

**Audit Report on Financial Statements
issued by an Independent Auditor**

FCC AQUALIA, S.A. AND SUBSIDIARIES

Consolidated Financial Statements and
Consolidated Directors' Report
for the year ended
December 31, 2024



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AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (See Note 28)

To the shareholders of FCC AQUALIA, S.A.:

Opinion

We have audited the consolidated financial statements of FCC AQUALIA, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2024 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

Most relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the consolidated financial statements of the current period. These risks were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Recognition of unbilled accrued revenue from water supply contracts

Description One of the Group's main activities is the supply of water to its customers, the scheduled billing for this service is stipulated in each contract and based on readings of customer water consumption.

"Trade and other receivables" on the consolidated balance sheet as at December 31, 2024 includes 145.717 thousands of euros relating to unbilled revenue recognized as revenue from this service at the relevant reporting date.

Unbilled accrued revenue from supplied water is recognized and measured by estimating the volume of consumed water from the date of the last meter reading up to the reporting date, this requires that Parent's Management make judgments and assumptions regarding these estimates.

Given the complexity of making the estimates to determine customer consumption referred to above, and due to the relevance of the amount unbilled recognized as revenue as at December 31, 2024, we determined this to be a most relevant audit issue.

The information related to the valuation policies and principal assumptions applied when determining the volumes of water consumed from the date of the last meter reading up to the reporting date, as well as disclosures related to the amounts pending to be billed, is provided in Notes 2.d)18, 2.d)19 and 13.a) of the accompanying consolidated financial statements.

Our response

In relation to this matter, our audit procedures included:

- ▶ Understanding the process designed by Parent's Management to recognise unbilled accrued revenue from water supply, assessing the design and implementation of the relevant controls in place in that process, and verifying the operating effectiveness of those controls in collaboration with our information system specialists.
- ▶ Examination of the transactions carried out during the fiscal year by the Group, reviewing the correlation of revenues, accounts receivable and associated collections, as well as the performance of analytical procedures consisting of a review of the evolution of the gross margin throughout the year.
- ▶ Assessing the reasonableness of the unbilled revenue amounts recorded for a selected sample of contracts, considering trends observed in comparable prior years.
- ▶ Reviewing the disclosures made in the notes to the consolidated financial statements in conformity with the applicable regulatory financial reporting framework.

Other information: consolidated directors' report

Other information refers exclusively to the 2024 consolidated directors' report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements

Our audit opinion on the consolidated financial statements does not cover the consolidated directors' report. Our responsibility for the consolidated directors' report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that the consolidated non-financial statement has been provided as stipulated by applicable regulations and, if not, disclose this fact.
- b. Assessing and reporting on the consistency of the remaining information included in the consolidated directors' report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated directors' report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated directors' report is consistent with that provided in the 2024 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company 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 said directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations 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 financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

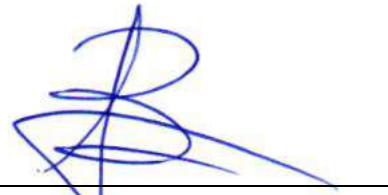
- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk 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 management.
- ▶ 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 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 financial statements 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 financial statements, including the disclosures, and whether the consolidated financial statements 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 financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the parent company 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.

From the significant risks communicated with the directors of the parent company, we determine those that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)



Alfonso Balea López
(Registered in the Official Register of
Auditors under No. 20970)

March 7, 2025



Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 28). In the event of a discrepancy, the Spanish language version prevails.

FCC AQUALIA, S.A. AND SUBSIDIARIES



Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 28). In the event of a discrepancy, the Spanish language version prevails.

CONSOLIDATED ANNUAL ACCOUNTS

- Consolidated annual accounts

Consolidated balance sheet

Consolidated profit and loss account

Consolidated statement of comprehensive income

Consolidated Statement of Changes in Equity

Consolidated Statement of Cash Flows

Consolidated Annual Report

- Annex I: Fully consolidated subsidiaries
- Annex II: Proportionately consolidated joint operations.
- Annex III: Joint ventures accounted for using the equity method
- Annex IV: Temporary Joint Ventures
- Appendix V: Changes in the scope of consolidation

CONSOLIDATED MANAGEMENT REPORT



Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 28). In the event of a discrepancy, the Spanish language version prevails.

FCC AQUALIA, S.A. AND SUBSIDIARIES
as at 31 December 2024 (in thousands of euros)

ASSETS

	Notes	31.12.2024	31.12.2023 *
NON-CURRENT ASSETS		3.304.789	3.316.536
1. Intangible fixed assets *	4	951.086	1.020.352
1. Concessions		756.451	827.655
2. Goodwill		98.996	98.270
3. Other intangible assets		95.639	94.427
2. Property, plant and equipment *.	5	1.155.834	1.074.489
Land and buildings		156.355	138.670
Technical installations and other tangible fixed assets		999.479	935.819
3. Investment property	6	3.885	3.150
4. Investments in associates and jointly controlled entities	8	43.407	47.006
Non-current financial assets	11	1.101.636	1.127.778
6. Deferred tax assets	20	48.941	43.761
CURRENT ASSETS		1.122.248	950.927
2. Stocks	12	63.529	51.838
3. Trade and other receivables		624.221	530.853
1. Customers for sales and services	13	453.335	420.773
Other debtors	13	169.812	108.870
3. Current tax assets		1.074	1.210
Other current financial assets	11	81.026	68.024
Other current assets		10.170	7.637
6. Cash and cash equivalents	14	343.302	292.575
TOTAL ASSETS		4.427.037	4.267.463

* Restated 2023 data as detailed in Note 2.

The accompanying notes 1 to 28 and appendices I to V are an integral part of the consolidated annual accounts for the financial year 2024.



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CONSOLIDATED BALANCE SHEET

FCC AQUALIA, S.A. AND SUBSIDIARIES
as at 31 December 2024 (in thousands of euros)

LIABILITIES AND EQUITY

	<i>Notes</i>	2024.12	2023.12
NET WORTH	15	1.103.333	1.025.904
Equity attributable to the parent entity		934.004	867.066
Own funds		921.155	853.765
1. Capital		145.000	145.000
Share premium and reserves		708.403	628.495
4. Profit for the year attributable to the parent company		112.702	110.720
Interim dividend		(44.950)	(30.450)
Adjustments for changes in value		12.849	13.301
Minority interests		169.329	158.838
NON-CURRENT LIABILITIES		2.574.273	2.395.315
Subsidies	19	91.661	47.282
Non-current provisions	17	186.102	236.724
Non-current financial liabilities	16	2.216.063	2.020.382
Bonds and other negotiable securities		913.243	648.653
2. Amounts owed to credit institutions		1.162.750	1.176.728
Other financial liabilities		140.070	195.001
Deferred tax liabilities	20	60.699	72.442
Other non-current liabilities		19.748	18.485
CURRENT LIABILITIES		749.431	846.244
Current provisions	17	17.101	17.659
Current financial liabilities	16	132.108	268.819
Bonds and other negotiable securities		19.980	9.691
2. Amounts owed to credit institutions		14.394	104.482
Other financial liabilities		97.734	154.646
Trade and other payables		594.638	554.455
1. Suppliers		235.826	242.453
2. Other creditors	18	340.621	300.258
Current tax liabilities		18.191	11.744
Other current liabilities		5.584	5.311
TOTAL LIABILITIES AND EQUITY		4.427.037	4.267.463

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CONSOLIDATED PROFIT AND LOSS ACCOUNT

FCC AQUALIA, S.A. AND SUBSIDIARIES
as at 31 December 2024 (in thousands of euros)

	Notes	31.12.2024	31.12.2023
Net turnover	22	1.674.657	1.487.402
Work carried out by the company for its assets	7	33.209	35.249
Other operating income	22	66.892	49.496
Change in stocks of finished goods and work in progress		-	-
Procurement	22	(652.901)	(583.111)
Staff costs	22	(443.187)	(388.842)
Other operating expenses	22	(253.237)	(215.919)
Depreciation of fixed assets	5 y 6	(187.617)	(169.600)
Allocation of grants for non-financial fixed assets and others		4.486	4.161
Impairment and gains or losses on disposals of fixed assets		(572)	(2.551)
Other results		431	41
OPERATING INCOME		242.161	216.326
Financial income	22	44.454	39.516
Financial expenses	22	(108.357)	(91.393)
Change in fair value of financial instruments		1.577	-
Exchange rate differences		(11.960)	6.446
Impairment and gains or losses on disposals of financial instruments		(93)	(240)
FINANCIAL RESULT		(74.379)	(45.671)
Result of entities accounted for using the equity method	8	3.201	1.584
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	20	170.983	172.239
Profit tax	20	(32.804)	(40.866)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		138.179	131.373
CONSOLIDATED RESULTS FOR THE YEAR		138.179	131.373
Profit attributable to minority interests	15	25.477	20.653
PROFIT ATTRIBUTABLE TO THE PARENT COMPANY		112.702	110.720
Basic earnings per share (euros)		0,78	0,76

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CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

FCC AQUALIA, S.A. AND SUBSIDIARIES
as at 31 December 2024 (in thousands of euros)

	31.12.2024	31.12.2023
Consolidated result for the year	138.179	131.373
Other comprehensive income - items not reclassified to profit or loss	(8)	8
Actuarial gains and losses and other adjustments	(8)	8
Tax effect	-	-
Other comprehensive income - Items that may be reclassified subsequently to profit or loss	10.051	(24.122)
Financial assets at fair value through other comprehensive income	1.614	-
Tax effect	2.925	-
Amounts transferred to the profit and loss account	(1.310)	-
Cash flow hedges	(1.860)	(606)
Valuation gains/(losses)	439	(201)
Amounts transferred to the profit and loss account	(2.299)	(405)
Conversion differences	9.928	(19.530)
Valuation gains/(losses)	9.928	(19.530)
Amounts transferred to the profit and loss account	-	-
Share of other comprehensive income recognised by investments in joint ventures and associates	1.644	(5.555)
Valuation gains/(losses)	1.644	(5.555)
Amounts transferred to the profit and loss account	-	-
Tax effect	(1.275)	1.569
TOTAL OVERALL RESULT FOR THE YEAR	148.222	107.259
a) Attributable to the parent entity	115.874	88.578
b) Attributed to minority interests	32.348	18.681

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STATEMENT OF CHANGES IN EQUITY

FCC AQUALIA, S.A. AND SUBSIDIARIES
as at 31 December 2024 (in thousands of euros)

	Social capital	Share premium and reserves	Interim dividend	Profit for the year attributable to the parent company	Adjustments for changes in value	Equity attributable to the parent entity	Minority interests	Total Equity
Notes	15	15	15	15	15	15	15	
Balance as at 31.12.2022	145.000	502.520	-	135.182	33.737	816.439	161.217	977.656
Total recognised income/(expenditure)	-	(1.576)	-	110.720	(20.566)	88.578	18.681	107.259
Transactions with partners or owners	-	131.979	(30.450)	(135.182)	136	(33.517)	(19.808)	(53.325)
Dividend distribution	-	-	(30.450)	-	-	(30.450)	(22.107)	(52.557)
Other transactions with partners or owners	-	131.979	-	(135.182)	136	(3.067)	2.299	(768)
Other changes in equity	-	(4.428)	-	-	(6)	(4.434)	(1.252)	(5.686)
Balance at 31.12.2023	145.000	628.495	(30.450)	110.720	13.301	867.066	158.838	1.025.904
Total recognised income/(expenditure)	-	3.078	-	112.702	94	115.874	32.348	148.222
Transactions with partners or owners	-	76.771	(14.500)	(110.720)	(542)	(48.991)	(21.857)	(70.848)
Dividend distribution	-	-	(44.950)	-	-	(44.950)	(17.375)	(62.325)
Other transactions with partners or owners	-	76.771	30.450	(110.720)	(542)	(4.041)	(4.482)	(8.523)
Other changes in equity	-	59	-	-	(4)	55	0	55
Balance at 31.12.2024	145.000	708.403	(44.950)	112.702	12.849	934.004	169.329	1.103.333

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CONSOLIDATED CASH FLOW STATEMENT

FCC AQUALIA, S.A. AND SUBSIDIARIES
as at 31 December 2024 (in thousands of euros)

	Notes	31.12.2024	31.12.2023
Profit before tax from continuing operations		170.983	172.239
Adjustments to the result		252.725	208.388
Depreciation of fixed assets	4 y 5	187.617	169.600
Changes in value, impairment and gain or loss on disposal of fixed assets		572	2.551
Other adjustments to profit or loss (net)		64.536	36.237
Changes in working capital		(55.900)	(85.436)
Other cash flows from operating activities		(35.387)	(37.895)
Dividend collections		7.915	2.861
Income tax receivables/(payables)		(43.302)	(40.756)
Other operating activities receipts/(payments)			
CASH FLOWS FROM OPERATING ACTIVITIES		332.421	257.296
Investment payments		(318.659)	(247.775)
Group companies, associates and business units		(83.266)	(5)
Tangible and intangible fixed assets	4 y 5	(228.725)	(244.802)
Other financial assets		(6.668)	(2.968)
Divestment proceeds		7.599	6.181
Group companies, associates and business units		19	
Tangible and intangible fixed assets	4 y 5	3.027	3.464
Other financial assets		4.553	2.717
Other cash flows from investing activities		67.042	67.443
Interest charges		38.089	36.732
Other receipts/(payments) from investing activities		28.953	30.711
CASH FLOWS FROM INVESTING ACTIVITIES		(244.018)	(174.151)
Proceeds and (payments) on equity instruments		-	183
Issue/(redemption)			326
(Acquisition)/disposal of own securities			(143)
Receivables and (payments) for financial liability instruments		141.083	59.241
Broadcast		269.448	113.466
Repayment and amortisation		(128.365)	(54.225)
Dividend and remuneration payments on other equity instruments		(92.842)	(22.116)
Other cash flows from financing activities		(85.314)	(78.531)
Interest payments		(88.411)	(80.934)
Other proceeds/(payments) from financing activities		3.097	2.403
CASH FLOWS FROM FINANCING ACTIVITIES		(37.073)	(41.223)
EFFECT OF EXCHANGE RATE AND OTHER CHANGES		(603)	4.247
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		50.727	46.169
Cash and cash equivalents at beginning of period		292.575	246.406
Cash and cash equivalents at the end of the period	14	343.302	292.575

The accompanying notes 1 to 28 and appendices I to V are an integral part of the consolidated annual accounts for the financial year 2024.



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CONSOLIDATED REPORT FOR THE FINANCIAL YEAR 2024

1. GROUP ACTIVITY

FCC Aqualia, S.A. (hereinafter the Parent or FCC Aqualia) was incorporated in Logroño on 26 May 1980 under the name Seragua, S.A. In June 1988 it moved its registered office to Madrid and in July 2002 it adopted the name "Aqualia Gestión Integral del Agua, S.A.". On 2 April 2014, the agreement to change the company name to FCC Aqualia, S.A. was made public.

The FCC Aqualia Group is made up of the Parent Company and a group of national and international investee companies whose main activity is related to the integral water cycle and which are described in more detail below:

- The management of the integral water cycle includes the collection, transport, treatment and distribution of water from wells, river basins and desalination plants to urban centres by means of pumping systems, piping, distribution networks and complex water treatment facilities for its purification and storage. Once used, it is collected through sewage networks and taken to treatment plants, where the water is treated before being returned to its natural environment.

The integral water cycle requires the conservation and maintenance of both water and sewerage networks and water treatment and purification plants, the maintenance and repair of electrical, electronic and plumbing equipment and installations, among others. All these works result in the detection of leaks in the networks and better use of water.

