

E3 Water and marine resources

Climate change is emerging as a critical stress factor for global water resources. As the climate becomes increasingly unpredictable, water availability and quality are compromised, creating geopolitical tensions in regions dependent on shared water resources.

Water-related disasters, such as floods and storms, [account for almost 90 per cent of the most devastating natural disasters](#). The frequency and severity of these extreme weather events have increased significantly in recent decades, increasing communities' exposure to risk. Lack of access to safe drinking water and adequate sanitation affects a significant part of the world's population. Currently, approximately 2 billion people lack access to clean and safe water, while some 3.6 billion people, 46 % of the global population, do not have adequate sanitation.

The sixth report of the Intergovernmental Panel on Climate Change (IPCC) has highlighted a worrying projection: by 2050, half of the world's population is expected to live in regions affected by water stress. Both highlight the need for scientific knowledge-based management and global cooperation in key sectors to address the challenges of climate change and water scarcity.

ACCIONA plays a key role in building water resilience. The company brings innovative solutions and cutting-edge technologies to address these crucial challenges. It is active in the design, construction and operation of water treatment facilities, reinforcing its commitment to the quality of life in the cities and communities where it operates.

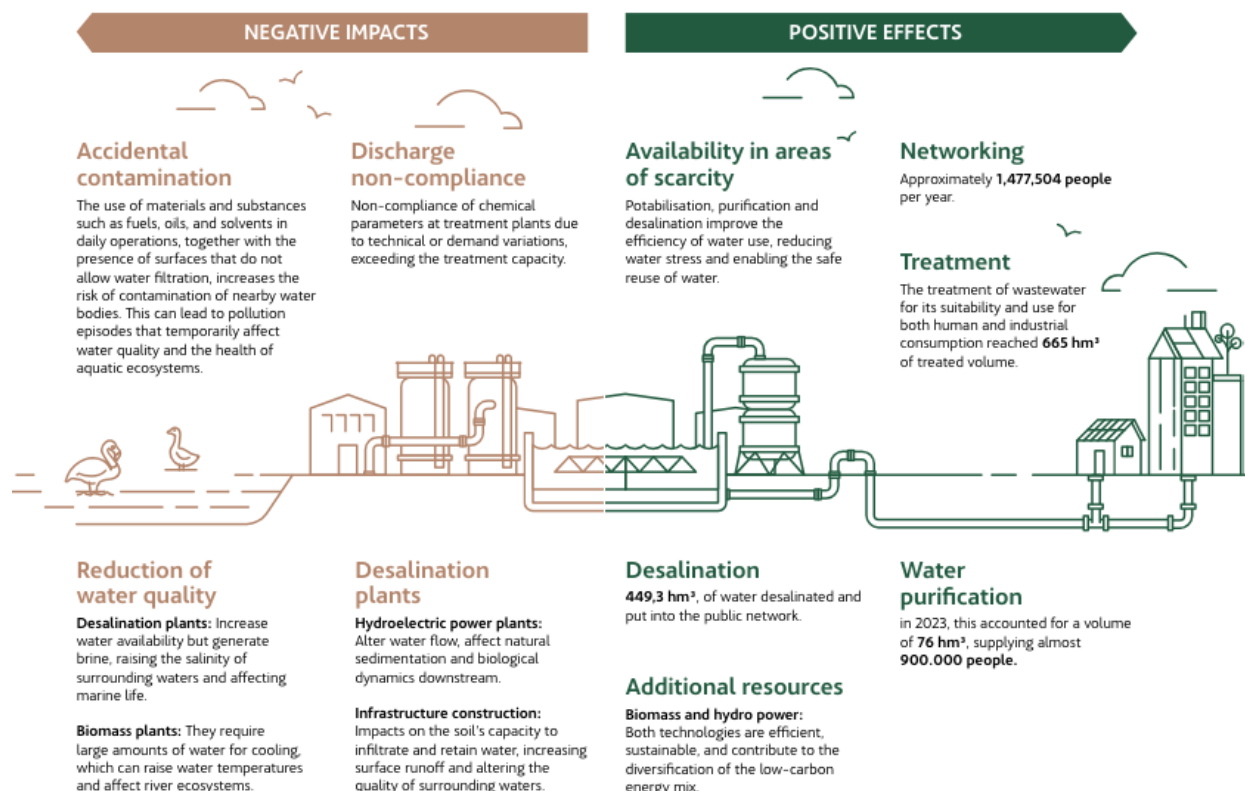
 **More information:** [ACCIONA Agua solutions](#)

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

The quantity and quality of water resources are influenced by factors such as precipitation, temperature, land use and land cover. Water demand depends on climate, available water resources and their management, thus determining sufficiency or scarcity against needs.

