500 open-access, diverse courses ranging from technical skills to personal development, with themes of equity, diversity and inclusion and content based on game-play such as energy efficiency, for all levels and positions. All of them have professional tutors with experience in their fields and who have obtained certifications that guarantee the new knowledge.

At the same time, all NOC (mandatory compliance) policies are being updated to provide training associated with appropriate codes of conduct, staff exemplarity and Internal Audit and Compliance policies.

Total hours of training by professional category

51 – 60		
Professional category	**2024**	**2023**
Management 1	593	5,295*
Management 2	1,553	
Management 3	6,416	
Manager	22,661	17,449
Technician	62,035	42,006
Assistant	25,190	24,445
Operator	227,642	199,329
Total	**346,089**	**288,524**

*In 2024 and due to the new structure of the company, the Management category has been segmented.

Universal accessibility for people with disabilities

At the end of 2024, the number of employees with a degree of disability was 21[16], rising to 15 in 2023[17].

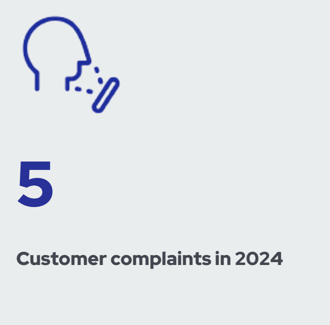
In terms of management, the company is concerned with the adaptation of workstations and workplaces to cater for its employees with disabilities, and has procedures in place to deal with any new adaptation that an employee or new employee may require.

It is a priority for the organisation to ensure adequate working conditions for all employees, without exception, both in the facilities and in the workplaces, with a special focus on employees with disabilities.

Cox also maintains service contracts with special employment centres, thus contributing to promote and encourage the integration of disadvantaged groups.

[16] Cox has more people with disabilities in its workforce, however, the collection and processing of this information is not permitted in all jurisdictions in which the company has a presence.
[17] Includes information from Spain only.

5.2. Consumers and customers



Cox continues to move forward with a firm commitment to the quality of its products and services, consolidating the experience and knowledge accumulated over time. This process has been driven by the leadership of senior management, which has ensured both the evolution of policy and objectives and the continuity of its management model.

The company has management systems designed to ensure the correct implementation of its strategy, the fulfilment of its commitments and the success of its projects. To this end, it is structured in three levels: firstly, the Common Management Systems, which establish the general operations of the business; secondly, the Mandatory Compliance Procedures, which regulate risk management and its monitoring in each process; and finally, the Internal Audit, which reviews compliance with the two previous levels, identifying possible inefficiencies or non-compliance. In addition, a risk mitigation plan is drawn up for each project, based on the probability of occurrence and potential impact.

Thanks to this structure, Cox maintains its commitment to quality and customer satisfaction, while working to optimise its management systems, promoting the simplification of procedures and the digitalisation of processes. In 2024, all projects and operation and maintenance activities were carried out under an ISO 9001:2015 certified management system.

This ongoing commitment to quality has ensured that by 2024, there have been no reports of non-compliance with regulations or voluntary codes relating to the health and safety impacts of products and services during their life cycle.

Management System and Certifications

The company has externally certified management systems according to international standards, including ISO 9001 (Quality), ISO 14001 (Environment) and ISO 45001 (Occupational Health and Safety). In 2024, it started the implementation of an energy efficiency management system in accordance with ISO 50001, having already obtained certifications in water cycle management.

In addition, it is working on Healthy Business accreditation and BIM (*Building Information Modelling*) certification, which reinforces its capacity to incorporate innovative technologies in the planning and execution of projects in an efficient and sustainable manner. For quality management, the company has 102 dedicated resources.

Communication with customers and users

Cox's relationship with its customers, both public and private, is continuous, bi-directional and tailored to the complexity of projects and operation and maintenance services. The main communication channels include specific document managers, e-mail, messaging tools and face-to-face or virtual meetings.

Cox also has a whistleblower channel, which allows customers and users to safely report any actual or potential negative impacts. It also has a process for measuring customer satisfaction, in line with the requirements of the ISO 9001 standard, which is managed by the quality and environment department, for which the director of this area is ultimately responsible.

Customer Satisfaction

To ensure quality assurance and continuous improvement, Cox has implemented a unified customer satisfaction measurement system across its geographic and business areas. Through questionnaires specifically designed for each product or service, key information is obtained and analysed at different levels, from project teams to quality committees.

Assessments are grouped into six broad aspects:

- Quality of the product or service.
- Communication with the customer.
- Management of non-conformities, complaints and claims.
- Management of environmental aspects.
- Management of social aspects.
- Occupational risk management.

Management of incidents, complaints and claims

Cox keeps its communication channels open to understand and respond to its customers' needs. In addition to the whistleblowing channel, each unit has specific procedures for handling incidents, complaints and claims. To ensure consistency and traceability, all these complaints are registered on the centralised Cox AEM platform.

In 2024, a total of 22 complaints and claims were handled, of which 13 were satisfactorily resolved. 9 claims were recorded, all of which were closed by the end of the year.

Of these complaints, 64% were due to external customer-related causes, while 36% were due to other external factors.

In a highly complex environment, Cox not only solves problems, but prioritises preventive management and the identification of opportunities for improvement. It uses tools such as internal audits and the lessons learned process.

In 2024, 60 audits were conducted, resulting in 160 managed non-conformities. In addition, 15 new lessons learned were documented, based on interviews with teams and analysis of significant incidents. In total, 315 improvement opportunities have been managed.

5.3. - Supply chain

52

Countries with suppliers used

€351M

Purchasing volume*

2,543

New approvals in 2024 with ESG criteria

*Included in operating profit

6,707

Suppliers used

€322M

Local purchases

91.95%

of purchases from local suppliers

Given its international presence in emerging countries, the volume of suppliers it works with and the importance they have in the development of its activity, Cox gives special relevance to its responsibility in the supply chain, allowing it to multiply the positive impact of its values and principles beyond its duty. In this sense, the organisation focuses its efforts on promoting compliance with ethical, labour, environmental and health and safety standards with its suppliers.

Although still in the process of adaptation for Cox Energy companies, the rest of the group requires its suppliers and subcontractors to adhere to the Sustainability Code as a requirement in the approval process. The purpose of this code is to promote compliance with social, environmental and good governance regulations, as well as international best practices in business ethics to its suppliers and subcontractors by cascading these requirements. Its clauses are based on the principles of the UN Global Compact, the Universal Declaration of Human Rights, the International Labour Organisation guidelines, the Rio Declaration on the Environment, and the UN Convention against Corruption.

Adherence to this code aims to improve the quality of life and working conditions along the supply chain, contributing to a more sustainable world and helping to achieve the Sustainable Development Goals. By signing this agreement, the supplier not only commits to conduct its business in compliance with these principles, but also to be fully available to be audited or otherwise inspected by Cox for compliance.

Supplier risk assessment and analysis

Cox conducts supplier risk analysis to assess the supply chain, monitoring supplier involvement and acceptance of corporate policies, determining the level of risk and establishing mitigation measures. This analysis stems from the importance of the supply chain to its business, as it allows it to identify, prevent and mitigate risks (operational, regulatory, reputational, etc.), while creating opportunities for collaboration and shared value with suppliers.

The process considers different criteria, such as the country where the supplier operates, the nature of the supply, the type of activity it carries out and other more subjective aspects that may delimit a higher reputational risk. The nature of the supply or the amount of the award is also taken into account.

The level of risk is given by recognised international indices of human rights, labour practices, corruption, political and civil rights or political and environmental risks as described in section 3.2 'Employees in the value chain'.

Once the risk level of suppliers has been analysed and its criticality has been assessed, suppliers are assessed to determine the extent to which they comply with the principles set out in the Sustainability Code. Cox sets the scope of work according to the degree of importance of the supplier, and analyses can be carried out by means of self-assessment questionnaires or through audits (remote or on-site).

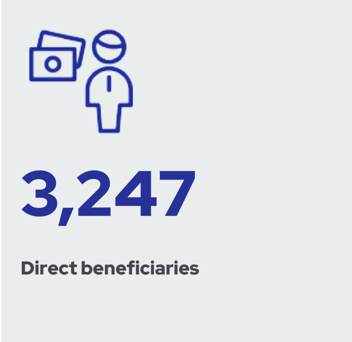
In 2024, assessments were carried out remotely, by sending a self-assessment questionnaire to suppliers and contacting them telematically to collect additional information if necessary. The results of the 2024 analysis were as follows:

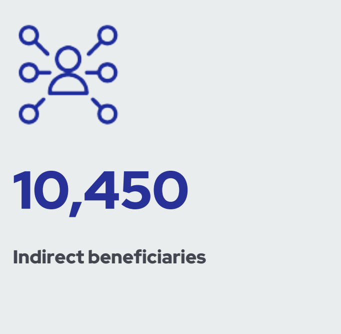
- Total suppliers analysed: 6,805.
- High-risk suppliers detected: 52.
- High-risk suppliers detected (%): 0.7%.
- Critical suppliers: 15.
- Critical suppliers analysed: 15 (100 %).

Cox contemplates the possibility of discontinuing work with suppliers who are found to be in breach of internal requirements if this situation is not remedied. In this regard, Cox has not had to stop working with any critical supplier for these reasons in 2024.

In the Strategic Sustainability Plan, a progress target will be established for the performance of on-site, online or mixed audits of suppliers identified as critical.

5.4. Society and affected communities





Commitment to sustainable development

Due to Cox's activities in 21 countries, with approximately 6,000 employees at year-end, the company undoubtedly has a high impact on its economic, social and environmental surroundings. It therefore seeks to maximise the benefit of the environment and contribute to the local wealth of the communities in which it operates by hiring local staff, purchasing goods and services in the project's area of influence, paying taxes or improving infrastructure, thereby improving the well-being of these regions.

The company, as described in its business model, contributes to social development by maximising the positive impacts it generates by providing society and communities with solutions to water, energy and infrastructure needs. It also contributes significantly to the Sustainable Development Goals (SDGs) through:

Access to safe drinking water thanks to the desalination, reuse and construction of pipelines in regions where supply was not possible.

Generation of electricity from renewable sources. Engineering and construction of infrastructures for the transmission and distribution of energy, ensuring access to electricity in isolated areas.

It also has methods and procedures to implement various initiatives to manage any possible negative impact of its projects, designing preventive and corrective measures suitable for each specific situation.

The group's Sustainability policy marks its commitment to contributing to progress and will be the basis for defining specific objectives and actions in the new Strategic Sustainability Plan on which the company is working, which will enable it to balance the economic, social and cultural development of the communities.

Cox works and invests in the development and growth of the communities where it operates, mainly through social development, education and research projects in the locations where it is present in order to connect with the local environment and create shared value.

In this regard, the activities and projects carried out in South Africa, Brazil and Argentina in 2024 are worth highlighting.

South Africa

In 2024, the programmes for the benefit of the localities near the Khi Solar One plant continued, some of which have been underway for several years, while others have been carried out as a result of constant communication and interaction with these communities. Supporting the most vulnerable groups, such as youth, seniors and women, along with entrepreneurs, remains the focus of Cox's programmes,

In the company's vision, education is a key element for people's personal and social development, which is why almost three quarters of the funds are earmarked for this purpose. Cox's programmes and activities range from supporting primary and secondary education to developing young people's professional and entrepreneurial talents and interests.

Refurbishment work on the assembly hall of a primary school

This year, a 16-seater vehicle has been donated for the joint use of the six local schools, together with maintenance for the first two years and insurance for the first year, to be used for extracurricular and sporting activities. Such a vehicle was urgently needed due to the lack of public transport in the area, which made it impossible for student groups to get around.

Renovations and improvements to local schools are also the focus of attention with a programme carried out in coordination with the school management. This year, the assembly hall of one of the schools and the classroom dedicated to the youngest children were renovated, while in another a container-bathroom was donated. Support to schools has also included the provision of shoes for young children and health kits for girls reaching puberty, as well as prizes and gifts for outstanding students during annual graduation ceremonies.

Funds have also been donated for the hiring of auxiliary staff, two per school, whose functions range from supporting administrative and management tasks to covering the absence of teachers and, in general, helping with the day-to-day work of the school, making the teachers' tasks more manageable, but at the same time training themselves as future teachers.

Students from one of the local schools pose with the donated vehicle.

The scholarship programme assists university students and/or vocational training students by covering tuition fees, accommodation, transport, living expenses and training material as well as tutoring and career guidance. Many of the assistants employed in the local schools have also received a scholarship to train as future teachers, thus not only contributing to social development by helping to combat unemployment and improve the functioning of the schools, but Cox also invests in future teachers, who are in high demand in these communities. Along with these student teachers, the programme has continued to support other young people who are eager to become future professionals who will help the economic development of their communities in areas such as mechanical and/or agricultural engineering, medicine and law.

The paid internship programme at the Khi Solar One plant has continued successfully, training five young people from the communities near the plant for a period of 12 months.

This programme is in high demand among young people in the nearby localities due to its high employability, as evidenced by the fact that several open vacancies among the staff of Khi Solar One were filled by beneficiaries of this programme.

The elderly are also a group receiving special attention, through monthly donations to two centres located in two local communities, which among other activities, run two soup kitchens where they prepare and distribute meals to the elderly and the needy.

Members of one of the senior citizens' social clubs

Support for business development was also a priority last year, for which more than ten local entrepreneurs were selected and provided with financial assistance for the purchase of material and equipment, legal advice, company registration, training and accompaniment, with the aim of helping them to launch and consolidate their businesses.

Health and safety, both for the company's own employees and subcontractors, is a priority policy for the company. Continuous training adapted to the risks and circumstances of each location is a key factor.

Environment

Respect for the environment and biodiversity is also a priority in all the company's activities.

As a result of both commitments, and in the case of Khi Solar One, the training programmes include the usual subjects for this type of plant, such as the handling of machinery, fire fighting and first aid, regular reminders of the risks of the activity and their prevention, etc. In addition, specific training on animals that may be dangerous to health, such as poisonous snakes or scorpions, which are very common in the area where the plant is located. These species tend to be found near buildings and equipment in search of shelter in the cold winters of semi-arid areas, and in shady and cool places in the very hot summers. The aim of the training is to ensure extreme care is taken, both for the animal and for humans, in order to relocate the animal away from the area where it may pose a risk.

Brazil

Through the Bioenergy company, in 2024 the company carried out various projects and actions to benefit communities and the environment related to the protection of sugar cane and sustainable pest management, which are detailed in the chapter on biodiversity and ecosystems.

Use of biological control to combat the sugar cane borer

Bioenergia Brasil is implementing a biological control programme to combat the sugar cane borer (Diatraea saccharalis), one of the main pests affecting sugar cane productivity. This check is carried out by drones, using two effective biological agents: Trichogramma galloi and Cotesia flavipes, which reduce, and in some cases eliminate the use of chemical insecticides, increasing the efficiency of treatments and keeping CBB at acceptable levels of infection.

1. **Trichogramma galloi:** this small wasp parasitizes the eggs of the cane borer, depositing its own eggs inside the borer's eggs. Trichogramma larvae develop inside the berry borer's eggs, interrupting their life cycle before hatching. This complements the use of Cotesia flavipes.

2. **Cotesia flavipes:** Cotesia is a wasp that parasitizes the larvae of the sugar cane borer. Upon encountering a larva, the Cotesia deposits its eggs inside the larva, causing its death. This action is effective in controlling advanced infections and helps in maintaining the cane at acceptable infection levels.

This biological control approach, applied by drones, reduces and in some cases eliminates the use of chemical insecticides, increasing the efficiency of treatments and keeping the cane at acceptable levels of infection. It also contributes to integrated pest management, preserving the ecological balance and minimising environmental impacts. This initiative reinforces the company's commitment to more sustainable and productive agricultural practices.

Biological control in sugarcane cultivation for sustainable pest and disease management

The increased mechanisation of agriculture and frequent use of agrochemicals have adversely affected soil microbiota, compromising its natural ability to fix nutrients and control pests. To restore microbial balance, the application of beneficial bacteria is essential. Bioenergia Brasil has developed a biological control programme in sugarcane cultivation, aimed at reducing the use of agrochemicals and managing pests and diseases sustainably. This is achieved by using biological inputs that promote a more balanced and healthy crop, preserving the environment and optimising productivity.

Biological control of Sphenophorus (EPNs): The Sphenophorus is a pest that causes significant damage to sugarcane. Biological control is achieved through the application of entomopathogenic nematodes (EPNs), a biological solution introduced directly into the soil at the base of the plant, where the insect larvae develop. EPNs efficiently control the pest, reducing the need for chemical insecticides.

Metarhizium fungus: Applied to the soil or plants to control pest insects, such as froghoppers and other soil pests. It infects insects through spores that penetrate their exoskeleton and develop inside their bodies, leading to their death.

Trichoderma: A fungus used to control nematodes and pathogenic fungi that attack plant roots. It is applied to the soil, directly at the root zone of the plants, where it forms a protective barrier around the roots, preventing nematode damage. This helps improve the health of the root system and promotes more vigorous growth.

Bacillus amyloliquefaciens: This bacterium is applied to plant roots via irrigation or spraying. Upon reaching the root system, Bacillus amyloliquefaciens forms a protective biofilm around the roots, preventing the action of phytopathogenic nematodes. This biofilm also stimulates plant growth and protects them against diseases, resulting in a more robust and productive root system.

Seaweed extract (Ascophyllum nodosum): The extract of Ascophyllum nodosum is used to strengthen plant metabolism, increase resistance to water stress, and improve nutrient absorption. It is applied via foliar spraying or soil irrigation. This stimulates growth, improves photosynthesis, and increases the plants' ability to absorb and utilise essential nutrients, promoting healthier and more productive growth.

Beauveria bassiana (Bolevil) biological insecticide: The fungus Beauveria bassiana is a biological agent applied by spraying on plants or directly into the soil. It acts by infecting pest insects at various stages of development (larvae, pupae, and adults). The fungus penetrates the insect's body through its exoskeleton, colonising them and causes death within 72 hours. This microbiological insecticide is a sustainable alternative to chemical products and can be applied during various stages of the pest's life cycle.

Azospirillum: A bacterium applied to the soil. It adheres to plant roots, where it performs biological nitrogen fixation, a process that captures atmospheric nitrogen and converts it into a form that plants can assimilate. This increases plant vigour and promotes healthier and more sustainable growth, reducing the need for chemical fertilisers.

By employing natural and effective solutions, the company fosters a healthier production cycle, maintaining productivity while preserving the environment. Bioenergy Brazil has adopted an innovative approach to biodiversity protection by identifying and controlling weeds in sugarcane cultivation areas. Weeds compete with sugarcane for nutrients, water, and light, reducing its productivity. The control process begins with the use of images captured by drones, mapping the areas to be treated. Artificial intelligence (AI) analyses these images to identify the type and location of the weeds.

After processing the images, drones are programmed with the coordinates and loaded with specific herbicides for the identified weed types, automatically applying the product to the infected areas. This technology ensures precise, localised herbicide application, targeting only infected areas. This approach drastically reduces the use of herbicides, avoiding the need for blanket spraying across the entire field.

This initiative directly contributes to biodiversity protection, minimising the impact of chemicals on soil, fauna, and native plants while maintaining the ecological balance of the region.

Reforestation for environmental recovery and biodiversity

As part of its commitment to sustainability and environmental preservation, the company has implemented a reforestation initiative covering 24.7 hectares of areas impacted by fires. Over the past few years, 41,132 native Brazilian trees have been planted as part of the Environmental Recovery Commitment Agreement (TCRA) signed with environmental agencies. These efforts aim to restore ecosystems and promote local biodiversity.

In addition to reforestation, the continuous maintenance of planted areas is guaranteed until canopy closure, a process that takes approximately five years and is crucial for full regeneration. This effort reflects the commitment to environmental regeneration and the sustainability of natural resources.

Six-metre-wide vegetation-free zones are also created in permanent preservation areas (APPs). Vegetation-free zones are strips of land free of vegetation and flammable materials, designed to act as firebreaks to prevent the spread of fires. These zones are essential for protecting both reforestation and local biodiversity, ensuring safe and sustainable ecosystem recovery.

This measure complements reforestation actions and contributes to the comprehensive preservation of natural resources and Cox's operating environment.

Implementation of circular economy and waste management

Bioenergy Brazil integrates circular economy practices into its operations as part of its strategy to maximise resource use and minimise waste in production processes. These sustainable initiatives include the reuse of waste generated during sugar and ethanol production, contributing to preserving the environment and promoting more efficient agriculture. The main initiatives include the use of vinasse, filter cake, boiler ash, and cane bagasse, which are recycled and reintegrated into the production process, benefiting both the plant and the environment. The circular economy initiatives that have been developed are as follows:

1. Vinasse:

Vinasse is a liquid waste generated during the ethanol distillation process. Composed of water and nutrients such as potassium, calcium, and magnesium, vinasse is applied directly to sugarcane fields through localised fertigation. This process helps replenish nutrients in the soil, promoting fertility without the need for chemical fertilisers.

Furthermore, vinasse contributes to water retention in the soil, enhancing water efficiency in crops. In 2024, this eliminated the need to purchase 704 tonnes of chemical fertiliser. The vinasse is enhanced with *BV Booster,* a fertiliser that further enriches the mixture with essential nutrients such as nitrogen, phosphorus, and potassium. *BV Booster* enhances the absorption of these nutrients by plants, optimising soil fertility and sustainably increasing productivity.

2. Filter cake:

The filter cake, rich in organic matter and phosphorus, is a solid residue composed of vegetable and mineral impurities. It is generated during the cane juice filtration process in sugar and ethanol production. The cake is sent to a composting yard, where it is combined with the ashes from the combustion of sugarcane bagasse in the boiler. After undergoing a drying process, this compound is used as a fertiliser in sugarcane plantations. This practice not only improves soil structure and water retention capacity but also plays a crucial role in increasing agricultural productivity, reducing dependence on chemical fertilisers. By August 2024, this initiative avoided the purchase of 34 tonnes of phosphorus-based fertilisers, reinforcing Cox's commitment to more sustainable and efficient agriculture.

3. Sugarcane bagasse:

Bagasse, the residue left after extracting sugarcane juice, is a renewable fuel source used for generating electricity in the plant. The combustion of bagasse in the boilers generates steam, which is converted into electricity to power the plant's internal operations. Surplus electricity is exported to the national grid, reducing emissions in Brazil's energy matrix. During the harvest months, between May and August, 104,788 MWh of energy were produced with this renewable fuel, of which 67,030 MWh were exported to the national grid. This process strengthens the plant's energy self-sufficiency and promote renewable energy use.

BPO Project - Best Practices in Operation

Due to the difficulty in hiring labour to operate tractors and trucks, the company faces a shortage of professionals to work in planting practices, straw harvesting, soil preparation, and sugarcane harvesting. As a result, the major challenge is to organise the work, meet planning schedules, perform tasks with the highest quality and safety, and retain talent.

With the vision of contributing socially to human development and adding specialised labour, the company created the BPO Project - Best Practices in Operation, which offers the residents of the city of Vargem Grande do Sul the opportunity to learn a new profession and open the perspective of participating in a selection process for a position during the 2024 harvest.

This project seeks, on the one hand, to meet the company's needs and, on the other hand, to value and develop members of the community. All participants have been trained in operating trucks and transshipment tractors, receiving theoretical/practical training and a certificate upon completing the course.

The objectives of this project are to:

- Train candidates to work in roles and locations requiring seasonal labour.
- Develop candidates with specific skills that motivate them to engage in the company's various processes.
- Value potential professionals from the surrounding community.
- Offer a temporary contract opportunity to selected candidates.
- Identify talent for work in different areas of Cox.
- Provide managers with a broader range of trained employees to perform operations.

The programme employs a multi-level methodology:

- Basic level: theoretical-technical classes in a classroom setting and technical field classes using a manoeuvring circuit and equipment for hands-on learning of vehicle components and operation under the supervision of an instructor.
- Advanced level: participants who pass the basic course advance to this level, receiving more specific training in agricultural operations. Training occurs in the field, accompanied by an instructor.

Instructors/monitors evaluate technical and behavioural aspects. To pass, candidates must achieve a minimum score of 8 out of 10. The participation results for 2024 were:

Summary	2023		2024	
	Basic		Basic	
	Tractor unit	Lorry	Tractor unit	Lorry
Registered	338	53	191	73
Called	162	23	60	39
Participants	116	19	54	25
Dropouts	27	0	2	14
Passes	89	19	25	17
Recommended for Advanced	66	19	23	17

Summary	2023		2024	
	Advanced		Advanced	
	Tractor unit	Lorry	Tractor unit	Lorry
Applicants/passes basic level	66	19	23	17
Participants	59	18	21	17
Dropouts	7	1	2	0
Potential collaborators for harvest 2023/24	47	17	21	17
Booked for harvest 2023/24	47	17	15	15

First Step Project

The First Step Project was created to spark interest among young people aged 18 to 23, who are children of employees of Bioenergia Brasil, in learning about areas such as industrial maintenance, automotive maintenance, industrial production, maintenance planning and control, industrial maintenance planning, IT, quality control, and occupational safety.

This project aims to:

- Train young people in various areas of the company through a comprehensive basic training programme, which includes technical and behavioural training, providing them with the skills to work in these fields.
- Recognise and value the employees of Cox.
- Retain talented individuals who will be developed within the company.

Regarding the methodology, the programme combines theoretical and practical technical training, safety training, behavioural training, and other general topics directly related to the areas of focus. Training alternates between topics so that behavioural development occurs simultaneously with technical training. Participants complete theoretical training in a classroom setting and practical training in designated areas using machines and/or specific course materials.

Each course has its own curriculum and workload. After an intensive training period, participants begin working in the relevant areas. Initially, they rotate every two weeks through different activities within the sector. They are then assigned to the area that best matches their profile and interests.

Behavioural training is conducted in a combined format for all participants, covering both agricultural and industrial areas, while theoretical technical training is delivered separately.

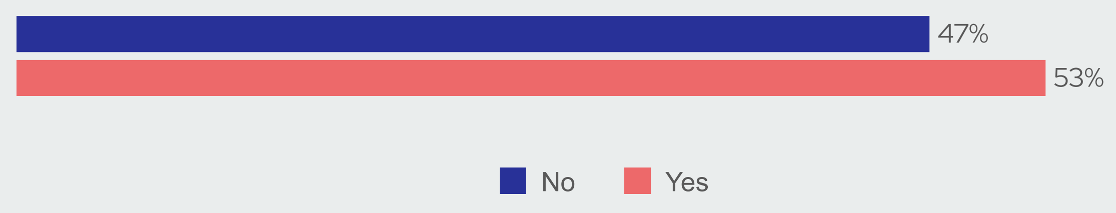
At the end of this yearly programme, all participants prepare an improvement project in the format of an FCP (Final Course Project). This final project is presented at an event resembling a school graduation, attended by managers from all areas, directors, mentors, parents, and Human Resources.

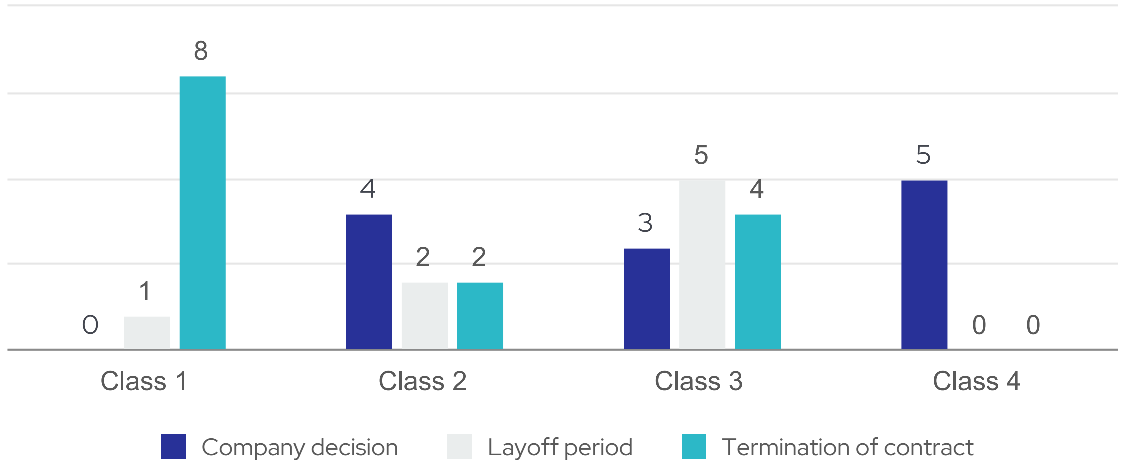
After the presentation and delivery of the project, the proposed improvements are incorporated into the Renewable Energy Project, where they are evaluated and may receive monetary awards.

During the programme, each participant is "adopted" by a mentor who evaluates them monthly and provides feedback to adjust their training.

Participants are assessed in the theoretical part and during the follow-up stage in the defined areas with a monthly evaluation. Every three months, participants undergo a performance and potential evaluation conducted by mentors and Human Resources, contributing to a ranking system. At the six-month mark, mentors and Human Resources provide performance feedback to the participants and their parents.

At the end of the year-long training, participants undergo a final evaluation. Managers, along with mentors, decide if the participant will be hired.





Grand Total	Quantity
Hired	19
Did not meet expectations	35
Dropped out	15
Active **59**	

Success rate

54%

During the First Step Project, participants actively contribute to environmental preservation by planting trees in a reforestation area.