The process is completed with the performance of technical, administrative and IT work for customer management, such as meter reading, billing and collection of bills from subscribers and the customer service centre.

- The construction, installation, operation, maintenance, management, repair, purchase, sale and development, for its own account or for the account of others, of all kinds of stations, plants and equipment for the treatment, recovery or elimination of waste, and water purification and of all those installations whose purpose is the treatment thereof.

The Temporary Joint Ventures in which the FCC Aqualia Group participates carry out the same activity and are listed in ANNEX IV.

The Parent Company also has interests in companies whose corporate purpose and activities are similar to its own. Details of fully consolidated companies, proportionately consolidated companies and companies accounted for using the equity method are shown in APPENDICES I, II and III, respectively.



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The Group is part of FCC's Integral Water Management Division, whose Parent Company is Fomento de Construcciones y Contratas, S.A., with its registered office at C/ Balmes, 36 in Barcelona (Spain) and its registered office at Avenida Camino de Santiago, 40 in Madrid (Spain).

During 2018, Fomento de Construcciones y Construcciones, S.A., until then the sole shareholder of FCC Aqualia, S.A., sold 49% of its share capital to Global Infracore Spain, S.L.U., owned by the investment fund IFM Global Infrastructure Fund, sold 49% of its share capital to Global Infracore Spain, S.L.U., owned by the investment fund IFM Global Infrastructure Fund, with the FCC Group retaining the majority of the voting rights at the General Shareholders' Meeting and on the Board of Directors, and therefore control of FCC Aqualia, S.A. The FCC Group also incorporated two companies (FCC TOPCO, S.a.r.l and its subsidiary FCC MIDCO, S.A), contributing to the latter 10% of the shares held by the FCC Group in FCC Aqualia, S.A., which are pledged as security for certain obligations assumed by FCC vis-à-vis IFM under the shareholders' agreement signed by the latter in relation to its investee FCC Aqualia, S.A.

2. REGULATORY FRAMEWORK, BASIS OF PRESENTATION, CONSOLIDATION PRINCIPLES AND VALUATION RULES

(a) Basis of presentation

The accompanying consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) at the reporting date, in conformity with Regulation (EC) No. 1606/2002 of the European Parliament and of the Board of 19 July 2002, as well as all implementing provisions and interpretations.

The consolidated annual accounts of the FCC Aqualia Group for the financial year 2024 have been prepared by the Board of Directors of FCC Aqualia, S.A. and will be submitted for approval by the General Shareholders' Meeting. However, no changes are expected to be made to them as a result of the fulfilment of this requirement. The consolidated annual accounts of FCC Aqualia for the 2023 financial year were approved by the Parent's General Shareholders' Meeting on 19 April 2024.

The consolidated annual accounts of the FCC Aqualia Group at 31 December 2024 have been prepared so as to give a true and fair view of the consolidated equity and financial position at 31 December 2024 and of the results of operations, changes in consolidated equity and consolidated cash flows of the Group for the year then ended.

The consolidated financial statements of the FCC Aqualia Group have been prepared on the basis of the accounting records of FCC Aqualia, S.A. and its investees. These records, in accordance with the operating procedures and systems established in the Group, justify and support the consolidated financial statements prepared in accordance with current international accounting standards.

In order to present the various items comprising these consolidated financial statements on a uniform basis, accounting standardisation criteria have been applied to the individual financial statements of the companies



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included in the scope of consolidation. In financial years 2024 and 2023, the closing date of the financial statements of the companies included in the scope of consolidation was generally the same as that of the Parent Company, i.e. 31 December.

The consolidated annual accounts for the financial year 2024 incorporate for comparative purposes the figures for the financial year 2023

Reclassifications made

The consolidated financial statements for the year 2024 include the restatement of several items under Intangible assets and Property, plant and equipment for the year 2023, since during the year 2024 there has been a partial allocation of goodwill arising on the acquisition of Municipal District Services, LLC to certain items under the aforementioned headings

Annual accounts heading	Balance as at 31.12.2023 restated	Balance at 31.12.2023
Intangible assets	70.347	-
Contracts with private entities	70.347	-
Tangible fixed assets	1.807	-
Land and buildings	620	-
Transport elements	1.187	-
Goodwill on consolidation	12.964	85.118
Total	85.118	85.118

In addition, the consolidated annual accounts are expressed in thousands of euros as this is the main currency in the environment in which the Group operates.

b) Changes in accounting policies.

Standards and interpretations issued but not in force

The Group intends to adopt the standards, interpretations and amendments to standards issued by the IASB, which are not mandatorily applicable in the European Union, when they come into force, if applicable. Although the Group is currently analysing their impact, based on the analyses performed to date, it estimates that their initial application will not have a significant impact on the consolidated financial statements except for the future application of IFRS 18 "Financial Statement Disclosures and Presentation" which has been endorsed by the IASB but is still pending adoption by the European Union.

IFRS 18 mainly introduces, among other changes, three new requirements to improve companies' reporting of their financial performance and provide investors with a better basis for analysing and comparing companies:

- improves the comparability of the statement of financial performance by introducing three new



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categories: operating, investing and financing; as well as new subtotals: operating result and result before financing and income tax,

- provides greater transparency of management-defined performance metrics by introducing new guidance and breakdowns and
- provides guidance to provide a more useful grouping of information in the financial statements.

This standard will apply from 1 January 2027, once it has been approved by the European Union.

Significant standards and interpretations applied in financial year 2024

The standards and interpretations applied in the preparation of these consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended 31 December 2023, as none of the standards, interpretations or amendments that are applicable for the first time in this financial year have had a material impact on the Group's accounting policies.

c) Principles of consolidation

Subsidiary companies

Subsidiaries are defined as companies over which the Parent has the ability to exercise effective control; this ability is generally evidenced by the existence of three elements that must be satisfied: power over the investee, exposure or rights to variable returns from the investment, and the ability to use that power to influence the amount of those returns.

The financial statements of subsidiaries are fully consolidated with those of the Company. Consequently, all significant balances and transactions between consolidated companies have been eliminated on consolidation.

On acquisition of a subsidiary, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition that gives rise to the acquisition of control in accordance with IFRS 3 - Business Combinations. Any excess of the cost of acquisition over the fair values of the identified net assets is recognised as goodwill. If the cost of acquisition is lower than the cost of the identifiable net assets, the difference is taken to profit or loss at the acquisition date.

The results generated by companies acquired in a financial year are consolidated taking into account only those relating to the period between the date of acquisition and the end of that financial year. At the same time, the results generated by companies disposed of in a financial year are consolidated taking into account only those relating to the period between the beginning of the financial year and the date of disposal.

In addition, the minority interest is stated at the proportion of the fair values of the minority's recognised assets and liabilities.



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The share of third parties in the equity of their investees is presented under "Minority interests" in the Group's equity in the consolidated balance sheet. Similarly, their share in the profit for the year is presented under "Profit attributable to minority interests" in the consolidated income statement (see note 15).

The subsidiaries listed in Appendix I have been fully consolidated using the full consolidation method.

Joint agreements

The Group develops joint arrangements through participation in joint ventures jointly controlled by one or more FCC Aqualia Group companies with other companies outside the Group (note 8), as well through participation in joint operations, through joint ventures and other similar entities (note 10).

The Group applies its professional judgement in assessing its rights and obligations under joint arrangements taking into account the financial structure and legal form of the arrangement, the terms agreed by the parties and other facts and circumstances relevant to assessing the type of joint arrangement.

In accordance with IFRS 11 "Joint Arrangements", interests in joint ventures are accounted for using the equity method and are included in the accompanying consolidated balance sheet "Investments accounted for using the equity method". The share in the net profit for the year of these companies is shown under "Result of entities for using the equity method" in the accompanying consolidated income statement.

Joint ventures, which mainly take the form of joint ventures and other similar entities, have been included in the accompanying consolidated financial statements on the basis of their percentage interest in the assets, liabilities, income and expenses arising from the transactions carried out by them, eliminating reciprocal balances in assets and liabilities, as well as unrealised income and expenses vis-à-vis third parties.

Appendix III lists joint ventures jointly controlled with non-Group third parties and Appendix IV lists joint operations operated jointly with non-Group third parties mainly through joint ventures and other entities with similar characteristics.

Associated companies

In the consolidated financial statements, associates and joint ventures (joint arrangements giving entitlement to the net assets of the arrangement) are accounted for using the equity method, i.e. at the proportion of their net assets represented by the Group's interest in their equity, after taking into account dividends received therefrom and other equity eliminations.

The value of these holdings in the consolidated balance sheet implicitly includes, where appropriate, the goodwill arising on their acquisition.



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When the Group's investment in associates has been reduced to zero, additional constructive obligations, if any, in subsidiaries accounted for using the equity method are recognised under "non-current provisions" in the consolidated balance sheet.

Consolidation has been carried out using the equity method for the joint ventures listed in Appendix III.

Transactions between Group companies

In transactions between consolidated companies, the results of internal operations are eliminated and deferred until they are realised vis-à-vis third parties outside the Group, except in the case of Concession agreements, which are considered to be realised vis-à-vis third parties (note d.1).

Work carried out by the Group on its own fixed assets is recognised at production cost and intra-group results are eliminated.

Receivables and payables corresponding to subsidiaries and, in the corresponding proportion, those between subsidiaries and joint ventures, as well as internal income and expenses in the consolidated companies as a whole, have been eliminated from the consolidated annual accounts.

Changes in the scope of consolidation

Changes in the scope of consolidation during 2024 and 2023 are presented in Appendix V and note 2.e). The results of these companies are included in the consolidated income statement from the effective date of acquisition or until the effective date of disposal, as appropriate.

In the notes to the consolidated annual accounts, under the heading "Changes in the scope of consolidation", the impact of additions and removals of companies in the scope of consolidation is shown in the corresponding movements in the notes to consolidated annual accounts.

(d) Valuation rules

The valuation standards applied in the preparation of the consolidated annual accounts for 2024 of the FCC Aqualia Group are detailed below:

d. 1 Concessions: Service Concession Arrangements (IFRIC 12)

Concession contracts are agreements between a public granting entity and FCC Aqualia Group companies to provide public services for the distribution of drinking water, construction and operation of hydraulic infrastructures and others. The income derived from the provision of the service may be received directly from the users or sometimes through the granting entity itself, which regulates the prices for the provision of the service.



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The concessionary right generally implies the exclusive right to operate the service granted for a specific period of time, after which the infrastructure affected by the concession necessary for the development of the service reverts to the granting entity, generally without consideration. It is a necessary characteristic that the concession contract contemplates the management or operation of the aforementioned infrastructure. Likewise, a common feature is the existence of acquisition or construction obligations for all those elements that are necessary for the provision of the concession service throughout the life of the contract.

When the characteristics of the standard are met, the aforementioned concession contracts are recorded in accordance with IFRIC 12 "Service Concession Arrangement", which highlights two clearly differentiated phases, a first phase in which the concessionaire provides construction or improvement services that are recognised according to the degree of progress of the agreement with a balancing entry in an intangible or financial asset and a second phase in which a series of maintenance or operation services are provided for the aforementioned infrastructure that are recognised in accordance with IFRS 15 "Revenue from Contracts with Customers".

The recognition of an intangible asset occurs when the risk of demand for the service is assumed by the concessionaire. Conversely, if the risk of demand for the service is assumed by the grantor, a financial asset is recognised. Amounts paid as concession fees are also recognised as intangible assets.

Concessions classified as intangible assets recognise provisions for dismantling, removal or refurbishment at the start of the concession term as an increase in the value of the asset, as well as any capacity improvement or expansion measures whose revenues are provided for in the initial contract, and the amortisation of these assets and the discounting of these provisions are taken to profit or loss. Provisions for infrastructure replacement and repair work are systematically recognised in profit or loss as the obligation is incurred.

Interest arising from the financing of the infrastructure is recognised in profit or loss and capitalised when it accrues during the construction and until the infrastructure is brought into operation, only in the intangible asset model.

Amortisation of the recognised intangible asset is provided on a straight-line basis over the life of the concession.

Concessions classified as financial assets are recognised at the fair value of the construction services or improvements provided. In accordance with the amortised cost method, the corresponding income is recognised in profit or loss at the effective interest rate resulting from forecasts of the concession's payment and collection flows.

d.2 Business combinations and goodwill

Goodwill is recognised at the positive difference between (a) the sum of the fair value of the consideration transferred for the interest acquired, the amount of minority interests and the fair value at the date of acquisition of the previously held interest in the case of a step acquisition and (b) the fair value of the identifiable assets and liabilities.



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When the difference obtained according to the previous paragraph is a negative amount, a bargain purchase occurs. In these situations, the Group reviews the identification and valuation of the assets and liabilities acquired and if the difference is confirmed, it is recognised as a positive result in the year under "Impairment and gains or losses on disposal of fixed assets".

In general, minority interests are measured at their proportionate share of the fair value in the assets and liabilities of the acquired company.

If control of a business combination is achieved in stages, the difference between the fair value at the date of the acquisition of control of the previously held interest and the carrying amount of that interest is recognised in profit or loss.

Once control of an investee is obtained and until control is lost, the difference between the amount of any additional purchase or sale of an interest and its carrying amount is taken equity.

Goodwill is not amortised, but is tested for impairment at least at the end of each reporting period to write it down to the lower of its recoverable amount, estimated on the basis of expected cash flows, or acquisition cost, less any impairment losses incurred in prior years. The accounting criteria applied in determining impairment are set out in note 2.d.5. The assumptions used in calculating the impairment test are set out in Note 4.

d.3 Other intangible assets

In this standard we refer to the remaining intangible asset items that are not included in the previous standards on service concession arrangements and goodwill.

These fixed assets include computer software, which is stated at acquisition cost less accumulated depreciation and impairment losses, if any. Depreciation is provided on a straight-line basis over their estimated useful life of four years.

d.4 Tangible fixed assets

Property, plant and equipment are initially recognised at acquisition cost and are subsequently reduced by the related accumulated depreciation and impairment losses, if any, as established in note 2.d.5. The cost of property, plant and equipment also includes the estimated present value of the dismantling or retirement of the related assets and, in those cases in which they have been contributed by the companies acquired, they are initially recognised at the fair value at the date of acquisition.

Upkeep and maintenance costs of property, plant and equipment are recognised in the consolidated income statement in the year in which they are incurred. Conversely, amounts invested in improvements that contribute to increasing the capacity or efficiency or extending the useful life of these assets are recorded as an increase in their cost.



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For fixed assets that require more than one year to be ready for use, capitalised costs include borrowing costs that have accrued before the asset is ready for use and that have been drawn down by the supplier or relate to loans or other specific or general external financing directly attributable to the acquisition or manufacture of the asset.

Work carried out by the Group on its own fixed assets is recorded at accumulated cost, which is the sum of external costs plus internal costs, determined on the basis of in-house consumption of materials, direct labour incurred and manufacturing overheads calculated at absorption rates similar to those applied for inventory valuation purposes.

The Group depreciates its property, plant and equipment using the straight-line method, applying annual depreciation rates calculated on the basis of the years of estimated useful life of the respective assets, as follows:

YEARS OF ESTIMATED USEFUL LIFE	
Constructions	33 - 50
Technical installations and machinery	10 - 25
Other fixtures, fittings and furnishings	7 - 10
Other tangible fixed assets	4 - 6

The residual value, useful life and depreciation method of the Group's property, plant and equipment are reviewed periodically to ensure that the depreciation pattern applied is consistent with the income derived from the operation of the assets.