ACCIONA, with 28 years of experience in the water sector, contributes solutions through its involvement in the design, construction and operation of drinking water treatment plants, wastewater purification plants, reverse osmosis desalination plants and tertiary treatments for water reuse. These solutions address water scarcity, sanitation problems and water resources management. ACCIONA's innovation and technical excellence position it as a provider of sustainable solutions to water challenges related to climate change, guaranteeing access to water.

Ⓢ SOURCES OF POTENTIAL IMPACT ON WATER RESOURCES FROM ACCIONA'S OPERATIONS



Analysing water-related risks (IRO-1)

ACCIONA currently has two methodologies for quantifying facilities in countries or areas with water stress. First, the UN Food and Agriculture Organization (FAO) methodology states that an area is water-stressed when the availability of annual water supply is less than 1,700m³ per person. Under these conditions, ACCIONA has 63 facilities in water-stressed countries, including Saudi Arabia, India, South Africa and Poland.

On the other hand, the evaluation of the facilities using the Water Risk Atlas tool of the World Resources Institute (WRI) enables the company to locally identify and classify ACCIONA Energía's facilities into seven levels of water stress.

Based on this tool and as part of the ESG Risk Management System, ACCIONA assesses the endogenous and exogenous water factors that could impact the company's operations and services, thus representing a potential risk for their development.

ACCIONA's commitment to reducing its consumption in water-stressed countries sets the criteria used in the procedure to consider some projects as material over others, so that the measures implemented are exhaustively evaluated in those projects in areas with high and extremely high levels of water stress.

The following shows, firstly, the distribution of ACCIONA's sites in the water stress categories by location, and, secondly, the distribution in the water stress categories according to the risk management and mitigation implemented and reassessed by the projects in the framework of the consultation carried out as part of the ESG Risk Management System.

WATER STRESS CATEGORY	DISTRIBUTION ACCORDING TO LOCATION	DISTRIBUTION ACCORDING TO MANAGEMENT
Extremely high (>80 %)	456	158
High (40-80 %)	138	41
Medium - High (20-40 %)	420	410
Low - Medium (10 -20 %)	229	230
Low (<10 %)	348	752
Aridity and low water consumption		

The results of the evaluation by site indicate:

ACCIONA carries out 37 % of its activity in areas considered water-stressed. When carrying out the risk assessment on projects, the likelihood of a water risk materialising due to water availability drops to 13 %. This is due to a moderate need for the resource and the prioritisation of plans and systems for efficient use and responsible management.

One third of ACCIONA's activities are carried out in areas with a low level of water stress or in arid and resource-poor areas.

62 % of ACCIONA's facilities have rated the risk of operational impossibility due to water stress as remote or non-existent.

Taking into account the volume of facilities, Spain, Australia and Mexico are the countries with the highest levels of water stress. However, in average water stress levels, the greatest risk shifts to countries such as Qatar, Algeria and India.

Expected financial impacts of risks related to water and marine resources (E3-5)

In addition to the risks based on the availability of resources at local level (water stress), both physical and regulatory risks that potentially require handling and investment to mitigate them and adapt ACCIONA's operations to possible outcomes have been identified and assessed by business, based on the Environmental Risk Management System.

Below are the risks related to the provision of water resources in ACCIONA's operations and assessed for the 2030 time horizon according to the NGFS climate scenarios. The likelihood and financial impact are assessed individually for each business.