Employees in Brazil

The indirect beneficiaries of these projects include approximately 1,200 employees of Bioenergia Brasil and the surrounding community, particularly in the city of Vargem Grande do Sul, which has a population of approximately 43,000 inhabitants.

Argentina

During 2024, the company actively participated in the Recycling and Environmental Programme of the Garrahan Foundation (Children's Hospital), contributing to the collection of plastic caps, paper recycling, keys, and X-ray plates.

The economic resources generated by the Foundation's Recycling and Environmental Programme are allocated to:

- the purchase and repair of high-complexity equipment for the Hospital;
- the acquisition of provisions and supplies;
- training for the healthcare team, oxygen provision, and travel expenses for patients; and
- financing other programmes.

Additionally, donations of wood and various supplies are made to residents and centres where the company carries out projects, based on the specific needs and requests of each location. Internal collaborators who submit requests may also receive donations.

Spain

Cox participated in recovery efforts following the damage caused by the IHLD (Isolated High-Level Depression) in Valencia and other regions such as Castile-La Mancha, Andalusia, and Catalonia. To restore the electricity supply in the affected areas, the company deployed a team of 30 operators and a crane truck driver to assist in the restoration of the electrical grid.

The team, part of the infrastructure division, worked in coordination with Red Eléctrica España (REE), which was responsible for supervising and coordinating the fieldwork. The efforts primarily focused on restoring, as quickly as possible, the high-voltage (220 kV) electrical grid points that had been damaged.

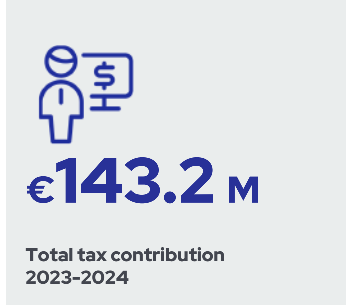
Additionally, measures were implemented to ensure safe access to homes, protecting both individuals and installations from risks associated with exposed cables. Necessary tools were also sent to facilitate the restoration work.

These actions reflect Cox's commitment to safety, efficiency in emergency management, and the company's social responsibility.

5.5. - Responsible Taxation

€71.5 M

Total tax contribution 2024



€143.2 M

Total tax contribution 2023-2024

10.2%

Revenue allocated to tax payments

19.5%

Taxes paid in Spain

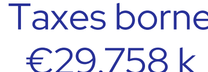
Cox is firmly committed to managing tax matters in accordance with best practices, acting transparently by adhering to tax regulations and fulfilling its obligations in every jurisdiction where it operates.

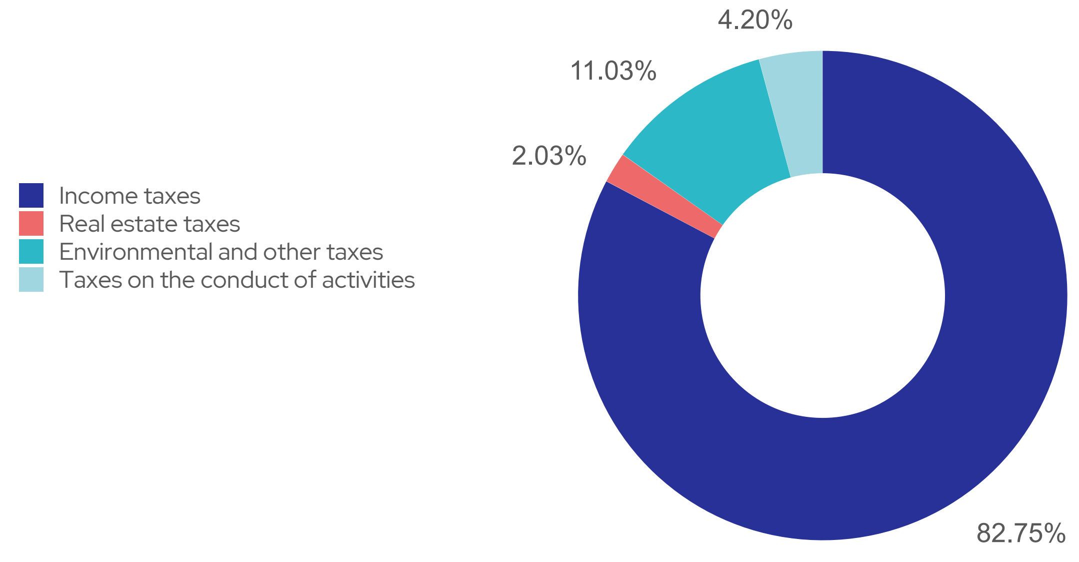
The company contributes to sustainable development by paying taxes responsibly in the countries where it operates, thereby supporting their economic, social, and cultural development.

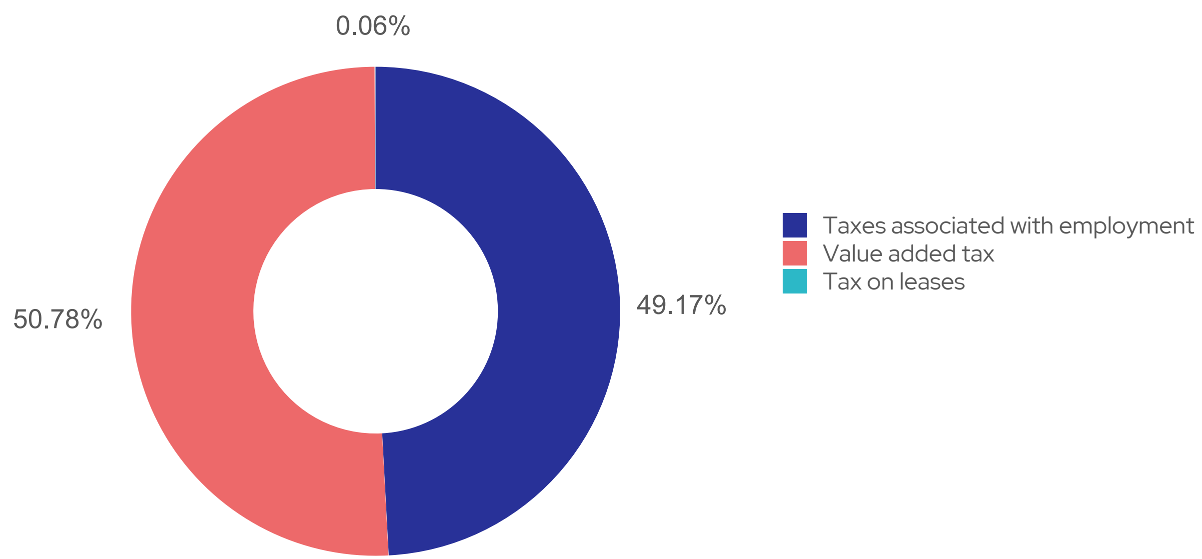
In line with this commitment, Cox pays its taxes according to principles of responsibility and efficiency, aiming to avoid significant risks and potential future conflicts.

Cox calculates its total tax contribution using the cash basis methodology, which records data on taxes borne or collected by the group. Taxes borne are taxes that create a cost for the company and directly impact its income statement (e.g., corporate income tax). In contrast, taxes collected are taxes generated by the company's activities, which it remits to tax authorities but does not incur as a cost (e.g., value-added tax).

In 2024, Cox's total tax contribution amounted to €71.5M, representing 10.2% of its revenue. This means that for every €100 of revenue, Cox dedicates €10.20 to tax payments.







In breaking down these figures, income tax notably accounts for 82.75% (€24.6M) [18] of the total taxes borne, while, of the total taxes collected, the Value Added Tax (or equivalent tax) accounts for 50.78% (€21.2M) and employment-related taxes account for 49.17% (€20.5M).

Cox fosters a cooperative relationship with the tax authorities in all jurisdictions where it operates, contributing to the social and economic development of the regions where it pays taxes.

During 2024, a total of €24,625 thousand was paid in income tax, with the breakdown by country as follows:

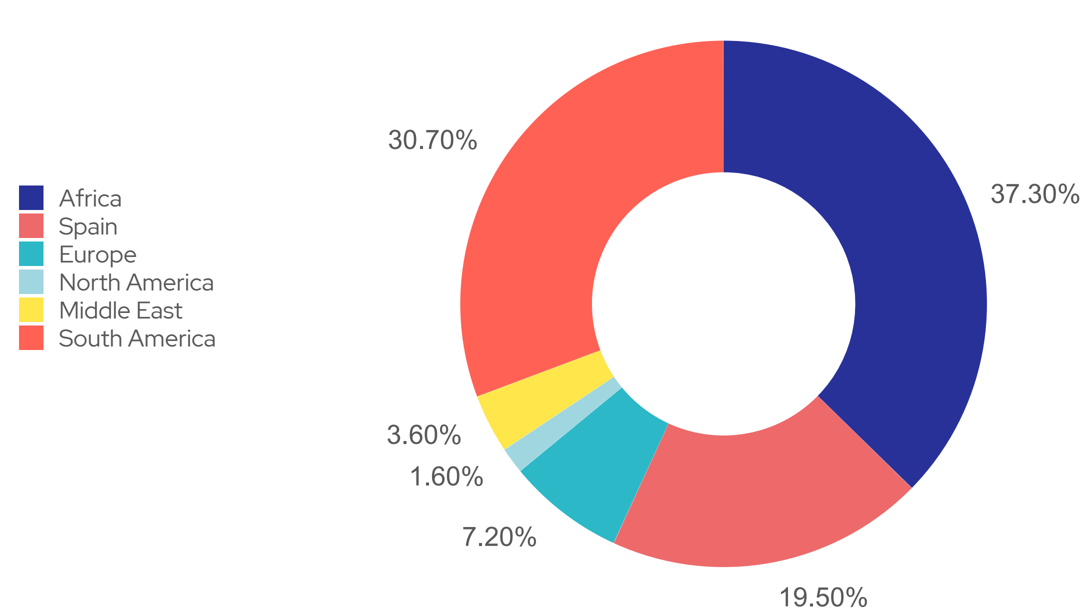
[18] See consolidated cash flow statement of consolidated annual financial statements.

Country	Income tax 2024	Income tax 2023
Saudi Arabia	–	43,146.78
Algeria	9,614,304.29	9,644,555.53
Argentina	206,606.46	756.54
Brazil	6,435,746.18	4,874,541.37
Chile	1,106.26	141,626.38
Spain	(82,956.16)	26,770.59
France	1,180,794.00	736,654.00
Ghana	63,091.90	–
Lithuania	15,142.00	45,423.00
Morocco	6,739,142.11	4,262,411.74
Mexico	244,922.87	222,034.56
South Africa	206,833.61	356,288.86
Total	**€24,624,733.52**	**€20,354,209.37**

*See consolidated cash flow statement of consolidated annual financial statements.

By geographical area, in 2024, Spain, South America, and Africa are the regions where 87.5% of the total taxes paid by Cox are concentrated, with Brazil accounting for 57% of the taxes paid in South America and Algeria accounting for 43.3% of the taxes paid in Africa.

Taxes paid by geography



One of the fundamental principles of Cox's fiscal strategy is ensuring compliance with applicable regulations. This involves applying due diligence to guarantee that the company fulfils all legal and regulatory requirements in every country where it operates.

The company's values of honesty, integrity, efficiency, transparency, and the professionalism of its employees, executives, and directors are essential to maintaining its reputation and success.

Cox's tax policy, approved by the Board of Directors, aligns with its business strategy and is based on complying with the tax regulations in the jurisdictions where it operates, and paying taxes responsibly and efficiently, while creating value for shareholders. It is based on a number of basic guiding principles in tax matters:

- Employees are required to apply principles of **honesty, integrity, and sound judgement**, particularly in tax matters. This includes complying with legal and regulatory requirements and reasonably interpreting applicable regulations for each business operation.
- Commitment that **transparency and integrity** are the foundation of Cox's tax function and its relationships with tax authorities in all jurisdictions where it operates.
- **Prohibition on the use of opaque structures** for tax purposes. These are defined as those designed to prevent tax authorities from identifying the ultimate responsible party or beneficiary of an activity, asset, or right.
- Transfer Pricing **Policy** for related-party transactions, in compliance with the arm's length principle, whereby such transactions are valued at market prices as required by law.
- Development of responsible tax policies to prevent behaviours likely to generate significant tax risks. In this regard, Cox's internal control system, based on the COSO (Committee of Sponsoring Organisations of the Treadway Commission) methodology, includes a specific section on taxation with associated controls.

Regarding the prevention of financial risks, fraudulent actions, and money laundering, Cox's policy explicitly prohibits the use of opaque structures for tax purposes. These are defined as those designed to prevent tax authorities from identifying the ultimate responsible party or beneficiary of an activity, asset, or right.

In this context, Cox does not have a presence in any jurisdictions classified as non-cooperative jurisdictions under Order HFP/115/2023, of 9 February (which identifies non-cooperative countries and territories).

However, the organisation conducts activities in another region which, although not included in the list of non-cooperative jurisdictions by the Spanish Tax Agency (AEAT), are listed by other observatories and international bodies because they have not fulfilled their commitments to good tax governance within a specific timeline, as well as those who have refused to do so. In this regard, it has subsidiaries in the Republic of Panama. This is strictly for economic or business purposes and is not intended for tax evasion, money laundering, or financing illicit activities.

Cox strives to ensure that all stakeholders (investors, public entities, clients, and capital providers) have access to the required information, fostering an optimal framework for information exchange and meeting stakeholder expectations regarding fiscal transparency.

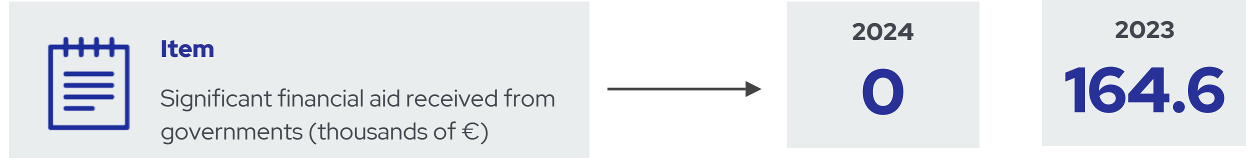
The EBITDA figure at the end of 2024 amounted to €183 million, broken down by country as follows:

Consolidated EBITDA (*) by country as of 31 December 2024 (K€)

Country	EBITDA 2023	EBITDA 2024	Country	EBITDA 2023	EBITDA 2024
Saudi Arabia	3,400.22	4,231.80	Ghana	8,573.00	17,402.50
Algeria	22,924.46	42,245.70	Guatemala	-4.3	0.00
Argentina	-200.49	124.50	Lithuania	4,423.26	-3340
Brazil	45,064.19	76,114.30	Morocco	15,515.31	34,459.90
Chile	4,074.88	8,704.00	Mexico	-654.06	6,715.30
Colombia	13.96	-83.10	Oman	-898.01	-90.60
UAE	4,369.01	11,765.20	Panama	-257.16	-449.30
Spain	-5673.16	-41259.30	United Kingdom	209.32	-60.40
France	2,071.96	3,974.20	South Africa	1,461.52	25,266.80
			Tunisia	-1032.02	140.30

*Ebitda (*Earnings before interest, tax, depreciation, and amortisation*). EBITDA is used as a profit indicator, as it is utilised by Cox's management to assess performance and allocate resources, as detailed in the Consolidated Annual Financial Statements (see Note 8.4 of the Management Report).

The amount of public subsidies received during this period is detailed below:



5.6. Anti-corruption measures

[1] Foreign Corrupt Practices Act (FCPA)• FCPA analysis conducted through forms collected in the Mandatory Compliance Standards (MCSs) submitted by employees and approved at different levels of management.

Cox takes active responsibility in the fight against corruption and fraud across all areas of its activity. The company is committed to complying with both national and international anti-corruption and anti-fraud legislation and regulations that are applicable to its operations.

The **Anti-Corruption and Fraud Prevention Policy** and its associated procedures and controls establish guidelines to ensure compliance with mechanisms for the prevention, detection, and reporting of acts of corruption and fraud arising from the conduct of its employees or third parties connected to Cox.

It constitutes a permanent commitment to monitoring and sanctioning fraudulent acts and behaviours, or any that encourage corruption in any form, carried out by individuals within the scope of its activities. This commitment includes maintaining effective communication and awareness mechanisms and fostering an ethical and honest corporate culture, as established in the Cox Code of Conduct and Business Ethics.

The guidelines and definitions of this policy, compliance with which is mandatory for all employees apply to all Cox processes and, therefore, involve all stakeholders participating in the company's activities. This includes clients, shareholders, administrators, contractors, suppliers, agents, employees, and any other individual or entity with a commercial relationship with Cox, particularly those dependent on the company. These guidelines and definitions are as follows:

1. The company rejects, does not tolerate, does not permit, and does not engage in any form of corruption, extortion, bribery, or fraud in the conduct of its business activities, whether in the public or private sector.
2. The company promotes and supports a preventive culture based on a zero-tolerance policy towards corruption in business, in all its forms and manifestations, as well as towards the commission of other illicit acts and fraud situations, and in the application of principles of ethics and responsible behaviour by all obligated parties within the group.
3. This zero-tolerance approach to corruption and fraud in business is absolute. It takes precedence over any potential benefit for the company or its representatives if such benefit arises from an illicit transaction or a business practice that contradicts the principles outlined in the Code of Conduct.
4. All interactions between Cox representatives and public administrations, authorities, individuals of special relevance, public officials, and others involved in public functions – whether national or international – including political parties, trade unions, and similar entities must adhere to principles of legality, loyalty, trust, professionalism, collaboration, reciprocity, and good faith. These interactions should also reflect institutional respect and transparency.
5. The company commits to not engaging in any form of retaliation, direct or indirect, against individuals who, in good faith, report – via the available reporting tools – any act or reasonable indication of irregular conduct or actions contrary to the law or the Code of Conduct. Confidentiality and anonymity will be guaranteed at all times.
6. The company's relationship with its suppliers and collaborating companies is based on legality and transparency. Suppliers must consistently comply with the company's policies, rules, and procedures regarding the prevention of corruption, bribery, or extortion. If they do not have a similar framework, they will be required to adhere to COX's Code of Conduct and this policy for as long as any contractual relationship between the two parties remains in effect.
7. Cox will monitor the behaviour of third parties acting on its behalf through procedures that ensure the company acts with due diligence in this area.

The following levels of control are established:

a. High-level: oversight mechanisms available to the governing body, committees or commissions (delegated or otherwise), Internal Audit, and Compliance as lines of defence. These entities have the capacity to provide support by allocating resources for necessary controls and programmes, issuing relevant policies, and ensuring that the implemented controls are effective. It is the responsibility of the governing body to establish guidelines related to a culture of integrity, ethics, and transparency, set risk tolerance aversion levels, and propose and implement policies and measures against fraud and corruption. The compliance and audit officers will oversee the operation of their processes to identify activities that may pose potential risks or opportunities to align or design corresponding controls.

b. From independent process assessment: internal and external audits assess the design and operational effectiveness of anti-fraud controls, help identify risks in specific processes, and report the results of their assessments to the governing body, delegated committees, and the Chairman or Chief Executive Officer.

c. From self-assessment of risks and controls: this mechanism helps processes understand the fraud or corruption risks in their business and identify potential weaknesses or deficiencies in controls through expert judgement analysis.

d. Declaration of adherence: This is a declaration in which all individuals associated with Cox (employees, directors, senior management, and, to the extent possible, suppliers) express their understanding and compliance with their responsibilities related to business ethics, conflicts of interest, internal control, and their obligation to report potential acts of fraud and corruption. The declaration includes, among other things, acknowledgement of the understanding of the Code of Conduct, this Fraud and Corruption Prevention Policy, and other corporate policies published and communicated internally, which are integrated into the common management systems.

e. Controls: anti-fraud and anti-corruption controls are included in Cox's common management system and internal control system. All employees are responsible for these controls and must ensure their compliance. The purpose of these controls is to mitigate associated risks.

The compliance department, through internal communication channels (corporate emails or notices), provides training on topics related to fraud, corruption, ethics, and the Code of Conduct. Additionally, all policies are accessible to relevant stakeholders both on the company intranet and on its website.

Methodology for identifying corruption and fraud risks

The methodology for identifying fraud risk at Cox is aligned with the internal control system and the Common Management Systems.

Cox has a risk map that includes all types and factors of operational risks while also allowing for the specific identification of fraud and corruption risks. Through this tool, the company periodically monitors operational risks via self-assessment of risks and controls, thereby maintaining a continuous cycle of risk identification, measurement, control, and monitoring. Additionally, the entity carries out event management that allows for the generation of treatments and action plans aimed at improving controls and feeding back into the entity's risk, cause, and control matrix.

It should be highlighted that the materialisation of corruption risks is unacceptable and intolerable; therefore, its inherent risk will be rated with the most adverse rating, which in the case of Impact will be 'catastrophic.' Similarly, in the probability of materialisation, only two criteria will be considered: 'unlikely' and 'likely," given that such events have not occurred in the history of the entity.

During the fiscal year 2024, a total of 27 communications were received through the whistleblowing channel and other avenues (compared to 19 in 2023). All communications were analysed and investigated by the competent body, with all cases concluded and archived. None of the investigated communications provided evidence of violations of human or labour rights, nor were they related to proven acts of corruption or bribery.

Breakdown of the reception channel. 70% of communications were received through direct communications or periodic audits conducted by the internal audit department, and 30% were received via whistleblowing reports.

Channel	%	NO.
Internal	70%	19
External	30%	8
Total	**100%**	**27**

During 2024, Cox, with the completion of the company's financial restructuring and the incorporation of new companies (Ibox), updated the NOC and POC at the end of the fiscal year. This is the starting point for completing the adaptation of the systems to a new organisational structure, which will continue to prioritise transparency, along with the fight against fraud and corruption.

Cox has established procedures within its Common Management Systems to address any potential conflicts of interest. All employees and administrators are obliged to notify in advance and preventively the potential occurrence of a conflict of interest situation and any possible related-party transaction for proper analysis and authorisation in accordance with the company's contracting policies. Depending on the position held within the organisation, individuals with a potential conflict of interest must report it in writing to the Secretary of the Board of Directors, Corporate Compliance Officer, the Audit Manager, and their direct manager. On a monthly basis, the Audit Committee informs the Board of Directors about the related-party transactions identified within the organisation. These are documented in the minutes of the Audit Committee meetings.

Best Practices Committee

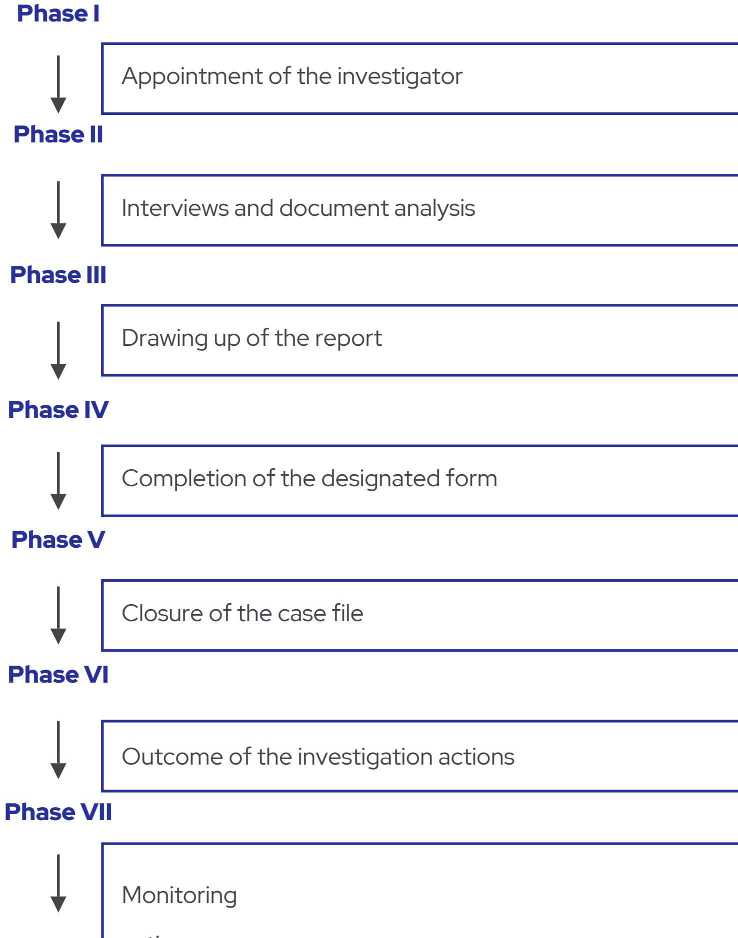
Cox has established the Best Practices Committee (BPC). Chaired by the Internal Audit Directorate, with the participation of the Corporate Directors of Human Resources, Legal Advisory, and Regulatory Compliance, this initiative is considered a best practice that Cox has chosen to incorporate into its organisational structure.

This Committee focuses on monitoring and overseeing potential breaches of the Code of Conduct and/or potential internal fraud cases, particularly those involving executives. Executives are held to the highest standards of compliance with mandatory policies, rules, and processes, as well as being expected to avoid any instrumental activity that could lead to committing or even attempting to commit a violation or offence in the scope of their duties. The Committee's primary goal is to ensure that all business activities embrace the commitment to combat fraud, with management acting as a driving force to guarantee compliance. In short, the Committee aims to achieve the effective application of the principles outlined in the company's Code of Conduct and policies by implementing oversight mechanisms that enable the identification of non-compliant behaviours within the organisation.

If there are no incidents involving executives, the BPC must meet at least once a year to review the incidents reported through the Whistleblowing Channel (a key instrument in the fight against fraud and corruption) and confirm that no breaches by any executives – including attempted breaches – have occurred.

In the event of an incident involving an executive, the Best Practices Committee is responsible for activating the contingency plan in response to any indication of non-compliance with this statement or any matter related to human rights received through the company's established channels and procedures. The General Manager of Internal Audit will inform the Audit Committee of any relevant actions.

The generic phases of the contingency plan (which must be tailored based on the origin and nature of the issue) are as follows:



Within the Internal Audit team, an investigator is appointed to independently analyse the case. This investigator has full operational freedom and may, via the department director, access any resources within the group as needed. Based on objective evidence obtained through interviews and the review of documentary support, a report will be drawn up containing initial conclusions. This report will then be reviewed by the designated oversight body depending on the nature of the incident. If the investigation results in actions being required, the Best Practices Committee will ensure follow-up and monitoring of these actions.

Contributions to foundations and non-profit organisations

In the 2024 fiscal year, no direct contributions were identified from Cox to political parties and/or political representatives, whether financial or in-kind.

During 2024, donations were made to foundations dedicated to scientific development, research, and education in Chile and Brazil totalling €63,409. Additionally, contributions amounting to €124,849 were made to professional associations, primarily chambers of commerce or organisations related to the industry or construction sector.

5.7. - Other environmental information

>80%

Activities certified under ISO 14001

4.76%

Hazardous waste as a percentage of total waste

69.27%

Waste recovery rate

>6

Years without environmental sanctions

85.3

millions of m^3 of desalinated water produced

1.25

Millions of tCO_2

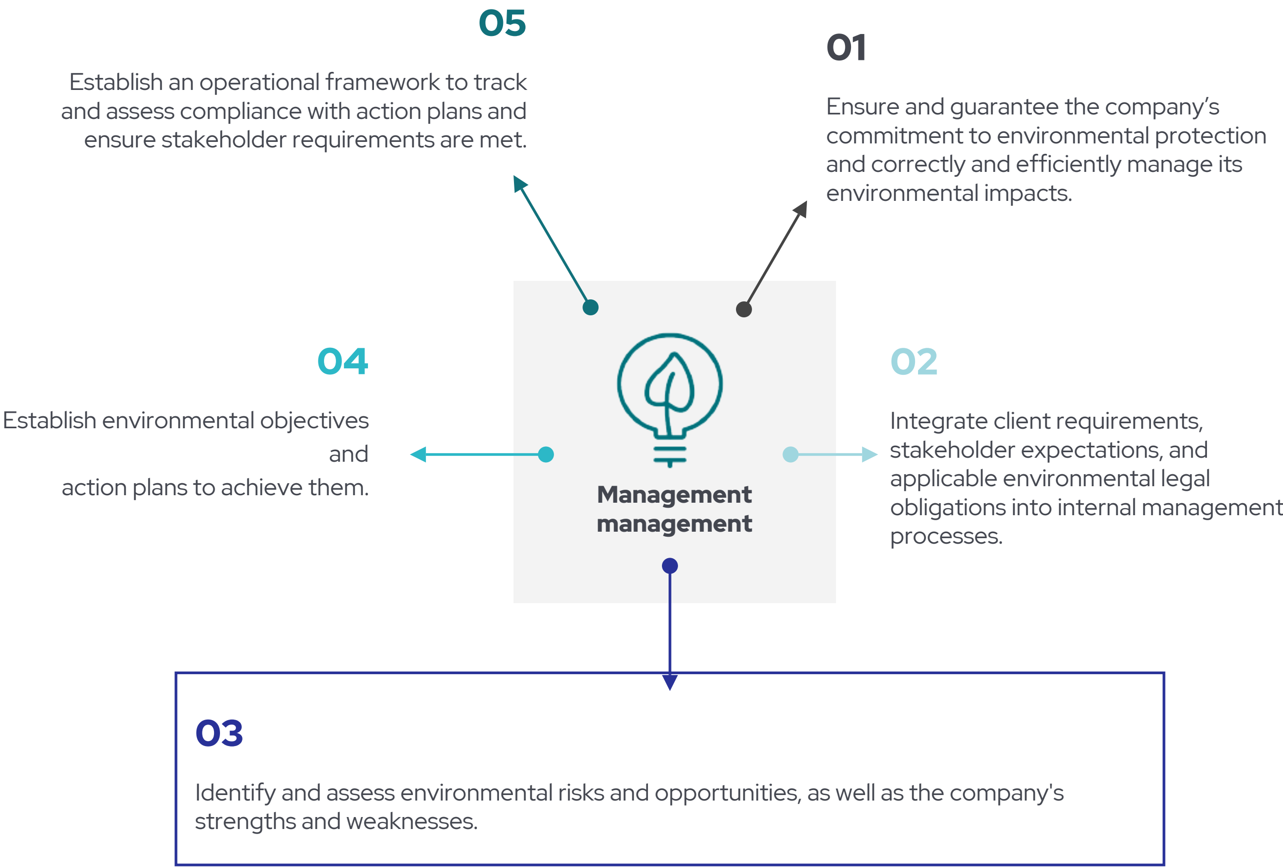
The company operates a **centralised environmental management system** designed to optimise processes and maximise performance. This system is built on a management structure that ensures environmental control and the establishment of common objectives across all activities and geographies.