At least at the end of each financial year, the companies assess whether there is any indication of impairment of any fixed asset or group of assets in order to proceed, where appropriate, to the impairment or reversal thereof in order to adjust their net book value to their value in use, without exceeding in any case the reversals of previous impairments.

d.5 Impairment of non-financial assets

Intangible assets with a finite useful life and property, plant and equipment are tested for impairment if there are indications of impairment, in order to adjust their net book value to their value in use when this is lower.

Goodwill and intangible assets with indefinite useful lives are necessarily tested for impairment at least annually in order to recognise possible impairment losses.

Impairment losses recognised in prior years on assets other than goodwill may be reversed if the estimates used in impairment tests show a recovery in value. The net book value of the assets that recover their value does not exceed the value that would have been obtained had the impairments not occurred in previous years.



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Impairment losses or reversals of impairment of assets are recognised in profit or loss under "Impairment and gains or losses on disposal of fixed assets".

To determine the recoverable amount of the assets tested for impairment, the present value of the net cash flows generated by the cash-generating units (CGU) to which they are associated was estimated, except for those flows related to payments or collections from financing transactions and income tax payments, as well as those deriving from future improvements or refurbishments planned for the assets of the aforementioned cash-generating units. A pre-tax discount rate that includes current market assessments of the time value of money and the risks specific to each cash-generating unit has been used to discount the cash flows.

The estimated cash flows were obtained from the projections made by the management of each of the CGUs, which generally use five-year periods, except where the characteristics of the business make longer periods advisable. In this regard, the recoverable amount of the Group's concession assets is calculated by considering the remaining concession periods of the concessions and, only in the event that the Group has contractual compensation commitments that are likely to materialise, additional extensions. Growth rates are also included based on the various approved business plans, which are reviewed periodically, and zero growth rates are considered for periods beyond the years projected in the aforementioned plans. In addition, it should be noted that sensitivity analyses are performed in relation to revenue growth, operating margins and discount rates in order to forecast the impact of future changes in these variables.

The cash flows of CGUs located abroad have been calculated in the functional currency of these cash-generating units and discounted using discount rates that take into account the risk premiums corresponding to these currencies. The present value of the net cash flows thus obtained has been translated at the closing rate of exchange for that currency.

d.6 Leases

All leasing transactions (with certain exceptions due to the small amount or duration of the lease) in which the Group acts as lessee give rise to the recognition of an asset for the right of use, which by its nature is recorded primarily as a tangible asset, and a liability for the future payment obligations incurred. The liability is recorded at the present value of the future cash flows of each lease and the asset at an equivalent amount adjusted for any prepayments made.

The term of the lease is estimated by considering those extensions that are reasonably expected to occur and the period during which the lessee expects not to terminate the lease (if it has the power to do so), not just the minimum term set out in the lease, but the period during which the lessee expects that it will continue to use the underlying asset based on its particular circumstances. In determining whether an extension is expected to occur, the lessee's economic incentives to extend the lease are taken into account, including factors such as the existence of market-enhancing terms in the event of an extension, whether the lessee has incurred significant costs to adapt the underlying asset to its needs that it would have to incur if it were to take out a new lease, the existence of termination costs if the lease is not extended, or the importance of the asset to the lessee, especially



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if it is a specialised asset that is not readily available on the market. In addition, consideration is also given to the history of the period of past use of certain assets.

Subsequently, during the term of the lease contract, the right of use is systematically amortised and the financial expenses associated with the liability are recognised using the amortised cost method.

When the Group acts as lessor, income and expenses arising from lease agreements are taken to the income statement in the year in which they accrue.

d.7 Investments accounted for using the equity method

The interest is initially measured at acquisition cost and subsequently restated to the amount of the share in the results generated by these companies that are not distributed by way of dividends. In addition, the value of the interest is adjusted to reflect the proportion of those changes in the equity of these companies that have not been recognised in their results. These include translation differences and adjustments arising from changes in the fair value of cash flow hedging financial derivatives acquired by the companies themselves.

The necessary valuation adjustments are made if and when there are indications of impairment, i.e. if the recoverable amount of the investment is less than its carrying amount.

d.8 Investment property

Investment property is land, buildings and other structures that are held either for rental purposes or for capital appreciation on their sale as a result of future increases in their respective market prices.

Investment property is stated at fair value at the reporting date and is not subject to depreciation. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise and are recognised under "Changes in value, impairment and gains or losses on disposals of non-current assets" in the accompanying consolidated income statement.

The Group periodically determines the fair value of investment property so that, at year-end, the fair value reflects the market conditions of the investment property items at that date. This fair value is determined every six months using independent expert valuations as reference values.

d.9 Financial assets

All acquisitions and sales of financial assets are recorded on the trade date of the transaction.

The Group manages its financial assets so as to obtain their contractual cash flows and therefore measures them using the amortised cost method. As an exception to the above, the Group measures certain financial assets at fair value in the following cases:



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- Financial assets at fair value through profit or loss: This category includes derivatives that do not qualify for hedge accounting, financial assets that other standards require to be measured at fair value through profit or loss, such as contingent consideration in business combinations, and financial assets that would otherwise create an accounting mismatch.
- Financial assets at fair value through other comprehensive income: The Group measures its interests in companies in which it does not have control, joint control or significant influence at fair value through profit or loss with a charge to reserves.

For assets measured at amortised cost, an impairment loss is recognised if at the reporting date it is determined that credit losses will be incurred over their entire life. That is, impairment losses are recognised immediately when credit risk exists. Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party if it defaults on an obligation

Receivables arising from a service concession arrangement are measured at amortised cost.

Trade receivables in the Group's ordinary course of business are recognised at their nominal value, since their maturity is generally less than twelve months, adjusted for expected credit losses over their life. In particular, and with regard to the valuation adjustments relating to trade and other receivables from the water business, the Parent Company calculates the expected loss of its private customers using a combination of facts that calculates the impairment of turnover for the year based on the percentage of historical insolvencies and the analysis of indications of customer debt quality based on situations of possible insolvency due to overdue debt and/or legal claims for the same.

Receivables arising from a service concession arrangement are measured in accordance with the criteria set out in section d.1) of this note.

Interest received on financial assets is recognised using the effective interest method and dividends are recognised when the shareholder's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the time of acquisition are recognised as income in the consolidated income statement.

d.10 Stocks

Inventories are stated at the lower of acquisition cost or average production cost and any necessary value adjustments are made to bring these values into line with net realisable value.

The cost of production includes direct material costs and, where appropriate, direct labour costs and manufacturing overheads.



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d.11 Foreign currency

The functional currency of the FCC Aqualia Group is the euro.

Conversion differences

The translation into euro of the financial statements of foreign companies expressed in another currency in the consolidation process has been carried out at the closing rate except for:

- Capital and reserves that have been converted at historical exchange rates.
- The items in the income statement of foreign companies that have been translated at the average exchange rates of the year.

Translation differences of foreign consolidated companies generated by application of the year-end exchange rate method are included net of tax in equity in the accompanying consolidated balance sheet.

Exchange rate differences

The balances of accounts receivable and payable in foreign currencies in each company are valued in euros by applying the exchange rates in force at the consolidated balance sheet date, with any differences arising being taken to income, except for advances, which, as they are considered non-monetary items, are translated at the exchange rate prevailing at the time of the transaction.

Differences arising as a result of exchange rate fluctuations between the time of collection or payment and the date on which the transactions were entered into or revalued are taken to profit or loss.

On the other hand, exchange differences arising in connection with the financing of investments in foreign companies, where both the investment and the financing are denominated in the same currency, are recognised directly in equity as translation differences which offset the effect of the foreign company's translation difference into euro.

d.12 Equity instruments

Equity instruments are recorded at the amount received, net of direct issue costs.

Treasury shares acquired by the Parent Company are recognised at the value of the consideration paid, directly as a reduction in equity. Gains or losses arising from the purchase, sale, issue or redemption of own equity instruments are recognised directly in equity, and in no case are any gains or losses recognised in the income statement.



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d.13 Subsidies

Grants are accounted for on the basis of their nature.

Capital grants. These are grants involving the acquisition or construction of assets. They are measured at the amount received or the fair value of the asset granted and are recorded as deferred income on the liability side of the accompanying consolidated balance sheet and taken to profit or loss as the related asset is depreciated.

Operating subsidies. These are subsidies other than those mentioned above that are not directly related to an asset or set of assets. They are considered operating income for the amount received at the time of the grant.

d.14 Provisions

It is recognised when the corresponding obligation arises and the amount recognised is the best estimate at the date of the accompanying financial statements of the present value of the future disbursement required to settle the obligation, with the change in the year in respect of the financial restatement having an impact on the financial results.

Provisions for dismantling, retirement or restoration are recognised by increasing the value of the asset concerned by the present value of the expenses that will be incurred when the asset ceases to be used. The effect on profit or loss is produced when the asset is depreciated as indicated in the preceding sections of this note and by the financial restatement mentioned in the preceding paragraph.

They are classified as current or non-current in the accompanying consolidated balance sheet on the basis of the estimated maturity of the obligation they cover, with non-current items having an estimated maturity of more than the normal operating cycle of the activity giving rise to the provision.

d.15 Financial liabilities

Financial liabilities are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs. Subsequently, such liabilities are measured at amortised cost.

Finance costs are recognised in the consolidated income statement on an accrual basis using the effective interest method and are added to the amount of the instrument to the extent that they are not settled in the period in which they are incurred.

Current and non-current bank borrowings and other financial liabilities are classified on the basis of their maturity at the balance sheet date, with current liabilities falling due within twelve months of the balance sheet date and non-current liabilities falling due in more than twelve months.



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d.16 Financial derivatives and accounting hedges

The Group applies the treatment established in the regulations to derivatives that qualify for hedge accounting, classifying hedges as cash flow, fair value or net investment hedges of foreign operations.

In accordance with IFRS 9 "Financial Instruments", an effectiveness test must be performed which consists of a qualitative assessment of the financial derivative in order to determine whether it can be considered a hedging instrument and therefore effective.

Once the effectiveness of the instruments has been assessed, a quantitative analysis is used to determine the accounting for them. This quantitative analysis consists of a retrospective part for purely accounting purposes and a prospective part to analyse possible future deviations in the hedging relationship.

For the retrospective assessment, the analysis is adapted to the type of hedge and the nature of the instruments used, with virtually all financial derivatives contracted by the Group being cash flow hedges (note 23):

- In cash flow hedges, in the case of interest rate swaps (IRS), where the Group charges a floating rate equivalent to the hedged financing and pays a fixed rate, since the objective is to reduce the variability of financing costs, the effectiveness is estimated by a test comparing that the changes in the fair value of the IRS cash flows offset the changes in the fair value of the hedged risk.

For accounting purposes, we use the hypothetical derivative methodology, specific to the quantitative assessment of effectiveness, which establishes that the company will record in equity the lower, in absolute values, between the change in value of the hypothetical derivative (hedged position) and the change in value of the derivative contracted. The difference between the value of the change recorded in equity and the fair value of the derivative at the date on which the effectiveness test is being performed is considered an ineffective part and is recorded directly in the profit and loss account.

- For cash flow hedges where the hedging derivative is not an IRS, the treatment is similar to that detailed for IRS.

The valuation is calculated using methods and techniques defined on the basis of observable market inputs, such as:

- The interest rate swaps have been valued by discounting all the flows foreseen in the contract in accordance with its characteristics, such as the notional amount and the collection and payment schedule. For this valuation, the zero coupon rate curve determined on the basis of the deposits and swaps listed at any given time is used through a bootstrapping process. This zero coupon rate curve is used to obtain the discount factors used in the valuations made under an assumption of Absence of Arbitrage Opportunity (AOA). In cases where the derivatives include upper and lower limits ("cap" and "floor") or combinations thereof, sometimes linked to special performance, the interest rates used



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were the same as in the swaps, although the generally accepted Black & Scholes methodology was used to take into account the randomness component in the exercise of the options.

In the case of an inflation-linked cash flow hedging derivative, the methodology is very similar to that of interest rate swaps. Expected inflation is estimated on the basis of quoted inflation, implicitly in swaps indexed to European ex-tobacco inflation quoted in the market, and is assimilated to the Spanish inflation rate by means of a convergence adjustment.

In addition, a sensitivity test is performed on derivatives and net financial debt in order to analyse the effect that a possible change in interest rates could have on the Group's accounts, assuming an increase and decrease in interest rates at year-end under different scenarios of interest rate changes (note 23).

Note 23 of these notes to the consolidated financial statements details the financial derivatives that the FCC Aqualia Group has contracted, among other related aspects.

d.17 Tax on profits

Until 28 September 2018, the FCC Aqualia Group belonged to the FCC Group under the tax consolidation regime, in accordance with file 18/89, with all the group companies that meet the requirements established by tax legislation being included in this regime.

With effect from 1 January 2019, FCC Aqualia and the Group companies that meet the conditions set out in Spanish tax legislation form group 233/19 for joint corporate income taxation.

The income tax expense is determined on the basis of consolidated profit before tax, increased or decreased by the permanent differences between the tax base and accounting profit. This adjusted accounting profit is subject to the tax rate applicable to each company in accordance with the legislation in force and is reduced by the tax credits and deductions accrued during the year, plus or minus any positive or negative differences between the tax estimate made at the end of the previous year and the subsequent tax settlement at the time of payment.

Temporary differences between the accounting profit and the taxable income for corporate income tax purposes, as well as differences between the carrying amounts of assets and liabilities recognised in the consolidated balance sheet and their corresponding amounts for tax purposes, give rise to deferred taxes which are recognised as non-current assets or liabilities, calculated at the tax rates that are expected to apply in the years in which they are expected to reverse without any financial revaluation.

The Group capitalises deferred tax assets in respect of temporary differences and tax loss carryforwards, except where there are reasonable doubts as to their future recoverability.

In accordance with IAS 12 "Income taxes", the Group has offset deferred tax assets and liabilities (note 20) corresponding to those entities which, in accordance with the tax legislation applicable to them, have the legal right to offset them and will be settled at their net amount based on their timing. At 31 December 2024 deferred



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tax assets and liabilities amounting to Euros 10,952 thousand (Euros 11,064 thousand at 31 December 2023) have been offset.

d.18 Operating income and expenses

For water supply contracts, the Group recognises as revenue the amount corresponding to the cubic metres supplied to subscribers valued at selling price.

In the case of contracts located in Spain, this sale price is established for each contract on the basis of the tariffs approved by each municipality and published in the Official Gazettes of the respective province. For contracts located outside Spain, there is always a public body at municipal, regional or state level that sets the price per cubic metre by law.

In relation to the cubic metres supplied, the Group takes regular readings of its subscribers' consumption. At each accounting close, the Group evaluates the water sales supplied and not invoiced for the recording of "Production executed and pending certification" under the heading "Customers for sales and services rendered" on the current assets side of the accompanying consolidated balance sheet at 31 December 2024. To quantify the amount, it takes into account the cubic metres consumed by each subscriber from the date of the last bill and up to the date of the last meter reading, where applicable. Likewise, and from the date of the last meter reading to the date of accounting closure, the remaining consumption is estimated on the basis of the information available for comparable historical periods.

In the construction business, performance obligations are satisfied over time and therefore revenue is recognised using a product-based method, i.e. on a percentage-of-completion basis. Revenues are only recognised if they are covered by a signed prime contract with the property and modifications to the prime contract are approved by the property. In the event of approval of the modification, without the amount being fixed, the revenue is estimated as a variable consideration only if the aforementioned probability and significant non-reversion criteria are met. Budgeted losses are recognised as profit or loss for the year.