BUSINESS	COUNTRIES	NGFS SCENARIO / TIMELINE	CATEGORY	SUBCATEGORY	DESCRIPTION	LIKELIHOOD	FINANCIAL IMPACT	RISK MANAGEMENT
Construction	Spain, Mexico, Peru, Chile and Poland	<i>Current Policies.</i> Assessed for the year 2030	Physical risk	Severe	Appearance of restrictions on water consumption that condition the planned production processes, forcing the redefinition of these towards processes with lower water consumption due to an increase in periods of drought as a result of climate change.	Possible	Insignificant [<1 % reduction of the financial result]	ACCIONA develops and implements technologies to improve water efficiency and mitigate risk. The diversification of water sources and the introduction of alternative water collection methods are another management strategy implemented.
Construction and Construction Oceania	Philippines, Mexico, Canada, Spain, Norway, New Zealand and Australia	Current Policies. Assessed for 2030	Physical risk	Chronic	The functionality of coastal infrastructure (harbours, dams, outfalls, desalination plant intakes, etc.) may be affected by a rise in sea level, which may result in customer complaints and possible fines.	Remote	Negligible - Minor [<1 % or 1 %-2 % reduction of the financial result]	Assessing the long-term vulnerability of the project, introducing resilient design practices and developing emergency plans are key measures to mitigate risk.

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Construction Oceania	Australia and New Zealand	<i>Current Policies.</i> Assessed for 2030	Physical risk	Chronic	Increased operational costs due to a decrease in the availability of water needed for construction work (compaction, concrete production, etc.) as a consequence of a downward variation in rainfall patterns.	Unlikely	Slight [Decrease between 1 % and 2 % of the financial result]	ACCIONA develops and implements technologies to improve water efficiency and mitigate risk. Diversification of water sources and introduction of alternative water collection methods are another management strategy implemented.
Construction Oceania	Australia and New Zealand	Delayed Transition. Assessed for 2030	Transitional risk	Policy and Legislation	Increased operational costs due to higher water prices and unforeseen additional licensing requirements due to a change in protection laws in the face of reduced rainfall and increased water insecurity.	Unlikely	Slight [Decrease between 1 % and 2 % of the financial result]	Detailed analyses of weather patterns and the incorporation of water scarcity scenarios in the initial project planning are risk prevention measures. The diversification of water sources and the introduction of alternative water collection methods are another management strategy implemented.
Water	Mexico, Spain, Australia, Italy, Peru, Panama, Philippines, Egypt	<i>Current Policies.</i> Assessed for 2030	Physical risk	Chronic	The reduction in the production capacity of DWTPs, catchments and drinking water distribution networks would be caused by prolonged droughts or changes in temperature patterns.	Possible	Slight [Decrease between 1 % and 2 % of the financial result]	The introduction of efficiency improvements and adaptation to climate change, as well as demand management and monitoring of the water situation are key management strategies.
Concesiones, Industrial, ASUMA and Ingeniería Cultural	Spain, Australia, Mexico, Kenya, Kenya, Chile and Spain	<i>Current Policies.</i> Assessed for 2030	Physical risk	Severe	The increase in operational costs and the redefinition of the planned production processes towards less water-consuming processes are due to the increase in water consumption restrictions given the longer periods of drought.	Unlikely	Negligible - Minor [<1 % or 1 %-2 % reduction of the financial result]	ACCIONA develops and implements technologies to improve water efficiency and mitigate risk. The diversification of water sources and the introduction of alternative water collection methods are another management strategy implemented.

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AFS	Spain, Portugal, Middle East, Mexico	<i>Current Policies.</i> Assessed for 2030	Physical risk	Severe	Reduced income from lower production capacity due to longer periods of drought and restrictions on use that shrink the availability of water for cleaning.	Possible	Significant [2 %-5 % decrease of the financial result]	Detailed analysis of weather patterns and the incorporation of water scarcity scenarios in the initial project planning are risk prevention measures. The diversification of water sources and the introduction of alternative water collection methods are another management strategy implemented.
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* The likelihood and financial impact of each risk is identified individually for each business and according to its financial performance. They do not currently represent a volume of potential financial impact for ACCIONA Group.

Policies on water and marine resources (E3-1)

ACCIONA has a Water Policy approved by the Board of Directors' Audit and Sustainability Committee. The main objective of this policy is to contribute to the fundamental human right of access to drinking water and sanitation.