Through this approach, mechanisms have been implemented to enable a global and uniform diagnosis of environmental performance, ensuring the identification and control of legal, contractual, and best practice requirements. The system is also designed to minimise impacts throughout the entire life cycle and contribute to the fight against climate change.

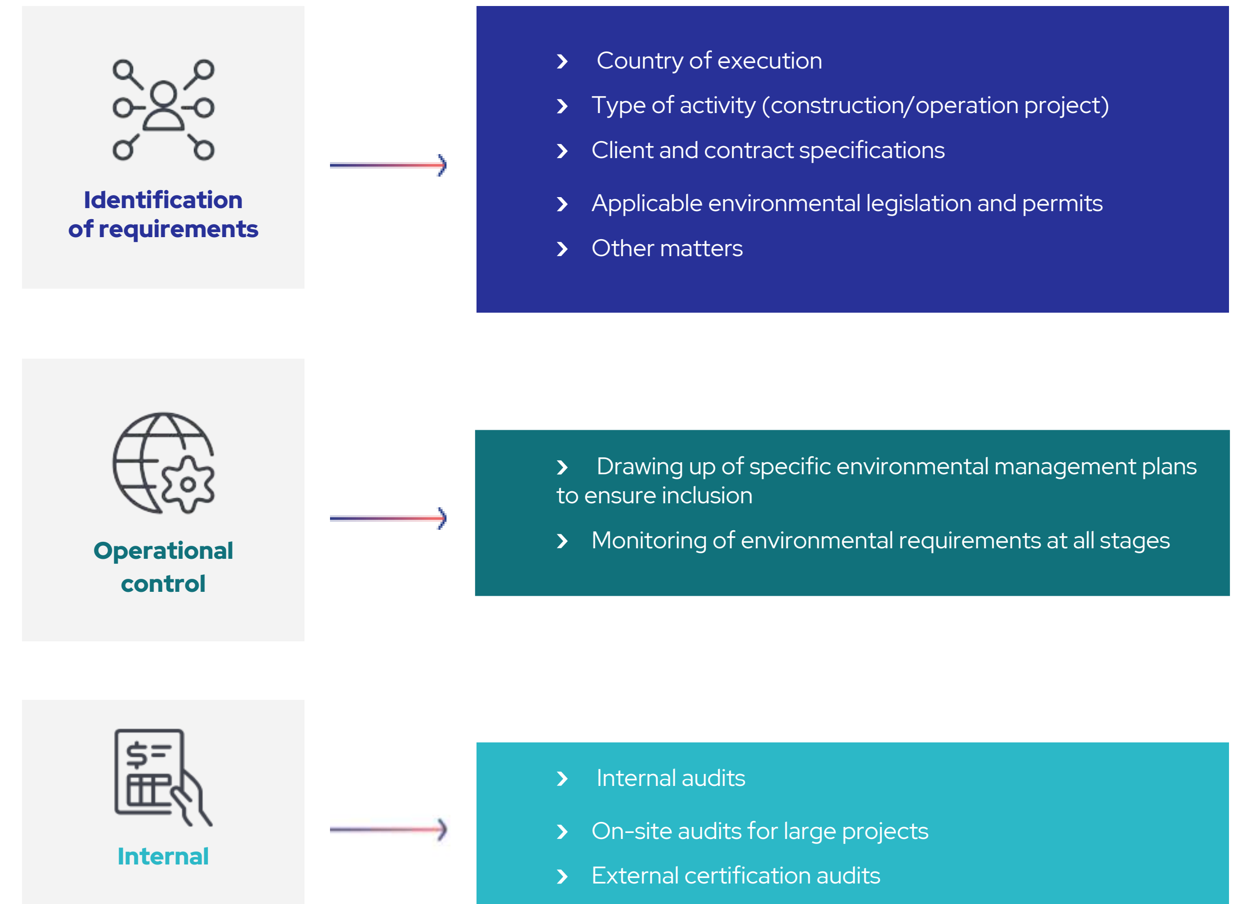
The environmental management system is based on the **ISO 14001:2015** standard and is verified by an accredited external entity. Certification is managed under a single file that encompasses the company's main activities: construction and operation and maintenance services. Currently, over 80% of the company's business is certified under this standard.

To ensure its proper functioning, the management system is supported by a team of environmental professionals from all the company's projects and activities, along with a centralised team. This ensures compliance with applicable environmental legislation and maintains the highest operational quality standards. In total, the team is composed of 37 professionals with expertise in all areas of the company's activities and with responsibilities in environmental matters.

The company's environmental management approach is designed as a **cyclical process of improvement:**



Cox ensures compliance with the applicable requirements for each project or activity through the following structure:



For the registration and management of environmental aspects, Cox has an internal tool in its information system called the Integrated Sustainability Management System (SIGS). It also has the assessments of environmental aspects corresponding to each project/installation, which consider the use of water resources, both upstream and downstream of Cox's production processes.

In 2024, the company continued to adapt its environmental management system to meet new challenges and needs:

- **A responsible value chain**

The company conveys its commitment to all suppliers, making it a key component of its sustainable development strategy. Suppliers and subcontractors are required to comply with Cox's Social Responsibility Code, which includes the following environmental principles:

  - Conduct activities in respect of the environment and in compliance with environmental legislation and regulations.
  - Adopt a preventive approach to minimise environmental impact and promote improvements in areas such as emissions, water consumption, waste generation and management, energy use, raw materials, and other resource efficiencies.

- **A committed internal management:**
  - Cox recognises the need for its services and processes to respect the environment and conserve natural resources. Its commitment to environmental protection therefore goes beyond mere legal compliance.
  - The centralised environmental management system ensures the identification and assessment of environmental aspects in every project, enabling actions to minimise impacts.

- **Drivers of the green economy:**
  - Cox's activities contribute to human well-being and social equity while reducing environmental risks and pressure on natural systems. This approach harmonises economic development and efficient resource consumption, in alignment with the United Nations Environment Programme (UNEP).
  - Renewable energy generation. Thermosolar and photovoltaic technologies.
  - Water treatment and desalination.

Lastly, it is worth noting that Cox's central headquarters, Campus Palmas Altas, located in Seville, Spain, has been awarded LEED Platinum certification (Leadership in Energy & Environmental Design) by the US Green Building Council (USGBC).

LEED is a voluntary certification system for buildings that adopt sustainability strategies through the implementation of energy and water efficiency systems, use of alternative energy sources, waste segregation, improvement of indoor environmental quality, and selection of sustainable materials.

This certification confirms Cox's commitment to developing measures and initiatives that enhance efficiency in its operations.

Other atmospheric emissions

Industrial processes involving combustion are the primary contributors to air pollution, generating sulphur and nitrogen oxides, carbon monoxide, volatile organic compounds, and other pollutants.

Air pollution contributes to nutrient depletion in soils, impeding plant growth, and exacerbation of climate change effects. Additionally, reactions of nitrogen and sulphur oxides in the atmosphere form acid rain and cause nutrient overload in water bodies, which endangers aquatic ecosystems by causing excessive growth of plants and organisms, depleting dissolved oxygen and increasing organic matter.

Regrettably, these effects are worsened by the ongoing connection between the lifestyle of a significant portion of the population and the emission of atmospheric pollutants: transportation, industry, agriculture, and even household activities.

Aware of these challenges, Cox has implemented mechanisms to establish a global diagnostic system for its environmental performance across all geographies and activities. This ensures that all legal, contractual, and best-practice environmental management requirements are properly identified, controlled, and focused on minimising impacts. This approach emphasises reducing pollution from all sources throughout the lifecycle of its activities.

The parameters used for calculating atmospheric pollutants are based on the Joint EMEP/EEA Air Pollutant Emission Inventory Guidebook 2019.

Additionally, in construction projects, Cox conducts noise and soil impact measurements according to the environmental impact assessment requirements and legislation in force in each geography.

The company does not have environmental provisions and guarantees. The insurance policies taken out by the company include coverage for public liability, which includes environmental risks associated with its activities.

Below is a comparison of Cox's **energy consumption, emissions, water usage, and waste management** for 2023, showcasing the company's environmental performance:

Natural Capital	2024	2023
Energy		
Energy consumption (GJ) (primary, electric, thermal) (2)	15,091,230	13,135,246
Energy consumption intensity (GJ)/sales (€ thousand)	21.47	22.62
Emissions		
Direct emissions (t CO_2eq)	655,973	543,552
Direct emissions from biomass (t CO_2eq)	394,351	418,623
Water intake		
Desalinated water produced (m^3)	85,292,357	113,656,961
Seawater intake (m^3)	204,411,143	267,253,534
Water intake from other sources (m^3)	3,594,258	2,197,525
Waste		
Waste (t)	16,912	6,231
% Non-Hazardous Waste	95%	93%
% Waste recovery rate	69.3%	52.35%
PM (t)	688	728
COV (t)	56	53

The following are notable in comparison to 2023:

- Increase in direct and scope 2 emissions associated with Cox's production units, reflecting higher energy consumption.

Furthermore, there is a significant decrease in scope 3 emissions due to supplies. This is attributed to the use of estimates based on item categories; final stages of water and energy projects, which involve less material input; and a shift in activities towards services in the later project phases. These trends align with Cox's current situation and its strategy in the water and energy sector.

- Increase in other emissions, corresponding to higher consumption of primary energy sources.
- Decrease in desalinated water produced due to the exclusion of the water production unit, specifically the Tennes desalination plant, which is owned by an external party and only operated by Cox.
- Water consumption in 2023 was calculated using the same methodology indicated in section 2.3 E3-4. The result was 2,197,494 m³, a quantity lower than in 2024, which, as previously mentioned, was 3,594,204 m³. This increase is due to the higher intake of river water in the Bio Brasil operations, in line with its production levels.
- Significant increase in waste generation due to the dismantling of facilities and high volumes of construction, demolition, and metallic waste from the transmission line construction activities.

Nevertheless, 95% of the waste is categorised as non-hazardous, and there is a notable improvement in waste recovery rates.

- In 2023, the following were reported: steel (502,187 kg), wood (136,662 kg), cement (184,734 kg) and concrete (42,045,333 kg). In 2025, the company will enhance its material data collection system by implementing SAP cataloguing and establishing a material consumption indicator as part of the environmental operational control system, as previously mentioned in the section on resources and the circular economy.

6. Table of contents on non-financial and diversity matters (Law 11/2018)

Contents of Law 11/2018		Reporting framework	Location
Taxonomy			
Taxonomy		Own methodology based on compliance with EU Regulation 2020/852.	2.1. European Taxonomy
General areas			
Business model	Business model description: Business environment Organisation and structure Markets in which the Group operates Objectives and strategies Main factors and trends which may potentially affect its future development Main policies applied by the group	ESRS 2, MDR-P E1-2, E1-4 E2-1, E2-3 E3-1, E3-3 E4-2, E4-4 E5-1, E5-3 S1-1, S1-5 S2-1, S2-5 S3-3, S3-5 S4-1, S4-5 G1-1	1.2. Governance GOV-1, GOV-2 1.3. SBM-1 Strategy 2.2. Climate change E1-2, E1-4 2.3. Water and marine resources E3-1, E3-3 2.4. Biodiversity and ecosystems E4-2, E4-4 2.5 Use of resources and circular economy E5-1, E5-3 3.1 Own workforce S1-1, S1-5 3.2 Employees in the value chain S2-1, S2-5 4.1. Business Conduct G1-1
Main identified risks and impacts	Internal risk management and control system Analysis of risks and impacts related to key issues	ESRS 2 GOV 5 ESRS 2 IRO-1, SBM-3	1.2. Governance GOV-5 1.3. SBM-3 Strategy 1.4 Management of impacts, risks, and opportunities IRO-1
Environmental matters			

Environmental management	Current and expected impacts of the company's operations	SBM-3 IRO-1 E1-9 E2-6 E3-5 E4-6 E5-6	1.3. SBM-3 Strategy 1.4. Management of impacts, risks, and opportunities IRO-1 *Cox opts for appendix C: List of phased-in disclosure requirements of ESRS 2.*
	Environmental assessment or certification procedures	-	2.2. Climate change E1-2 5.7 Other environmental information
	Resources allocated to preventing environmental risks	E1-3 E2-2 E3-2 E4-3 E5-2	2.2 Climate change E1-3 2.3 Water and marine resources E3-2 2.4 Biodiversity and ecosystems SBM-3, IRO-1, E4-3 2.5 Use of resources and circular economy E5-2 5.7 Other environmental information
	Application of the precautionary principle	E1-1 E1-3 E2-2 E3-2 E4-3 E5-2	See notes 30.6 and 2.26 of the annual financial statements
	Provisions and guarantees for environmental risks	ESRS 2 SBM3 E1-9 E2-6 E3-5 E4-6 E5-6	The company does not have environmental provisions and guarantees. The insurance policies taken out by the company include coverage for public liability, which includes environmental risks associated with its activities. See notes 30.6 and 2.26 of the annual financial statements for more information.
Emissions	Measures to prevent, reduce, or offset carbon emissions (including noise and light pollution)	E2-2	2.2. Climate change E1-6 5.7 Other environmental information
Circular economy and waste prevention and management	Measures on prevention, recycling, reuse, other forms of recovery and disposal of waste	E5-2	2.5 Use of resources and circular economy E5-2
	Actions to fight against food waste	-	The company views food management as a non-material consideration in the company's operations
Sustainable use of resources	Water consumption and water supply pursuant to local constraints	E3-4	2.3 Water and marine resources E3-4 5.7 Other environmental information
	Consumption of raw materials and measures taken to improve raw materials use efficiency	E5-2 E5-4	2.5 Use of resources and circular economy E5-2, E5-4 5.7 Other environmental information
	Direct and indirect energy consumption	E1-5	2.2. Climate change E1-5 5.7 Other environmental information
	Measures taken to improve energy efficiency	E1-3	2.2. Climate change E1-3, E1-4
	Use of renewable energy	E1-5	2.2. Climate change E1-5 5.7 Other environmental information

Climate Change	Greenhouse gas emissions resulting from the company's activities, including the use of the goods and services it produces	E1-6	2.2. Climate change E1-6 5.7 Other environmental information
	Measures taken to adapt to the consequences of climate change.	E1-1 E1-3	2.2. Climate change E1-1, E1-2, E1-3
	Medium and long-term reduction targets voluntarily set to reduce greenhouse gas emissions and the means implemented to achieve them	E1-4	2.2. Climate change E1-4
Protection of biodiversity	Measures taken to preserve or restore biodiversity	E4-3	2.4 Biodiversity and ecosystems E4-3
	Impacts caused by activities or operations in protected areas	ESRS 2 SBM 3	2.4 Biodiversity and ecosystems SBM-3, IRO-1
Social and staff-related issues			
Employment	Total number and distribution of employees by country, gender, age, and professional category	S1-6 GRI 2-7, 405-1	3.1. Own workforce S1-6 5.1 Social and employee related matters
	Total number and distribution of employment contract types, and average annual number of permanent, temporary, and part-time contracts by gender, age, and job category	S1-6 GRI 405-1	3.1. Own workforce S1-6 5.1 Social and employee related matters
	Number of dismissals by gender, age, and professional category	GRI 401-1	3.1. Own workforce S1-6 5.1 Social and employee related matters
	Average remuneration and its evolution, broken down by gender, age, and professional category or equal value	S1-16	3.1. Own workforce S1-16 5.1 Social and employee related matters
	Gender pay gap, remuneration for equal roles or the societal average	S1-16	3.1. Own workforce S1-16 5.1 Social and employee related matters
	The average remuneration of directors and executives, including variable remuneration, allowances, severance payments, payments to long-term savings schemes, and any other payments broken down by gender	GRI 405-2	5.1 Social and employee related matters
	Implementing disengagement at work policies	S1-1	3.1. Own workforce S1-1 5.1 Social and employee related matters
	Number of employees with disabilities	S1-12	3.1. Own workforce S1-12 5.1 Social and employee related matters
Work organisation	Working time organisation	S1-1 S1-4 S1-15	3.1. Own workforce S1-1, S1-4, S1-15 5.1 Social and employee related matters
	Number of hours of absenteeism	GRI 403-9, 403-10	5.1 Social and employee related matters
	Measures designed to facilitate work-life balance and promote shared responsibility between both parents	S1-4	3.1. Own workforce S1-4 5.1 Social and employee related matters
Health and Safety	Occupational health and safety conditions	S1-14	3.1. Own workforce S1-14 5.1 Social and employee related matters
	Workplace accidents, including frequency and severity, as well as occupational diseases (broken down by gender)	S1-14	3.1. Own workforce S1-14 5.1 Social and employee related matters

Social Relationships	Organising social dialogue, including procedures to inform, consult, and negotiate with employees	S1-2 S1-8	3.1. Own workforce S1-2, S1-3, S1-8
	Percentage of employees covered by collective agreements by country	S1-8	3.1. Own workforce S1-8
	Overview of collective bargaining agreements, particularly in the area of occupational health and safety	S1-8 S1-14	3.1. Own workforce S1-8, S1-14 5.1 Social and employee related matters
	Mechanisms and procedures in place to promote employee involvement in the company's management, in terms of information, consultation, and participation.	S1-2	3.1. Own workforce S1-2
Training	Policies implemented in terms of training	S1-1	3.1. Own workforce S1-1 5.1 Social and employee related matters
	Total number of training hours by professional category	S1-13 GRI 404-1	3.1. Own workforce S1-13 5.1 Social and employee related matters
Universal accessibility for people with disabilities		S1-4 S1-12	3.1. Own workforce S1-12 5.1 Social and employee related matters
Equality	Measures taken to promote equal treatment and opportunities for women and men	S1-4 S1-9	3.1. Own workforce S1-4, S1-9 5.1 Social and employee related matters
	Equality plans: job stimulation measures, protocols against sexual harassment and gender bias	S1-1 S1-4 S1-9	3.1. Own workforce S1-1, S1-4, S1-9 5.1 Social and employee related matters
	Integration and universal accessibility for people with disabilities	S1-4 S1-12	3.1. Own workforce S1-4, S1-12 5.1 Social and employee related matters
	Policy against all types of discrimination and, if applicable, on diversity management	S1-1	3.1. Own workforce S1-1 5.1 Social and employee related matters
Respect for human rights			
Application of human rights due diligence procedures and prevention of risks of human rights abuses and, where appropriate, measures to mitigate, manage and redress possible abuses committed		ESRS 2 GOV 4	1.2 Governance GOV-4
Prevention of risks of human rights abuses and, where appropriate, measures to mitigate, manage and redress possible abuses committed		ESRS 2 GOV 4	1.2 Governance GOV-4
Reporting of human rights infringements		S1-17	3.1. Own workforce S1-17 5.6 Fight against corruption and bribery
Measures to promote and comply with the provisions of the core conventions of the International Labour Organisation with regard to respect for freedom of association and the right to collective bargaining; elimination of discrimination in employment and occupation; elimination of forced or compulsory labour; effective abolition of child labour		S1-1 S2-1 G1-1	3.1. Own workforce S1-4 5.6 Fight against corruption and bribery
Fight against corruption and bribery			
Measures taken to prevent corruption and bribery		G1-3	5.6 Fight against corruption and bribery
Anti-money laundering measures		G1-3	5.6 Fight against corruption and bribery
Contributions to foundations and non-profit organisations		GRI 413-1	5.6 Fight against corruption and bribery
Information about the company			

Company's commitment to sustainable development	Impact of the company's activity on local employment and development	ESRS 2 SBM 3 S3-3 S3-4 S3-5	5.4 Society and affected communities
	Impact of the company's activity on local populations and on the territory	ESRS 2 SBM 3 S3-3 S3-4 S3-5	5.4 Society and affected communities
	Relations with local community stakeholders and dialogue formats with local communities	S3-2	5.4 Society and affected communities
	Partnership or sponsorship actions	GRI 413-1	5.4 Society and affected communities
Outsourcing and Suppliers	Inclusion of social, gender equality and environmental issues in the procurement policy	S2-1	3.2 Employees in the value chain S2-1 5.3 Supply chain
	Consideration of social and environmental responsibility in the relationship with suppliers and subcontractors.	S2-2, S2-3 S2-4 G1-2	3.2 Employees in the value chain S2-2, S2-2, S2-4 4.1 Business conduct G1-2 5.3 Supply chain
	Oversight systems and audits and their results	GRI 308-1 414-1	3.2 Employees in the value chain S2-4 5.3 Supply chain
Consumers	Actions regarding consumers' health and safety	S4-1 S4-4	5.2 Consumers and customers
	Complaint systems, received complaints, and their resolution	S4-3 S4-4 S4-5	5.2 Consumers and customers
Tax information			
Profits obtained by country		GRI 207-4, 201-4	5.5 Responsible taxation
Income tax expense paid			
Public subsidies received			

7. Independent verification report

COX ABG Group, S.A.
and subsidiaries

Limited assurance report issued by a practitioner on the Consolidated Statement of Non-Financial Information and Sustainability Information 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.

Limited assurance report issued by a practitioner on the Consolidated Statement of Non-Financial Information and Sustainability Information

To the shareholders of COX ABG Group, S.A. by order of the management:

Limited assurance conclusion

Pursuant to article 49 of the Code of Commerce, we have conducted a limited assurance engagement on the accompanying Consolidated Statement of Non-Financial Information (hereinafter "SNFI") for the year ended 31 December 2024 of 2024 (hereinafter the Parent company) and its subsidiaries (hereinafter the Group), which forms part of the Group's consolidated management report.

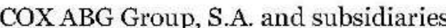
The SNFI includes information in addition to that required by current commercial regulations on non-financial information, specifically, it includes the Sustainability Information prepared by the Group for the year ended 31 December 2024 (hereinafter, the sustainability information) in accordance with the Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (CSRD). This sustainability information has also been subject to limited assurance procedures.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that:

a) the Group's Statement of Non-Financial Information for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with current commercial regulations and in accordance with the selected criteria of the European Sustainability Reporting Standards (ESRS), as well as with those other criteria described as mentioned for each topic in the table from section 6 of the aforementioned Statement;

b) the sustainability information as a whole is not prepared, in all material respects, in accordance with the sustainability reporting framework applied by the Group and which is identified in the accompanying section 1.1, including:

- That the description provided of the process for identifying the sustainability information included in section 1.4 is consistent with the process in place and enables the identification of the material information to be disclosed in accordance with the requirements of ESRS.
- Compliance with ESRS.



- Compliance with the disclosure requirements, included in section 2.1 of the environment section of the sustainability information with the provisions of article 8 of 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.

Basis for conclusion

We conducted our limited assurance engagement in accordance with generally accepted professional standards applicable in Spain and specifically in accordance with the guidelines contained in Guides 47 Revised and 56 issued by the *Instituto de Censores Jurados de Cuentas de España* on assurance engagements regarding non-financial information and considering the contents of the note published by the *Instituto de Contabilidad y Auditoría* (ICAC) dated 18 December 2024 (hereinafter, generally accepted professional standards).

In a limited assurance engagement, the procedures applied are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under these standards are further described in the *Practitioner's responsibilities* section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Paragraph of other matters

On May 31, 2024, other verifiers issued their independent verification report on the Group's Consolidated Non-Financial Information Statement for the fiscal year ended 2023, in which they expressed a favorable conclusion.

Responsibilities of the Parent company's directors

The preparation of the SNFI included in the Group's consolidated management report, as well as its content, is the responsibility of the directors of COX ABG Group, S.A. The SNFI has been prepared in accordance with prevailing commercial regulations and in accordance with the ESRS criteria selected, as well as those other criteria described in accordance with the aforementioned for each topic in the table from section 6 in the aforementioned Statement.

This responsibility also encompasses designing, implementing and maintaining such internal control as is determined to be necessary to enable the preparation of the SNFI that is free from material misstatement, whether due to fraud or error.

The directors of COX ABG Group, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the

SNFI is obtained.

With regard to the sustainability information, the Parent company's directors are responsible for developing and implementing a process to identify the information that should be included in the sustainability information in accordance with the CSRD, ESRS and as set out in article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, and for disclosing information about this process in the sustainability information itself in section 1.4. This responsibility includes:

- understanding the context in which the Group's business activities and relationships are conducted, as well as its stakeholders, with regard to the Group's impacts on people and the environment;
- identifying the actual and potential impacts (both negative and positive), as well as the risks and opportunities that could affect, or could reasonably be expected to affect, the Group's financial position, financial results, cash flows, access to finance or cost of capital over the short, medium or long term;
- assessing the materiality of the impacts, risks and opportunities identified; and
- making assumptions and estimates that are reasonable under the circumstances.

The Parent company's directors are also responsible for the preparation of the sustainability information, which includes the information identified by the process, in accordance with the sustainability reporting framework applied, including compliance with the CSRD, compliance with ESRS and compliance with the disclosure requirements included in section 2.1 of the environment section of the sustainability information in accordance with the provisions of article 8 of 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 investment.

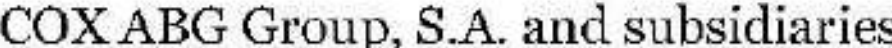
This responsibility includes:

- Designing, implementing and maintaining such internal control as the Parent company's directors consider to be relevant to enable the preparation of sustainability information that is free from material misstatement, whether due to fraud or error.
- Selecting and applying appropriate methods for the presentation of sustainability information and making assumptions and estimates that are reasonable in the circumstances about specific disclosures.

Inherent limitations in preparing the information

In accordance with ESRS, the Parent company's directors are required to prepare prospective information based on assumptions and hypotheses, which should be included in the sustainability information, regarding events that could occur in the future, as well as possible future actions, where appropriate, that the Group could take. Actual results may differ significantly from estimated results since they refer to the future and future events often do not occur as expected.

In determining disclosures relating to sustainability information, the Parent company's directors interpret legal and other terms that are not clearly defined and could be interpreted differently by others, including the legality of such interpretations and, consequently, they are subject to uncertainty.



Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the SNFI and sustainability information are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of this information.

As part of a limited assurance engagement, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Design and perform procedures to assess whether the process for identifying the information included in both the SNFI and the sustainability information is consistent with the description of the process followed by the Group and enables, where appropriate, the identification of the material information to be disclosed in accordance with ESRS requirements.

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify the disclosures in respect of which material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.

- Design and perform procedures responsive to where material misstatements are likely to arise in the disclosures included in the SNFI and sustainability information. 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence to support our conclusions. The nature, timing and extent of procedures selected depend on professional judgement, including the identification of the disclosures where material misstatements are likely to arise, whether due to fraud or error, in the SNFI and in the sustainability information.

Our work consisted of enquiries of management as well as of various units and components of the Group that were involved in the preparation of the SNFI and sustainability information, of the review of the processes for compiling and validating the information presented in the SNFI and sustainability information and of the application of certain analytical procedures and review procedures on a sample basis, as described below:

In relation to the process of verifying the SNFI:

- Meetings with Group personnel to understand the business model, policies and management approaches applied and the main risks related thereto, and obtaining the information required for the external review.

- Analysis of the scope, relevance and completeness of the content of the SNFI for the 2024 year based on the materiality analysis performed by the Group and described in section 1.4, taking into account the content required under prevailing commercial legislation.

- Analysis of the processes to compile and validate the information presented in the SNFI for the 2024 year.

- Review of information concerning risks, policies and management approaches applied in relation to material matters presented in the SNFI for the 2024 year.

- Verification, by means of sample testing, of the information relating to the content of the SNFI for the 2024 year and its adequate compilation using data obtained from the information sources.