In this activity, costs are recognised in the accounts on an accruals basis. The costs of obtaining the contract, mainly related to the study and preparation of the project, are not capitalised as they cannot be considered incremental, since they are incurred regardless of whether or not the contract is finally obtained. In relation to contract performance costs, two main types can be distinguished: engineering and study costs and those related to general and specific installations (mainly ancillary installations such as concrete plants, auxiliary works or work sheds required to provide the services). The main contracts in which these costs are incurred are of the design and construction type, in which the remuneration to be received for the engineering and studies work to be carried out and those for the provision of construction services is identified by means of separate work units. Therefore, in general, engineering and design costs are not capitalised and are recognised on an accrual basis as services are rendered, unless the contract includes a clause whereby such costs will be reimbursed regardless of whether or not the contract is performed. Costs related to general and specific installations are recognised as expenses in accordance with the stage of completion when the contract identifies a separate unit of work with the corresponding remuneration and are only capitalised under inventories when the contract does not identify



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them separately, and are taken to income together with the rest of the contract costs using the aforementioned stage of completion.

In relation to service concession agreements, the FCC Aqualia Group recognises the interest income derived from the collection rights of the financial model as net revenue, since the value of this financial asset includes both construction and maintenance and upkeep services, which from an operational point of view are identical to those represented by the intangible model and, consequently, it is considered that this is a better representation of the true and fair view, since both models are related to the Group's operating activity (see Note 2.d.1).

The Group has entered into "Power Purchase Agreements" whereby it is assured the supply of specific amounts of renewable energy for a specific period of time at the price established in the contract. The aforementioned contracts are considered for own use as they are entered into with the intention of covering the future electricity consumption needs of the activity, and there is a high correlation between expected future consumption and the volume of energy contracted. An operating expense is charged to the income statement when the contracted energy is actually consumed.

d.19 Estimates made

In the Group's consolidated financial statements for the year ended 31 December 2024, estimates have been used to quantify certain of the assets, liabilities, income, expenses and commitments reported therein. Basically, these estimates relate to:

- Impairment losses on certain assets (notes 4, 5, 7, 12 and 13)
- Valuation of goodwill (note 4)
- The useful life of property, plant and equipment and intangible assets (notes 4 and 5)
- The recoverability of the executed work pending certification (note 2.d.16 and 13).
- The amount of certain provisions (note 17)
- The market value of certain derivatives (note 23)
- Recoverability of deferred tax assets (note 20)
- Estimated consumption of cubic metres supplied to subscribers between the dates of the last meter reading and the accounting closing date (note 2.d.16).

Although these estimates have been made on the basis of the best information available on the events analysed at the date of preparation of these consolidated financial statements, events that take place in the future may make it necessary to change these estimates (upwards or downwards) in coming years, which would be done prospectively.

IFRS 7 "Financial Instruments: Disclosures" requires fair value measurements of financial instruments, both assets and liabilities, to be classified according to the significance of the inputs used in the measurement, with the following hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical instruments.



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- Level 2: data other than the quoted price that are observable for the financial instrument, both directly (i.e. prices) and indirectly (i.e. derived from prices).
- Level 3: data for the financial instrument that are not based on observable market data.

Virtually all of the Group's financial assets and liabilities, which are measured at fair value, are level 2.

d.20 party transactions

The Group conducts all related party transactions at market value. Details of the main transactions with directors, management and between Group companies set out in note 24 of these notes to the consolidated financial statements.

d.21 Pension and obligations

Certain Group companies have undertaken to supplement the retirement benefits and similar obligations of their employees. The accrued obligations are recognised in the accompanying consolidated balance sheet under "Non-current provisions" under "Long-term employee benefit obligations" in accordance with IFRS (Note 17).

d.22 Activities having an impact on the environment

In general, operations whose main purpose is to prevent, reduce or repair damage to the environment are considered to be environmental activities. Investments in environmental activities are measured at acquisition cost and capitalised as an increase in the cost of fixed assets in the year in which they are incurred.

Costs arising from corporate actions to protect and improve the environment are expensed in the year in which they are incurred.

d.23 Consolidated cash flow statements

The FCC Aqualia Group prepares its consolidated cash flow statement in accordance with IAS 7 "Statement of Cash Flows" using the indirect method, using the following expressions in the following senses:

- Cash flows are inflows and outflows of cash and cash equivalents.
- Operating activities are the activities that constitute the main source of the entity's ordinary revenues, as well as other activities that cannot be classified as investing or financing activities. Operating cash flows include "Other adjustments to profit or loss", which mainly include items that are included in profit before tax but have no impact on cash flows, as well as items that are already included under other headings in the statement of cash flows according to their nature.
- Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities are activities that result in changes in the size and composition of the Group's equity and borrowings.



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For the purpose of the consolidated cash flow statements, cash and cash equivalents are cash and demand deposits and short-term, highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e) Changes in the scope of consolidation

Year 2023

On 31 December 2023, FCC Aqualia, S.A. acquired a 97% ownership interest in Municipal District Services LLC for EUR 81,433 thousand. The main activity of this company, with registered offices in Katy, Texas, is the management of the integral water cycle and the provision of installation and maintenance services for water treatment and purification networks and facilities through agreements with the Municipal Utility Districts on the outskirts of Houston. It also provides other services in these districts, such as infrastructure repairs, metering and meter reading, customer billing and inspections of water networks and facilities

This investment is part of the FCC Aqualia Group's strategy to enter a market in which it did not operate until now and in which factors such as the scarcity of water, the obsolescence of hydraulic infrastructures and the low penetration of private operators in the sector are the main growth opportunities for the company in certain states.

On 2 January 2024, the acquisition amount was paid to the previous shareholders, which is detailed in the accompanying cash flow statement under the heading "Payment for investments, group companies and business units".

In the share acquisition agreement, a put was established in favour of the minority shareholder and a call in favour of FCC Aqualia for the 3 % held by the minority shareholder in the company, the fair value of which was recorded as a financial liability (note 16).

The composition of the balance sheet incorporating the above-mentioned business combination in 2023 is detailed below:

Financial year 2023	Municipal District Services LLC
Non-current assets	87.085
Intangible assets	85.118
Tangible fixed assets	1.967
Current Assets	9.310
Stocks	913
Trade and other receivables	7.040
Cash and cash equivalents	1.357
Total Assets	96.395



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Financial year 2023	Municipal District Services LLC
Equity	81.508
Non-current liabilities	2.443
Current liabilities	12.444
Trade and other payables	12.444
Total Liabilities and Equity	96.395

The accounting for the aforementioned business combination was estimated at the end of the previous year on a provisional basis, so that the Group had a period of one year from the date of taking control to adjust them in accordance with subsequent more relevant and complete information. In 2024, the valuation of the assets and liabilities acquired one year earlier in the companies included in this note was completed and the value of the assets acquired was allocated. The following table shows this fact:

Financial year 2023	Municipal District Services LLC	Municipal District Services LLC
Goodwill	85.118	12.964
Other intangible assets	-	70.347
Land and buildings	-	620
Technical installations and other tangible fixed assets	-	1.187
Total allocations to assets	85.118	85.118
Total net allocations	85.118	85.118

* Data 2023 restated

A reconciliation of the consideration transferred in each of the above business combinations, the amount of minority interests recognised and the fair value of the net assets acquired is provided below:

Financial year 2023	Municipal District Services LLC
Amount of the acquisition	81.433
Fair value Minority interests	-
Fair value of net assets	3.610
Value put minority interests	75
Goodwill	85.118

As the business was acquired on 31 December 2023, there is no profit or loss contribution to the accompanying profit and loss account.



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If the former company had been consolidated from 1 January 2023, the ordinary income and results it would have contributed would have been as follows:

Financial year 2023	Municipal District Services LLC
Net turnover	66.882
Other income	863
Operating result	2.900
Profit before tax from continuing operations	2.953
Profit attributable to the parent company	2.864
Minority Interests	89

3. DISTRIBUTION OF RESULTS OF THE PARENT COMPANY

The proposed distribution of the Parent's profit for 2024 to be submitted to the shareholders for approval at the Annual General Meeting is as follows:

PROPOSED DISTRIBUTION OF RESULTS

Benefit of the exercise	42.152
Distribution:	
Offsetting the interim dividend	44.950
Offset against Voluntary Reserves	(2.798)

REPORT OF THE BOARD OF DIRECTORS OF FCC AQUALIA S.A. FOR THE DISTRIBUTION OF AN INTERIM DIVIDEND FOR THE FINANCIAL YEAR 2024

In accordance with the provisions of Article 277 of the Capital Companies Act, which establishes the obligation of the Company's directors to present an accounting statement showing that there is sufficient liquidity for the distribution of an interim dividend, it should be noted:

1. That the result net of taxes generated by the consolidated group **FCC AQUALIA S.A.** at 31 July 2024 is **47,235,165 €**, higher than the proposed interim dividend of **44,950,000 €**.



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2. The liquid resources available to the Company at 31 July 2024, amounting to **€196,786,889**, show that there are sufficient funds for the distribution of the interim dividend.

In view of the above, and taking into account that at the date of this report there have been no significant variations with respect to the above data, we consider that there is sufficient liquidity for the distribution of interim dividends of **€44,950,000** against the 2024 result.

It is therefore proposed to approve the following interim dividend out of the profit for the year 2024:

31% gross of the nominal value at a rate of **€0.31** for each of the 145,000,000 shares entitled to dividend.

Total amount.	44.950.000 €
Gross interim dividend per share.	0,31 €
Cash to be received per share.	0,31 €

The Board unanimously approves the distribution of an interim dividend out of the profit for the year 2024 in the amount indicated in the previous report, which was paid in October and November 2024.

4. INTANGIBLE ASSETS

The composition of intangible assets at 31 December 2024 and 2023 is as follows:

	Cost	Accumulated depreciation	Deteriorations	Net value
2024				
Concessions (note 6)	1.989.853	(1.219.884)	(13.518)	756.451
Goodwill	99.021	-	(25)	98.996
Other intangible assets	143.687	(48.048)	-	95.639
	2.232.561	(1.267.932)	(13.543)	951.086
	Cost	Accumulated depreciation	Deteriorations	Net value
2023				
Concessions (note 6)	1.997.224	(1.156.279)	(13.290)	827.655
Goodwill *	98.295	-	(25)	98.270
Other intangible assets * Other intangible assets	129.770	(35.343)	-	94.427
	2.225.289	(1.191.622)	(13.315)	1.020.352

* Restated 2023 data (see note 2.e)



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None of the intangible assets recorded have been internally generated and, except for goodwill, all have a finite useful life and are therefore subject to amortisation on a straight-line basis over the period over which they are expected to generate revenue, as follows:

	<u>Estimated useful life</u>
Concessions	5 - 50 years (duration of concession)
Other intangible assets	4 years

Intangible assets located outside Spanish territory amount to 356,865 thousand euros at 31 December 2024 (390,844* thousand euros at 31 December 2023).

There are no investment commitments in addition to those already recognised in the contracts and provided for under "Long-term provisions" in the accompanying balance sheet (see Note 17).

Movement in intangible assets

The movements in this item in the consolidated balance sheet during the financial years 2023 and 2024 have been as follows:

	Concessions	Goodwill *	Other intangible assets * Other intangible assets	Depreciation	Deteriorations	TOTAL
Balance at 31.12.22	1.877.439	85.330	51.040	(1.098.389)	(12.507)	902.913
Tickets	107.556	12.964	81.597	-	-	202.117
Endowments	-	-	-	(93.129)	(1.616)	(94.745)
Reversals	-	-	-	-	808	808
Exits	(1.709)	-	(1.160)	1.743	-	(1.126)
Transfers	(270)	-	(1.901)	22	-	(2.149)
Conversion differences	15.477	-	152	(1.771)	-	13.858
Change in perimeter	(1.269)	-	43	(98)	-	(1.324)
Balance at 31.12.23	1.997.224	98.294	129.771	(1.191.622)	(13.315)	1.020.352
Tickets	48.626	-	11.309	-	-	59.935
Endowments	-	-	-	(100.699)	(1.034)	(101.733)
Reversals	-	-	-	-	806	806
Exits	(24.330)	(98)	(1.009)	24.327	-	(1.110)
Transfers	(102)	-	-	5	-	(97)
Conversion differences	(6.895)	825	3.600	22	-	(2.448)
Change in perimeter	(24.670)	-	16	35	-	(24.619)
Balance at 31.12.24	1.989.853	99.021	143.687	(1.267.932)	(13.543)	951.086

* Restated 2023 data (see note 2.e)



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Concessions

Administrative concessions are defined as those by virtue of which a granting entity grants a concessionaire (the FCC Aqualia Group), for a period of time, the construction and operation, or only the operation of works which, being susceptible to exploitation, are necessary for the provision of public services of an economic nature.

The construction and operation of the public works under concession will be carried out at the risk and peril of the concessionaire, who will assume the economic risks derived from their execution and operation.

The Group records as concessions the amounts contributed in accordance with the terms and conditions and committed upon signing the concession contracts, as well as other costs incurred in obtaining the concessions for water supply and sanitation services.

In 2024, the Group recorded additions of 48,626 thousand euros, corresponding to the Group's activity in the following markets:

- Spain. During 2024, the concessions heading has grown by 26,851 thousand euros, highlighting the investments committed in the municipal water services of San Pedro del Pinatar (Murcia) in the amount of 3,500 thousand euros due to the investment commitments to be made by the Company in the remaining concession period in the municipality's sewerage networks, which will favour the recovery of the Mar Menor, Rota (Cadiz) in the amount of 3,983 thousand euros due to the advance fee paid on signing the contract and the investment commitment to be executed in the remaining concession period, and Guadix (Granada) in the amount of 2,735 thousand euros due to the investment commitment to be executed in the remaining concession period, which will favour the recovery of the Mar Menor. 3,983 thousand for the advance royalty paid on signing the contract and for the investment commitment to be made during the concession period and Guadix (Granada) for the royalty paid to the town council of this municipality for the renewal of the current contract for a further 20 years.
- In the international sphere, the investments made in Italy in the province of Caltanissetta for 2,012 thousand euros, and the investments made in the desalination plant in Jeddah (Saudi Arabia) for 2,820 thousand euros, as well as the investments committed in Colombia by Aqualia Latinoamérica for 5,990 thousand euros, stand out.

In 2023, the Group recorded additions amounting to 107,556 thousand euros, corresponding to the Group's activity in the following markets:

- Spain. During 2023, the concessions heading had additions amounting to Euros 26,234 thousand, including Villadepalos (León) for Euros 10,353 thousand for the investment commitments to be made by the Company in the remaining concession period at the wastewater treatment plant that provides service to the Mancomunidad de municipios del Bajo Bierzo, Linares (Jaén) for Euros 2,940 thousand, corresponding to investment commitments to be executed for the extension of a collector during the



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20-year renewal period for which the Company provides service through a mixed economy company in which a mixed economy company provides the service through a joint venture in which the Company provides the service through a mixed economy company. 2,940 thousand euros corresponding to investment commitments to be executed for the extension of a collector during the 20-year renewal period for which the Company provides the service through a mixed economy company in which it is a shareholder together with the town council and Playa de Aro (Girona) in the amount of 5,517 thousand euros for the commitment of investments to be carried out in the 6 years following the signing of the contract.

- In the international sphere, of note are the investment commitments activated in Mexico in the city of Los Cabos in the amount of 16,319 thousand euros for the improvements to be made to the network for its sectorisation and reduction of leaks, in Colombia for the investment commitments activated in the water supply contracts of Riohacha in the amount of 26,661 thousand euros, Flandes in the amount of 9,699 thousand euros and in other contracts in the country in the amount of 6,091 thousand euros, all of which are aimed at modernising the supply and water supply networks and reducing leaks. 26,661 thousand euro, Flandes for 9,699 thousand euro and in other contracts in the country for 6,091 thousand euro, all of which are aimed at modernising the water supply and sewerage networks to increase the efficiency of the network and make better use of it. Investments of Euros 10,092 thousand were also made in Caltanissetta (Italy).