The outline of the principles in this policy is:

Managing water responsibly and efficiently.

Transparent reporting of the results from the end-to-end water management.

Complying with current laws and regulations on water.

Supporting the development of regulatory frameworks which favour the sustainable management of this resource.

Establishing mechanisms to control and assess the efficient management and responsible use.

Supporting the development and use of new technologies.

Including water use and management in the Company's risk management strategy.

Raising awareness of the sustainable use of water resources through partnerships with stakeholders.

Transferring this policy to the entire value chain.

ACCIONA is working on updating its water policy for 2024, which will include several key principles. The first is sustainable consumption, which seeks to promote the efficient use of water in order to conserve and optimise water resources, as well as to encourage the use of alternative sources. This is particularly relevant in water-stressed areas. The second principle is that of Conservation and Restoration, in which ACCIONA undertakes to promote and implement initiatives aimed at the conservation and restoration of bodies of water that may be directly affected by the Company's projects. Special attention is given to saltwater ecosystems with high ecological value.

 **More information:** [Water Policy](#)

Actions and resources related to water and marine resources (E3-2)



DACUA PROJECT

ACCIONA has launched the DACUA project as part of the projects in the Recovery, Transformation and Resilience Plan (PERTE) for the digitalisation of the water cycle, attached to the Ministry for Ecological Transition and the Demographic Challenge (MITECO). DACUA's purpose is to improve the integrated management of the urban water cycle in Spain through digitalisation and innovation. This includes increasing knowledge on water uses, strengthening a comprehensive management of water resources, improving water use efficiency, minimising the impact of climate change and contributing to meeting the environmental objectives set out in water planning.

The project will be carried out in several municipalities in Andalusia, Extremadura and Castilla-La Mancha. Digitalisation actions include the installation of sensors to obtain data, the development of master and emergency plans, the automation and remote control of facilities, the implementation of ACCIONA's Water Control Centre (CECOA), the integration and development of GIS methodology with digital twins, smart systems for leak reduction and asset management, platforms for information transparency and energy optimisation, and remote reading to support vulnerable groups.

DACUA is expected to increase water efficiency and reduce water loss by 25 %, saving 0.52 Hm³/year, equivalent to the daily consumption of 500,000 people, and saving 272 MWh per year. With a budget of €9.2M, the project is estimated to create 234 jobs and generate an economic impact of €33.9M in the municipalities involved, contributing significantly to SDGs 6, 12 and 15.

STRATEGY

ACCIONA's water management strategy stands out for its responsibility and efficiency, establishes specific objectives in its Sustainability Master Plan (SMP), invests in new technologies, integrates water into risk management and ESG budgeting, extends its principles to the value chain and maintains transparent communication based on strict compliance with legislation.

Under the leadership of José Manuel Entrecanales, ACCIONA took part in the Global Compact Leaders Summit, held in parallel to the United Nations General Assembly during New York Climate Week. The company joined the [Forward Faster](#) initiative, making commitments in key areas such as climate change, living wages, gender equality, finance and investment, and water resilience.

Forward Faster seeks to increase accountability and transparency on the Sustainable Development Goals (SDGs). ACCIONA is committed to improving water resilience in its operations and supply chains, with the goal of positively impacting at least 100 priority and vulnerable water basins by 2030.

GOALS AND METRICS

Targets for water and marine resources (E3-3)

ACCIONA's target for water and marine resources, set forth in the 2025 Sustainability Master Plan focuses on making the most of the water resource and reducing the company's consumption in countries suffering from water stress due to low water availability.

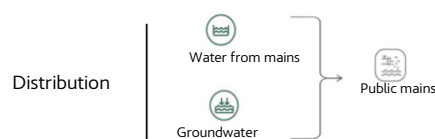
In 2023, the targeted cut was 12 % in the consumption of surface water, groundwater and municipal water in water-stressed countries compared to 2020.