In relation to the process of verifying the sustainability information:

- Making enquiries of the Group's personnel:
  - in order to understand the business model, policies and management approaches applied and the main risks related thereto, and obtaining the information required for the external review.
  - in order to understand the source of the information used by management (for example, engagement with stakeholders, business plans and strategy documents); and the review of the Group's internal documentation on its process;
- Obtaining, through enquiries of Group personnel, an understanding of the entity's relevant processes for collecting, validating and presenting information for the preparation of its sustainability information.
- Evaluating the consistency of the evidence obtained from our procedures on the process implemented by the Group for determining the information that should be included in the sustainability information with the description of the process included in such information, as well as the evaluation of whether the aforementioned process implemented by the Group enables the identification of material information to be disclosed according to ESRS requirements.
- Evaluating whether all the information identified in the process implemented by the Group for determining the information that should be included in the sustainability information is in fact included.
- Evaluating the consistency of the structure and presentation of the sustainability information with the requirements of ESRS and the rest of the regulatory framework on sustainability information applied by the Group.
- Making enquiries of relevant personnel and performing analytical procedures on the information disclosed in the sustainability information, considering such information in respect of which material misstatements are likely to arise, whether due to fraud or error.
- Performing, where appropriate, substantive procedures on a sample basis on the information disclosed in the selected sustainability information, considering such information in respect of which material misstatements are likely to arise, whether due to fraud or error.
- Obtaining, where applicable, the reports issued by accredited independent third parties appended to the consolidated management report in response to the requirements of European regulations and, in relation to the information to which they refer and in accordance with generally accepted professional standards, verifying only the practitioner's accreditation and that the scope of the report issued is aligned with the requirements of European regulations.
- Obtaining, where appropriate, the documents that contain the information incorporated by reference, the reports issued by auditors or practitioners on such documents and, in accordance with generally accepted professional standards, verifying only that the document to which the information incorporated by reference refers meets the conditions described in ESRS for the incorporation of information by reference in the sustainability information.

- Obtaining a representation letter from the Parent company's directors and management in relation to the SNFI and sustainability information.

Other information

The Parent company's directors are responsible for the other information. The other information comprises the consolidated annual accounts and the rest of the information included in the consolidated management report, but does not include either the auditors' report on the consolidated annual accounts or the assurance reports issued by accredited independent third parties as required by European Union law on specific disclosures contained in the sustainability information and appended to the consolidated management report.

Our assurance report does not cover the other information, and we do not express any form of assurance conclusion thereon.

With regard to our assurance engagement regarding the sustainability information, our responsibility consists of reading the other information identified above and, in doing so, considering whether the other information is materially inconsistent with the sustainability information or the knowledge we have obtained during the assurance engagement, which may be indicative of the existence of material misstatements in the sustainability information.

PricewaterhouseCoopers Auditores S.L.

Original in Spanish signed by Rafael Pérez Guerra

13 March 2025

Annual Corporate Governance Report

Annex II

Annual Corporate Governance Report

The Annual Corporate Governance Report (ACGR) for fiscal year 2024 is part of this Consolidated Management Report. This document can be consulted on the company's corporate website (www.grupocox.com) as well as on the website of the Spanish National Securities Market Commission (www.cnmv.es).

Annual Report on Directors' remuneration

Annex III

Annual report on Directors' remuneration

The Annual Director Remuneration Report (ADRR) for fiscal year 2024 is part of this Consolidated Management Report. This document can be consulted on the company's corporate website (www.grupocox.com) as well as on the website of the Spanish National Securities Market Commission (www.cnmv.es).

Due Diligence of Consolidated Annual Financial Statements

The Board of Directors of **Cox ABG Group, S.A.** (the '**Company**'), with its registered office in Madrid, C/ Eucalipto no. 25, 1ª planta (C.P. 28016), with TIN A-87073193, convened on 13 March 2025, with the attendance of all its members, has prepared, in compliance with the current commercial regulations, the Company's consolidated Annual Financial Statements (*Statement of Financial Position, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Consolidated Notes*) and the consolidated Management Report, which includes the Non-Financial Information Statement, for the fiscal year 2024, following the format and tagging requirements established in the European Commission Delegated Regulation (EU) 2019/815.

The entirety of the members comprising the Board of Directors of the Company, by this Record, declare the presented Consolidated Annual Financial Statements and the Consolidated Management Report for the fiscal year 2024, with a view to their verification by the auditors and subsequent approval by the General Meeting of Shareholders.

Enrique José Riquelme Vives	Alberto Zardoya Arana	Alejandro Fernández Ruiz
Arturo Saval Pérez	Cristina González Pitarch	Dámaso Quintana Pradera
Elena Sánchez Álvarez	Ignacio Maluquer Usón	Juan Ignacio Casanueva Pérez
Luis Arizaga Zárate	Mar Gallardo Mateo	Román I. Rodríguez Fernández

Due Diligence: The formulation of the Annual Financial Statements has been approved by all members of the Board who make up the Board of Directors of the Company. However, in this record, Mr Dámaso Quintana Pradera, Ms Cristina González Pitarch, and Mr Juan Ignacio Casanueva Pérez have not included their signatures due to attending the meeting remotely, as permitted by the Board of Directors Regulations of the Company. Nevertheless, the minutes of the meeting will record the favourable vote of these directors for the approval of the formulation of these accounts.

And thus I sign it, so that it may produce all its appropriate legal effects, with the approval of the Chairman of the Board of Directors, in Madrid, on 13 March 2025.

Approved by the Chairman of the Board of Directors

Enrique José Riquelme Vives

The Secretary of the Board of Directors

Antonio Medina Cuadros

Negative statement regarding Environmental Information in the Annual Financial Statements

The members of the Board of Directors of Cox ABG Group, S.A. (the "**Company**") declare that, in the accounting related to the current Annual Financial Statements for the fiscal year ending 31 December 2024, there is no environmental item that needs to be included in the Report, in order for it to present a true and fair view of the assets, the results, and the financial position of the Company, in accordance with the guidelines of the third part of the General Accounting Plan (Royal Decree 1514/2007, of 16 November).

The Directors of the Company who sign this declaration are listed below and constitute the entirety of the members of the Company's Board of Directors who have prepared the **individual and consolidated Annual Financial Statements** for the fiscal year 2024 during their session on 13 March 2025.

Enrique José Riquelme Vives	Alberto Zardoya Arana	Alejandro Fernández Ruiz
Arturo Saval Pérez	Cristina González Pitarch	Dámaso Quintana Pradera
Elena Sánchez Álvarez	Ignacio Maluquer Usón	Juan Ignacio Casanueva Pérez
Luis Arizaga Zárate	Mar Gallardo Mateo	Román I. Rodríguez Fernández

Due Diligence: The formulation of the Annual Financial Statements has been approved by all members of the Board who make up the Board of Directors of the Company. However, in this Declaratiom, Mr Dámaso Quintana Pradera, Ms Cristina González Pitarch, and Mr Juan Ignacio Casanueva Pérez have not included their signatures due to attending the meeting remotely, as permitted by the Board of Directors Regulations of the Company. Nevertheless, the minutes of the meeting will record the favourable vote of these directors for the approval of the formulation of these accounts.

And thus I sign it, so that it may produce all its appropriate legal effects, in Madrid, on 13 March 2025.

Antonio Medina Cuadros,

Secretary of the Board of Directors

Statement of Responsibility of the Directors

In compliance with the current commercial regulations and, especially, as established in Article 8 of Royal Decree 1362/2007, of 19 October, all members of the Board of Directors of Cox ABG Group, S.A. (the '**Company**'), declare that, to the best of their knowledge, the **individual annual financial statements of the Company** (*Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statement and Notes),* as well as the **consolidated annual financial statements** of the Company and its subsidiaries (*consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and consolidated notes*), for the fiscal year ended 31 December 2024 and drawn up by the Board of Directors at its meeting on 13 March 2025, have been prepared in accordance with applicable accounting principles and provide a true and fair view of the assets, financial position, and results of the Company and the subsidiaries included in the consolidation as a whole, and that the **supplementary management reports to the individual and consolidated annual financial statements**, include a true analysis of the business development and results, and the position of the Company and its subsidiaries included in the consolidation as a whole, as well as a description of the main risks and uncertainties they face.

The Directors of the Company who sign this declaration are those listed here and constitute the entirety of the members of the Company's Board of Directors who have prepared the individual and consolidated Annual Financial Statements for the fiscal year 2024.

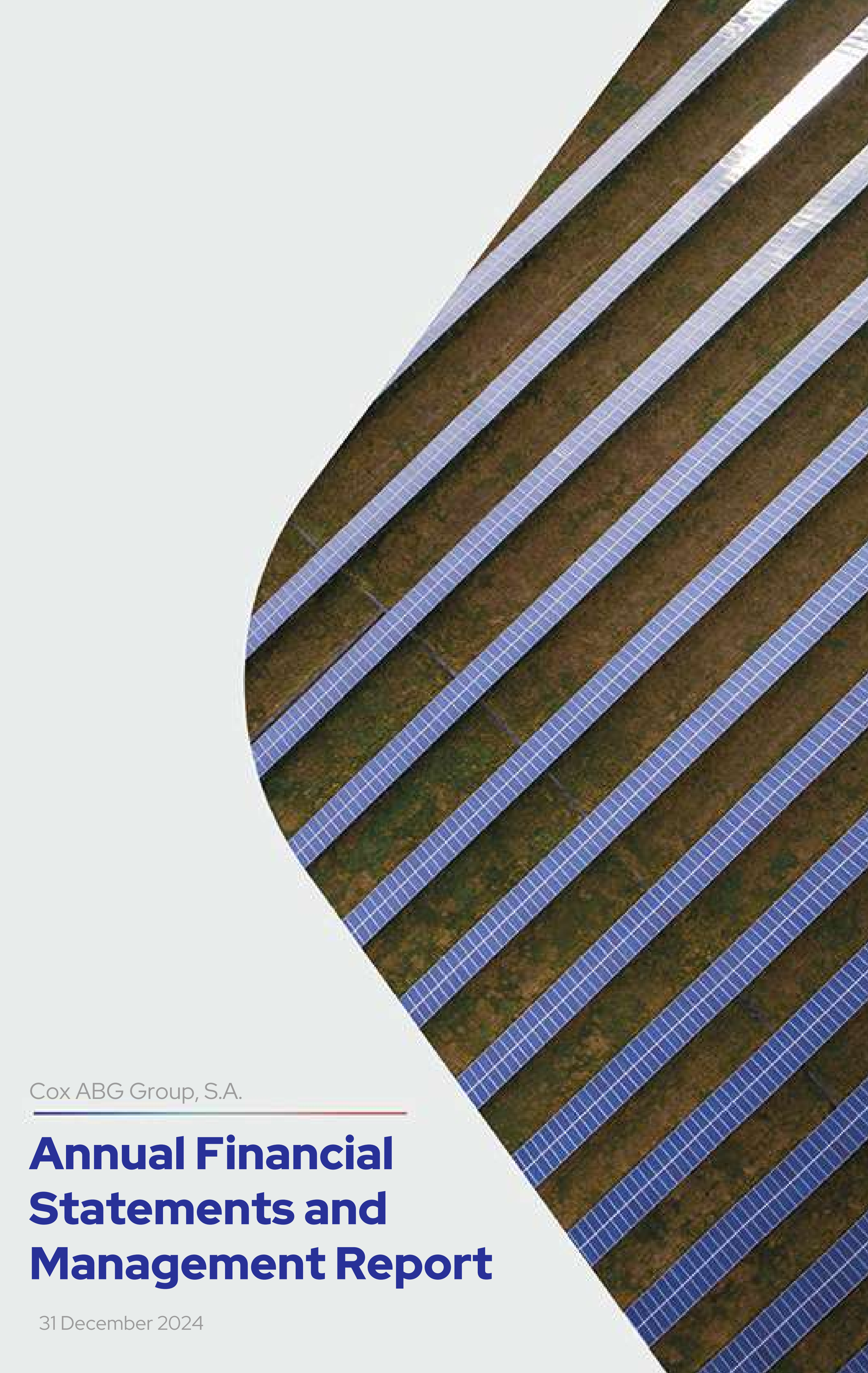
Enrique José Riquelme Vives	Alberto Zardoya Arana	Alejandro Fernández Ruiz
Arturo Saval Pérez	Cristina González Pitarch	Dámaso Quintana Pradera
Elena Sánchez Álvarez	Ignacio Maluquer Usón	Juan Ignacio Casanueva Pérez
Luis Arizaga Zárate	Mar Gallardo Mateo	Román I. Rodríguez Fernández

Due Diligence: The formulation of the Annual Financial Statements has been approved by all members of the Board who make up the Board of Directors of the Company. However, in this Declaration, Mr Dámaso Quintana Pradera, Ms Cristina González Pitarch, and Mr Juan Ignacio Casanueva Pérez have not included their signatures due to attending the meeting remotely, as permitted by the Board of Directors Regulations of the Company. Nevertheless, the minutes of the meeting will record the favourable vote of these directors for the approval of the formulation of these accounts.

And thus I sign it, so that it may produce all its appropriate legal effects, in Madrid, on 13 March 2025.

Antonio Medina Cuadros,

Secretary of the Board of Directors



Cox ABG Group, S.A.

Annual Financial Statements and Management Report

31 December 2024

COX ABG Group, S.A.

Annual Accounts and Management 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 annual accounts

To the shareholders of Cox ABG Group, S.A.

Report on the annual accounts

Opinion

We have audited the annual accounts of Cox ABG Group, S.A. (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2024, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

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 annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the 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 annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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R. M. Madrid, hoja M-63.988, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - NIF: B-79031290

Key audit matters	How our audit addressed the key audit matters
Valuation of investments in group companies and associates As explained in notes 9 and 14 to the financial statements, at 31 December 2024 the Company recognises "equity instruments" as investments in group companies and associates in an amount of Euros 72,748 thousand in long term and "Loans to Group companies" in long and short term in an amount of Euros 113,143 and Euros 499 thousand, respectively. As mentioned in Note 4.b)1 to the accompanying financial statements, the Company measures equity instruments at cost, less, where appropriate, the accumulated amount of value adjustments for impairment. These value adjustments are calculated as the difference between the carrying value and recoverable amount, understood as the higher of fair value less selling costs and the present value of future cash flows from the investment, net of the tax effect. Unless there is better evidence of the recoverable amount, the estimated impairment loss on this kind of assets is calculated based on the investee's equity and any unrealized capital gains existing at the measurement date, net of the tax effect, as indicated in note 4.b)1 to the accompanying financial statements As indicated in note 4.b).2 to the accompanying financial statements, loans to companies are initially measured at fair value which, unless otherwise evidenced, is the transaction price plus the transaction costs which may be directly attributable. Subsequently, these assets are measured at amortised cost. Accrued interest is recognised in the income statement using the effective interest method. At least at year end, the necessary value adjustments are made for impairment, provided that there is objective evidence of impairment of the value of a financial asset, leading to a reduction or delay in estimated future cash flows which may result from debtor insolvency, as indicated in note 4.b).2 to the accompanying financial statements.	Our audit procedures included the following, among others: We gained an understanding of the accounting policies implemented by the Company relating to the valuation of equity instruments and loans to Group companies to assess their recoverability. We analysed the calculation of the recoverable amount performed by the Company for these assets. For loans to Group companies, we analysed the solvency of group debtors. For equity instruments, we compared the cost of the investment in each equity instrument with the investees' equity (consolidated equity attributable to the Company in the case of subgroups) and where equity was lower, we analysed the Company's calculation of the recoverable amount. Specifically, we assessed the reasonableness of the existing unrealized capital gains and the assumptions and estimates made by management in order to calculate the present value of the future cash flows from certain investments, supporting the recoverability of equity instruments. Finally, we assessed the sufficiency of the information disclosed in the financial statements with respect to investments in group companies and associates. The results of the procedures performed have enabled the audit objectives for which such procedures were designed to be reasonably attained.

We consider the valuation of equity investments and loans to companies a key audit matter largely due to their significance with respect to the financial statements as a whole and the fact that there is an inherent risk associated with the valuation of such investments.

Other information: Management report

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

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

a) Verify only that 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 management report and the annual accounts as a result of our knowledge of the Company 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 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 management report is consistent with that contained in the 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 annual accounts

The directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit commission is responsible for overseeing the process of preparation and presentation of the annual accounts.

Auditor's responsibilities for the audit of the annual accounts

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with the entity'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 entity'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 entity's audit commission, we determine those matters that were of most significance in the audit of the 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 file of the European single electronic format (ESEF) of Cox ABG Group, S.A. for the 2024 financial year that comprises an XHTML file of the annual accounts for the financial year, which will form part of the annual financial report.

The directors of Cox ABG Group, S.A. are responsible for presenting the annual financial report for the 2024 financial year in accordance with the formatting requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the management report.

Our responsibility is to examine the digital file prepared by the 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 annual accounts included in the aforementioned file completely agrees with that of the annual accounts that we have audited, and whether the format of these accounts has been effected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined completely agrees with the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit commission

The opinion expressed in this report is consistent with the content of our additional report to the audit commission of the Company dated 13 March 2025.

Appointment period

The General Ordinary Shareholders' Meeting held on 23 December 2023 appointed us as auditors for a period of three years, as from the year ended 31 December 2023.

Services provided

Services provided to the audited entity for services other than the audit of the accounts are disclosed in note 20 to the annual accounts.

In relation to the services provided to the subsidiary companies of the Company for services other than the audit of the accounts, refer to the audit report dated 13 March 2025 on the consolidated annual accounts of Cox ABG Group, S.A. and its subsidiary companies, where these subsidiary companies have been consolidated.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Rafael Pérez Guerra (20738)

13 March 2025

Cox ABG Group, S.A.

Annual Financial Statements and Management Report

31 December 2024

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Management Report as of 31 December 2024 50

Free translation of the Annual Financial Statements originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.

Balance as of 31 December 2024

- Expressed in thousands of euros -

Assets	Notes (1)	31.12.2024	31.12.2023
Non-current assets			
Property, plant and equipment	**5**	**3**	**58**
Technical installations and other property, plant and equipment		3	58
Long-term investments on group and associated companies		**185,891**	**116,571**
Equity instruments	9	72,748	72,685
Loans to Group companies	7, 9, 14	113,143	43,886
Long-term financial investments	**7**	**34**	**34**
Other financial assets		34	34
Deferred tax assets	**15**	**4,250**	**–**
Total non-current assets		**190,178**	**116,663**
Current assets			
Trade and other receivables		**10,203**	**5,451**
Trade receivables for sales and services rendered	7	83	–
Clients, group companies and associates	7, 14	6,681	4,706
Receivables	7	64	624
Current tax assets	15	1,595	3
Other receivables from Public Entities	15	1,780	118
Short-term investments on group and associated companies		**1,130**	**434**
Loans to Group companies	7, 9, 14	499	431
Other financial assets	7, 9	631	3
Short-term financial investments	**7**	**5,000**	**–**
Other financial assets		5,000	–
Accruals	**17**	**750**	**–**
Cash and other cash equivalents	**7, 8**	**92,028**	**1,235**
Cash and cash equivalents		42,028	1,235
Other cash equivalents		50,000	–
Total current assets		**109,111**	**7,120**
Total assets		**299,289**	**123,783**

(1) Notes 1 to 21 form an integral part of the Notes to the Annual Financial Statements.

Balance as of 31 December 2024

- Shown in thousands of euros -

Liabilities	Notes (1)	31.12.2024	31.12.2023
Equity			
Share capital	**11**	**187,205**	**16,337**
Share capital			
Subscribed capital		7,790	61
Share premium		174,226	6,000
Reserves		**6,791**	**12,791**
Legal reserves		12	12
Other reserves		6,779	12,779
Own shares		(137)	–
Retained earnings		(2,515)	3,070
Profit / (loss) for the financial year	3	1,050	(5,585)
Total net equity		**187,205**	**16,337**
Non-current liabilities			
Provisions	16	**5,968**	**–**
Other provisions		5,968	–
Non-current borrowings		**10,933**	**12,510**
Bank loans	12, 13	–	29
Other financial liabilities	12	10,933	12,481
Due to group and associated companies	**12, 14**	**79,749**	**92,336**
Total non-current liabilities		**96,650**	**104,846**
Current liabilities			
Short-term payables	**12, 13**	**2,203**	**650**
Bank loans		29	566
Other financial liabilities		2,174	84
Short-term debts with group companies and associates	**12, 14**	**4,299**	**123**
Trade and other payables		**8,932**	**1,827**
Trade payables to group companies and associates	12, 14	3	3
Sundry payables	12	6,784	1,702
Employee remuneration payable		1,409	2
Other payables to Public Administrations	15	736	120
Total current liabilities		**15,434**	**2,600**
Total liabilities and net equity		**299,289**	**123,783**

(1) Notes 1 to 21 form an integral part of the Notes to the Annual Financial Statements.

Income statements for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

	Notes	31.12.2024	31.12.2023
Revenue	**18**	**19,136**	**16,566**
Rendering of services		19,136	16,566
Supplies		**(1,585)**	**–**
Subcontracted work		(1,585)	–
Other operating income		**–**	**4**
Sundry income and other current operating expenses		–	4
Personnel expenses	**18**	**(3,977)**	**(377)**
Wages, salaries and similar remuneration		(3,873)	(354)
Social charges		(104)	(23)
Other operating expenses	**18**	**(3,684)**	**(4,635)**
External services		(3,582)	(4,596)
Taxes		(18)	–
Other ordinary expenses		(84)	(39)
Depreciation of fixed assets	**5**	**(11)**	**(23)**
Other profit/(loss)		**(44)**	**3**
Operating profit		**9,835**	**11,538**
Financial income	**18**	**72**	**463**
From shares in equity instruments		**–**	**53**
In group companies and associates		–	53
Marketable securities and other financial instruments		**72**	**410**
In group companies and associates		–	410
In third parties		72	–
Financial expenses	**18**	**(9,061)**	**(16,954)**
Due to group and associated companies		(6,499)	(5,703)
Payables to third parties		(2,562)	(11,251)
Exchange differences	**18**	**674**	**(632)**
Financial results		**(8,315)**	**(17,123)**
Profit/(loss) before taxes		**1,520**	**(5,585)**
Income tax expense	15	(470)	–
Profit/(loss) for the fiscal year		**1,050**	**(5,585)**

(1) Notes 1 to 21 form an integral part of the Notes to the Annual Financial Statements.

Statement of changes in equity for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

A. Statement of recognised income and expenses for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

	31.12.2024	31.12.2023
Profit/(Loss) from the Income Statement	1,050	(5,585)
Total Recognised Income and Expenses	**1,050**	**(5,585)**

B. Statement of changes in equity for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

	Note	Subscribed capital	Share premium	Reserves	Own shares	Profit/(loss) from previous fiscal years	Profit / (loss) for the financial year	Total
Balance as of 31 December 2022		**61**	**6,000**	**13,675**	**–**	**3,070**	**(887)**	**21,919**
Total recognised income and expenses		–	–	–	–	–	(5,585)	(5,585)
Other variations in net worth								
Distribution of 2022 income and expenses	3	–	–	(887)	–	–	887	–
Other movements		–	–	3	–	–	–	3
Balance as of 31 December 2023		**61**	**6,000**	**12,791**	**–**	**3,070**	**(5,585)**	**16,337**
Total recognised income and expenses		–	–	–	–	–	1,050	1,050
Other variations in net worth								
Distribution of 2023 income and expenses	3	–	–	–	–	(5,585)	5,585	–
Capital increase	11	7,729	175,164	(6,000)	–	–	–	176,893
Other movements		–	(6,938)	–	(137)	–	–	(7,075)
Balance as of 31 December 2024		**7,790**	**174,226**	**6,791**	**(137)**	**(2,515)**	**1,050**	**187,205**

Notes 1 to 21 form an integral part of the Notes to the Annual Financial Statements.

Cash flow statements for the fiscal year ended 31 December 2024

- Expressed in thousands of euros -

	Notes	31.12.2024	31.12.2023
Profit/(loss) before taxes		**1,520**	**(5,585)**
Adjustments to results		**(17,704)**	**4,637**
Depreciation of fixed assets	5 and 6	11	23
- Financial revenues	14 and 16	(19,208)	(12,971)
+ Financial expenses	14 and 16	9,061	16,953
- Exchange differences		(674)	632
Results from write-offs and disposals of fixed assets and financial instruments		(6,894)	–
Changes in working capital		**7,416**	**(3,990)**
Trade and other receivables	14	307	(4,277)
Trade and other payables		7,109	287
Other cash flows from operating activities		**(1,049)**	**(158)**
- Interest payments		(1,049)	(158)
A. Cash flows from operating activities		**(9,817)**	**(5,096)**
Investments		**(59,527)**	**(56,704)**
Property, plant and equipment	5	–	(6)
Equity Instruments		(63)	(48)
Loans to Group companies and associates	14	(49,715)	(59,186)
Other financial assets	14	(9,749)	2,536
B. Net cash flows from investing activities		**(59,527)**	**(56,704)**
Proceeds from and payments for equity instruments		**176,755**	**–**
Issuance of equity instruments		176,892	–
Acquisition of own equity instruments		(137)	–
Payments made and received for financial liability instruments		**(16,618)**	**62,963**
Bank loans	13	(1,536)	(15,573)
Due to group and associated companies	14	(15,082)	76,436
Other financial liabilities	12	–	2,100
C. Cash flows from financing activities		**160,137**	**62,963**
Net increase/(decrease) in cash and cash equivalents		**90,793**	**1,163**
Cash and cash equivalents at the beginning of the fiscal year		1,235	72
Cash and cash equivalents at the end of the fiscal year		**92,028**	**1,235**

(1) Notes 1 to 21 form an integral part of the Notes to the Annual Financial Statements.

Note 1.- Nature and Activity of the Company

Cox ABG Group, S.A. (hereinafter, the "Company") was incorporated as a public limited company in Spain on 25 July 2014 for an indefinite period of time, with its registered office at Calle Conde de Aranda 22, Madrid (Spain). On 14 March 2017, its registered office was changed to Calle Velázquez, 4, Madrid, Spain. On 22 January 2024 the name of the company was changed from Cox Energy Solar S.A. to Cox ABG Group, S.A. and the registered office was moved from Calle Velázquez, 4, Madrid, Spain, to Calle del Eucalipto 25, 1st Floor, 28016 Madrid, Spain.

The primary business objective of the Company is:

To develop, plan, and commercialise in all its forms, either directly or through third parties, to establish and/or operate projects in any manner, including photovoltaic systems, wind or hydroelectric generators, and generally all types of equipment, systems, and elements for generating all kinds of energy.

To offer engineering advisory services for the development of energy installations or companies.

To purchase, sell, lease and/or utilise, import or export equipment, components, spare parts and elements in general, necessary for the installation, operation and commercialisation of all types of energy generation and distribution systems, whether they are photovoltaic, wind, hydroelectric and others.

The activities forming part of the corporate purpose described in the previous sections may also be undertaken indirectly, through participation in other entities or companies with identical or similar objectives.

The Company primarily operates in Europe, Africa, the Middle East, and Latin America, both directly and indirectly through its subsidiaries.

As of 31 December 2024 and 2023, the primary activity of the Company is as a holding company, as well as providing services to other companies within the Group.

At 31 December 2024 and 2023 the Company was controlled by Enrique Riquelme Vives, through Inversiones Riquelme, S.L.U., incorporated on 25 July 2014, Lusaka Investment, S.L. and Riquelme Capital Group, S.A., being the main shareholder of the Company, with an interest of 64.94% and 72.83%, respectively.

The Company is part of the Cox ABG Group, S.A. And its subsidiaries, pursuant to Article 42 of the Commercial Code. The parent holding company of the group is Inversiones Riquelme Vives, S.L.U. with residence in Spain.

The shares of the Parent company Cox ABG Group, S.A. have been listed on the Madrid, Valencia, Bilbao and Barcelona stock exchanges (Continuous Market) since 15 November 2024.

Shares of the subsidiary Cox Energy, S.A.B. de C.V. (formerly Cox Energy America, S.A.B. de C.V.) have been listed on the Mexican Bolsa Institucional de Valores (BIVA) under the ticker COXA* (formerly Cox Energy America S.A.B. de C.V.) since April 2020. In addition, the aforementioned company has been listed since 3 July 2023 in the BME Growth trading segment of BME MTF Equity in Spain under the symbol COX, later changed to COXE.

The Company primarily engages in the activities typical of a shared services centre as part of its regular business. This involves directing, managing, and administering primarily the Group's companies, along with handling commercial and contracting tasks. To achieve this, it possesses the essential technical and human resources, along with the infrastructures typical of this kind of activity; these activities are quite distinct from simply holding shares in the capital of Group companies. In addition to the aforementioned, and solely to optimise financial resources, the Company manages the cash surpluses/deficits of certain Group companies. This should not be construed as engaging in financial activities, as the Group's operations are funded by each individual company where they occur, rather than through the Group's parent company.

The Consolidated Annual Financial Statements of the Cox ABG Group, S.A. and its subsidiaries, along with the Consolidated Management Report for the fiscal year 2024, were prepared by the Company's Board of Directors during their meeting held on 13 March 2025. It is expected that they will be approved by the Company's Annual General Shareholders' Meeting without modifications and will be filed with the Madrid Mercantile Registry, along with the corresponding audit report. The Annual Financial Statements for the fiscal year 2023 were approved by the Shareholders' General Meeting on 17 September 2024.