As at 31 December 2024 and 2023, the main administrative concessions are as follows (in thousands of euros):
Year 2024

Contract	Regulated active concession agreement			Advances for	
	Cost	Am. Acum.	Deterioration	Concession Agreement	Duration
Alcalá de Henares (Madrid)	18.021	(14.421)	-	-	25 years
Alcoy (Alicante)	7.568	(7.568)	-	-	20 years
Algeciras (Cádiz)	18.603	(8.306)	-	-	50 years
Almansa (Albacete)	9.234	(4.202)	-	-	25 years
Almería (Almería)	28.617	(20.520)	-	-	40 years
Arcos de la Frontera (Cádiz)	10.960	(5.235)	-	-	25 years
Badajoz (Badajoz)	52.795	(31.805)	-	-	50 years
Barbate (Cádiz)	7.218	(3.630)	-	-	25 years
Calahorra (La Rioja)	7.299	(6.465)	-	-	25 years
Cartaya (Huelva)	8.724	(3.837)	-	-	25 years
Castrillón (Asturias)	10.417	(5.907)	(874)	-	25 years
Chipiona (Cádiz)	7.054	(5.444)	-	-	40 years
Denia (Alicante)	15.413	(10.309)	-	-	35 years old
El Arenal - Lluçmajor (I. Balearic Islands)	24.866	(3.005)	-	-	20 years
Gáldar (Gran Canaria)	13.398	(7.388)	(1.576)	-	25 years
Güímar (Gran Canaria)	8.844	(1.120)	-	-	25 years
Ingenio (Gran Canaria)	6.138	(5.425)	-	-	25 years
Jaén (Jaén)	9.594	(8.789)	-	-	30 years
La Línea de la Concepción (Cádiz)	16.260	(10.257)	-	-	25 years
La Nucia (Alicante)	32.374	(16.751)	-	-	50 years
La Solana (Ciudad Real)	5.513	(3.244)	-	-	30 years
L'Ametlla de Mar (Tarragona)	12.050	(8.255)	-	-	35 years
Llanera (Asturias)	11.176	(7.697)	-	-	25 years
Lleida (Lleida)	50.306	(22.676)	-	-	25 years
Lloret de Mar (Girona)	24.774	(18.268)	-	-	25 years

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Contract	Regulated active concession agreement			Advances for		Duration
	Cost	Am. Acum.	Deterioration	Concession Agreement		
Los Alcázares (Murcia)	3.432	(1.976)	-	-	-	20 years
Mdad. El Girasol (Toledo)	8.240	(7.441)	-	-	-	25 years
Mdad. Río Algodor (Toledo)	7.677	(3.725)	-	-	-	50 years
Mérida (Badajoz)	21.402	(17.105)	-	-	-	30 years
Moguer (Huelva)	7.518	(4.315)	-	-	-	30 years
Oviedo (Asturias)	36.957	(20.025)	(96)	-	-	50 years
Salamanca (Salamanca)	11.106	(7.213)	-	-	-	25 years
San Lorenzo Escorial (Madrid)	6.512	(3.726)	-	-	-	30 years
San Pedro del Pinatar (Murcia)	13.958	(6.314)	-	-	-	50 years
Sanlúcar de Barrameda (Cádiz)	17.263	(9.801)	-	-	-	40 years
Sant Feliu Guixols (Girona)	7.028	(4.767)	-	-	-	50 years
Sant Josep (Balearic Islands)	10.554	(6.873)	-	-	-	28 years old
Santander (Cantabria)	86.349	(64.694)	-	-	-	25 years
Sóller (Balearic Islands)	6.681	(4.825)	-	-	-	30 years
Talavera de la Reina (Toledo)	31.534	(25.348)	-	-	-	25 years
Valverde del Camino (Huelva)	6.206	(3.041)	-	-	-	25 years
Vélez-Málaga (Málaga)	7.800	(5.920)	-	-	-	20 years
Vigo (Pontevedra)	218.725	(211.600)	-	-	-	30 years
Adeje (Tenerife)	120.280	(112.125)	-	-	-	15-25 years
Ecija (Seville)	9.585	(8.977)	-	-	-	25 years
Jerez de la Frontera (Cádiz)	104.672	(48.303)	-	-	-	25 years
Línea de la Concepción (Cádiz)	346	(219)	-	-	-	12 years
Puerto de Santa María (Cádiz)	6.075	(2.216)	-	-	-	25 years
WWTP municipalities (Teruel)	16.618	(13.267)	-	-	-	21 years old
Municipalities C.Tropical Granada	34.152	(15.832)	-	-	-	25 years
Abrantes (Portugal)	10.448	(5.644)	-	-	-	25 years
Campo Maior (Portugal)	4.034	(2.272)	-	-	-	30 years
Elvas (Portugal)	7.845	(3.666)	-	-	-	30 years
Cartaxo (Portugal)	25.923	(9.915)	-	-	-	35 years old
Fundao (Portugal)	7.193	(3.086)	-	-	-	30 years
Caltanissetta (Italy)	78.298	(34.551)	-	31.300	-	30 years
Oise Valley (France)	31.953	(14.542)	-	-	-	16 years
Realito (Mexico)	38.237	(17.883)	-	3.807	-	13 years
Haaco (Arabia)	3.088	(1.684)	-	-	-	10 years
Qatarat (Arabia)	87.535	(57.320)	-	280	-	10 years
Aqualia Latin America (Colombia)	43.139	(11.020)	-	-	-	19 years old
Aqualia Villa del Rosario (Colombia)	6.319	(2.648)	-	-	-	14 years
Aqualia Gestión los Cabos (Mexico)	14.239	-	-	-	-	10 years
Aqualia Flandes (Colombia)	11.812	(1.342)	-	-	-	20 years
Aqualia Group Colombia	23.628	(3.715)	-	-	-	20 years
Aqualia Riohacha (Colombia)	7.856	(325)	-	-	-	-
Rest	334.930	(200.099)	(10.972)	103	-	5 - 50 years
Total	1.954.363	(1.219.884)	(13.518)	35.490		

Year 2023

Year 2025						
Contract	Regulated active concession agreement			Advances for Concession Agreement		Duration
	Cost	Am. Acum.	Deterioration			
Contracts in Spain						
Alcalá de Henares (Madrid)	18.021	(13.616)	-	-		25 years
Alcoy (Alicante)	7.568	(7.568)	-	13		20 years
Algeciras (Cádiz)	18.699	(8.032)	-	-		50 years
Almansa (Albacete)	9.234	(3.812)	-	-		25 years
Almería (Almería)	28.617	(19.508)	-	-		40 years
Arcos de la Frontera (Cádiz)	11.187	(5.022)	-	-		25 years



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Contract	Regulated active concession agreement			Advances for Concession Agreement	Duration
	Cost	Am. Acum.	Deterioration		
Badajoz (Badajoz)	52.795	(30.743)	-	-	50 years
Barbate (Cádiz)	7.218	(3.341)	-	-	25 years
Cabezo Torres (Murcia)	6.314	(6.314)	-	-	40 years
Calahorra (La Rioja)	7.299	(6.065)	-	-	25 years
Cartaya (Huelva)	8.724	(3.488)	-	-	25 years
Castrillón (Asturias)	10.417	(5.244)	(998)	-	25 years
Chipiona (Cádiz)	7.054	(5.121)	-	-	40 years
Denia (Alicante)	17.826	(10.934)	(1.350)	-	35 years
El Arenal - Lluçmajor (I. Balearic Islands)	24.866	(1.761)	-	-	20 years
Gáldar (Gran Canaria)	13.398	(6.696)	(423)	-	25 years
Gúímar (Gran Canaria)	10.115	(2.038)	-	-	25 years
Ingenio (Gran Canaria)	6.138	(5.181)	-	-	25 years
Jaén (Jaén)	9.594	(8.456)	-	-	30 years
La Línea de la Concepción (Cádiz)	16.138	(9.885)	-	-	25 years
La Nucia (Alicante)	32.202	(15.786)	-	-	50 years
La Solana (Ciudad Real)	5.513	(3.084)	-	-	30 years
L'Ametlla de Mar (Tarragona)	11.605	(7.496)	-	-	35 years
Llanera (Asturias)	15.393	(8.518)	(2.858)	-	25 years
Lleida (Lleida)	49.277	(20.596)	-	-	25 years
Lloret de Mar (Girona)	24.774	(17.183)	-	-	25 years
Los Alcázares (Murcia)	12.469	(10.085)	-	-	20 years
Mdad. El Girasol (Toledo)	7.855	(6.797)	-	-	25 years
Mdad. Río Algodor (Toledo)	7.677	(3.400)	-	-	50 years
Mérida (Badajoz)	21.402	(16.360)	-	-	30 years
Moguer (Huelva)	7.518	(4.008)	-	-	30 years
Oviedo (Asturias)	38.903	(20.259)	(105)	-	50 years
Salamanca (Salamanca)	11.106	(6.569)	-	-	25 years
San Lorenzo Escorial (Madrid)	6.512	(3.448)	-	-	30 years
San Pedro del Pinatar (Murcia)	10.667	(5.853)	-	-	50 years
Sanlúcar de Barrameda (Cádiz)	17.263	(9.113)	-	-	40 years
Sant Feliu Guixols (Girona)	7.028	(4.672)	-	-	50 years
Sant Josep (Balearic Islands)	10.554	(6.571)	-	-	28 years old
Santander (Cantabria)	86.349	(61.229)	-	-	25 years
Sóller (Balearic Islands)	6.681	(4.478)	-	-	30 years
Talavera de la Reina (Toledo)	31.534	(24.114)	-	-	25 years
Valverde del Camino (Huelva)	6.206	(2.793)	-	-	25 years
Vélez-Málaga (Málaga)	7.800	(5.589)	-	-	20 years
Vigo (Pontevedra)	218.996	(204.746)	-	-	30 years
Adeje (Tenerife)	120.280	(105.653)	-	-	15-25 years
Ecija (Seville)	9.585	(8.593)	-	-	25 years
Jerez de la Frontera (Cádiz)	104.672	(44.049)	-	-	25 years
Línea de la Concepción (Cádiz)	346	(152)	-	-	12 years
Puerto de Santa María (Cádiz)	6.075	(1.726)	-	-	25 years
WWTP municipalities (Teruel)	16.618	(12.393)	-	-	21 years old
Municipalities C.Tropical Granada	34.081	(14.960)	-	-	25 years
International					
Abrantes (Portugal)	10.417	(5.278)	-	-	25 years
Campo Maior (Portugal)	4.034	(2.137)	-	-	30 years
Elvas (Portugal)	7.797	(3.377)	-	-	30 years
Cartaxo (Portugal)	25.788	(9.138)	-	-	35 years old
Fundao (Portugal)	7.145	(2.836)	-	-	30 years
Caltanissetta (Italy)	71.905	(30.392)	-	22.940	30 years
Oise Valley (France)	31.953	(11.898)	-	-	16 years
Realito (Mexico)	44.013	(18.611)	-	4.244	13 years
Haaco (Arabia)	2.902	(1.266)	-	-	10 years
Qatarat (Arabia)	79.551	(47.251)	-	-	10 years
Aqualia Latin America (Colombia)	38.821	(9.129)	-	-	19 years old



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Contract	Regulated active concession agreement			Advances for Concession Agreement	Duration
	Cost	Am. Acum.	Deterioration		
Aqualia Villa del Rosario (Colombia)	9.495	(2.385)	-	-	14 years
Aqualia Gestión los Cabos (Mexico)	16.273	-	-	-	10 years
Aqualia Flandes (Colombia)	14.960	(786)	-	-	20 years
Aqualia Group Colombia	28.190	(1.808)	-	-	20 years
Aqualia Riohacha (Colombia)	26.429	(149)	-	-	
Rest	312.032	(186.740)	(7.556)	159	5 - 50 years
Total	1.969.868	(1.156.279)	(13.290)	27.356	

The concession activity of municipal water services is characterised by a very large number of contracts, the most significant of which are detailed in the table above. The main purpose of the contracts is the management of the complete water cycle, ranging from the collection and transport of the resource to urban centres, its treatment in complex facilities for its potabilisation, to the distribution and subsequent recapture of wastewater for its purification and subsequent discharge into the natural environment.

In this type of concession, billing is made directly to the end users of the service, based on consumption.

In the case of water infrastructure concessions, such as wastewater treatment plants and drinking water treatment plants, collection is generally made from the grantor depending on water consumption. On the other hand, the Group recognises as financial assets those concessions, mainly desalination plants, where the grantor guarantees in the tariff a component that allows the recovery of the investment made without demand risk (see Note 11.a.3).

The contracts usually include periodic tariff review clauses based on indices such as the CPI or polynomial formulas that take into account the evolution of the unit prices of the main cost components of the resources used during the life of the concession. In order to carry out their activities, concessionaires build or receive the right to use the distribution and sewerage networks, as well as the complex installations necessary for drinking water treatment and purification. The concession periods for this type of concession range from different periods, up to a maximum of 50 years, and the facilities revert to the concession holder at the end of the concession period, without receiving any compensation.

In virtually all fully consolidated municipal concession contracts, the amount of the charges depends on the consumption produced by users and is therefore variable, and therefore the demand risk is borne by the concessionaire and recognised as intangible assets. In those cases, which include certain water infrastructure concessions, such as desalination and wastewater treatment plants, collection is based on the cubic metres actually treated, with the grantor guaranteeing a minimum guaranteed level regardless of the volume, and therefore, as this is a fixed charge and the demand risk is borne by the grantor, the guaranteed amounts are classified as financial assets.



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Other intangible assets

The sub-caption "Other intangible assets" mainly includes computer software acquired from third parties and amortised on a straight-line basis over four years and other fixed assets related to concession contracts.

Assets with ownership restrictions

Within the scope of its activity, the Group acquires or builds assets for its fixed assets which revert to the awarding municipalities at the end of the contracts.

The Group companies consider that the periodic maintenance plans for their facilities, the cost of which is expensed in the year incurred, are sufficient to ensure that the assets subject to reversion are delivered in good working order at the end of the term of the concessions and that, therefore, no significant expenses will be incurred as a result of the reversion.

Goodwill

The breakdown of goodwill (net of impairment) at 31 December 2024 and 2023 in the accompanying consolidated balance sheet is as follows:

	2024	2023 *
Depurplan 11, S.A.	19	19
Aqualia Intech, S.A.	2.523	2.523
Merger goodwill	82.764	82.764
Municipal District Services, LLC	13.691	12.964
	98.997	98.270

* Restated 2023 data (see note 2.e)

Merger goodwill corresponds to the goodwill arising in 2002 and 2011 from the mergers by absorption that the Parent Company carried out with several of its subsidiaries and which gave rise to goodwill arising from the difference between the acquisition cost of these subsidiaries and the fair value of the identifiable net assets.

On 21 March 2013 Aqualia Industrial Solutions, S.A. Unipersonal (formerly Graver Española, S.A.U.) merged as an absorbing company with Nilo Medioambiente, S.L. and Chemipur Químicos, S.L. (as absorbed companies).

On 23 November 2015 Aqualia Industrial Solutions, S.A. merged with Aqualia Intech, S.A., through the absorption by the latter of Aqualia Industrial Solutions, S.A. Unipersonal, both companies owned by FCC Aqualia. The absorption was carried out through the integration of all the elements and the en bloc transfer of the absorbed company's equity to the absorbing company at consolidated values.

On 31 December 2023, the Group acquired 97 % of the US-based company Municipal District Services, LLC, giving rise to the goodwill shown under this heading (note 2.e).