Water distribution, production and consumption (E3-4)

The company's potential interactions with water resources are detailed below:

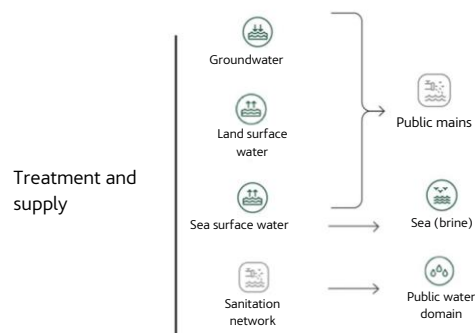
Water distribution

Among the services offered by the company's water solutions is the introduction of water to the public network through primary sources. The volume of water distributed from primary networks and groundwater sources this year was 113 hm³, remaining at similar values to those of 2022. Approximately 1,477,504 people are supplied each year.



Water treatment and supply

ACCIONA's business model in the management of water resources focuses on desalination and drinking water and wastewater treatment activities. The principal characteristic of these waters is the fact that the quality levels must be fit for human consumption or compliant with the legally established decontamination levels.



Drinking water treatment accounted for a total 76 hm³ in 2023, supplying almost 900,000 people.

In the desalination treatment system, ACCIONA uses pioneering technology, such as reverse osmosis, to carry out its activity in more than 10 countries. In 2023, the volume of seawater captured was 1,258 hm³, with the resource inflow into the public mains amounting to 449 hm³ in all the countries where the

company operates and 288 hm³ in centres located in areas of extremely high and high water stress. This activity largely focused on Saudi Arabia, Algeria, Qatar and the United Arab Emirates (UAE).

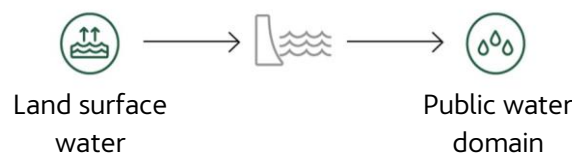
The main by-product of this treatment is brine. In 2023, a total 794 hm³ from desalination operations were discharged back into the sea.

On the other hand, the treatment of wastewater for human and industrial consumption reached 684 hm³ of collected water (input) and 665 hm³ of treated water (output). Compared to last year, the production of treated water increased by 16 %, mainly because the Gabal el Asfar wastewater treatment plant in Egypt, which became operational in 2022, was able to operate for the full year.

In 2023, the amount of water treated by ACCIONA in water-stressed countries was 273 hm³, which makes up 41 % of the company's total water treatment for customers.

Water transfer

The generation of electricity from hydropower plants requires the storage of water in dams, where the height of the dam and the amount of water flowing are key factors in power generation.



In 2023, ACCIONA's hydropower plants provided a total 1,743,508 MWh of energy from 9,442 hm³ of resource.

Another activity that uses water for renewable electricity generation in industrial processes is the biomass power plants. The Sanguesa biomass requires 23 hm³ of resource for cooling purposes. This plant captures surface water and at the end of the process returns it back to the source, always maintaining its original quality with minor physicochemical alterations.

Water consumption

This use includes freshwater catchment such as municipal, surface and groundwater. In 2023, the total water consumed by ACCIONA's facilities and projects amounted to 5,029,839 m³, of which 149,519 m³ were consumed in water-stressed countries.

In 2023, ACCIONA's target to reduce the use of surface water, groundwater and municipal water in water-stressed countries was set at 12 %. However, the actual cut was as much as 15 %, meeting expectations by far. Nordex figures are excluded from this target.

Furthermore, ACCIONA calculates the water consumption (surface and groundwater) associated with its suppliers, resulting in 14 hm³ for its direct suppliers and 68 hm³ for its entire supply chain.

Reused water consumption

The water sources that do not deplete the natural reserves available, such as rainwater, recycled water from the mains and water reused or recycled on site, supplement the water used for its own facilities. The amount of water for internal consumption increased, especially the water recycled and reused on site, as a result of increased operations at the Gabal el Asfar plant in Egypt, which uses part of the treated water for its own maintenance.

In 2023, 41 % of the water consumed by ACCIONA came from rainwater, recycled water from the mains and water reused or recycled on site.

The volume of water used for ACCIONA's own consumption from rainwater, recycled mains water and water reused or recycled in situ in water-stressed countries amounted to 1,622,376 m³.