Note 2.- Basis of Presentation of the Annual Financial Statements

2.1. True and fair presentation

The financial reporting regulatory framework applicable to the Company is that established in:

a) The Commercial Code and the remaining commercial legislation.

b) The General Accounting Plan approved by Royal Decree 1514/2007 of 16 November 2007 and its amendments and adaptations, the latest being those incorporated by Royal Decree 1/2021 of 12 January, in force for fiscal years beginning on or after 1 January 2021.

c) The mandatory rules approved by the Spanish Accounting and Auditing Institute (ICAC) in implementation of the Spanish National Chart of Accounts and its complementary rules.

d) Legislative Royal Decree 1/2010, of 2 July, approving the consolidated text of the Spanish Companies Act.

e) The remainder of the applicable Spanish accounting regulations.

The Annual Financial Statements for the fiscal year 2024 have been prepared from the Company's accounting records and are presented in accordance with the applicable regulatory financial reporting framework and, in particular, with the accounting principles and rules contained therein, so as to present fairly the Company's equity and financial position at the end of the fiscal year, and the results of its operations, changes in equity, and cash flows for the fiscal year 2024.

These Annual Financial Statements, which have been prepared on 13 March 2025, are pending approval by the Annual General Shareholders' Meeting. Nevertheless, the Company's Directors do not anticipate any significant modifications in the ratification process. The Annual Financial Statements for the fiscal year 2023 were approved by the General Meeting of Shareholders on 17 September 2024.

2.2. Non-mandatory accounting principles

Non-mandatory accounting principles have not been applied. Additionally, for the drawing up of the Annual Financial Statements for the fiscal year 2024, the applicable financial reporting framework has been followed, and in particular, the accounting and valuation standards described in note 4 have been adhered to. The Board of Directors has prepared these Annual Financial Statements considering all mandatory accounting principles and standards that significantly impact these Annual Financial Statements. There are no accounting principles which are mandatory but have not been applied in the drawing up of these Annual Financial Statements. Similarly, non-mandatory accounting principles have not been applied.

2.3. Functional currency and presentation currency

The Annual Financial Statements are presented in thousands of euros, which is the Company's functional and presentation currency.

2.4. Key aspects of the measurement and estimation of uncertainty

a) Relevant accounting estimates and assumptions

The preparation of the annual financial statements requires the Company to use certain estimates and judgements concerning the future, which are continuously evaluated and based on historical experience and other factors, including expectations of future events considered reasonable under the circumstances.

The Company reviews its estimates on an ongoing basis. However, given the inherent uncertainty, there is a significant risk that substantial adjustments to the values of the affected assets and liabilities could arise in the future. If there is a material change in the assumptions, facts, and circumstances on which they are based, the affected assets and liabilities will be adjusted prospectively in future fiscal years.

The key assumptions about the future, as well as other relevant data regarding the estimation of uncertainty at the fiscal year-end, that carry a significant risk of causing substantial changes in the value of assets or liabilities in the next fiscal year are as follows:

Impairment of non-current assets

The appraisal of non-current assets, excluding financial assets, necessitates making estimates to ascertain their recoverable value for the purpose of evaluating potential impairment. To ascertain this recoverable amount, the Company's directors estimate the anticipated future cash flows of the assets or the cash-generating units to which they belong, and apply an appropriate discount rate to compute the present value of those cash flows.

Impairment of equity instruments in group companies

The impairment test for investments in Group companies, jointly controlled entities, and associates is conducted according to the accounting policy outlined in the recognition and measurement criteria (note 4 b). For non-listed companies, the recoverable amounts are considered to be the fair value at the time of the assessment. These calculations require the use of estimates.

For the net asset position used to estimate the recoverability of discounted future cash flows from equity investments and receivables from subsidiaries, it is calculated as the difference between the net asset balances, including the value of the equity investment/receivable recognised, and liabilities held with subsidiaries (either directly or indirectly through their subsidiaries).

Provisions

The Company recognises provisions for risks, in accordance with the accounting policy. The Company makes judgements and estimates regarding the likelihood of these risks occurring, as well as their potential magnitude, and records a provision when a risk is deemed probable, estimating the cost that such an obligation would incur.

Income tax and recoverable deferred tax assets

The calculation of income tax requires interpretations of applicable tax regulations for the Company. Several factors —primarily, but not exclusively, changes in the interpretation of current tax laws—require management to make estimates. As a result, tax contingencies or additional liabilities could arise from tax authority inspections resulting from potential interpretations of applicable tax legislation.

The recoverability of deferred tax assets is assessed at the time they are generated and subsequently at each balance sheet date, based on the projected performance of the Company as outlined in the Group's Strategic Plan. When conducting this assessment, management considers potential reversals of deferred tax liabilities, projected tax benefits, and the Group's tax planning strategy.

b) Going concern principle

The Company recorded a profit of 1,050 thousand euros for the fiscal year ended 31 December 2024 (loss of 5,585 thousand euros in 2023).

The Company also reports positive working capital of 93,677 thousand euros as of 31 December 2024 (positive working capital of 4,520 thousand euros as of 31 December 2023).

There are several factors that tend to reduce or eliminate doubts about the Company's ability to continue as a going concern, which are outlined below:

› In September 2023, the Group approved its Strategic Plan for the next 5 years, which defines the main hypotheses for the Group's growth in the short and medium term, reaching sufficient liquidity levels to comply with the plan.

› On 13 November 2024, a capital increase for a total amount of 175 million euros was registered under which 17,106,549 fully subscribed and paid-up ordinary shares were issued. On 15 November, the company's shares were admitted to the Spanish Stock Exchanges and began trading on the Spanish Stock Exchange.

This Group has a cash-flow plan based on the following factors, among others:

- The concession business, with 5 water concessions (desalination plant in Agadir and risk network in Aman El Baraka in Morocco and desalination plant in Accra (Ghana) and energy (Solar Power Plant One, hereinafter SPP1, in Algeria and Khi Solar One in South Africa), as well as a bioethanol, sugar and energy production plant, and two generation assets owned and managed. The cash flow projections for these projects are based on the historical performance of the projects.
- Engineering, construction and services business: Cash estimates for existing projects at 31 December 2024, projects signed subsequently, as well as an estimate of future projects in accordance with the portfolio of opportunities have been included in the Water and Energy sectors.

- In addition, during 2024 the Group signed new lines of guarantee for an amount of 73 million euros, bringing the Group's total undrawn limit to 111 million euros (see note 20). In addition, it is in advanced negotiations with the main financial institutions to obtain long and short-term financing. In this regard, it should be noted that on 23 December 2024, a financing agreement was signed with a bank pool for a revolving credit line for a maximum amount of 32,5 million euros, with a maturity of 3 years for working capital requirements (see note 13). At year-end 2023, the Group signed the renewal of certain guarantee facilities in the amount of 111 million euros.
- In addition, on 17 December 2024, the company joined a "Cox ABG Group, S.A. 2024 Green Notes Programme" in the Alternative Fixed Income Market ("MARF"), for an amount of up to 50 million euros (see note 13).

The group's portfolio stands at 2,23 billion euros as of December 2024.

Following the analysis and assessment of the application of the going concern principle, the Company's management has drawn up these financial statements on a going concern basis, considering that the financial structure and the anticipated cash flow generation are consistent with the Company's operational needs for the next twelve months and, therefore, with the Company's ability to continue operating on a going concern basis in the future and to meet its financial and operational obligations.

2.5. Comparing the information

The Annual Financial Statements for the fiscal year 2024 present, for comparative purposes, each item of the Balance Sheet, the Income Statement, the Statement of Changes in Equity, and the Cash Flow Statement, in addition to the figures for the fiscal year 2024, those corresponding to the previous fiscal year. Additionally, the information contained in these notes to the financial statements for the fiscal year 2023 is presented for comparative purposes with the information for the fiscal year 2024.

2.6. Grouping of items

The Company has not consolidated items in the Balance Sheet, Income Statement, Statement of Changes in Equity, or Cash Flow Statement.

2.7. Items collected in various entries

The Company does not maintain any assets listed under various items.

2.8. Changes in accounting criteria

During the fiscal year 2024, there have been no significant changes in accounting policies compared to the policies applied in the fiscal year 2023.

2.9. Error correction

When preparing the attached Annual Financial Statements, no significant errors have been detected that would have made it necessary to adjust the amounts included in the Annual Financial Statements pertaining to the fiscal year 2023.

Note 3.- Application of Results

The proposed distribution of profit for the fiscal year 2024 that the Directors of the Company will submit for the approval of the General Meeting of Shareholders is as follows:

Object	Euros
Available for distribution	
Profit / (loss) for the financial year	**1,050**
Distribution	
Legal reserves	**105**
Retained losses	**945**

The distribution of results for the fiscal year 2023, as approved by the General Meeting of Shareholders, was to transfer the results of the fiscal year 2023 to the heading "Negative results of previous years" in the equity of the accompanying balance sheet.

Object	Euros
Available for distribution	
Profit / (loss) for the financial year	**(5,585)**
Distribution	
Retained losses	**(5,585)**

Note 4.- Registration and Valuation Standards

The most significant accounting and valuation policies that have been applied in the preparation of the annual financial statements for the fiscal year 2024 are summarised below:

a) Property, plant and equipment

Property, plant and equipment are initially measured at acquisition cost. Subsequently, they are valued at acquisition cost, reduced by the corresponding amortisation and, if applicable, by the accumulated amount of recognised impairment adjustments.

In addition to the price paid for acquiring each item, the cost would also encompass financial expenses accrued during the construction period, which are directly attributable to the acquisition or manufacture of the asset, provided they require more than a year to be ready for use. During the fiscal years 2024 and 2023, no amounts have been capitalised in this connection.

Interest and other financial charges incurred during the construction period of property, plant, and equipment, as well as foreign exchange differences arising during that period on long-term loans intended for the financing of such assets, are considered as an increase (or decrease) in their cost.

The financial expenses eligible for capitalisation originate from both specific financing sources that are expressly designated for the acquisition of the fixed asset and from general financing sources.

The Company has not capitalised any amount for these items during the fiscal years 2024 and 2023.

The costs associated with the renewal, extension, or enhancement of property, plant, and equipment are added to the asset's value when they lead to an increase in capacity, productivity, or an extension of its useful life, resulting in the accounting retirement of the replaced or renewed elements.

Maintenance, upkeep, and repair expenses that neither improve the utilisation nor extend the useful life of the assets are charged to the fiscal year on an accrual basis as costs in the period they are incurred.

The criteria for recognising impairment losses on these assets and, where applicable, reversals of impairment losses recognised in previous fiscal years are described in note 5.

The Company amortises its property, plant, and equipment using the straight-line method, distributing the acquisition cost minus, where applicable, the residual value over the estimated useful life years, as detailed below:

	Estimated useful working life
Other installations	10
Furniture	10
Data processing equipment	4
Other tangible fixed assets	10

b) Financial Assets

The financial assets held by the Company fall into the following categories:

Classification and valuation

1. Financial assets at cost

In any event, the following are included in this valuation category:

- Investments in the equity of group companies, jointly controlled entities and associates, as defined in the 13th standard for the drawing up of the annual financial statements of the General Accounting Plan.
- Other investments in equity instruments whose fair value may not be determined in reference to a traded price in an active market for an identical instrument, or whose reliability may not be estimated, and derivatives having these investments as underlying assets.
- Contributions made under a joint venture agreement and similar arrangements.
- Any other financial asset initially classified in the portfolio at fair value charged to the income statement when it is not possible to obtain a reasonable estimate of its fair value.

Investments included in this category are initially valued at cost, equivalent to the fair value of the consideration delivered plus the transaction costs directly attributable, with the latter not being included in the cost of investments in group companies.

However, in the case of investments existing prior to classification as a Group company, jointly controlled entity or associate, the cost of the investment is considered to be the carrying amount immediately before classification by the company.

Additionally, the initial valuation of equity instruments includes the amount of any pre-emptive subscription rights and similar rights that may have been acquired.

Subsequently, equity instruments included in this category are measured at net cost, minus, where appropriate, any accumulated impairment.

When a value must be assigned to these assets due to derecognition from the balance sheet or any other reason, the weighted average cost method is applied to homogeneous groups, which are understood as assets with identical rights.

At least at the end of the fiscal year, the necessary valuation allowances must be made when there is objective evidence that the carrying amount of an investment will not be recovered. The impairment is measured as the difference between the carrying amount and the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the present value of future cash flows from the investment, estimated in the case of equity instruments as either those from dividends expected to be received from the investee and the disposal or derecognition of the investment, or from the share in the cash flows expected to be generated by the investee in the ordinary course of business and from disposal or derecognition.

In estimating impairment loss on equity instrument investments, the estimated impairment loss on this type of assets is calculated based on the investee's equity and any existing tacit surplus at the measurement date, unless better evidence of the recoverable amount of the investment is available. Where the investee in turn holds an interest in another company, its equity shall be measured taking into account the equity disclosed in the consolidated financial statements drawn up using the criteria contained in the Code of Commerce and its implementing standards. When the investee company is domiciled outside Spanish territory, the closing exchange rate is applied to the net equity and the unrealised gains existing as of that date.

The recognition of impairment losses and, where applicable, their reversal, is recorded as an expense or income, respectively, in the income statement. An impairment loss may be reversed up to the carrying amount of the asset recognised at the date of reversal had no impairment loss been recognised previously.

The assets at cost as of 31 December 2024 and 2023 mainly correspond to the direct investment in Cox Energy S.A.B. (formerly Cox Energy América S.A. de C.V.), a publicly traded company, and Cox Infraestructuras, S.L. (note 9).

To ascertain the recoverable amount of these investments, the portion of the investee's equity attributable to the Company has been considered, adjusted where necessary for any latent capital gains present at the valuation date, which correspond to identifiable items in the balance sheet of the investees. In the case of entities which in turn have stakes in other entities, the consolidated equity corresponding to the consolidated annual financial statements has been taken into consideration. In the case of subsidiaries outside the national territory, the equity has been converted into euros using the exchange rate in effect on the analysis date. As a consequence of this analysis, it has not been necessary to record any impairment on the investments.

In addition, the net asset position is calculated as the difference between the net asset balances, including the value of the interest/credits recognised and liabilities held with subsidiaries (either directly or indirectly through their subsidiaries), and compared with the estimate of the recoverability of discounted future cash flows of the investments.

2. Financial assets at amortised cost

Financial assets are included in this category, even when they are admitted for trading on an organised market, if they are held within a business model whose objective is to hold the investment to receive contractual cash flows and the contractual conditions of the financial assets give rise, on specified dates, to cash flows that are only collections of principal and interests on the outstanding principal amount.

The contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are inherent to an agreement qualifying as ordinary or common loan, notwithstanding the fact that in the transaction it may have been agreed to apply a zero interest rate or an interest rate below market price.

The management of a financial asset group for contractual flows does not imply that the Company must hold all instruments until they mature. It could be considered that financial assets are managed for this aim, even when there have been or it is expected that there will be sales in the future. For such purpose, the Company takes into consideration the frequency, the amount and the sales schedules in previous years, the reason for those sales and the expectations over future sales. The management of these investments by the Company is a factual matter and does not rely on its intentions for any individual instrument.

In general, this category encompasses trade receivables (financial assets arising from the sale of goods and the provision of services related to the Company's business transactions with delayed payment) and non-trade receivables (financial assets which, not being equity instruments or derivatives, do not have a commercial origin and whose collections are of a specified or specifiable amount, originating from loans or credit granted by the Company).

The financial assets classified in this category are initially measured at their fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration given, plus any directly attributable transaction costs. Subsequently, these financial assets are valued at their amortised cost. Accrued interest is recorded in the income statement through the application of the effective interest rate method.

However, credits for commercial operations with a maturity of no more than one year and that do not have a contractual interest rate, as well as advances and credits to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are initially and subsequently valued at their nominal value, when the effect of not updating the cash flows is not significant.

When contractual cash flows are modified due to financial difficulties from the issuer, the Company analyses whether it is appropriate to register a loss for value impairment.

At least at the end of the fiscal year, the company shall recognise any necessary valuation adjustments when there is objective evidence that the value of a financial asset, or group of financial assets with similar risk exposure measured together, is impaired as a result of one or more events occurring after initial recognition and leading to a reduction or delay in estimated future cash flows, which could be due to debtor insolvency. In such cases, the amount of the impairment loss on these financial assets is measured as the difference between the carrying amount and the present value of estimated future cash flows, including where applicable those deriving from the execution of secured loans or personal guarantees, discounted at the effective interest rate calculated upon initial recognition.

Impairment losses and, where applicable, their reversal, when the loss is reduced due to a subsequent event, are recognised as an expense or income, respectively, in the income statement. The loss can only be reversed to the limit of the carrying amount of the asset had the impairment loss not been recognised.

Interest on impaired financial assets shall be recognised following the general rules, although the company may also assess whether this amount is recoverable, and if so, account for the corresponding impairment loss.

The Company directly reduces the book value of a financial asset when it has no reasonable expectations of recovering it fully or partially.

In particular, the impairment valuation for trade debtors involves significant judgement by management and the review of individual balances based on customers' credit quality, current market trends, and historical analysis of insolvencies at an aggregate level. Regarding the valuation adjustment arising from the aggregate analysis of the historical experience of defaults, a decrease in the volume of balances implies a decrease in valuation adjustments and vice versa.

The Company also identifies the presence of objective evidence of impairment in trade debtors through a detailed individual analysis. Nevertheless, the Company does not acknowledge impairment adjustments for balances with public administrations, financial entities, and those balances secured by effective guarantees.

As of 31 December 2024 and 2023, no risk is estimated for trade and other payables since the primary amounts pertain to group companies, which are included in the analysis of net investment in equity instruments.

Cash and cash equivalents include cash in hand and demand deposits in financial institutions., as well as other short-term, highly liquid investments that are convertible into cash, for which there is no significant risk of changes in value and which form part of the company's normal cash management policy. An investment normally qualifies as a cash equivalent when it matures at less than three months from the date of acquisition.

Cancellation of financial assets

The Company derecognises a financial asset, or a portion of it, when the contractual rights to the cash flows from the financial asset expire or have been transferred, and substantially all the risks and rewards of ownership have been transferred. This is assessed by comparing the Company's exposure to changes in the amounts and timing of the net cash flows of the transferred asset, before and after the transfer. The risks and rewards inherent in the ownership of the financial asset are considered to be substantially transferred when the exposure to such a variation ceases to be significant in relation to the overall change in the present value of the future net cash flows associated with the financial asset.

When a financial asset is derecognised, the difference between the consideration received net of the attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying value of the financial asset determines the gain or loss arising on the withdrawal of this asset, which forms part of the result for the financial year in which this occurs. Moreover, any gain or loss accumulated directly in equity is reclassified to the profit and loss statement.

On the contrary, the Company does not cancel financial assets, and recognizes a financial liability of an amount equal to the compensation received, in the assignments of financial assets in which the risks and benefits inherent in its ownership are substantially retained, such as draft discount, factoring with recourse, sales of financial assets with repurchase agreements at a fixed price or at the selling price plus interest and financial asset securitisations in which the endorsing company retains subordinated financing or other collateral that substantially absorb all expected losses.

c) Financial liabilities

Classification and valuation

1. Financial liabilities at amortised cost

The Company classifies all financial liabilities under this category, unless they should be measured at fair value charged to the income statement.

In general, this category encompasses trade payables (financial liabilities originating from the purchase of goods and services related to business transactions with deferred payment) and non-trade payables (financial liabilities which, not being derivative instruments, do not originate from trade but arise from loans or credits received by the Company).

The financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which shall be the fair value of the consideration received adjusted for any directly attributable transaction costs. Subsequently, these financial liabilities are valued at their amortised cost. Accrued interest is recorded in the income statement through the application of the effective interest rate method.

However, trade payables that have no contractual interest rate and are payable within a year, as well as capital called up by third parties, which is expected to be paid in the short term, are measured at their par value, when the effect of discounting is immaterial.

Cancellation of financial liabilities

The Company derecognises a financial liability, or part thereof, when the obligation is extinguished; that is, when it has been fulfilled, cancelled, or has expired. It also derecognises its own financial liabilities that it acquires, even if the intention is to relocate them in the future.

When there is an exchange of debt instruments between the Company and the counterparty, provided that these have substantially different conditions, the original financial liability is derecognised and the new financial liability that arises is recognised at its fair value. In the same way, a substantial modification of the current conditions of a financial liability is recorded. The difference between the book value of the financial liability, or the part of it that has been derecognised, and the consideration paid, including any costs or commissions incurred, and which also includes any assigned assets other than the cash or liability assumed, is recognised in the profit and loss account for the year in which it occurs.

In the case of an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognised and any transaction costs or fees incurred adjust the carrying amount of the financial liability. The new amortised cost of the financial liability is determined by applying the effective interest rate, which equates the book value of the financial liability with the cash flows payable under the new conditions.

For these purposes, the Company considers the terms of the contracts to be substantially different when, among other scenarios, the present value of the cash flows of the new contract, including any fees paid and net of any fees received, differs by at least ten per cent from the present value of the remaining cash flows of the original contract, with both amounts discounted at the effective interest rate of the latter.

During the fiscal years 2024 and 2023, the company has not recorded any exchanges of instruments.

Bank loans

Loans, debentures, and similar interest-bearing instruments are initially recorded at the cash received, net of direct issuance costs, under "Bank Loans" in the balance sheet. Financial expenses, including premiums payable upon settlement and transaction costs, are accounted for on an accrual basis in the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they occur. Conversely, the accounts payable resulting from finance lease contracts are recorded at the present value of the instalments of these contracts under this heading.

Trade and other financial liabilities

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

d) Equity

The share capital is represented by ordinary shares. Costs directly attributable to the issue of new shares are presented in equity as a deduction, net of taxes, from the revenue obtained.

Treasury shares are classified under Equity in the heading ‘Reserves.’ Any amount received from the sale of treasury shares, net of transaction costs, is included in Equity.

The share premium represents the excess between the payment for subscribed shares and their theoretical nominal value at the subscription date.

e) Cash and other cash equivalents

Cash and cash equivalents include cash in hand and demand deposits in financial institutions., as well as other short-term, highly liquid investments that are readily convertible into cash, for which there is no significant risk of changes in value and which form part of the company's normal cash management policy. An investment normally qualifies as a cash equivalent when it matures at less than three months from the date of acquisition.

f) Foreign currency transactions and balances

The Annual Financial Statements are presented in thousands of euros, which is the company's functional currency.

Foreign currency transactions are converted into the functional currency using the spot exchange rates between the functional currency and the foreign currency on the dates the transactions occur.

Monetary assets and liabilities denominated in foreign currencies have been converted into euros at the exchange rate prevailing at the close of the fiscal year ended 31 December 2024, whereas non-monetary assets and liabilities are converted using the exchange rates at the date the transaction occurred. At the close of the fiscal year ending 31 December 2024, differences arising from the settlement of foreign currency transactions are recognised in the profit and loss account.

g) Income tax expense

The expense or income derived from the taxes on profits includes the portion of the current tax expense or income and the portion of the deferred tax expense or income.

Current tax is the amount that the Company satisfies as a result of the tax settlements of profit tax for one fiscal year. Deductions and other tax benefits in the tax rate, excluding withholdings and payments on account, as well as compensable tax losses from prior fiscal years and actually applied to the current one, result in a lower amount of current tax. Current income tax assets or liabilities are valued at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates and laws in force, or enacted and pending publication at the fiscal year-end.

Deferred tax expense or income corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include temporary differences that are identified as expected amounts payable or recoverable from differences between the book amounts of assets and liabilities and their tax value, as well as any negative tax bases outstanding and tax deduction credits not applied tax-wise. These amounts are recorded by applying to the appropriate temporary difference or credit the type of taxation to which they are expected to be recovered or settled, according to the regulations in force or approved and pending publication at the end of the fiscal year.

Both current and deferred tax expenses or income are recognised in profit or loss, unless they arise from a transaction or event that is recognised directly in equity, in which case they are recognised as a charge or credit to that equity item, or from a business combination, in which case they are recognised like other assets and liabilities of the acquired business, unless they constitute assets or liabilities of the acquirer, in which case their recognition or derecognition is not part of the business combination.

Deferred tax liabilities are recorded for all taxable temporary differences, except those arising from the initial recording of goodwill or the initial recording of an asset or liability in a transaction that is not a business combination and does not affect either the taxable base or accounting profit or loss

Deferred tax assets identified with deductible temporary differences are only recognised if it is considered probable that the Company will have sufficient future taxable profits against which they can be utilised, and they do not arise from the initial recognition of an asset or liability in a transaction that is not a business combination, nor do they affect the tax base or accounting profit. The remaining deferred tax assets (tax loss carryforwards and tax credits) are recognised only if it is deemed probable that the Company will have sufficient future taxable profits to utilise them.

Deferred tax assets and liabilities are not discounted and are classified as non-current assets and non-current liabilities, respectively in the statement of financial position, regardless of the estimated realisation or settlement date.

At each accounting year end, deferred tax assets recorded are reconsidered, and appropriate corrections are made to them to the extent that there are doubts about their future recovery. Deferred tax assets not recognized in the balance sheet are also reviewed at each fiscal year-end in order to recognise the extent to which it is likely that they may be offset against future taxable profits.

h) Recording of Revenue and Expenses

Recognition

The company recognises income resulting from a contract with a client when there is a transfer to the client of the control of goods or services undertaken, that is, the obligation or the obligations to be met.

For each obligation to be fulfilled (delivery of goods or provision of services) identified, the Company determines at the beginning of the contract whether the commitment undertaken is fulfilled over time or at a specific point in time.

The obligation to be fulfilled in contracts with the Company's clients is met at a specific point in time.

In the case of obligations met in a specific moment, income arising from their execution are recognised on that date. Until this circumstance occurs, the costs incurred in during the production or manufacturing of a product are recognised as stock.

To identify the specific moment when a client obtains the control of an asset, the Company takes into consideration, among others, the following indicators:

i. The client assumes the significant risks and benefits inherent to the ownership of the assets.

ii. The Company has transferred the physical ownership of the asset.

iii. The client has received (accepted) the asset in accordance with the specifications under the contract.

iv. The Company has a right to collect payments for transferring the asset.

v. The client holds the ownership of the asset.

Valuation

Ordinary revenues from the sale of goods and the provision of services are valued at the monetary amount or, where applicable, the fair value of the consideration received or expected to be received from them, which, unless there is evidence to the contrary, is the agreed price for the assets to be transferred to the customer, less any discount, price reduction, or other similar items the Company may grant, as well as the interest included in the nominal value of the credits. Nevertheless, interest embedded in trade paybles with a maturity not exceeding one year, which do not have a contractual interest rate, is included when the effect of not discounting cash flows is not significant.

Taxes imposed on the delivery of goods and the provision of services, which the Company must pass on to third parties, such as value-added tax and excise duties, as well as amounts received on behalf of third parties, are not included as part of income.

Rendering of services

The Company offers consultancy services in finance, human resources, commerce, technical matters, engineering, and legal affairs, including support in preparing tenders and bids, as well as technical engineering consultancy for projects being developed by its investees, both within Spain and in the countries where the projects are underway.

These services are recognised as income on an accrual basis. The fee amount will be determined by applying a logical distribution criterion to all costs incurred by the Company among the various companies within the group, with certain costs being increased by a contractually defined margin.

If circumstances arise that modify the initial estimates of ordinary income, costs, or progress, these estimates are reviewed. The reviews could lead to increases or decreases in estimated income and costs, and are reflected in the income statement, in the period in which the circumstances that led to such reviews are known by management.

Interest income

interest income is recognised using the effective interest method. When an account receivable suffers an impairment loss, the Company reduces the book value to its recoverable amount, discounting the estimated future cash flows at the original effective interest rate of the instrument, and continues to carry the discount as negative interest income. Income from interest on loans that have suffered impairment losses is recognized using the effective interest rate method.

Interest on financial assets accrued after the time of acquisition is recognised as income in the profit and loss account in the fiscal year in which it accrues, using the effective interest method.

Interest and dividends from financial assets accrued after the acquisition date are recognised as income in the income statement. Interest on financial assets measured at amortised cost is recognised using the effective interest method and dividend income is recognised when the shareholder's right to receive the payment is established.

On initial measurement of the financial assets, accrued explicit interest pending maturity at that time and dividends authorised by the competent office prior to the acquisition are recognised separately according to their maturity. Consequently, these amounts are not recognised as revenue in the profit and loss account.

Dividend income

Dividend income is recognised as income in the Profit and Loss Account when the right to receive payment is established. However, if the distributed dividends originate from profits generated before the acquisition date, they are not recognised as income and instead reduce the carrying amount of the investment.

In accordance with the consultation on the accounting classification in individual annual financial statements of the income and expenses of a holding company published by the Spanish Accounting and Auditing Institute in BOICAC 79/September 2009, the Company classifies financial income from loans granted to group companies and income from dividends received from its investees as part of 'Revenue' in the profit and loss account, as they are considered part of its ordinary activity.

i) Provisions and contingencies

In preparing the annual financial statements, the Company's directors distinguish between:

- Provisions: credit balances that cover current obligations, whether legal, contractual, implicit, or tacit, arising from past events, the cancellation of which is likely to result in an outflow of resources, but which are indeterminate in terms of their amount and/or time of cancellation.
- Contingencies: possible obligations arising as a result of past events, whose future materialisation is conditioned on whether or not one or more future events occur, independently of the will of the Company.

The annual financial statements contain all provisions for which it is estimated that the probability of the obligation having to be met is greater than the opposite case, and for which a reasonable estimate of the amount can be made. The provision is made at the inception of the liability or obligation and is charged to the relevant income statement heading according to the nature of the obligation.