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In relation to the estimates made and the sensitivity analysis in the goodwill impairment tests, the main aspects are discussed below

- Merger goodwill. For the assumptions used to estimate cash flows, the Parent Company has been considered as a cash-generating unit as a whole. The main assumptions used are as follows:
 - Annual revenue growth: 0.7% in the first year, 7.5% in the second year and 3.3% in the third year.
 - Perpetual income growth: Zero.
 - Pre-tax discount rate: 9.02 %.
 - The current cash flow projections do not show a high sensitivity, withstanding increases in the discount rate by 8 percentage points and a decrease in cash flows by 56 % without incurring impairment.
- MDS goodwill. The following assumptions have been considered:
 - Annual EBITDA growth of 15% each year for the first 5 years.
 - Discount rate before and after tax: 7.93 %.
 - Assumed annual contract renewal of 97% while maintaining a base of 138,000 connections as at 31 December 2023.

5. TANGIBLE FIXED ASSETS

The net composition of property, plant and equipment as at 31 December 2024 and 2023 is as follows:

	Cost	Accumulated depreciation	Deteriorations	Net value
2024				
Land and Buildings	225.808	(69.453)	-	156.355
Land and natural assets	13.801	(340)	-	13.461
Buildings for own use	212.007	(69.113)	-	142.894
Technical installations and other tangible fixed assets	1.764.650	(764.980)	(191)	999.479
Technical installations	1.210.683	(500.117)	-	710.566
Machinery and transport equipment	239.176	(151.910)	-	87.266
Fixed assets under construction	108.158	-	-	108.158
Other tangible fixed assets	206.633	(112.953)	(191)	93.489
TOTAL	1.990.458	(834.433)	(191)	1.155.834
2023				
Land and Buildings	200.328	(61.658)	-	138.670
Land and natural assets *	13.934	(233)	-	13.701
Buildings for own use	186.394	(61.425)	-	124.969
Technical installations and other tangible fixed assets	1.647.732	(711.722)	(191)	935.819
Technical installations	1.136.816	(468.686)	-	668.130
Machinery and transport equipment *	219.119	(140.992)	-	78.127
Fixed assets under construction	115.095	-	-	115.095
Other tangible fixed assets	176.702	(102.044)	(191)	74.467
TOTAL	1.848.060	(773.380)	(191)	1.074.489



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* Restated 2023 data (see note 2.e)

	RESTATED DATA 2023		ANNUAL ACCOUNTS DATA 2023		DIFFERENCE	
	Cost	Net value	Cost	Net value	Cost	Net value
2023						
Land and Buildings	200.328	138.670	199.708	138.050	620	620
Land and natural assets *	13.934	13.701	13.314	13.081	620	620
Technical installations and other tangible fixed assets	1.647.732	935.819	1.646.545	934.632	1.187	1.187
Machinery and transport equipment *	219.119	78.127	217.931	76.939	1.188	1.188
TOTAL	1.848.060	1.074.489	1.846.253	1.072.682	1.807	1.807



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The movements in the various items of property, plant and equipment in 2023 and 2024 were as follows:

	Land and natural assets	Buildings for own use	LAND AND BUILDINGS	Technical installations	Machinery and transport equipment	Tangible fixed assets under construction	Other tangible fixed assets	TECHNICAL INSTALLATIONS AND OTHER TANGIBLE FIXED ASSETS	Accumulated depreciation	Deteriorations	TOTAL
Balance as at 31.12.22	13.419	172.952	186.371	1.096.965	198.836	82.041	148.627	1.526.469	(719.778)	-	993.062
Inputs or allocations	915	21.731	22.646	44.068	25.205	71.286	23.028	163.587	(76.199)	(191)	109.843
Exits	(640)	(5.986)	(6.626)	(1.832)	(9.669)	(1.038)	(381)	(12.920)	11.112	-	(8.434)
Transfers	5	1.694	1.699	28.781	4.448	(34.467)	1.832	594	(22)	-	2.271
Conversion differences	(118)	(3.903)	(4.021)	(31.886)	(3.071)	(2.730)	2.590	(35.097)	14.422	-	(24.696)
Change in the scope of consolidation	353	(94)	259	720	3.370	3	1.006	5.099	(2.915)	-	2.443
Balance as at 31.12.23 * Balance as at 31.12.23	13.934	186.394	200.328	1.136.816	219.119	115.095	176.702	1.647.732	(773.380)	(191)	1.074.489
Inputs or allocations	106	23.260	23.366	35.956	25.484	55.277	31.527	148.244	(87.129)	-	84.481
Exits	(281)	(7.800)	(8.081)	(3.247)	(9.114)	(1.752)	(5.831)	(19.944)	19.533	-	(8.492)
Transfers	107	9.580	9.687	41.265	5.351	(61.443)	5.240	(9.587)	(4)	-	96
Conversion differences	(65)	409	344	(107)	(1.290)	981	(861)	(1.277)	6.889	-	5.956
Change in the scope of consolidation	-	164	164	-	(374)	-	(144)	(518)	(342)	-	(696)
Balance at 31.12.24	13.801	212.007	225.808	1.210.683	239.176	108.158	206.633	1.764.650	(834.433)	(191)	1.155.834

* Data 2023 restated



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Additions in 2024 amounted to 171,610 thousand euros (186,233 thousand euros in 2023) and correspond to investments made in fixed assets of water contracts whose assets do not revert to the granting entities, with following geographical distribution:

Geographical location	31.12.2024	31.12.2023*	31.12.2023
Czech Republic	24.288	32.353	32.353
Georgia	65.124	73.108	73.108
Spain	65.602	62.863	62.863
Other countries	16.596	17.909	16.101
Total	171.610	186.233	184.425

* Data 2023 restated

In 2024, as was the case in 2023, the most significant increase continues to be in Georgia as part of the modernisation work being carried out on the water facilities that provide the full water cycle in the municipalities of Tbilisi and Rustavi (Georgia) in order to improve the performance of the network and reduce cuts in supply due to breakdowns.

The Group companies take out the insurance policies they consider necessary to cover the possible risks to which their property, plant and equipment are subject.

At 31 December 2024, property, plant and equipment located outside Spain has a net book value of 945,118 thousand euros and is mainly located in Georgia, Czech Republic, Italy and France (890,956* thousand euros at 31 December 2023).

The amount of fully depreciated property, plant and equipment that is nevertheless used in the production activity because it is in good working order amounts to 327,288 thousand euros as at 31 December 2024 (301,998 thousand euros as at 31 December 2023).

No interest has been capitalised in 2024 and 2023, with capitalised interest accrued since inception amounting to 3,836 thousand euros in both years.

Work carried out on the Group's fixed assets

The FCC Aqualia Group, through its specialised companies, carries out works and infrastructures assigned to water contracts which, for the most part, are provided in the Czech Republic and do not revert to the local councils that awarded the contract. The amount capitalised in this connection totals Euros 18,705 thousand in the Czech Republic at 31 December 2024 (Euros 21,237 thousand at 31 December 2023).

6. REAL ESTATE INVESTMENTS

This heading records the real estate that the FCC Aqualia Group owns in Georgia following the acquisition of Georgia Global Utilities JSC.

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The assets included therein are valued at fair value. The date of the last valuation carried out by an independent expert is November 2024 and the valuation was performed in accordance with the rules set out in IFRS13 Fair Value Measurement.

7. SERVICE CONCESSION AGREEMENTS

This note presents an overview of the Group's investments in concession businesses recognised under various asset headings in the accompanying consolidated balance sheet.

The following table sets out the total of such assets held by Group companies under service concession agreements to provide public services for the distribution of drinking water, construction and operation of water infrastructure and others, which are included under intangible assets, non-current and current financial assets and investments in companies accounted for using the equity method in the accompanying consolidated balance sheet at 31 December 2024 and 2023.

	Intangible assets (note 4)	Non-current receivables, concession agreement (note 11.a.3)	Current receivables under the concession agreement (note 11.b)	Loans to Concession Joint Ventures (note 8)	Investment accounted for using the equity method in concession joint ventures (note 8)	Total investment
2024						
Cost	1.989.853	199.758	33.272	25.128	18.279	2.266.290
Amortisation	(1.219.884)	-	-	-	-	(1.219.884)
Deteriorations	(13.518)	-	-	-	-	(13.518)
	756.451	199.758	33.272	25.128	18.279	1.032.888
2023						
Cost	1.997.224	222.303	25.000	25.305	21.701	2.291.533
Amortisation	(1.156.279)	-	-	-	-	(1.156.279)
Deteriorations	(13.290)	-	-	-	-	(13.290)
	827.655	222.303	25.000	25.305	21.701	1.121.964

In addition, the concession companies controlled by the Group are obliged, in accordance with the concession contracts, to acquire or construct fixed assets assigned to the concessions for an amount of Euros 159,014 thousand at 31 December 2024 (Euros 207,711 thousand at 31 December 2023) (note 17). The decrease compared to 2023 is mainly due to the investment commitments executed during the year, which have exceeded the new commitments acquired by the Group in 2024.

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8. INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

This item includes the value of investments in companies accounted for using the equity method, which includes both the equity and non-current loans granted to these companies, as well as jointly controlled entities or associates accounted for using the equity method.

The movement in consolidated holdings accounted for using the equity method for each year, by item, is as follows:

	Participations	Outstanding disbursements	Appropriations to LP	FINAL BALANCE
Balance as at 31.12.22	25.476	(37)	28.914	54.353
Procurement	-	-	-	-
Profit-sharing	1.584	-	-	1.584
Dividend distribution	(1.420)	-	-	(1.420)
Outstanding disbursements	-	5	-	5
Conversion differences	(4.011)	-	-	(4.011)
Loans granted/(written off)	-	-	(3.609)	(3.609)
Other	104	-	-	104
Balance at 31.12.23	21.733	(32)	25.305	47.006
Procurement	-	-	-	-
Profit-sharing	3.201	-	-	3.201
Dividend distribution	(6.316)	-	-	(6.316)
Outstanding disbursements	-	-	-	-
Conversion differences	(1.425)	-	-	(1.425)
Loans granted/(written off)	-	-	(177)	(177)
Other	1.118	-	-	1.118
Balance at 31.12.24	18.311	(32)	25.128	43.407

The most significant movement in 2024 was in the dividend distributions to its shareholders approved during the year.

In 2023, the most significant movements in the year were recorded in translation differences and were caused by the devaluation of the Egyptian pound and the Mexican peso against the euro, representing a translation difference of Euros 2,572 thousand and Euros 1,410 thousand, respectively.

In the line "Loans granted" in the financial year 2023, the reclassification to current maturity of 1,504 thousand euros of the outstanding balance with Aguas del Puerto Empresa Municipal, S.A. was noteworthy.

Details of investments in joint ventures accounted for using the equity method are shown in Appendix III.

The assets, liabilities, turnover and results at 31 December 2024 and 2023 are presented below in proportion to the percentage interest in the share capital of each associate and jointly controlled company:

	2024	2023
Balance		
Non-current assets	54.526	61.567
Current assets	51.280	56.326
Non-current liabilities	35.581	42.501
Current liabilities	64.464	65.459



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Results		
Net turnover	50.847	53.404
Net operating result	4.926	3.222

The movements in the financial years 2024 and 2023 of the main companies, by item, are as follows:

	Balance at 31.12.2023	Results of the exercise	Dividends Distributed	Translation differences and other movements	Change in loans granted	Balance at 31.12.2024
Orasqualia for the Development of the Waste Treatment Plant S.A.E.	9.471	941	(2.587)	(2.919)	-	4.906
Aguas de Langreo, S.L.	3.232	86	-	(94)	-	3.224
Empresa Municipal de Aguas de Benalmádena, S.A.	2.059	136	(32)	(95)	(819)	1.249
Aguas del Puerto Empresa Municipal, S.A.	9.918	(96)	-	377	(99)	10.100
Aigües del Vendrell	4.670	264	-	146	-	5.080
Codeur, S.A.	3.965	(184)	(78)	1.529	-	5.232
Oman Sustainable Water Services SAOC	1.666	812	(769)	106	-	1.815
Ibiza desalination concessionaire	876	1.235	(1.000)	-	-	1.111
Empresa Mixta Municipal de Aguas de Nijar	1.686	(176)	(922)	918	(269)	1.237
Girona, S.A.	1.622	45	-	-	-	1.667
Rest	7.841	138	(928)	(251)	986	7.786
Total associated companies	47.006	3.201	(6.316)	(283)	(201)	43.407

	Balance as at 31.12.2022	Results of the exercise	Dividends Distributed	Translation differences and other movements	Change in loans granted	Balance at 31.12.2023
Orasqualia for the Development of the Waste Treatment Plant S.A.E.	10.880	1.023	-	(2.432)	-	9.471
Aguas de Langreo, S.L.	3.451	94	-	53	(366)	3.232
Empresa Municipal de Aguas de Benalmádena, S.A.	2.994	138	(19)	(272)	(782)	2.059
Aguas del Puerto Empresa Municipal, S.A.	11.469	(442)	-	395	(1.504)	9.918
Aigües del Vendrell	4.862	(257)	-	186	(121)	4.670
Codeur, S.A.	6.024	(139)	(93)	(1.827)	-	3.965
Oman Sustainable Water Services SAOC	1.588	769	(618)	(73)	-	1.666
Rest	13.085	398	(690)	68	(836)	12.025
Total associated companies	54.353	1.584	(1.420)	(3.902)	(3.609)	47.006

In relation to investments accounted for using the equity method, the FCC Aqualia Group has not granted any guarantees at 31 December 2024, nor at 31 December 2023, to financial institutions to guarantee the maintenance of the stake in the capital of the subsidiaries concerned during the term of the loan agreement.

9. LEASES

In its position as lessee, the Group has entered into leasing contracts for underlying assets of different types, mainly offices in the municipalities where it provides the service that is the object of its activity and transport elements with leasing contracts.

In general, the leases entered into by the Group do not include variable payments; only certain contracts contain clauses to update the rent, mainly in line with inflation. In some cases, these contracts contain restrictions on use, the most common of which are those limiting the use of the underlying assets to geographical areas or to their use as office or production premises. The lease contracts do not include significant residual value guarantee clauses.

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The Group determines the duration of contracts by estimating the period over which the entity expects to continue to use the underlying asset based on its particular circumstances, including extensions that are reasonably expected to be exercised.

The carrying amount of the right-of-use assets is EUR 61,894 thousand at 31 December 2024 (31 December 2023: EUR 61,488 thousand). The carrying amount, additions and write-downs during 2024 and 2023 by underlying asset are detailed below:

	Cost	Accumulated depreciation	Net value	Additions
2024				
LAND AND BUILDINGS	78.020	(26.844)	51.176	9.946
Land and natural assets	592	(199)	393	1
Buildings for own use	77.428	(26.645)	50.783	9.945
TECHNICAL INSTALLATIONS AND OTHER TANGIBLE FIXED ASSETS	18.673	(7.955)	10.718	4.705
Technical installations	10	(5)	5	-
Machinery and transport equipment	12.460	(6.008)	6.452	3.062
Other tangible fixed assets	6.203	(1.942)	4.261	1.643
TOTAL	96.693	(34.799)	61.894	14.651
2023				
LAND AND BUILDINGS	75.590	(22.075)	53.515	15.065
Land and natural assets	592	(144)	448	-
Buildings for own use	74.998	(21.931)	53.067	15.065
TECHNICAL INSTALLATIONS AND OTHER TANGIBLE FIXED ASSETS	17.633	(9.660)	7.973	3.598
Technical installations	30	(19)	11	3
Machinery and transport equipment	12.941	(7.942)	4.999	3.544
Other tangible fixed assets	4.662	(1.699)	2.963	51
TOTAL	93.223	(31.735)	61.488	18.663

Lease liabilities recognised amount to Euros 70,867 thousand at 31 December 2024 (Euros 74,322 thousand at 31 December 2023), of which Euros 7,101 thousand (Euros 9,970 thousand at 31 December 2023) are classified as current in the accompanying consolidated balance sheet, as they mature within the next twelve months (note 16). Lease liabilities have generated an interest charge of Euros 1,951 thousand at 31 December 2024 (Euros 1,836 thousand at 31 December 2023). Lease payments made during the year amount to Euros 17,086 thousand at 31 December 2024 (Euros 10,523 thousand at 31 December 2023) and are recognised under "Receivables and (payments) on financial liability instruments" and "Interest payments" in the accompanying consolidated cash flow statement. Details of non-current lease liabilities by maturity are shown below:

As of 31 December 2024:

	2026	2027	2028	2029	2030 and beyond	Total Contractual Maturity
Suppliers of fixed assets to third parties IFRS16	6.997	6.801	5.759	5.629	51.879	77.065
Suppliers of fixed assets group IFRS16	188	191	197	203	486	1265
	7.185	6.992	5.956	5.832	52.365	78.330

As at 31 December 2023:

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 28). In the event of a discrepancy, the Spanish language version prevails.

	2025	2026	2027	2028	2029 onwards	Total Contractual maturity
Suppliers of fixed assets to third parties IFRS16	7.081	4.818	4.848	4.895	41.797	63.438
Suppliers of fixed assets group IFRS16	117	117	117	117	445	914
	7.198	4.935	4.965	5.012	42.242	64.352

10. JOINT OPERATIONS S

The Group companies carry out part of their activities through interests in businesses in which the FCC Aqualia Group exercises joint control with other non-Group partners, mainly through joint ventures and economic interest associations (EIGs). These businesses have been proportionately consolidated, as indicated in note 2 of these notes to the consolidated financial statements, provided that the interest grants direct rights over assets and direct obligations over liabilities.

The key figures of the various jointly managed businesses in terms of assets, liabilities and profit and loss account as at 31 December 2024 and 2023 are presented below:

	2024	2023
Balance		
Non-current assets	82.889	93.278
Current assets	97.675	87.962
Non-current liabilities	32.208	34.461
Current liabilities	95.286	97.714
Results		
Net turnover	171.178	169.258
Gross Operating Profit	44.385	42.427
Net Operating Profit	28.379	27.999

11. NON-CURRENT FINANCIAL ASSETS AND OTHER CURRENT FINANCIAL ASSETS

There are no significant "Non-current financial assets" or "Other non-current financial assets" in arrears. The breakdown of "Non-current financial assets" and "Other current financial assets" in the accompanying consolidated balance sheet is as follows:

11.a) Non-current financial assets

Non-current financial assets are distributed as follows:

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 28). In the event of a discrepancy, the Spanish language version prevails.

	Financial assets at amortised cost	Financial assets at fair value through reserves	Financial assets from hedging derivatives	Total
Non-current loans to group companies (note 11.a.1)	806.479	-	-	806.479
Non-current third party receivables (note 11.a.2)	82.775	-	-	82.775
Non-current receivables, concession agreement (notes 7 and 11.a.3)	199.758	-	-	199.758
Held-to-maturity assets	198	-	-	198
Non-current financial derivative assets	-	-	1.750	1.750
Assets at fair value	-	10.676	-	10.676
Total	1.089.210	10.676	1.750	1.101.636

	Financial assets at amortised cost	Financial assets at fair value through reserves	Financial assets from hedging derivatives	Total
Non-current loans to group companies (note 11.a.1)	806.479	-	-	806.479
Non-current third party receivables (note 11.a.2)	86.227	-	-	86.227
Non-current receivables, concession agreement (notes 7 and 11.a.3)	222.303	-	-	222.303
Held-to-maturity assets	158	-	-	158
Non-current financial derivative assets	-	-	3.615	3.615
Assets at fair value	-	8.996	-	8.996
Total	1.115.167	8.996	3.615	1.127.778

11.a.1 Non-current receivables from group companies

Details of non-current financial receivables from Group companies are as follows:

	2024	2023
Fomento de Construcciones y Contratas, S.A.	806.479	806.479
Total	806.479	806.479

On 28 September 2018, FCC Aqualia, S.A. entered into an agreement with Fomento de Construcciones y Contratas, S.A. which entailed the non-extinguishing modifying novation of the two loans existing to date between the two companies since 8 June 2017, the date on which FCC Aqualia, S.A. issued the bonds (see Note 16-b). For this loan, which had a joint balance of 806,479 thousand euros for all the above items, a single maturity was set for 28 September 2048 and an interest rate of 3.55% to be accrued in 12-month periods starting on 30 November of each year.

11.a.2 Non-current receivables from third parties

Expected maturities of non-current loans granted by Group companies to third parties are as follows:

As of 31 December 2024:

	2026	2027	2028	2029	2030 and beyond	Total
Non-trade credits	10.010	8.651	13.146	4.685	15.298	51.790
Deposits and bonds	979	-	-	167	29.839	30.985
	10.989	8.651	13.146	4.852	45.137	82.775

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As at 31 December 2023:

	2025	2026	2027	2028	2029 onwards	Total
Non-trade credits	9.212	9.130	12.387	20.899	4.259	55.887
Deposits and bonds	162	836	-	-	29.342	30.340
	9.374	9.966	12.387	20.899	33.601	86.227

Non-current receivables from third parties are classified according to the following types:

	2024	2023
Non-current loans to public entities	51.788	55.873
Non-current deposits and guarantees	30.985	30.340
Non-current loans to staff	2	14
TOTAL BALANCE OF NON-TRADE RECEIVABLES	82.775	86.227

Non-current loans to public entities mainly include amounts granted to municipalities in Spain to finance works and installations in the water network. These loans accrue interest at a variable rate based on Euribor and are generally recovered from the tariff of the associated concession contracts or through the establishment of finalist fees approved by the Administration. Details of non-current receivables from public entities are as follows:

	Amount in thousands of euros	
	2024	2023
Alboraya Town Hall	456	535
Alcalá de Henares Town Council	1.224	1.563
Almeria City Council	460	-
Bollullos Par del Condado Town Council	1.379	1.379
Caravaca de la Cruz Town Council	-	5
Chipiona Town Council	-	463
Cristina Town Council	43	62
Gáldar Town Council	2.283	2.283
Güímar Town Council	-	29
Jaén City Council	10.636	13.839
La Guardia Town Council	291	313
La Línea Town Council	553	724
La Nucia Town Council	564	-
Lepe Town Hall	8.419	8.497
Magán Town Council	-	31
Platja d'Aro Town Council	2.553	2.832
Medina del Campo Town Council	32	39
Moratalla Town Council	389	-
Priego de Córdoba Town Council	2.494	2.646
Ribera del Fresno Town Council	278	278
Ronda City Council	1.375	1.491
San Pedro del Pinatar Town Council	149	181
San Lorenzo del Escorial Town Council	961	1.502
Sant Fost Town Council	(25)	(7)
Solana de Los Barros Town Council	-	26
Talavera de la Reina City Council	562	-
Turcia Town Council	9	9
Vélez-Málaga Town Council	4.986	4.506

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Villarrubia de Santiago Town Council	129	134
General Menacho Base	42	61
Campo de Gibraltar Region	4.564	4.680
Manc. Costa Tropical Granada	6.825	7.541
Magenta Loan	157	231
Total Loans to third parties	51.788	55.873

Deposits and guarantees basically correspond to those made for legal or contractual obligations in the development of the Group companies' activities, mainly those made with public entities for guarantees received from customers for water supply services (see note 16.c).

11.a.3 Non-current receivables from concession agreement

The Group recognises under this heading the fair value of the construction services provided under concession contracts which, in accordance with IFRIC 12, do not present demand risk because the characteristics of the contract guarantee the amount recognised. During the operation of the infrastructure, the asset is measured at amortised cost and the related finance income is taken to income on the basis of the effective interest rate resulting from forecasts of the flows of collections and payments under the concession.

The main financial assets under this heading are as follows (in thousands of euros):

	2024	2023	Granting entity
Mostaganem Desalination Plant (Algeria)	122.702	122.007	Algeria - Algerian Energie Co. S.p.a.
El Realito Aqueduct (Mexico)	45.172	62.775	Mexico - State Water Commission
Guaymas Desalination Plant (Mexico)	27.234	31.762	Mexico - State Water Commission
WWTP Cuernavaca (Mexico)	4.650	5.759	Mexico - State Water Commission
Total	199.758	222.303	

At 31 December 2024 the Group holds as a non-current concession asset an amount of Euros 122,702 thousand (Euros 122,007 thousand at 31 December 2023) relating to the Mostaganem seawater desalination plant (Algeria). This amount is recorded at the present value of future cash flows, discounted at a discount rate of 13.4% and considering an expiry date for the concession of 30 September 2036.

Also under the same heading is the non-current collection right of the concession held by Aquos El Realito, S.A. de C.V., which consists of a drinking water pipeline in Mexico. The amount has been recognised at the present value of future collection flows discounted at a discount rate of 7.6% and considering an expiry date of the concession in 2036.

11.b) Other current financial assets

They are recorded at amortised cost and their composition at 31 December 2024 and 2023 is as follows:

	2024	2023
Other credits	62.591	54.881
Short-term loans to companies accounted for using the equity method (note 24.d)	3.294	5.919
Short-term loans to FCC Group companies (note 24.d)	8.029	7.852

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Short-term loans to non-group third parties	17.192	14.543
Current deposits with credit institutions	631	1.025
Current collection right concession agreement	33.271	25.000
Dividends receivable from companies accounted for using the equity method (note 24.d)	174	542
Deposits and guarantees lodged	18.435	13.143
	81.026	68.024

The Group has made current deposits with credit institutions of its cash surpluses, obtained mainly from contracts in Egypt for an amount of EUR 675 thousand and in France for an amount of EUR 350 thousand.

There is no limitation on their availability, except for "Deposits and guarantees provided", which relate to amounts provided as security for certain contracts that will be redeemed on maturity.

12. STOCKHOLDINGS

The composition of the stock balance at 31 December 2024 and 2023 corresponds to the following breakdown:

	2024	2023
Raw materials and other supplies	38.082	29.918
Advances from suppliers	25.358	21.831
Deteriorations	(70)	(70)
Pre-project/project start-up costs	159	159
TOTAL	63.529	51.838

Raw materials and other supplies include spare parts, fuels and other materials necessary for the development of activities.

Advances from suppliers are payments to suppliers, usually in cash, on account of future supplies.

13. TRADE AND OTHER RECEIVABLES

a) Customers for sales and services

The breakdown of trade receivables for sales and services as at 31 December 2024 and 2023 is as follows:

	2024	2023
Certified production receivable and sales receivables	305.935	322.945
Production executed and to be certified	188.800	151.514
Guarantee withholdings	6.847	8.613
Invoiced production to Group companies pending collection	37.250	40.553
Provisions for doubtful debts	(85.497)	(102.852)
	453.335	420.773

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The heading "Certified production pending collection and sales receivables" includes the amount of certifications issued to customers for work performed and services rendered and pending collection at the consolidated balance sheet date. Within this heading, there are no significant balances with a relevant ageing, with more than 50 % of the amount in the above table being less than six months old.

The changes in provisions for bad debts during the period from 31 December 2023 to 31 December 2024 and are as follows:

	2024	2023
Opening balance	102.852	85.025
Net allocations	(14.378)	7.589
Perimeter variations	(1.478)	4.575
Conversion differences	(1.499)	5.663
Closing balance	85.497	102.852

The net provisions for the year were recognised with a charge to "Other operating expenses" in the accompanying consolidated income statement at 31 December 2024.

b) Other debtors

The composition of the balance of "Other receivables" at 31 December 2024 and 31 December 2023 corresponds to the following breakdown

	2024	2023
General government - Receivable for subsidies granted (note 20)	82.544	45.700
Sundry debtors	39.150	16.819
VAT receivable (note 20)	39.301	38.048
Social security debtors (note 20)	1.662	1.384
Inland revenue, indirect taxes borne (note 20)	7.155	6.919
TOTAL BALANCE OF OTHER DEBTORS	169.812	108.870

The balance of "Taxes receivable - Receivable for subsidies granted" includes the balances pending collection for subsidies granted for R&D projects carried out in Spain, the amount granted and pending collection for projects included in the Spanish Government's PERTE I and PERTE II water projects (see note 19) and for operating deficits pending collection in water services.

The balance of "Sundry accounts receivable" records balances receivable related to the Group's ordinary business.

14. CASH AND CASH EQUIVALENTS

Since the date of issuance of the bonds mentioned in Note 16, the Group has managed its cash flow autonomously and has increased its cash levels considerably due to its ability to generate cash flows.



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	2024	2023
Treasury	266.297	291.832
Cash equivalents	77.005	743
TOTAL	343.302	292.575

At 31 December 2024, the Group has a bank deposit of USD 80 million maturing in January 2025 with a yield of 4.54% p.a. which is accounted for as cash equivalents.

The breakdown of cash and cash equivalents, by currency, is as follows:

	2024	2023
Czech koruna	11.534	4.783
US Dollar	144.073	92.747
Euros	122.188	146.811
Algerian Dinar	12.429	13.261
Dirham United Arab Emirates	3.212	2.391
Lari Georgia	13.045	659
Leu Romanian	40	4.245
Egyptian Pound	1.573	982
Chilean Pesos	554	233
Pesos Mexico	9.868	10.794
Peso Colombia	8.707	4.835
Rial Qatar	4.864	4.812
Saudi Riyal	11.088	6.010
Sol Peru	99	16
Sucre	28	(4)
TOTAL	343.302	292.575

In the context of the bond issue carried out by the Parent Company in 2017 (see Note 16.b), guarantees have been provided in relation to certain accounts held by FCC Aqualia, S.A. with a balance at 31 December 2024 of 80,129 thousand euros (99,487 thousand euros at 31 December 2023). These amounts include the balances of the debt service accounts amounting to Euros 17,088 thousand at 31 December 2024 and 31 December 2023.

15. EQUITY

The consolidated statement of changes in equity at 31 December 2024 and 2023 shows the changes in equity attributable to equity holders of the Parent for the two years.

Equity attributable to shareholders of the Parent Company

a) Share capital

The share capital of FCC Aqualia, S.A. is represented by 145,000,000 ordinary bearer shares with a par value of 1 euro each. All the shares have the same rights and are fully subscribed and paid up. The Company's shares are not listed on the stock exchange.



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As indicated in Note 1, in 2018 Fomento de Construcciones y Contratas, S.A. sold 49 % of its share capital to Global Infracore Spain, S.L.U., owned by the IFM investment fund, and transferred 10 % of its shareholding to a 100 % FCC group company called FCC MIDCO, S.A., with the shareholding being distributed as follows:

Shareholder	Number of titles	% of direct participation
Fomento de Construcciones y Contratas, S.A.	59.450.000	41,00
Global Infracore Spain, S.L.U.	71.050.000	49,00
FCC MIDCO, S.A. (*)	14.500.000	10,00
	145.000.000	100,00

(*) FCC MIDCO, S.A. is a company wholly owned by Fomento de Construcciones y Contratas, S.A. and therefore Fomento de Construcciones y Contratas, S.A. is the direct and indirect owner of 51% of FCC Aqualia, S.A.

On 1 September 2024, the Board of Directors of the Company approved an interim dividend distribution of Euros 44,950 thousand charged to reserves, which was paid on 14 October and 8 November 2024.