Contingencies are not recognised in the annual financial statements, but rather are disclosed in the corresponding notes, when they are not considered to be remote.

The provisions are valued at the current value of the best possible estimate of the amount necessary to settle or transfer the obligation, taking into account the available information about the occurrence and its consequences, and the adjustments arising from the updating of those provisions as a financial expense as it accrues. However, for provisions with a maturity of one year or less, and where the financial effect is not significant, no discounting is carried out.

Provisions are reversed in the financial statements when it is less likely than more likely that an outflow of resources will be needed to settle the obligation.

At the close of the fiscal years 2024 and 2023, the Company's directors do not foresee the need for a provision for contingencies, except for the one detailed under long-term provisions, related to the claim made against the Company by Banco Atlántida (note 16).

j) Compensations for dismissal

In accordance with the legislation in force, the Company is obliged to pay a compensation to those employees with whom, under certain conditions, it terminated its work relations. Therefore, compensations for dismissal that are reasonably measurable are recorded as expenditure in the financial year in which the dismissal decision is made. No provision for this item has been recorded in the accompanying Annual Financial Statements, as no such situations are foreseen.

The Company does not anticipate any significant layoffs or terminations in the future, and therefore, no provision has been made for this in the attached balance sheet as of 31 December 2024.

k) Environmental assets

Assets of an environmental nature mean those assets that are used in a lasting manner within the Company's activity and whose main purpose is the minimisation of environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

The activities of the Company, due to their nature, do not have a significant environmental impact.

The Company has not disposed of any greenhouse gas emission allowances during the fiscal years 2024 and 2023.

l) Business combinations

Mergers, demergers, and non-cash contributions of a business between group companies are recorded in accordance with the guidelines for related party transactions.

Mergers or demergers other than those previously mentioned, and business combinations resulting from the acquisition of all the assets of a company or a part that constitutes one or more businesses, are recorded in accordance with the acquisition method.

In the event of business combinations arising from the acquisition of shares or equity interests in a company, the Company recognises the investment in accordance with the provisions for investments in the equity of Group companies, jointly controlled entities, and associates.

m) Transactions with related parties

As a general rule, transactions between group companies are initially recorded at their fair value. In cases where the agreed price differs from its fair value, the difference is recognised having regard to the economic reality of the transaction. The subsequent valuation is carried out in accordance with the provisions of the corresponding regulations.

Notwithstanding the foregoing, in mergers, demergers, or non-monetary contributions of a business, the constituent elements of the acquired business are valued at the amount corresponding to them once the transaction has been carried out, in accordance with their previous values according to the consolidated annual financial statements of the group or subgroup, or in the event of a waiver, at the higher of the acquisition cost of the business in the contributing company, and the amount representing its percentage share in the net assets of the investee whose business is transferred.

When the Parent company of the group or subgroup and its subsidiary do not intervene, the annual financial statements to be considered for these purposes shall be those of the group or larger subgroup in which the assets and liabilities are included, the Parent company of which is Spanish.

In these instances, any difference that may emerge between the net value of the assets and liabilities of the acquired company, adjusted for the balance of grouped grants, donations, and bequests received, along with adjustments for changes in value, and any capital and share premium amount, if applicable, issued by the acquiring company, is recorded in reserves.

All transactions with related parties are effected at arm’s length, so the Company’s directors consider that there are no significant risks in this respect that could give rise to material liabilities in the future.

Note 5 - Property, Plant, and Equipment

The movements during the fiscal years 2024 and 2023 in the various tangible fixed asset accounts and their corresponding depreciations were as follows:

Fiscal Year 2024	Balance as of 31.12.2023	Additions or Allocations	Transfers	Derecognitions	Balance as of 31.12.2024
Cost					
Technical installations and other property, plant and equipment					
Other installations	142	–	3	(145)	–
Furniture	87	–	–	(87)	–
Data processing equipment	40	–	–	–	40
Other tangible fixed assets	3	–	(3)	–	–
Total	**272**	**–**	**–**	**(232)**	**40**
Amortisation					
Technical installations and other property, plant and equipment					
Other installations	(101)	(4)	–	105	–
Furniture	(75)	(5)	–	80	–
Data processing equipment	(35)	(2)	–	–	(37)
Other tangible fixed assets	(3)	–	–	3	–
Total	**(214)**	**(11)**	**–**	**188**	**(37)**
Net property, plant, and equipment	**58**	**(11)**	**–**	**(44)**	**3**

In January 2024, the company relocated its registered office from Calle Velázquez, 4 in Madrid, Spain, to Calle del Eucalipto 25, 1st floor, 28016 Madrid, Spain, and derecognised most of its fixed assets.

During the fiscal years 2024 and 2023, no impairment losses have been recognised or reversed for any item of property, plant and equipment.

As of 31 December 2024 and 2023, the Company had fully depreciated assets amounting to 37 thousand euros and 27 thousand euros, respectively.

Fiscal Year 2023	Balance as of 31.12.2022	Additions or Allocations	Balance as of 31.12.2023
Cost			
Technical installations and other property, plant and equipment			
Other installations	142	–	142
Furniture	87	–	87
Data processing equipment	35	6	41
Other tangible fixed assets	3	–	3
Total	**267**	**6**	**273**
Amortisation			
Technical installations and other property, plant and equipment			
Other installations	(92)	(10)	(102)
Furniture	(65)	(10)	(75)
Data processing equipment	(33)	(2)	(35)
Other tangible fixed assets	(2)	(1)	(3)
Total	**(192)**	**(23)**	**(215)**
Net property, plant, and equipment	**75**	**(17)**	**58**

At the close of the fiscal years 2024 and 2023, the Company does not have any assets pledged as collateral or purchase commitments.

At the end of the fiscal years 2024 and 2023, the Company has taken out insurance policies to provide reasonable cover for property, plant and equipment, the safeguarding of which is the responsibility of the directors.

The Company does not intend, due to the nature of its assets, to undertake any major repairs and has not allocated any provision for dismantling since it has no dismantling obligations.

Note 6.- Leases

Operating leases

As a lessee, the Company's most significant operating lease agreements as of 31 December 2024 and 2023 pertain to the leasing of its offices and parking spaces.

On 22 January 2024, the registered office and the head office were relocated from Calle Velázquez, 4, Madrid, Spain, to Calle del Eucalipto 25, 1st floor, 28016 Madrid, Spain.

As of 31 December 2024 and 2023, the Company has agreed with its main lessors on the following minimum lease payments (at nominal value) according to the current contracts in force, without considering future CPI increases (in thousands of euros).

:

Object	2024	2023
Up to one year	35	103
Between one and five years	49	7
More than five years	–	–
Total	**84**	**110**

During the fiscal years 2024 and 2023, the amounts for operating lease and sublease payments related to these contracts were 159 thousand euros and 110 thousand euros, respectively. These amounts are recorded, along with other items, under "Other operating expenses - External services" in the accompanying income statement.

Note 7.- Financial Instruments by Category

Categories of financial assets

As of 31 December 2024 and 2023, the classification of Financial Assets by category and class, excluding Investments in the equity of group companies and associates (note 9), is detailed below:

Financial assets at amortised cost	31.12.2024	31.12.2023
Non-current		
Credits and others	34	34
Loans to group companies and Associates (note 14)	113,143	43,886
Current		
Trade and other receivables (note 14)	6,828	5,330
Loans to group companies and others (note 14)	499	431
Other financial assets	5,631	3
Cash and cash equivalents (note 8)	92,028	1,235
	218,163	**50,919**

The Directors believe that the book value of the Financial Assets listed in the table above provides a reasonable approximation of their fair value.

Under the heading of Other Current Financial Assets, a deposit of 5,000 thousand euros is recorded with Singular Bank and 631 thousand euros related to current accounts with group companies.

The due dates for Loans to Group Companies and Associates are detailed in note 14.

Additionally, the details of the seniority of loans and receivables from Group companies are described in note 14. The Trade and Other Receivables heading primarily includes the outstanding amount to be collected from Cox Global Services, S.L. (formerly known as Cox Infraestructuras S.L.) for the re-invoicing of structural expenses at the close of the fiscal year 2024.

Note 8.- Cash and Cash Equivalents

The breakdown of this heading as of 31st December 2024 and 2023 is as follows:

Item	31.12.2024	31.12.2023
Cash	42,028	1,235
Other cash equivalents	50,000	–

Current accounts accrue interest at market rates for this type of account.

The balances are freely available.

Of the total Cash and Cash Equivalents balance, foreign currency balances amounted to 2 thousand euros at the end of 2024 (0 thousand euros at the end of 2023).

The increase in the balance recorded under this heading corresponds to the funds received from the Company's capital increase on 15 November 2024 (see note 11). Part of these funds (50,000 thousand euros) have been deposited in an interest-bearing fixed-term account at 2.53% per annum, maturing on 27 January 2025, with Credit Suisse Bank. As of the date of drafting, said contract is settled.

Note 9.- Investments in Group Companies and Associates.

The composition of this item as of 31 December 2024 and 2023 is as follows:

Item	31.12.2024		31.12.2023	
	Long-term	Short-term	Long-term	Short-term
Investments in group companies and associates				
Equity instruments	72,748	–	72,685	–
Loans to Group companies				
Loans to group companies (note 14)	113,143	499	43,886	431
Other financial assets	–	631	–	3
Total	**185,891**	**1,130**	**116,571**	**434**

The movement of this heading during the fiscal year 2024 and 2023 is as follows:

Item	Balance as of 31.12.2023	Additions or Allocations	Disposals	Transfers	Balance as of 31.12.2024
Investments in group companies and associates					
Long-term investments in companies					
Cost	72,685	63	–	–	72,748
Impairment	–	–	–	–	–
	72,685	**63**	**–**	**–**	**72,748**
Long-term loans to group companies (note 14)	43,885	69,258	–	–	113,143
Short-term loans to group companies (note 14)	431	68	–	–	499
Other financial assets	3	628	–	–	631
	44,319	**69,954**	**–**	**–**	**114,273**

Item	Balance as of 31.12.2022	Additions or Allocations	Disposals	Transfers	Balance as of 31.12.2023
Investments in group companies and associates					
Long-term investments in companies					
Cost	24,545	1,753	(2,407)	48,794	72,685
Impairment	(2,407)	–	2,407	–	–
	22,138	**1,753**	**–**	**48,794**	**72,685**
Long-term loans to group companies (note 14)	16,717	75,962	–	(48,794)	43,885
Short-term loans to group companies (note 14)	5,400	(4,969)	–	–	431
Other financial assets	1,737	–	(1,734)	–	3
	23,854	**70,993**	**(1,734)**	**(48,794)**	**44,319**

9.1. Equity instruments

As of 31 December 2024 and 2023, the composition and the most significant information regarding long-term Investments in group companies is as follows:

Cost	Balance as of 31.12.2023	Additions or Allocations	Disposals	Transfers	Balance as of 31.12.2024
Cox Energy S.A.B. de C.V. (formerly Cox Energy América, S.A. de C.V.)	23,888	–	–	–	23,888
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL)	48,797	–	–	–	48,797
Cox Assets, S.A.	–	60	–	–	60
CA Infraestructuras Corporativo S.L.U.	–	3	–	–	3
	72,685	**63**	**–**	**–**	**72,748**

Cost	Balance as of 31.12.2022	Additions or Allocations	Disposals	Transfers	Balance as of 31.12.2023
Cox Energy S.A.B. de C.V. (formerly Cox Energy América, S.A. de C.V.)	22,139	1,749	–	–	23,888
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL)	–	3	–	48,794	48,797
Cox Energy Europa, S.L.	2,407	–	(2,407)	–	–
	24,546	**1,752**	**(2,407)**	**48,794**	**72,685**

Impairment	Balance as of 31.12.2022	Additions or Allocations	Disposals	Balance as of 31.12.2023
Cox Energy Europa, S.L.	(2,407)	–	2,407	–
	(2,407)	**–**	**2,407**	**–**

When assessing the requirement to record an impairment on investees, the equity of the investee, whether individual or consolidated as applicable, is considered, adjusted for the unrecorded gains existing at the reporting date, net of tax. In addition, when deemed necessary, an impairment test is conducted by estimating the present value of cash flows.

As of fiscal year-end 2024, no impairment losses were deemed necessary for the Company's investees.

The additions recorded during fiscal year 2024 correspond to the following transactions:

Cox Assets, S.A:

In December 2024, the shareholder contribution for the establishment of the new company Cox Assets S.A. was recorded.

CA Infraestructuras Corporativo, S.L.U:

In December 2024, the purchase of shares in CA Infraestructuras Corporativo, S.L.U. from the group company Cox Global Services, S.L. (formerly Cox Corporate, S.L. and previously Cox Infraestructuras, S.L.) was recorded, in the amount of 3 thousand euros, corresponding to 100% of the share capital

The additions made during the fiscal year 2023 corresponded to the following operations:

Cox Energy S.A.B. de C.V:

In December 2023, the purchase of shares in Cox Energy S.A.B. (formerly Cox Energy América, S.A. de C.V.) from Excelsior for 1,7 million euros was recorded as Other Short-Term Financial Assets at the end of the previous fiscal year.

Cox Global Services, S.L. (formerly Cox Corporate, S.L and previously Cox Infraestructuras, S.L.).

On 28 October 2022, Grupo Abengoa applied for voluntary joint insolvency proceedings for 33 companies in its group with the presentation of a binding offer of acquisition for production units (PUs) by a third party in accordance with article 224 (ii) of the Revised Text of the Insolvency Act (TRLC)

The Third Section of the Business Court of Seville declared the joint insolvency of the 33 applicants in its Order of 10 November 2022. This Order also appointed Erst & Young as Insolvency Administrator for the 33 companies mentioned.

On 9 January 2023 the Cox Energy Group, through one of its subsidiary companies, submitted a bid to acquire the liquidated assets of Abengoa before the Business Court (Section 3) of Seville, Spain.

Abengoa is a company that operates in America, Europe, Asia, and Africa, specialising in energy, water, services, transmission, and infrastructure projects. The objective of the bid submitted was to acquire all Abengoa's production units as part of an industrial plan that sought to make maximum use of the complementary capacities of both companies.

The proposal allowed for the safeguarding of 9,505 jobs and the retention of Abengoa's headquarters in Seville. Cox Energy Group, through one of its Spanish subsidiaries, committed to supplying Abengoa with a portfolio of projects over the coming years. This will provide immediate workload to various sectors from the outset, operating under a "cost-plus" structure.

The key milestones and commercial activities are as follows:

- On 18 April 2023, the Commercial Court No. 3 of Seville awarded the production units of Abengoa to Cox Energy (to the company "Cox Energy Europa, S.L.U.") as part of the insolvency proceedings that had been ongoing since 10 November 2022 (the "Award"), for an amount of 30.3 million euros.

The order of 18 April 2023 was appealed, but after objections to the appeals, the Court issued an order on 29 May 2023 dismissing them and confirming the appealed decision, declaring that "No ordinary appeal may be lodged against this order". Therefore, the court's decision to assign the Abengoa Group's PUs to 'Cox Energy Europe, S.L.U.' was declared final, with no possibility of further appeals.

- On 28 July 2023, the necessary public deeds were granted between the Insolvency Administration and "Cox Energy Europa, S.L.U." to formally award the UPAs to Cox. Therefore, with full effect from 18 April 2023 (the court ruling date), Cox obtained full ownership of the Abengoa Group's PUs.

In a single transaction on 28 July 2023, Cox Energy Europa increased the capital of Cox Infraestructuras, S.L.U. by contributing the previously mentioned business division valued at 77,522 thousand euros. This was achieved by creating 77,522,288 new shares with a nominal value of 1 euro each, all of which were fully subscribed by the sole shareholder through the contribution of the aforementioned assets. The share capital was established at 77,525 thousand euros, divided into indivisible and cumulative shares of identical nominal value.

- Additionally, on 29 September 2023, the partial spin-off of Cox Energy Europa, S.L.U. was approved through the en bloc transfer and universal succession of part of its assets – namely, the autonomous economic unit comprising all the shares it holds in its subsidiary, Cox Infraestructuras, S.L.U. – to the subsidiary itself, Cox Infraestructuras, S.L.U. Furthermore, the assignment of all the shares of the company benefiting from the spin-off to the sole shareholder of Cox Energy Europa, S.L.U., Cox ABG Group, S.A., was also approved.

Subsequently, the company requested the valuation of an independent expert (Kroll Advisory, S.L. in May 2024) for the purchase price allocation, where it was determined that the fair value of the production units awarded coincides with the agreed price.

Based on the above, and given that the price set in the aforementioned award is recorded in the subsidiary itself, as later described, the company recognises the shareholding in Cox Infraestructuras at 3,000 thousand euros, based on the initial share capital, before the non-monetary contribution (see note 11).

Subsequently, during the fiscal year 2023, the company granted financing to Cox Infraestructuras, S.L. amounting to 48,7 million euros, of which 10,3 million euros are related to the payment agreement and assumption of debt for guarantee expenses, and 38,4 million euros relate to a reciprocal credit of up to 50 million euros, formalised on 28 November 2023 and effective from 1 June 2023, at an interest rate of 6.25% to meet financial commitments in the operations of the company and its subsidiaries, with a maturity date of 5 years. The amounts include the interest accrued during 2023, which amounts to 424 thousand euros. As of 31 December 2023, the company made a shareholder contribution to the aforementioned subsidiary through the waiver of this loan, which was consequently recorded as an increase in the value of an equity instrument.

Cox Energy Europa S.L:

On 29 September 2023, a sales contract was executed wherein the company sold all its shares in Cox Energy Europa, S.L. to Cox Energy S.L. for 53 thousand euros (note 18).

9.2. Information on investees

As of 31 December 2024 and 2023, the most relevant accounting data of the investees are as follows:

Company	Registered office	Line of business	Direct shareholding 2024	Share capital	Reserves	Profit/ (loss)for the year	Total
Cox Energy S.A.B. de C.V. (formerly Cox Energy América, S.A. de C.V.) (*)	Mexico	(1)	74.42%	45,210	12,285	19,070	76,565
Cox Energy Guatemala, S.A. (*)	Guatemala	(1)	10%	60	(172)	(170)	(282)
Cox Global Services, S.L. (formerly Cox Corporate, S.L and previously Cox Infraestructuras, S.L.). (*)	Spain	(1)	100%	77,525	(31,154)	(21,096)	25,275
Cox Assets S.A. (*)	Spain	(2)	100%	60	–	–	60
CA Infraestructuras Corporativo S.L.U. (*)	Spain	(3)	100%	3	(1)	–	2

(1) Development of renewable energy projects (2) Asset management (3) Provision of corporate services (*) Data obtained from their unaudited Financial Statements, with PKF Lomas México S.C. as the auditor for Cox Energy S.A.B: and PriceWaterhouseCoopers Auditores, S.L. as the auditor for Cox Global Services, SL.

Company	Registered office	Line of business	Direct shareholding 2023	Share capital	Reserves	Profit/ (loss)for the year	Total
Cox Energy S.A.B. (formerly Cox Energy América, S.A. de C.V.) (**)	Mexico	(1)	77.57%	51,319	16,901	(20,408)	47,812
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL). (**)	Spain	(1)	100%	77,525	(34,712)	3,558	46,371
Cox Energy Guatemala, S.A. (**)	Guatemala	(1)	10%	1	(1)	(93)	(93)

(1) Development of renewable energy projects (**) Data obtained from their unaudited Financial Statements, with PKF Lomas México S.C. as the auditor for Cox Energy S.A.B: and PriceWaterhouseCoopers Auditores, S.L. as the auditor for Cox Global Services, SL.

Furthermore, as of 31 December 2024 and 2023, the Company holds, through its investments in Cox Energy S.A.B. (formerly Cox Energy América, S.A. de C.V.), a company listed on the Mexican Stock Exchange, and Cox Global Services S.L., indirect interests in numerous group companies. This information is available in Annexes I, II and III of the Consolidated Annual Financial Statements of Cox ABG Group and its subsidiaries.

Cox Energy S.A.B. de C.V.

Cox Energy, S. A. B. de C. V. (formerly Cox Energy América, S. A. B. de C. V.) was established in Mexico on 4 March 2015 in accordance with the laws of the United Mexican States.

This entity consolidates the group's energy business, primarily in Latin America and Algeria, focusing mainly on the following activities:

- Generating, marketing and/or distributing electricity under the corresponding laws and regulations in each country in which it operates.
- Designing, planning, constructing and operating all kinds of civil and electromechanical works and, in particular, power plants through which it will generate energy for the purposes permitted by the Laws and Regulations applicable to each country.
- Operating and managing power plants, mainly under photovoltaic technology.

Since 7 July 2020, the shares of Cox Energy, S.A.B. (formerly Cox Energy América S.A. de C.V.), a subsidiary of the parent company, have been listed on Mexico's Institutional Stock Exchange (BIVA) under the ticker symbol COXA*, and since 3 July 2023 they have been dual-listed in BME MTF Equity's BME Growth trading segment in Spain under the symbol COX, later changed to COXE, and ISIN code MX01CO0U0028.

The share price and market capitalisation on the stock exchanges in which Cox Energy, S.A.B. is listed as of 31 December 2024 and 2023 are as follows:

	31.12.2024		31.12.2023	
	BIVA	BME Growth	BIVA	BME Growth
	MXN	EUR	MXN	EUR
Share price at year-end	33.00	1.48	32.00	1.81
Number of shares at year-end	180,441,176	180,441,176	171,531,966	171,531,966
Market capitalisation (thousand)	5,954,559	267,053	5,489,023	310,473
Euro/peso official exchange rate	22	–	19	–
Equivalent value in euro	**276,223**	**267,053**	**293,168**	**310,473**

The stake directly held in Cox Energy S.A.B (formerly Cox Energy América, S.A. de C.V.) has been diluted in the fiscal year 2024, due to the capital increase carried out, which involved the delivery of shares of Cox Energy, S.A.B. de C.V. to Ibexia España Development, S.L., as payment for the purchase price of 60% of the shares of the company Ibexia Cox Energy Development.

Cox Global Services, S.L. (formerly Cox Corporate, S.L and previously Cox Infraestructuras, S.L.).

Cox Global Services, S.L. was established in Madrid on 30 January 2023 as a single-member limited company with a share capital of 3 thousand euros, fully subscribed by its sole shareholder Cox ABG Group, S.A. The company's corporate purpose is outlined in Article 3 of its Articles of Association, which includes the direct or indirect participation in other companies with the aim of directing and managing these participations, as well as the design, construction, maintenance, operation, and promotion of all types of infrastructure.

On 12 July 2023, Cox Energy Europa, S.L.U. acquired 100% of the shares of Cox Infraestructuras, S.L.U., taking on 3,000 shares, which represented a fully subscribed and paid-up capital of 3 thousand euros.

On 28 July 2023, a deed was executed before a notary public to formalise the corporate resolutions regarding the sale and purchase agreement of the autonomous production units of the insolvent companies within the Abengoa Group and Cox Energy Europe. Subject to the terms and conditions of the aforementioned contract, the effective date was set as 18 April 2023, starting from the award order.

In a single transaction on 28 July 2023, Cox Energy Europa increased the capital of Cox Infraestructuras, S.L.U. by contributing the previously mentioned business division valued at 77,5 million euros. This was achieved by creating 77,522,288 new shares with a nominal value of 1 euro each, all of which were fully subscribed by the sole shareholder through the contribution of the aforementioned assets. The share capital was established at 77,5 million euros, divided into indivisible and cumulative shares of identical nominal value.

After the aforementioned increase in share capital was made public, Cox Infraestructuras, S.L.U. became the sole owner of the branch of activity consisting of all the aforementioned assets, services, rights, and obligations.

As of 29 September 2023, following the formalisation in a public deed of the partial financial spin-off of Cox Energy Europa, S.L.U., the company Cox Infraestructuras, S.L.U. once again had Cox ABG Group, S.A. as its Sole Shareholder, assuming the payment obligation for the acquisition price of 30,3 million euros.

The negative amount registered in the reserves of Cox Infraestructuras, S.L. amounting to 34,7 million euros corresponds to the following:

- Recognition of the fair value of the non-monetary contribution amounting to 47,2 million euros (see Note 9.1).
- Assumption by the subsidiary itself of the acquisition price of 30,3 million euros (see note 9.1).
- Difference in the value of the assets and liabilities of the non-monetary contribution between the date of allotment and the contribution, due to transactions during the period, amounting to 6 million euros, based on the provisions of NRV 21 and enquiries no. 3 and no. 13 of BOICAC 85.

The above items had a negative impact of 83,5 million euros, which was partially offset by the transaction described in the following paragraph.

Furthermore, as of 31 December 2023, Cox ABG Group, S.A. made a shareholder contribution to Cox Infraestructuras, S.L. through the waiver of the financing it held, amounting to 48,7 million euros.

With regard to the net assets of Cox Infraestructuras, S.L. amounting to 25,2 million euros (46,3 million euros in 2023), the sole administrator is studying the necessary measures to resolve the situation of net asset imbalance.

Additionally, during the fiscal year 2025, management anticipates the formalisation of the sale of 46% of the subsidiary Cox Energy EPC, S.L. (formerly CA Infraestructura Energía, S.A.), with an estimated positive impact on the equity of Cox Global Services, S.L.

The Administrator has assessed the recoverability of the shareholding and found no indications of impairment based on the Strategic Plan.

Note 10.- Information on the Nature and Level of Risk of Financial Instruments

The Company faces a variety of risks, which are analysed based on the nature of each one.

The financial risk management policies and, consequently, the instruments for their achievement are largely determined by the specific legislation and regulations of the sectors in which the Company may operate, as well as the prevailing situation in the financial markets at any given time.

The most significant potential risks in the Company are:

Credit risk

This risk pertains to the possibility that the Company may fail to meet its interest or principal payment obligations. The Company assesses its ability to generate cash flows and its creditworthiness through the analysis of financial statements and ratios. The Company sets exposure limits to ensure prudent credit risk management.

The company formalises all its transactions with group companies, associated companies, and other related parties through credit lines (reciprocal credit agreement).

During the fiscal years 2024 and 2023, the company monitors and controls through forecasts for each of the group's subsidiaries.

Liquidity risk

The Company's liquidity and financing policy aims to ensure that sufficient funds are available to meet its financial obligations.

The Company primarily uses the following sources of financing:

- Due to credit institutions, primarily through credit lines and confirming, intended to finance daily operations (note 13).
- To implement its Strategic Plan for the coming years, the Company has executed a capital increase amounting to 175,000 thousand euros, initiating its listing on the Spanish Stock Exchange, which has endowed the company with the necessary liquidity to pursue its operations.
- Due to group and associated companies, primarily through mutual credit agreements, as well as participating loans with subsidiaries and related parties (note 14).

Liquidity risk refers to the potential inability of the Company to meet its cash requirements to fulfil payment commitments incurred during project development. Prudent liquidity risk management involves maintaining sufficient cash reserves and negotiable instruments, as well as access to an adequate amount of credit facilities that enable the Group to meet its obligations when due and liquidate market positions (note 8).

On the other hand, the Company closely monitors its short-term liquidity plan, taking the necessary steps to ensure the fulfilment of its obligations.

The Company will continue this process moving forward as part of its liquidity strategy.

Market risk

Market risk arises from the Group's exposure to financial risks resulting from fluctuations in exchange rates, interest rates, and prices.

Interest rate risk

This risk pertains to the Company's exposure to fluctuations in interest rates that could impact its financing costs. The Company assesses the sensitivity of its debt structure to changes in interest rates in order to mitigate this risk. However, the Company's financing is at a fixed interest rate (note 13).

Foreign exchange risk

Within this type of risk, the fluctuation of the exchange rate in converting transactions with group subsidiaries whose functional currency differs from the euro is significant. In this context, it is important to note that the corporate policy will aim to identify the best solution to mitigate this risk by employing hedging instruments, always adhering to the prudent approach as dictated by corporate standards.

Market quotation risk

This risk refers to the possibility that fluctuations in economic, political, or social conditions could negatively impact the market value of the shares of both the Company and its investee, Cox Energy, S.A.B. de C.V., a company dually listed on the Mexican and Spanish stock markets. To mitigate this risk, the Company continuously monitors economic indicators to estimate potential impacts.

Identifying these risks allows the Company to implement effective risk management strategies to safeguard its financial interests as the Parent company of a group of companies.

Note 11.- Capital and Reserves

The detail and movement of equity during the fiscal years 2024 and 2023 are shown in the Statement of Changes in Equity, which forms an integral part of the Annual Financial Statements.

Subscribed capital

The Company was incorporated as a sole shareholder company on 25 July 2014 through the issuance of 600,000 equal, cumulative and indivisible shares, fully subscribed and paid up, with a par value of 0,10 euros each.

On 11 June 2015, capital was increased by 1 thousand euros by issuing 10,286 new cumulative, indivisible shares with a par value of 0,10 euros and a total share premium of 6 million euros or 583 euros per new share issued, fully subscribed and paid up.

On 11 October 2024, the company executed a capital increase amounting to 6,000 thousand euros, which corresponds to 60,000,000 shares at a par value of 0,10 euros each, funded from voluntary reserves.

On 13 November 2024, a capital increase amounting to a total of 175,000 thousand euros (including 1,711 thousand euros of nominal amount plus 173,289 thousand euros of share premium) was subscribed, under which 17,106,549 fully subscribed and paid-up ordinary shares were issued.

On 15 November 2024, the company's shares were admitted to the Spanish Stock Exchanges and began trading on the Spanish Stock Exchange.

On 17 December 2024, the company executed its third capital increase amounting to 1,893 thousand euros (comprising 19 thousand euros in nominal value and 1,874 thousand euros as share premium) through an over-allotment option (greenshoe), resulting in the issuance of 185,025 fully subscribed and paid ordinary shares.

As of 31 December 2024, the Company's share capital amounts to 7,790 thousand euros (61 thousand euros at the end of the fiscal year 2023), represented by 77,901,860 shares (610,286 shares at the end of fiscal year 2023) with a nominal value of 0,10 euros each, fully subscribed and paid up. There are no restrictions on the transfer of the shares.

According to notifications received by the Company in compliance with prevailing legislation requiring disclosure of shareholding percentages (voting rights), the significant shareholders as of 31 December 2024 are as follows:

Shareholders	Significant shareholdings in 2024	
	% direct interest	% indirect interest
Enrique Riquelme Vives (1)	– %	64.94%
Alberto Zardoya Arana (2)	– %	14.08%
Amea Energy Investment VI DMCC	3.76%	– %
Mutual Society of Architects, Technical Architects and Chemists	2.55%	– %

(1) Enrique José Riquelme Vives controls: 94.20% of Inversiones Riquelme Vives, S.L, and 100% of Lusaka Investments, S.L and Riquelme Capital Group, S.A. (2) Alberto Zardoya Arana controls 71.6% of Ondainvest, S.L.

As of 31 December 2023, the shareholders of the Company are as follows:

Shareholders	2023
Inversiones Riquelme Vives, S.L.U.	72.83%
Lusaka Investments, S.L.	5.00%
Cenon Investments, S.L.	5.08%
Ondainvestment , S.L.	8.76%
Mutual Society of Architects, Technical Architects and Chemists	4.65%
Euro Syns, S.L.	2.66%
Alberto Zardoya	1.02%
Total	**100%**

No transactions between shareholders occurred during the fiscal year 2024. The following transactions took place during 2023:

On 2 February 2023, the company "Inversiones Riquelme Vives, S.L." acquired the debt associated with the loan and its interest outstanding to date with the company "Euro Syns, S.A." of which it was guarantor. This loan and interest amounted to 5 million euros in principal and 256 thousand euros in interest (note 14).

On 2 February 2023, the company "Inversiones Riquelme vives, S.L." acquired the debt associated with the loan and its interest outstanding to date with Mr. Alberto Zardoya Arana of which it was guarantor. This loan and interest amounted to 2 million euros in principal and 48,3 thousand euros in interest (note 14).

Share premium

As of 31 December 2024 and 2023, the share premium amounts to 174,226 thousand euros and 6,000 thousand euros, respectively.

As explained above, the variation relates to the following transactions:

On 13 November 2024, a capital increase amounting to a total of 175,000 thousand euros (including 1,711 thousand euros of nominal amount plus 173,289 thousand euros of share premium) was subscribed, under which 17,106,549 fully subscribed and paid-up ordinary shares were issued. The expenses incurred in connection with this capital increase, amounting to 6,822 thousand euros, have been accounted for as a reduction in the value of the share premium, net of the tax effect, within equity.

On 17 December 2024, the company executed its third capital increase amounting to 1,893 thousand euros (comprising 19 thousand euros in nominal value and 1,874 thousand euros as share premium) through an over-allotment option (greenshoe), resulting in the issuance of 185,025 fully subscribed and paid ordinary shares.

Commercial legislation specifically allows the use of the share premium balance to increase capital and imposes no specific restrictions on its use.

Company reserves

The breakdown of the Company's reserves as of 31 December 2024 and 2023 is as follows:

Reserves	2024	2023
Legal Reserves	12	12
Other reserves	6,779	12,779

Spanish companies are obliged to transfer a minimum 10% of the profits for the year to a legal reserve until such reserve reaches an amount equal to 20% of the share capital. This reserve is not distributable to shareholders and can only be used to cover the debit balance of the profit and loss account, if no other reserves are available.

Throughout 2024, the reduction in reserves amounting to 6,000 thousand euros is attributed to the capital increase executed on 11 October 2024, which was charged to the voluntary reserves.

The Company's voluntary reserves are unrestricted.

Dividends

Restrictions on the payment of dividends

The Company is required to transfer 10% of profits for each year to the legal reserve until the balance in this reserve reaches at least 20% of share capital. This reserve may not be distributed to the shareholders until it exceeds 20% of share capital.

Once the conditions laid down in applicable legislation and the Company's Articles of Association have been met, dividends may only be distributed against profit for the year or against unrestricted reserves if equity is not less or is not reduced to less than share capital. To this effect, profits allocated directly to equity may not be distributed directly or indirectly. If there are prior-year losses reducing equity to less than share capital, profits are used to offset these losses.

The Company has not distributed any dividends during the last five fiscal years.

Purchase of treasury shares

Cox ABG Group, S.A., along with its related companies, have complied with the legal provisions established for transactions in its own shares.

The Company has neither pledged its own shares as collateral nor used them in any commercial or legal transaction. There are also no shares in Cox ABG Group, S.A. owned by third parties who could act in their own name but on behalf of the group's companies.

Any reciprocal shareholdings that may have been established with investees have been carried out on a transitory basis and in compliance with the limits of the revised text of the Spanish Companies Act.

On 13 December 2024, the Company signed a liquidity agreement concerning the shares listed on the Continuous Market and integrated into the Spanish Stock Exchange Interconnection System with JB CAPITAL MARKETS, S.V., S.A.U., in compliance with the stipulations of Circular 1/2017, dated 26 April, issued by the National Securities Market Commission regarding Liquidity Contracts, and Circular 2/2019, dated 27 November, which amends Circular 1/2017, along with other applicable regulations.

As of 31 December 2024, the balance of treasury shares stands at 14,173 shares, all of which were acquired during the fiscal year 2024, for an amount of 137 thousand euros.

Note 12.- Financial Liabilities by Category

Categories of financial liabilities

The classification of financial liabilities, categorised as liabilities at amortised cost, along with their carrying amount in euros as of 31 December 2024 and 2023, is detailed below:

Object	31.12.2024	31.12.2023
Non-current		
Bank loans (Note 13)	-	29
Other financial liabilities	10,933	12,481
Due to group and associated companies (Note 14)	79,749	92,336
Current		
Bank loans (Note 13)	29	566
Due to group and associated companies (Note 14)	4,299	123
Group company suppliers (Note 14)	3	3
Creditors	6,784	1,702
Other financial liabilities	2,174	84
Total	**103,971**	**107,324**

The heading "Other financial liabilities", both "non-current" and "current", primarily refers to the agreement that Cox ABG Group, S.A. entered into with several financial institutions through the agent Apex Financial Services Spain S.L.U., whereby it committed to pay this amount for the subrogation of the syndicated guarantee line in favour of Cox Global Services, S.L. (formerly Cox Corporate, S.L. and previously Cox Infraestructuras, S.L.) and its subsidiaries, amounting to 10,380 thousand euros. It is to be paid in 12 instalments ending in December 2030. The line of guarantees has generated financial expenses amounting to 661 thousand euros during the fiscal year 2024, recorded under the heading 'Financial expenses for debts with third parties'.

On 27 March 2024, a loan was received in the amount of 10 million euros with a maturity of 12 months. On 18 November 2024, an early repayment of the loan was made following an agreement between the parties. This loan has incurred financial expenses amounting to 1,629 thousand euros, recorded under the financial expenses heading in the income statement (Note 18).

Additionally, non-current financial liabilities include the participatory loan recorded on 3 November 2023 (note 14) for a total of 28,200 thousand euros, of which 26,100 thousand euros originate from lenders of related companies, group and associates, and the remaining portion from third parties for 2,100 thousand euros, classified as Other Non-Current Financial Liabilities.

The breakdown of lenders to related companies, group companies, and associates is as follows:

- Ondainvest (formerly Mr. Alberto Zardoya Arana) 3,000 thousand euros.
- Abengoa Construçao Brasil Ltda. 17,600 thousand euros.
- Abengoa Bioenergía Agroindustria Ltda. 5,500 thousand euros.

As of the end of 2024, this heading also includes records of other reciprocal loans, notably those with Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A. de C.V.) for an amount of 13,598 thousand euros, Abengoa Bioenergia Agroindustria Ltda. for an amount of 9,836 thousand euros, Cox Brasil for an amount of 12,472 thousand euros, and Cox T&I, S.L. for an amount of 11,081 thousand euros.

The 'Various Creditors' heading primarily includes outstanding invoices related to the expenses of the IPO in November.

The directors of the Company consider that the carrying amount of "Debts and payables" approximates their fair value.

The 'Various Creditors' heading at the close of the fiscal year 2024 primarily includes outstanding invoices related to the expenses of the previously described IPO.

Net losses and earnings by categories of financial liabilities

Net gains and losses from the various categories of financial liabilities primarily pertain to financial expenses arising from amounts due to credit institutions and group companies (notes 15 and 16).

Information on the Average Supplier Payment Period. Third Additional Provision. "Duty of Information" of Law 15/2010, of 5 July.

In accordance with the provisions of Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, and the Resolution of 29 January 2016 of the Spanish Accounting and Audit Institute (ICAC) on the information to be included in the notes to the annual financial statements in relation to the average period for payment to suppliers in commercial transactions, the information on the average period for payment to suppliers during the fiscal years 2024 and 2023 is detailed below:

Object	Days	
	2024	2023
Average supplier payment period	71	151
Ratio of transactions settled	63	27
Ratio of transactions pending settlement	71	196
Total payments made	6,999	2,942
Total outstanding payments	5,381	1,343

Additionally, in accordance with the Third Additional Provision of Law 15/2010, the information below details the monetary volume and number of invoices paid within a period shorter than the maximum established in the regulations on late payment, and the percentage they represent of the total number of invoices and of the total monetary payments to its suppliers, corresponding to the fiscal years 2024 and 2023:

Thousands of euros	5,791 (1,125 in 2023)
Numbers	282 (654 in 2023)
% of total payments	83% (87% in 2023)
% of total invoices	55% (61% in 2023)

The maximum legal payment period applicable to the Company in the fiscal year 2024 according to Law 3/2004, of 29 December, which establishes measures to combat late payment in commercial transactions, is 30 days; however, these periods may be extended to 60 days by agreement between the parties.

Note 13.- Due to Credit Institutions

As of 31 December 2024 and 2023, these headings in the accompanying balance sheets are composed as follows:

31.12.2024				Euros	
Item	Limit	Maturity	Interest rate*	Short-term	Long-term
Bankinter (Loan)	–	26.03.2025	2.25%	29	–
				29	–

* Interest rates are at fixed rates.

On 17 December 2024, a "Cox ABG Group, S.A. 2024 Green Promissory Notes Programme" was incorporated into the Alternative Fixed Income Market ("MARF"), for an amount of up to 50 million euros. This programme is valid for one year, and the promissory notes can be issued for a maximum term of up to two years, with repayment at maturity. The issuance will be solely for general corporate purposes. As of the end of the fiscal year 2024, no issues have been made, with the first disbursement occurring at the end of February 2025 for a nominal amount of 7.8 million euros.

On 23 December 2024, a financing agreement was executed, consisting of a revolving credit facility with a maximum amount of 32.5 million euros, involving Banco Santander, S.A., Caixabank, S.A., and Instituto de Crédito Oficial, E.P.E., with a maturity period of 3 years from the signing date. The purpose of this financing will be to meet working capital requirements and will bear interest at a rate of 2.63% plus Euribor on drawdowns. As of fiscal year-end, no drawdowns have been made from this credit line.

During the fiscal year 2024, both the loan and the confirming with the financial institution BBVA have matured, with the total amounts drawn being repaid.

31.12.2023				Euros	
Object	Limit	Maturity	Interest rate*	Short-term	Long-term
Bankinter (Loan)	250	26.03.2025	2.25%	85	29
BBVA (Loan)	100	14.11.2024	6.70%	95	–
BBVA (Confirming)	400	16.02.2024	6.70%	400	–
Other	–		– %	(14)	–
				566	**29**

* Interest rates are at fixed rates.

The Company has no long-term borrowings with credit institutions.

Details of the annual maturities of long-term borrowings as of 31 December 2023 are as follows:

31.12.2023					
Loans	2024	2025	2026	Rest	Total
Bankinter	–	29	–	–	29

The interest rates that financial institutions apply to the Company's loans align with market values. Interest accrued during the years ended 31 December 2024 and 2023 on financing granted to the Company by credit institutions amounted to 1 thousand euros and 762 thousand euros, respectively, and is recognised, together with other items, under "Finance costs - Payables to third parties" in the accompanying income statements.

Note 14.- Related-Party Transactions and Balances

As of 31 December 2024 and 2023, the balances with related companies, in addition to those mentioned in note 9 above, are detailed in the attached balance sheets as follows:

Assets	31.12.2024	31.12.2023
Non-current assets		
Loans to Group companies and associates	**113,143**	**43,886**
Inversiones Riquelme Vives, S.L.	–	11,113
Cox Energy Europa, S.L.	5,797	5,624
Cox Energy, S.L.	47,489	27,149
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL)	59,857	–
Current assets		
Clients, group companies and associates	**6,681**	**4,706**
Cox Energy Generador, SA de CV	1	5
Cox Energy Comercializadora España, S.L.	1	–
Cox Energy, S.L.	–	28
Cox Energy Europa, S.L.	–	119
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL)	6,614	4,303
Ibexia Cox Energy Development, S.L.	65	251
Loans to Group companies and associates and others	**1,130**	**434**
Cox Energy S.A.B., de C.V.	463	431
Cox Energy México Suministrador, S.A. de C.V.	328	–
Ibexia Cox Energy Development, S.L.	36	–
Other	303	3

Non-current assets:

The following transactions were completed with related parties in the fiscal years 2024 and 2023:

The Company and the principal shareholder, Inversiones Riquelme Vives, S.L., have offset the credit facility utilised at the close of the previous fiscal year by 11 million euros (note 7) and have signed a credit line agreement for a maximum amount of 25 million euros, with a maturity date of 31 December 2027, at a nominal annual interest rate of Euribor +1.35%. At the close of the first half of 2024, the parties agreed to formalise the amount as a participating loan, which has been resolved by mutual agreement. As of 31 December 2024, the entire utilised balance forms part of the credit line.

The company has provided financing to Cox Global Services, S.L. (formerly Cox Corporate, S.L. and previously Cox Infraestructuras, S.L.) amounting to 56.8 million euros, of which 2 million euros are related to the payment agreement and assumption of debt for guarantee expenses, and 54.8 million euros relate to a reciprocal credit of up to 50 million euros initially (with the maximum credit limit modified by mutual agreement between the parties as per contract), formalised on 28 November 2023 and effective from 1 June 2023, at an interest rate of 6.25% to meet financial commitments in the operations of the company and its subsidiaries, with a maturity date of 5 years. The amounts include the interest accrued during 2024, which amounts to 970 thousand euros (424 thousand euros at the end of the fiscal year 2023).

With regard to the group company Cox Energy Europa, S.L., the balance of 5.8 million euros pertains to the automatic renewal of a long-term credit line to finance the development of its activities, signed on 4 October 2019 at an interest rate of Euribor +1.35%, with interest amounting to 54 thousand euros (132 thousand euros at the end of the fiscal year 2023).

Cox Energy, S.L. holds a balance of 47.4 million euros related to the long-term financing the company has issued for project development in Latin America. This is facilitated through a credit line formalised on 5 March 2022, with a maturity of 3 years, up to a maximum global amount of 30 million euros initially (with the maximum credit limit modified by mutual agreement between the parties as per contract), at a fixed annual interest rate of 6.38%. The interest accrued in 2024 and included in the balance amounts to 792 thousand euros (483 thousand euros at the close of the fiscal year 2023). Additionally, the company holds a balance of 15.6 million dollars (15 million euros) related to the provision of a short-term credit line, automatically renewable, up to a maximum amount of 30 million dollars, at a fixed interest rate of 6.38% signed on 1 September 2023. The interest accrued in 2024 amounts to 348 thousand dollars (335 thousand euros), and 211 thousand dollars (191 thousand euros) at the end of the fiscal year 2023.

Current assets:

The balance under the heading of Customers, Group and Associated Companies at the end of the fiscal year 2024 with Cox Global Services, S.L. (formerly Cox Corporate, S.L. and previously Cox Infraestructuras, S.L.) corresponds to structural expenses for the period amounting to 6,614 thousand euros (4,303 thousand euros in the fiscal year 2023).

Cox Energy, S.A.B. de C.V. maintains a balance of 463 thousand euros with the Company for the drawdown of the credit line for 445 thousand euros, which was formalised on 22 May 2023, with a maturity of one year at a fixed interest rate of 6.38% and up to a maximum of 1 million euros, the interest on which amounts to 18 thousand euros.

Liabilities	31.12.2024	31.12.2023
Non-current liabilities		
Due to group and associated companies	**79,749**	**92,336**
Inversiones Riquelme Vives, S.L.	2,953	31,797
Abengoa Construção Brasil Ltda	19,473	28,058
Abengoa Bioenergía Agroindustria Ltda	15,893	14,718
Alberto Zardoya (Ondainvest, S.L.)	3,296	3,000
Cox Energy, S.A.B. de C.V. (formerly Cox Energy América, S.A. de C.V.)	13,598	12,983
Cox T&I, S.L. (formerly CA Infraestructuras T&I, S.L.)	11,081	–
Cox Concessões Brasil Holding	12,472	–
Cox Energy, S.L.	–	1,173
Cox Comercializadora España, S.L.	983	607
Current liabilities		
Due to group and associated companies	**4,299**	**123**
Abengoa Bioenergía Agroindustria Ltda	3,612	–
Abengoa Construção Brasil Ltda	24	–
Cox Water S.L. (formerly CA Infraestructuras Agua, S.L.)	52	–
Cox O&M S.L. (formerly CA Infraestructuras O&M, S.L.)	46	–
Cox Energy México Suministrador S.A. de C.V.	32	–
Other (Tax group)	533	–
Alberto Zardoya (Ondainvest, S.L.)	–	123
Trade and other payables to group companies and associates	**3**	**79**
Cox Comercializadora España, S.L.	3	79

Non-current liabilities:

The Company and the principal shareholder, Inversiones Riquelme Vives, S.L., have offset the credit facility utilised at the close of the previous fiscal year by 11 million euros and have signed a credit line agreement for a maximum amount of 25 million euros, with a maturity date of 31 December 2027, at a nominal annual interest rate of Euribor +1.35%. At the close of the first half of 2024, the parties agreed to formalise the amount as a participating loan, which has been resolved by mutual agreement. As of 31 December 2024, the entire utilised balance forms part of the credit line.

During the fiscal year 2023, the company issued a private long-term payables instrument, raising a total of 28.2 million euros, through the formalisation on 3 November 2023, of a participating loan among which the following related companies are included:

- Abengoa Construçao Brasil Ltda. for 17,600 thousand euros, with an accession date and, therefore, an interest settlement date starting on 1 September 2023, with an accrued amount of 1,873 thousand euros at the end of the fiscal year 2024 (403 thousand euros at the end of the fiscal year 2023).
- Abengoa Bioenergia Agroindustria Ltda., for 5,500 thousand euros, with an accession date and, therefore, an interest settlement date starting on 28 September 2023, with an accrued amount of 557 thousand euros at the end of the fiscal year 2024 (115 thousand euros at the end of the fiscal year 2023).
- Alberto Zardoya Arana (Ondainvest, S.L) for 3,000 thousand euros, with the date of accession and therefore the start date for the settlement of interest being 30 June 2023. At the end of fiscal year 2024, it has accrued 296 thousand euros.

The remaining amount of 2,100 thousand euros was subscribed by third parties (see note 12).

The initial maturity date is 3 November 2026 and may be extended for one more year to 3 November 2027, as the final maturity date, with a fixed interest rate of 8% payable semi-annually.

This instrument has the option to convert into shares of one of its subsidiaries upon maturity, but only if a certain event occurs (such as the application for official listing of a specific subsidiary company). Management currently considers this event to be unlikely.

On 18 October 2023 and 29 December 2023, loans were received from Abengoa Bioenergía Agroindustría Ltda., each amounting to 5,000 thousand dollars and maturing in 2 years, totalling 10 million dollars (9,050 thousand euros), with a fixed interest rate of 6.25% and accrued interest of 646 thousand euros at the end of 2024 (53 thousand euros at the end of the fiscal year 2023).

Additionally, the following operations have been carried out:

On 31 December 2023, a loan agreement was executed under which the company received 10 million euros from the affiliated company Abengoa Construcao Brasil Ltda, with a maturity date of 31 December 2025 and a fixed interest rate of 8%. This loan has been transferred in 2024 along with the accrued interest to the group company Cox Brasil, S.A. (formerly Cox Concessões Brasil Holding). On 29 February 2024, an addendum was signed to increase the loan amount by 1.5 million euros under the same conditions. As of the end of 2024, 857 thousand euros has accrued in interest (403 thousand euros in 2023).

On 1 September 2023, a loan agreement was formalised with Cox Energy, S.A.B. de C.V. (formerly Cox Energy América S.A. de C.V.) for 10 million euros at an interest rate of 6.38%. This loan accrued 228 thousand euros in interest in 2024 (214 thousand euros in 2023). Additionally, a credit line granted on 24 July 2020 remains in place, which has been tacitly renewed every three years at an interest rate of TIIE (Equilibrium Interbank Interest Rate) + 2%. As of the end of 2023, the balance stands at 55,395 thousand Mexican pesos (2,574 thousand euros), with accrued interest of 3,203 thousand Mexican pesos (149 thousand euros) and 4,500 thousand Mexican pesos (274 thousand euros).

Cox Comercializadora España, S.L. maintains a balance of 983 thousand euros on the credit line formalised on 1 January 2022, maturing on 1 January 2025 at an interest rate of 2.62%. The interest accrued in 2024 amounts to 30 thousand euros (13 thousand euros at the end of the fiscal year 2023).

On 23 May 2024, a reciprocal loan agreement with a maximum value of 12 million euros and a maturity date of 25 April 2025 was signed with the group company Cox Global Services, S.L. This loan accrues interest at an annual rate of 12%. By the end of 2024, a total of 10,3 million euros had been utilised, and 760 thousand euros had been accrued as interest.

Current liabilities:

On 7 August 2024, the company signed a loan agreement for an amount of 2,5 million euros with the group company Abengoa Bioenergía Agroindustria, Ltda., with 1,5 million euros pending repayment at the close of the fiscal year 2024.

On 20 September 2024, a mutual credit agreement was signed with the same company for an amount of 2 million euros, maturing on 30 June 2025, with an annual interest rate of 6.25%. At the end of the fiscal year, interest accrued amounted to 33 thousand euros.

During the fiscal years 2024 and 2023, the details of transactions with the group and related parties are as follows:

2024	Revenue				
	Sundry service income	Financial Income	Financial Income	Sundry service expenses	Financial Expenses
Group companies					
Cox Energía Comercializadora España, S.L.	9	–	–	(1,585)	(32)
Cox Energy S.A.B. (formerly Cox Energy América S.A. de C.V.)	–	28	–	–	(999)
Cox Energy Europa, S.L.	–	257	–	–	–
Cox Energy S.L. (formerly Cox Energy Latin América)	–	2,101	–	–	(5)
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL)	9,117	6,037	–	–	–
Cox T&I, S.L. (formerly CA Infraestructuras T&I, S.L.)	–	–	–	–	(760)
Cox Energy México Suministrador S.A. de C.V.	–	–	–	–	(32)
Abengoa Concesssoes Brasil Holding, S.A.	–	–	–	–	(857)
Abengoa Construçao Brasil Ltda.	–	–	–	–	(1,610)
Abengoa Bioenergía Agroindustria Ltda.	–	–	–	–	(1,165)
Associated companies and other related parties					
Inversiones Riquelme Vives, S.L.	–	–	–	–	(796)
Ondainvest (formerly Alberto Zardoya)	–	–	–	–	(243)
	9,126	**8,423**	**–**	**(1,585)**	**(6,499)**

2023	Revenue				
	Sundry service income	Financial Income	Financial Income	Sundry service expenses	Financial Expenses
Group companies					
Cox Energía Comercializadora España, S.L.	–	–	–	78	11
Cox Energy S.A.B. (formerly Cox Energy América S.A. de C.V.)	–	15	–	–	613
Cox Energy Europa, S.L.	–	511	–	–	–
Cox Energy, S.L.	1	1,231	53	(26)	14
Cox Global Services, SL (formerly Cox Corporate, SL and previously Cox Infraestructuras, SL)	3,990	10,805	–	–	–
Abengoa Construçao Brasil Ltda.	–	–	–	–	458
Abengoa Bioenergía Agroindustria Ltda.	–	–	–	–	169
Associated companies and other related parties	–	–	–	–	–
Inversiones Riquelme Vives, S.L.	–	–	410	–	273
Ibexia Cox Energy Development, S.L.	13	–	–	155	–
Euro-Syns, S.A.	–	–	–	–	39
Alberto Zardoya	–	–	–	–	127
Zardoya Family office	–	–	–	–	4,000
	4,004	**12,562**	**463**	**207**	**5,704**

Remuneration and other benefits for the Directors and senior management

The individualised breakdown of remuneration paid during the fiscal year 2024 to all members of the Board of Directors is as follows:

Object	Salary (1)	Fixed compensation	Compensation for membership of Board Committees	Other items	Total
Riquelme Vives, Enrique José	400	25	–	–	425
Arizaga Zárate, Luis	–	25	3	–	28
Ignacio Casanueva Pérez, Juan	–	25	–	–	25
Fernández Ruiz, Alejandro	–	25	7	–	32
Gallardo Mateo, Mar	–	25	7	–	32
González Pitarch, Cristina	–	25	3	–	28
Maluquer Usón, Ignacio	–	25	7	–	32
Medina Cuadros, Antonio (*)	–	25	–	–	25
Rodríguez Fernández, Román Ignacio	–	25	3	–	28
Sánchez Álvarez, Elena	–	25	7	–	32
Saval Pérez, Arturo	–	25	3	–	28
Zardoya Arana, Alberto	–	25	3	–	28
Quintana Pradera, Dámaso	–	2	–	–	2
Total	**400**	**302**	**43**	**–**	**745**

(*) Ceased to be director effective 19 December 2024.

(1) During the fiscal year 2024, Mr Enrique José Riquelme Vives received remuneration for providing services consisting of executing the tasks and functions corresponding to the position of Sole Administrator of Cox Global Services S.L., an entity wholly owned by the Company and the head of the group of companies' businesses and operations. The fixed annual remuneration amounts to 400 thousand euros and is effective from 1 January 2024.

Likewise, the contract stipulates that, in the event of the dismissal of Mr Enrique José Riquelme Vives as Sole Administrator of Cox Global Services S.L., which is not due to a breach attributable to him nor solely due to his own will, the company will pay Mr Riquelme a compensation equivalent to 100% of the fixed remuneration he would have earned during the calendar year immediately preceding the year in which his dismissal occurred.

During the fiscal year 2023, the position of director was not remunerated.

- During the fiscal year 2024, the remuneration paid to the Senior Management (members of Senior Management who are not executive directors with an indication of the total remuneration paid to them during the year) amounted to 2,200 thousand euros for all items, both fixed and variable (1,558 thousand euros in 2023), mainly recorded in subsidiaries.
- The Group has taken out directors' liability insurance covering the members of the Board of Directors, executives and persons performing executive functions, having paid a total insurance premium of 292 thousand euros in 2024 (32,3 thousand euros in 2023).
- There are no agreements between the company and its management and directors or employees that provide for compensation in the event of resignation, unfair dismissal, or if the employment relationship ends due to a takeover bid. Senior manager contracts that suspend a prior ordinary employment relationship, in which the termination benefit recognised in favour of the senior manager is equivalent to the legal indemnity for unfair dismissal, calculated based on salary and full length of service. The contract provides six months' prior notice in any event, with compensation for remuneration owed if the notice period is infringed.

Regarding Senior Management contracts, the payment of indemnities is only envisaged in the event of termination during the fiscal year in the exercise of the executive functions which, where applicable, they may perform, as detailed below:

- An executive who, in the event of termination by the company, would be entitled to 18 months' severance pay (1.5 years' gross salary).

- An executive who, in the event of termination by the company, would be entitled to 18 months' severance pay (1.5 years' gross salary), provided that the dismissal occurs within the first 18 months of the contract. This clause will expire in September 2025.

› No advances or loans have been granted, and no guarantee commitments have been made, to the members of the Board of Directors, except as indicated in the previous table of this note.

Situations of Conflict of Interest for Directors

Article 229 of the Spanish Companies Act, introduced under Royal Decree-Law 1/2010 of 2 July, imposes on the directors, or their natural person representatives, the duty to report to the Board of Directors or, where there is no Board, the other directors or, in the case of a sole director, the General Meeting, any direct or indirect conflict of interest with the Company. The Director in question may not participate in resolutions or decisions affecting the transaction to which the conflict of interest relates.

In 2024 and 2023, no agreement between the Company and any of its shareholders or directors, or persons acting on their behalf, relating to transactions not forming part of the Company's ordinary business or not subject to normal terms and conditions, was terminated, amended or rescinded in advance.

It should also be noted that all the directors have reported that they have no direct or indirect conflict of interest with the Parent company or its investees.

Note 15.- Tax Situation

For corporate income tax purposes, Cox ABG Group, S.A. will file its corporate income tax return for the fiscal year 2024, under the special tax consolidation regime with the number 0544/24, as the head company of a group composed of 24 entities, including the company itself, which will be taxed under the special regulations and regime for groups of companies. Cox ABG Group, S.A, is also the Parent company of the VAT group number 0111/24.

In the fiscal year 2023, the company was taxed under the individual taxation regime, having calculated its corporate income tax expense under that regime.

As of 31 December 2024 and 2023, the balances with Public Administrations were as follows:

Current	31.12.2024		31.12.2023	
	Debtor	Creditor	Debtor	Creditor
Current tax assets	1,595	–	3	–
Other credits (debts) with Public Administrations				
Recoverable VAT	1,780	–	118	–
Personal income tax withholdings	–	728	–	116
Social security	–	8	–	4
Total	**3,375**	**736**	**121**	**120**

The balance corresponding to the Public Treasury for VAT reflects the balance resulting from the settlement of the VAT group.

As of 31 December 2024, the balance corresponding to deferred tax assets amounting to 4,250 thousand euros mainly relates to tax credits for other deductions, as well as temporary discrepancies, pending recovery in the coming fiscal years.

The reconciliations between the net amount of income and expenses for the fiscal years 2024 and 2023 and the corporate tax base for those years are shown below:

Balance of income and expenses during the fiscal year	2024	2023
Profit/(loss) before taxes	1,520	(5,585)
Total	**1,520**	**(5,585)**
Increases due to permanent discrepancies	361	644
Increases due to temporary discrepancies	1,000	3,018
Decreases in equity	(9,251)	–
Tax base (tax result)	**(6,370)**	**(1,923)**

The adjustment made through equity in the fiscal year 2024 corresponds to the capitalisation of IPO expenses arising from the management of the company's listing on the Continuous Market (see note 11). The fiscal impact of this allocation is recorded in the same reserve account where the aforementioned expenses are capitalised.

The permanent discrepancies adjusted in the fiscal year 2024 mainly relate to expenses that are considered non-deductible, including fines and tax penalties.

Temporary discrepancies mainly relate to the recognition of provisions which, in accordance with the Consolidated Spanish Corporate Income Tax Law, are not considered deductible until the expenses are incurred and realised.

The permanent adjustments made in the fiscal year 2023 also correspond to expenses that are not tax deductible, and the temporary adjustments relate to limitations on non-deductible net financial expenses.

As of 31 December 2024 and 2023, the Company has the following tax loss carryforwards pending future offset, detailed as follows:

Fiscal year of origin	31.12.2024	31.12.2023
2017	470	470
2020	699	699
2021	1,877	1,877
2022	2,343	2,343
2023	1,922	1,923
	7,311	**7,312**

In accordance with current law, taxes cannot be considered definitive until they have been inspected and agreed by the taxation authorities or before the inspection period of four years has elapsed.

In the opinion of the Company's directors, no significant tax liabilities are anticipated from future inspections and, consequently, the accompanying Annual Financial Statements do not include any provision for this item.

In addition, as an individual company, the following fiscal years and taxes can be considered open for inspection:

Tax	Inclusive from
Corporate income tax	2019
Added value tax	2020
Personal Income Tax - Withholdings	2020
Other Taxes	2020

Corporate income tax, both prepaid and deferred, for intra-group transactions is generally recorded in accordance with the special register of corporate groups to which the company is subject. In accordance with current law, taxes cannot be considered definitive until they have been inspected and agreed by the taxation authorities or before the inspection period of four years has elapsed.

Due to possible differing interpretations of tax regulations, certain contingent tax liabilities may exist. However, in the opinion of the tax advisors and the Directors, the likelihood of these events occurring is remote, and, in any case, any tax liability arising from them would not significantly affect the Annual Financial Statements.

Note 16.- Long-Term Provisions

Under this heading, the company records the amount for the claim filed by Banco Atlántida El Salvador for Cox Energy Solar, S.A. (now Cox ABG Group, S.A) to pay 7 million dollars for a loan originating on 4 December 2020.

The Company contested this claim by arguing that the debt was settled through a payment in kind transaction, which was documented and made public before the Notary of El Salvador, Mr. Juan Carlos Rivas Vásquez, on 4 December 2021. This deed transferred ownership of 5,082,832 shares of Cox Energy S.A.B de C.V. (company listed on BIVA, Mexico), representing 3% of the capital of the said company, to Banco Atlántida, and the debt was cancelled.

The trial hearing took place on 14 May 2024. Based on the assessment provided by the legal advisors, the Directors did not expect the trial to have any adverse impact on the Company.

On 22 July 2024, the Court of First Instance No. 50 in Madrid issued a judgement ordering Cox ABG Group, S.A. to pay the claimant the amount of 7 million dollars plus statutory interest, as a result of the invalidation of the payment in kind of the shares provided as collateral.

This judgement has been appealed by the Company. Owing to the decision and the rationale of the judgement, the Company's directors have re-evaluated their estimates based on the advice of their legal advisors.

The Civil Provincial Court of Madrid has scheduled 13 April 2027 for the deliberation, voting, and decision on the aforementioned appeal.

Note 17.- Accruals

The balance shown under this heading in the attached balance sheet relates to the fee paid to Banco Santander for securing financing amounting to 32,5 million euros, which is yet to be disbursed (see note 12).

Note 18.- Revenue and Expenses

Revenue

The distribution of revenue for the fiscal years 2024 and 2023, by categories of activities, is as follows:

Revenue	2024	2023
Group provision of services (Note 14)	9,126	4,005
Rendering of Services	1,587	–
Financial income (Note 14)	8,423	12,561
Total	**19,136**	**16,566**

Under the "Financial income" heading, an amount of 6,429 thousand euros is recorded for interest accrued on loans to Group companies, along with 1,994 thousand euros for guarantee expenses re-invoiced to Cox Global Services, S.L.

The entire revenue is generated in the domestic market.

Personnel expenses

Details of this item in the accompanying annual financial statements for the fiscal years ended 31 December 2024 and 2023 are as follows:

Object	2024	2023
Wages, salaries and similar remuneration		
Wages and salaries	(3,873)	(354)
Compensations	–	–
	(3,873)	**(354)**
Social charges		
Company social security contributions	(104)	(23)
Other employee benefit expenses	–	–
	(104)	**(23)**

This amount includes 1 million euros corresponding to the provision for bonuses for the fiscal year 2024.

Other operating expenses

Other operating expenses	2024	2023
Professional advisory services	(2,251)	(3,604)
Advertising	(335)	(244)
Consultancy	–	(176)
Internal resources	–	(163)
Other services	(216)	(164)
Leases	(159)	(110)
Transport	(292)	(78)
Insurance policies	(137)	–
Travel expenses	(220)	(52)
Banking services	(52)	(24)
Utilities	(3)	(20)
Taxes	(18)	–
Impairment, write-offs, and variations in provisions for trade operations	(1)	–
Total	**(3,684)**	**(4,635)**

Financial Income

	2024	2023
In group companies and associates (note 14)	–	53
From shares in equity instruments	**–**	**53**
From group companies and associates (note 14)	–	410
In third parties	72	–
Marketable securities and other financial instruments	**72**	**410**
Total	**72**	**463**

Financial Expenses

	2024	2023
Due to group and associated companies	(6,499)	(5,703)
Payables to third parties	(2,562)	(11,251)
Total	**(9,061)**	**(16,954)**

The financial expenses for debts with third parties mainly correspond to the interest generated by the loan received from Ben Oldman amounting to 10 million euros as described in note 12, amounting to 1,629 thousand euros, the recognition of the guarantee line commission (661 thousand euros) described in note 18, and the debts with credit institutions and other financial liabilities described in notes 12 and 13.

Exchange differences

	2024	2023
Net exchange differences	674	(632)
Total	**674**	**(632)**

The impact of currency exchange differences primarily pertains to positions with Group companies in currencies other than the euro, mainly in US dollars and Mexican pesos (note 14).

Note 19.- Environmental Information

Given the activities the Company undertakes, it has no environmental liabilities, expenses, assets, provisions, or contingencies that could be significant in relation to the Company's equity, financial position, and results. For this reason, specific breakdowns are not provided in this report.

Note 20.- Other Information

Workforce

The average number of employees during the fiscal years 2024 and 2023, distributed by categories, is as follows:

Categories	Average number of employees	
	2024	2023
Managers	6	3
Total	**6**	**3**

During the fiscal years 2024 and 2023, no employee with a disability greater than or equal to thirty-three percent has been employed.

Additionally, the distribution by gender of the Company's personnel, broken down by category and level, is shown at the end of the fiscal years 2024 and 2023:

Categories	Final number of Employees 31.12.2024		
	Men	Woman	Total
Managers	5	1	6
Total	**5**	**1**	**6**

Categories	Final number of Employees 31.12.2023		
	Men	Woman	Total
Managers	3	–	3
Total	**3**	**–**	**3**

Guarantees and collateral

At the close of the fiscal year 2024, the Company has provided various bank guarantees and surety insurance to third parties (customers, financial entities, public bodies, and other third parties) as a guarantee for certain commitments undertaken (such as bid bonds, performance guarantees, and others) amounting to 100,683 thousand euros (12,540 thousand euros in 2023).

The following table provides a breakdown by type of commitment of the guarantees given by the Group at 2024 and 2023 year-end:

Type	Balance as of 31.12.2024	Balance as of 31.12.2023
Bid bond (offer reliability)	1,850	–
Performance:	**1,850**	**–**
- Prepayments	17,892	–
- Execution (construction/receipts/payments)	52,587	130
- Quality	22,047	12,320
- Operation and Maintenance	5,376	–
- Other minor projects	931	–
Total	**100,683**	**12,450**

Audit fees

For fiscal years 2024 and 2023, the fees related to statutory audit services and other services provided by the auditor of the Group's consolidated annual financial statements, PricewaterhouseCoopers Auditores, S.L., and by companies belonging to the PwC network, as well as the fees for services billed by the auditors of the annual financial statements of the companies included in the consolidation and by the entities linked to them through control, common ownership, or management were as follows, in thousands of euros:

	Services provided by the lead auditor		Services provided by other audit firms	
	2024	2023	2024	2023
Audit services	744	470	–	–
Other assurance services	1,013	–	–	–
Total Audit and Related Services	**1,757**	**470**	**–**	**–**
Tax Advisory Services	–	–	–	–
Other Services	–	190	–	–
Total Other Professional Services	**–**	**190**	**–**	**–**

Contingent liabilities

The claims and litigation faced by the Company are typically complex, leading to a high level of uncertainty regarding both the likelihood of an unfavourable outcome for the Company's interests and the estimation of potential future disbursements that may need to be addressed. As a result of all this, it is necessary to use judgements and estimates, with the support of the relevant legal advisors.

Additionally, Nexus Energía S.A. has initiated legal proceedings against various Mexican and Spanish subsidiaries of the group, as well as Cox ABG Group S.A., seeking primarily the enforced compliance with the right to exit the share capital of Mexican companies as agreed between the parties, through the repurchase of Nexus's shares in the mentioned Mexican companies, for approximately 16 million Mexican pesos (750 thousand euros), plus interest.

Cox ABG Group, S.A. was summoned to court on 4 November 2024 and, following the close of the fiscal year 2024, the company responded to the lawsuit.

Furthermore, Cox Energy, a subsidiary of the company, is engaged in negotiations to secure a favourable agreement for all parties involved.

Note 21.- Subsequent events

There have been no other events since the year-end that could have a material effect on the information disclosed in the Consolidated Annual Financial Statements issued by the Board of Directors on this same date, or that must be reported in view of their significance.

Management Report as of 31 December 2024

Organisational structure and functioning

Cox ABG Group, S.A. (formerly Cox Energy Solar, S.A.) (hereinafter referred to as 'Cox ABG Group' or the 'Company') was incorporated as a public limited company in Madrid, Spain, on 25 July 2014, in accordance with Spanish law, for an indefinite period.

The Company has been listed on the Spanish Continuous Market since 15 November 2024.

Cox ABG Group and its subsidiaries and associated companies form a vertically and horizontally integrated group (i.e., it owns and controls generation, transmission, and distribution components) structured around two operational verticals: Water and Energy (along with Services and Corporate) offers a variety of services to the water and energy industries, including EPC and O&M services, enabling its business model to cover the entire water and energy value chain.

The geographical reach of its operations spans Latin America, Southern Europe, the Middle East and North Africa (MENA), and South Africa.

The Board of Directors is responsible for the management of the Company and sets, among other things, the strategic, accounting, organisational, and financial policies of the Company.

The Board of Directors of the Company consists of twelve members: two executive directors, nine independent directors, and one shareholder-appointed director.

In compliance with the Articles of Association and the Board of Directors Regulations, the Board of Directors approved the creation of an audit committee, an appointments and remuneration committee, and a sustainability and compliance committee. These committees shall be governed by the Articles of Association, the Regulations of the Audit Committee, the Regulations of the Appointments and Remuneration Committee, the Regulations of the Sustainability and Compliance Committee, the Board of Directors Regulations, and the Code of Conduct of the Securities Market.

The company's Senior Management team consists of the following members: CEO, CFO, COO, Corporate Strategy Director, and General Secretary. Additionally, the group's Senior Management includes the Chief Risk Officer, Energy EPC Director, Energy Director, Water Business Director, Infrastructure Director, and O&M Director. Senior Management reports to the CEO of the Company.

Business evolution and state of the Company

The Company recorded a profit of 1,050 thousand euros for the fiscal year ended 31 December 2024 (loss of 5,585 thousand euros in 2023).

As of 31 December 2024, the Company's equity is positive, amounting to 187,205 thousand euros (positive 16,337 thousand euros as of 31 December 2023).

During the fiscal year 2024, the Company has carried out the following transactions:

On 13 November 2024, a capital increase amounting to a total of 175,000 thousand euros (including 1,711 thousand euros of nominal amount plus 173,289 thousand euros of share premium) was subscribed, under which 17,106,549 fully subscribed and paid-up ordinary shares were issued.

On 15 November 2024, the Company's shares were admitted to the Spanish Stock Exchanges and began trading on the Spanish Stock Exchange.

On 17 December 2024, the Company executed its third capital increase amounting to 1,893 thousand euros (comprising 19 thousand euros in nominal value and 1,874 thousand euros as share premium) through an over-allotment option (greenshoe), resulting in the issuance of 185,025 fully subscribed and paid ordinary shares.

The financial structure, along with the anticipated cash flow generation, aligns with the operational needs of the Company and, consequently, with the capacity of the Company and its Group to continue operating as a going concern in the future and to fulfil its financial and operational obligations.

Foreseeable evolution of the Company's business for the fiscal year 2025

The year 2024 marked the beginning of a new era for Cox, where we have taken decisive steps on our journey of consolidation and growth.

The stock market debut has contributed to bolstering our financial capacity and has enabled us to acquire additional sources of financing, which will enable us to spearhead strategic projects in markets with a significant need for investment in water infrastructure.

In this year 2025, in which we are already immersed, we will strengthen our commitment to new water concessions, as well as the deployment of water treatment facilities in Spanish regions with urgent needs.

Following the Group's acquisition of the assets and liabilities of the former Abengoa subsidiaries, an industrial group has been formed with a focus on technology, innovation and sustainable solutions, and worldwide operations in over 21 countries.

In September 2023, the Group drew up its strategic plan for the next five years, in which its growth and future prospects are analysed.

The first milestone of this Strategic Plan occurred during 2024, with the complete integration of the businesses resulting from the acquisition of Abengoa's assets, along with the businesses previously developed by the former Cox companies.

All of this within two business units: Water and Green Energy.

This growth is based on two pillars: the concession business, comprising seven concessions in operation at 2024 year-end, and a 3.6 GW portfolio of photovoltaic projects in operation or under construction or development.

New concessions will be secured in the Water and Transmission and Infrastructures sectors, currently under construction.

The construction and services business, which is based on a portfolio of projects already contracted and will bring in future revenues of 2.23 billion euros, together with new contracts in the pipeline in the coming 12 months (for which bids have been made or are expected to be made in 2025) amounting to approximately 35 billion euros.

Building on these two pillars, the business is forecast to grow at an average rate of 40% per annum in the next five years to reach revenues of over 3.8 billion euros in 2029 and an EBITDA margin of 20%.

Workforce

As of 31 December 2024 and 2023, the Company has 6 and 3 employees, respectively, all of whom hold director positions.

Risk Policy and Management of the Company

The Company faces a variety of risks, which are analysed based on the nature of each one.

The financial risk management policies and, consequently, the instruments for their achievement are largely determined by the specific legislation and regulations of the sectors in which the Company may operate, as well as the prevailing situation in the financial markets at any given time.

The most significant potential risks in the Company are:

Credit risk

This risk pertains to the possibility that the Company may fail to meet its interest or principal payment obligations. The Company assesses its ability to generate cash flows and its creditworthiness through the analysis of financial statements and ratios. The Company sets exposure limits to ensure prudent credit risk management.

The Company formalises all its transactions with group companies, associated companies, and other related parties through credit lines (reciprocal credit agreement).

During the fiscal years 2024 and 2023, the Company monitors and controls through forecasts for each of the group's subsidiaries.

Liquidity risk

The Company's liquidity and financing policy aims to ensure that sufficient funds are available to meet its financial obligations.

The Company primarily uses the following sources of financing:

- Due to credit institutions, primarily through credit lines and confirming, intended to finance daily operations (note 13).
- To implement its strategic plan for the coming years, the company has executed a capital increase amounting to 175,000 thousand euros, initiating its listing on the Spanish Stock Exchange, which has endowed the Company with the necessary liquidity to pursue its operations.
- Due to group and associated companies, primarily through mutual credit agreements, as well as participating loans with subsidiaries and related parties (note 14).

Liquidity risk refers to the potential inability of the Company to meet its cash requirements to fulfil payment commitments incurred during project development. Prudent liquidity risk management involves maintaining sufficient cash reserves and negotiable instruments, as well as access to an adequate amount of credit facilities that enable the Group to meet its obligations when due and liquidate market positions (see note 8).

On the other hand, the Company closely monitors its short-term liquidity plan, taking the necessary steps to ensure the fulfilment of its obligations.

The Company will continue this process moving forward as part of its liquidity strategy.

Market risk

Market risk arises from the Group's exposure to financial risks resulting from fluctuations in exchange rates, interest rates, and prices.

Interest rate risk

This risk pertains to the Company's exposure to fluctuations in interest rates that could impact its financing costs. The Company assesses the sensitivity of its debt structure to changes in interest rates in order to mitigate this risk. However, the company's financing is at a fixed interest rate (note 13).

Foreign exchange risk

Within this type of risk, the fluctuation of the exchange rate in converting transactions with group subsidiaries whose functional currency differs from the euro is significant. In this context, it is important to note that the corporate policy will aim to identify the best solution to mitigate this risk by employing hedging instruments, always adhering to the prudent approach as dictated by corporate standards.

Market quotation risk

This risk refers to the possibility that fluctuations in economic, political, or social conditions could negatively impact the market value of the shares of both the Company and its investee, Cox Energy, S.A.B. de C.V., a company dually listed on the Mexican and Spanish stock markets. To mitigate this risk, the Company continuously monitors economic indicators to estimate potential impacts.

Identifying these risks allows the Company to implement effective risk management strategies to safeguard its financial interests as the Parent company of a group of companies.

Purchase of treasury shares

Cox ABG Group, S.A., along with its related companies, have complied with the legal provisions established for transactions in its own shares.

The Parent company has neither pledged its own shares as collateral nor used them in any commercial or legal transaction. There are also no shares in Cox ABG Group, S.A. owned by third parties who could act in their own name but on behalf of the group's companies.

Any reciprocal shareholdings that may have been established with investees have been carried out on a transitory basis and in compliance with the limits of the revised text of the Spanish Companies Act.

On 13 December 2024, the Company signed a liquidity agreement concerning the shares listed on the Continuous Market and integrated into the Spanish Stock Exchange Interconnection System with JB CAPITAL MARKETS, S.V., S.A.U., in compliance with the stipulations of Circular 1/2017, dated 26 April, issued by the National Securities Market Commission regarding Liquidity Contracts, and Circular 2/2019, dated 27 November, which amends Circular 1/2017, along with other applicable regulations.

As of 31 December 2024, the balance of treasury shares stands at 14,173 shares, all of which were acquired during the fiscal year 2024.

Stock market information

Cox shares have been traded on the Continuous Market of the Spanish stock exchanges (Madrid, Barcelona, Bilbao, and Valencia), under the symbol COXG, since 15 November 2024, when the Initial Public Offering (IPO) was conducted at an initial price of 10,23 euros per share.

As of 31 December 2024, Cox's market capitalisation reached 755 million euros, represented by 77,901 thousand fully subscribed shares.

Cox's share price closed the fiscal year 2024 at 9,69 euros per share, experiencing a variation of -5.3% compared to the IPO price. During this period, the highest, lowest, and average trading prices were 10,24 euros, 9,21 euros, and 9,87 euros, respectively.

In EUR	31.12.2024
Share price at year-end	9,69
Number of shares at year-end	77,901,860
Market capitalisation (thousand)	**754,869**

Research and development activities

The R&D&I activities of the Company and its Group were founded on collaborations with other companies active in the sectors of innovative solar energy, energy storage, and production forecasting.

Technological development is still Cox's main competitive advantage when undertaking high added value projects. The Group develops R&D and innovation projects to enhance both the features of existing products and services, and the acquisition of new competencies. Cox has accumulated over 250 patents since 2008, making us a technology leader.

Environment

As a holding company with stakes primarily in the energy and water sectors, the Company recognises the importance and significant impact that its investments can have on the environment and long-term sustainability.

The Company acknowledges that the energy and water sector plays a pivotal role in the shift towards a more sustainable and eco-friendly economic model.

Despite the Company not incurring any specific environmental expenses during 2024, it remains committed to adopting responsible business practices that contribute to the preservation and protection of the natural environment.

The Company appreciates the significance of responsibly managing natural resources and fostering energy efficiency across all its operations and in the companies where it holds a stake.

In line with its corporate responsibility, the Group encourages all its subsidiaries to adopt sustainable business practices, promoting the use of clean technologies, reducing pollutant emissions, and managing water resources efficiently.

The companies that make up the holding company work closely with their business partners to ensure that their subsidiaries positively contribute to sustainable development and the well-being of the communities in which they operate.

The Company and its Group is committed to continuing to closely monitor the environmental impacts of its activities and to seek opportunities for ongoing improvement in its environmental performance. It also recognises that integrating environmental considerations into its business decisions is crucial not only for risk mitigation but also for creating long-term value for its shareholders and society as a whole.

Average supplier payment period

Note 12 of the notes to the Consolidated annual Financial Statements provides information on the Company's degree of fulfilment of supplier payment periods for commercial transactions, pursuant to Law 15/2010 of 5 July, as amended by Law 18/2022 of 28 September.

Non-financial information statement

The Non-Financial and Information Statement, required by Law 11/2018 on Sustainability, is integrated into the Group's Consolidated Management Report, available on the Company's website (www.grupocox.com).

Annual Corporate Governance and Remuneration Report

The Annual Corporate Governance Report (ACGR) and the Annual Report on Directors' Remuneration (ARDR) are part of this Management Report, presented in separate documents, fully available on the website of the National Securities Market Commission (www.cnmv.es) as well as on the company's website www.grupocox.com.

Significant events for the Company occurring after the end of the fiscal year

No significant events occurred after closing.

Due Diligence of Individual Annual Financial Statements

The Board of Directors of **Cox ABG Group, S.A.** (the '**Company**'), with its registered office in Madrid, C/ Eucalipto no. 25, 1ª planta (C.P. 28016), with TIN A-87073193, convened on 13 March 2025, with the attendance of all its members, has prepared, in compliance with the current commercial regulations, the Annual Financial Statements of the Company (*Statement of Financial Position, Income Statement, Statement of Changes in Equity, Statement of Cash Flows and Notes*) and the Management Report for the fiscal year 2024, following the format and tagging requirements established in the European Commission Delegated Regulation (EU) 2019/815.

The entirety of the members comprising the Board of Directors of the Company, by this Record, declare the presented Annual Financial Statements and the Management Report for the fiscal year 2024, with a view to their verification by the auditors and subsequent approval by the General Meeting of Shareholders.

Enrique José Riquelme Vives	Alberto Zardoya Arana	Alejandro Fernández Ruiz
Arturo Saval Pérez	Cristina González Pitarch	Dámaso Quintana Pradera
Elena Sánchez Álvarez	Ignacio Maluquer Usón	Juan Ignacio Casanueva Pérez
Luis Arizaga Zárate	Mar Gallardo Mateo	Román I. Rodríguez Fernández

Due Diligence: The formulation of the Annual Financial Statements has been approved by all members of the Board who make up the Board of Directors of the Company. However, in this record, Mr Dámaso Quintana Pradera, Ms Cristina González Pitarch, and Mr Juan Ignacio Casanueva Pérez have not included their signatures due to attending the meeting remotely, as permitted by the Board of Directors Regulations of the Company. Nevertheless, the minutes of the meeting will record the favourable vote of these directors for the approval of the formulation of these accounts.

And thus I sign it, so that it may produce all its appropriate legal effects, with the approval of the Chairman of the Board of Directors, in Madrid, on 13 March 2025.

Approved by the Chairman of the Board of Directors	The Secretary of the Board of Directors
Enrique José Riquelme Vives	Antonio Medina Cuadros

Negative statement regarding Environmental Information in the Annual Financial Statements

The members of the Board of Directors of Cox ABG Group, S.A. (the "**Company**") declare that, in the accounting related to the current Annual Financial Statements for the fiscal year ending 31 December 2024, there is no environmental item that needs to be included in the Report, in order for it to present a true and fair view of the assets, the results, and the financial position of the Company, in accordance with the guidelines of the third part of the General Accounting Plan (Royal Decree 1514/2007, of 16 November).

The Directors of the Company who sign this declaration are listed below and constitute the entirety of the members of the Company's Board of Directors who have prepared the **individual and consolidated Annual Financial Statements** for the fiscal year 2024 during their session on 13 March 2025.

Enrique José Riquelme Vives	Alberto Zardoya Arana	Alejandro Fernández Ruiz
Arturo Saval Pérez	Cristina González Pitarch	Dámaso Quintana Pradera
Elena Sánchez Álvarez	Ignacio Maluquer Usón	Juan Ignacio Casanueva Pérez
Luis Arizaga Zárate	Mar Gallardo Mateo	Román I. Rodríguez Fernández

Due Diligence: The formulation of the Annual Financial Statements has been approved by all members of the Board who make up the Board of Directors of the Company. However, in this Declaratiom, Mr Dámaso Quintana Pradera, Ms Cristina González Pitarch, and Mr Juan Ignacio Casanueva Pérez have not included their signatures due to attending the meeting remotely, as permitted by the Board of Directors Regulations of the Company. Nevertheless, the minutes of the meeting will record the favourable vote of these directors for the approval of the formulation of these accounts.

And thus I sign it, so that it may produce all its appropriate legal effects, in Madrid, on 13 March 2025.

Antonio Medina Cuadros,

Secretary of the Board of Directors

Statement of Responsibility of the Directors

In compliance with the current commercial regulations and, especially, as established in Article 8 of Royal Decree 1362/2007, of 19 October, all members of the Board of Directors of Cox ABG Group, S.A. (the '**Company**'), declare that, to the best of their knowledge, the **individual annual financial statements of the Company** (*Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statement and Notes),* as well as the **consolidated annual financial statements** of the Company and its subsidiaries (*consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and consolidated notes*), for the fiscal year ended 31 December 2024 and drawn up by the Board of Directors at its meeting on 13 March 2025, have been prepared in accordance with applicable accounting principles and provide a true and fair view of the assets, financial position, and results of the Company and the subsidiaries included in the consolidation as a whole, and that the **supplementary management reports to the individual and consolidated annual financial statements**, include a true analysis of the business development and results, and the position of the Company and its subsidiaries included in the consolidation as a whole, as well as a description of the main risks and uncertainties they face.

The Directors of the Company who sign this declaration are those listed here and constitute the entirety of the members of the Company's Board of Directors who have prepared the individual and consolidated Annual Financial Statements for the fiscal year 2024.

Enrique José Riquelme Vives	Alberto Zardoya Arana	Alejandro Fernández Ruiz
Arturo Saval Pérez	Cristina González Pitarch	Dámaso Quintana Pradera
Elena Sánchez Álvarez	Ignacio Maluquer Usón	Juan Ignacio Casanueva Pérez
Luis Arizaga Zárate	Mar Gallardo Mateo	Román I. Rodríguez Fernández

Due Diligence: The formulation of the Annual Financial Statements has been approved by all members of the Board who make up the Board of Directors of the Company. However, in this Declaration, Mr Dámaso Quintana Pradera, Ms Cristina González Pitarch, and Mr Juan Ignacio Casanueva Pérez have not included their signatures due to attending the meeting remotely, as permitted by the Board of Directors Regulations of the Company. Nevertheless, the minutes of the meeting will record the favourable vote of these directors for the approval of the formulation of these accounts.

And thus I sign it, so that it may produce all its appropriate legal effects, in Madrid, on 13 March 2025.

Antonio Medina Cuadros,

Secretary of the Board of Directors