REPORT OF THE BOARD OF DIRECTORS OF FCC AQUALIA S.A. FOR THE DISTRIBUTION OF AN INTERIM DIVIDEND FOR THE FINANCIAL YEAR 2024

In accordance with the provisions of Article 277 of the Capital Companies Act, which establishes the obligation of the Company's directors to present an accounting statement showing that there is sufficient liquidity for the distribution of an interim dividend, it should be noted:

1. That the result net of taxes generated by the consolidated group **FCC AQUALIA S.A.** as at 31 July 2024 is **47,235,165 €**, higher than the proposed interim dividend of **44,950,000 €**.
2. The liquid resources available to the Company at 31 July 2024, amounting to **€196,786,889**, show that there are sufficient funds for the distribution of the interim dividend.

In view of the above, and taking into account that at the date of this report there have been no significant variations with respect to the above data, we consider that there is sufficient liquidity for the distribution of interim dividends of **€44,950,000** against the 2024 result.

It is therefore proposed to approve the following interim dividend out of the profit for the year 2024:

31% gross of the nominal value at a rate of **€0.31** for each of the 145,000,000 shares with dividend rights.

Total amount.	44.950.000 €
Gross interim dividend per share.	0,31 €
Cash to be received per share.	0,31 €



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The Board unanimously approves the distribution of an interim dividend out of the profit for the year 2024 in the amount indicated in the previous report, which was paid in October and November 2024.

b) Share premium and reserves

The composition of this heading at 31 December 2024 and 2023 is as follows:

	2024	2023
Parent Company Reserves	561.748	534.984
Consolidation reserves	146.655	93.511
	708.403	628.495

b.1) Parent Company reserves

Reserves set up by the Group's Parent Company, FCC Aqualia, S.A., in compliance with the various applicable legal provisions and, where applicable, for retained earnings from previous years.

The composition as at 31 December 2024 and 2023 is as follows:

	2024	2023
Share premium	79.481	79.481
Legal reserve	29.000	29.000
Voluntary reserves	420.556	393.792
Special bookings	76	76
Goodwill reserves	32.635	32.635
	561.748	534.984

Share premium and voluntary reserves

The Capital Companies Act expressly permits the use of the share premium balance to increase capital and does not establish any specific restriction as to the availability of the share premium balance for other purposes.

Voluntary reserves are reserves that have been freely constituted through profits of the Parent Company after the distribution of dividends and the allocation to legal reserves in accordance with current legislation, and for which there is no limitation or restriction on their availability.

Legal reserve

In accordance with the Capital Companies Act, an amount equal to 10% of the parent company's profit for the year must be transferred to the legal reserve until it reaches at least 20% of the share capital. The legal reserve cannot be distributed to shareholders, except in the event of liquidation.



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The legal reserve may be used to increase the capital to the extent of the balance of the legal reserve that exceeds 10% of the increased capital.

Except for the above-mentioned purpose, and as long as it does not exceed 20% of the share capital, this reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2024 and 31 December 2023, this reserve was fully funded.

Goodwill reserve

Pursuant to the provisions of article 273.4 of the Consolidated Spanish Companies Act in force until 31 December 2015, the Parent Company set aside a restricted reserve for the amount of goodwill shown on the asset side of the consolidated balance sheet over a period of 20 years, the balance of which at 31 December 2024 and 2023 was Euros 32,635 thousand.

In accordance with the amendments made to the Spanish Corporate Enterprises Act by Act 22/2015 of 20 July on the Audit of Accounts, as from the financial years commencing on 1 January 2016 the Company will discontinue contributions to this reserve for goodwill, which will be available from this financial year onwards in the amount exceeding the goodwill recognised on the assets side of the balance sheet.

b.2) Consolidation reserves

This heading in the accompanying consolidated balance sheet includes the consolidated reserves generated in each the business areas. In accordance with IFRS 10 "Consolidated financial statements", it also includes reserves arising from changes in ownership interests in Group companies, that control is maintained, for the difference between the amount of the additional purchase or sale and the carrying amount of the interest.

The amounts comprising this item for each of the most significant companies at 31 December 2024 and 2023 are as follows:

Consolidation reserves	2024	2023
FCC Aqualia, S.A.	70.899	65.069
Abrantaqua, S.A.	1.943	1.699
Acque di Caltanissetta, S.p.A.	1.314	1.097
Aguas De Albania S.A. E.S.P.	15	-
Aguas De Aracataca S.A.S.	232	38
Aguas De La Península S.A. E.S.P.	983	242
Aguas De La Sabana De Bogotá S.A. E.S.P.	970	(120)
Aguas De Las Galeras, S.L.	-	44
Aguas Del Sur Del Atlántico S.A. E.S.P.	(13)	29
AIE Costa Tropical de Granada	(962)	(1.096)
Aigües de Vallirana, S.A.	(1.583)	(1.446)
Aisa D.O.O. Beograd-Vracar	(3.002)	(2.933)
AISA Montenegro	(3.015)	(2.870)
Aisa Pristina LLC	215	390
Aguas de Elvas, S.A.	1.800	1.585

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Consolidation reserves	2024	2023
Agua do Fundao, S.A.	1.208	955
Aquajerez, S.L.	(35.636)	(38.090)
Aqualia Colombia S.A.S.	(896)	(156)
Aqualia Czech, S.L.U.	(17.054)	(22.702)
Aqualia Desalacion Guaymas S.A. De C.V.	(1.283)	2.859
Aqualia Flanders S.A.S.E.S.P.	(1.362)	(21)
Aqualia France	(5.727)	(4.916)
Aqualia Georgia Llc	(2.371)	(174)
Aqualia Gestion Los Cabos Sacv	369	(135)
Aqualia Infraestructuras Inzenyring	(31.677)	(30.739)
Aqualia Intech, S.A.	44.243	38.889
Aqualia Latin America	(7.119)	(9.289)
Aqualia Mace LLC	1.550	(250)
Aqualia México, S.A de C.V.	6.192	5.333
Aqualia Portugal	(44)	(37)
Aqualia Riohacha, S.A.S. E.S.P.	(198)	-
Aqualia Villa Del Rosario S.A.	(3.517)	(1.343)
Aquamag S.A. E.S.P.	1.258	208
Aquos el Realito, S.A. de CV	3.571	2.789
Aguas Do Cartaxo, S.A.	701	540
CEG, S.A.S.	(132)	(619)
Compagnie Armoricaire Des Eaux	19	(20)
Concession. Desalacion De Ibiza, S.A.	(1.206)	(250)
Conservación y Sistemas, S.A.	260	262
Constructora de Infraestructuras de Aguas de Potosí SA de CV	(8.659)	(8.671)
Constructora de Infraestructuras de Aguas de Queretaro SA de CV	(5.764)	(5.686)
Depurplan 11, S.A.	2.403	1.396
Ecosistema de Morelos, S.A. de C.V.	355	798
Empresa Gestora de Aguas Linenses	-	2.780
Entemanser, S.A.	(35.297)	(38.411)
FCC Aqualia USA CORP	(2.485)	(2.251)
Girona, S.A.	1.518	1.509
Hidrotec Water Technology, S.L.U.	18.871	16.726
Infraestructura y distribución general del agua, S.L.U.	(4.596)	(4.317)
Georgia Global Utilities Jsc	(8.981)	(2.448)
Gardabani Sewage Treatment Plant Llc	4.943	2.964
Georgian Engineering And Management Company Llc	(122)	(26)
Georgian Water And Power Llc	37.717	25.114
Georgian Energy Trading Company Llc	(103)	(111)
Saguramo Energy Llc	833	550
HA Proyectos especiales Hidráulicos S.R.L. de C.V.	1.180	1.180
Municipal District Services, Llc	(75)	75
Operadora El Realito S.A. De C.V.	338	338
Orasqualia Construction, S.A.E.	499	499
Orasqualia DEVEL.Waste T.P.S.A.E.	15.881	15.796
Orasqualia O&M	1.943	2.038
Proveiements d'aigua, S.A.	611	584

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Consolidation reserves	2024	2023
Qatarat Saqia Desalination	3.910	2.170
Servicios Hidricos de Agricultura y Ciudad (formerly Inversora Riutort, S.L.)	(443)	(376)
Shariket Tahlya Miyah Mostaganem	29.487	30.493
Severomoravske Vodovody a Kanalizace Ostrava	34.228	19.308
Sociedad Española de Aguas Filtradas, S.A.	5.199	3.650
Societe Des Eaux De Fin D'Oise, S.A.S.	532	(551)
Sociedad Ibérica del Agua S.A.	342	268
South Cluster Spv Llc	1.029	360
Suministro de Aguas de Querétaro, S.A. de C.V.	343	310
Tratamiento Industrial de aguas, S.A.	28.329	20.086
Vodotech Spol SRO.	1.199	1.795
Other companies	545	750
	146.655	93.511

FCC Aqualia, S.A. includes an amount of Euros 70,899 thousand at 31 December 2024 (Euros 65,069 thousand at 31 December 2023) as consolidation reserves for those reserves arising from the distribution of dividends from subsidiaries each year, which become reserves of the Parent Company the following year.

(c) Valuation adjustments

This item includes cash flow hedging derivatives (note 23) as well as translation differences arising from the translation into euro of the financial statements of subsidiaries denominated in another currency.

Details as at 31 December 2024 and 2023:

	2024	2023
Financial assets at fair value through reserves	1.124	-
Valuation adjustments	1.177	3.005
Conversion differences	10.548	10.296
	12.849	13.301

The amounts comprising the Valuation Adjustments for each of the companies at 31 December 2024 and 2023:

	2024	2023
Aquajerez, S.L.	1.288	1.854
Aquos el Realito, S.A. de C.V.	(140)	542
Qatarat Saquia Desalination	29	609
	1.177	3.005

The amounts comprising the translation differences for each of the subsidiaries with a functional currency other than the euro at 31 December 2024 and 2023 are as follows:

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 28). In the event of a discrepancy, the Spanish language version prevails.

	2024	2023
Algerian Dinar	(1.202)	(3.315)
Shariket Tahlya Miyah Mostaganem S.p.a.	(1.202)	(3.315)
Mexican Peso	(2.141)	2.435
Aqualia México, S.A. de C.V.	(4.549)	(3.235)
Suministro Aguas de Querétaro, S.A. de C.V.	(117)	(38)
Constructora de Infraestructuras de Agua de Querétaro, S.A. de C.V.	(27)	(890)
Aquos El Realito, S.A. de C.V.	1.730	3.559
Operadora El Realito, S.A. de C.V.	(7)	43
HA Proyectos especiales Hidráulicos S.R.L. de C.V.	(60)	109
Constructora de Infraestructuras de Aguas de Potosí, S.A. de C.V.	983	(172)
Aqualia desalacion Guaymas S.A. de C.V.	1.215	1.904
Aqualia Gestión los Cabos S.A. de C.V.	(1.710)	593
Ecosistema De Morelos S.A. De C.V.	401	562
Egyptian Pound	(24.113)	(20.862)
Orasqualia Devel. Waste. T.P.	(21.947)	(19.053)
Orasqualia Construction S.A.E.	(528)	(546)
Orasqualia O&M	(1.638)	(1.263)
Czech Koruna	7.672	7.663
Aqualia Czech, S.L.U.	1.132	3.714
Severomoravske Vodovody a Kanalizace Ostrava a.s.	7.093	4.794
Aqualia Infraestructures Inzenyring, s.r.o.	(558)	(893)
Vodotech Spol, s.r.o.	5	48
United States dollar	(368)	(15)
FCC Aqualia USA Corp.	(5.161)	(15)
Municipal District Services, LLC	4.793	-
Colombian Peso	(5.543)	(4.132)
Aqualia Latinoamérica, S.A.	(4.579)	(3.691)
Aqualia Villa Del Rosario S.A.	(225)	(156)
Sera. Q.A. Duitama E.S.P. S.A.	(11)	(10)
Aqualia Flanders S.A.S.S.E.S.P.	(185)	(196)
Aqualia Colombia S.A.S.	278	(75)
Naunet S.A.S.	250	-
Aguas De La Península S.A. E.S.P.	(111)	(121)
Aquamag S.A. E.S.P.	(27)	158
Aguas De Aracataca S.A.S.	(22)	21
Aguas De Albania S.A. E.S.P.	(55)	(49)
Aguas Del Sur Del Atlántico S.A. E.S.P.	(241)	(88)
Aguas De La Sabana S.A. E.S.P.	(675)	68
Aqualia Riohacha S.A.S. E.S.P.	60	7
Serbian dinar	(87)	(79)
Aisa D:O:O: Beograd-Vracar	(87)	(79)
Dirham Arab Emirates	614	451
Aqualia MaceLLC	614	451
Saudi Riyal	1.645	155
H.A.A. & Co. Integrated Serv Ltd.	209	43
Qatarat Saquia Desalination	1.303	174
South Cluster SPV LLC	64	(47)
North Cluster SPV LLC	69	(15)
Rial Qatar	13	(41)
Aqualia Qatar	13	(41)
Rial Oman	144	38
Oman Sustainable Water Services SAOC	144	38
Lari Georgian	33.914	27.998
Aqualia Georgia LLC	(8)	(6)

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	2024	2023
Georgia Global Utilities JSC	25.107	22.079
Gardabani Sewage Treatment Plant Llc	670	422
Georgian Engineering And Management Company Llc	10	11
Georgian Water And Power Llc	7.709	5.177
Georgian Energy Trading Company Llc	70	51
Rustavi Water Llc	-	(15)
Saguramo Energy Llc	356	279
	10.548	10.296

In 2024, the net change in this item was not significant, although the Egyptian pound, the Mexican peso and the Colombian peso depreciated in value, which was offset by the appreciation of the Georgian lari.

The main change in FY2023 was the depreciation of the Georgian lari and the Czech koruna.

The main balances of net investments abroad, grouped by geographical market and expressed in thousands of euros, are shown below:

	2024	2023
Mexico	83.317	83.612
Czech Republic	122.280	107.275
Algeria	172.871	165.769
Saudi Arabia	67.358	54.726
Colombia	100.814	55.703
Georgia	238.999	244.019
United Arab Emirates	6.384	3.224
United States	86.985	-
Other	1.889	825
	880.897	715.

d) Consolidated profit attributable to the Parent Company by company.

The breakdown of consolidated profit attributable to the Parent Company by company is as follows (including joint ventures):

	2024	2023
Abrantaqua, S.A.	191	244
Acque di Caltanissetta, S.p.A.	420	217
Aguas de Albania S.A. E.S.P.	(18)	230
Aguas de Aracataca S.A.S.	148	134
Aguas de Archidona, S.L.	3	(30)
Aguas de Denia, S.A.	28	(13)
Aguas De Guadix, S.A.	81	112
Aguas de la Peninsula S.A. E.S.P.	1.162	1.754
Aguas de la Sabana S.A. E.S.P.	1.929	1.611
Aguas de las Galeras, S.L.	-	150

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	2024	2023
Aguas de Narixa, S.A.	259	264
Aguas del Puerto Empresa Municipal, S.A.	(96)	(442)
Aguas del Sur del Atlántico S.A. E.S.P.	(158)	261
Gestión de Servicios Hidráulicos de Ciudad Real AIE	80	62
AIE Costa Tropical de Granada	991	1.123
Aigües de Blanes, S.A.	19	18
Aigües de Vallirana, S.A.U.	26	(105)
Aigues Del Vendrell, S.A.	264	(257)
Aqualia Infraestructures Beograd-Vracar	(156)	(69)
Aqualia Infraestructuras Montenegro	(172)	(145)
Aqualia Infraestructures Pristina, LLC	(14)	(175)
Aqua Campiña, S.A.	65	(15)
Aquaervas - Aguas de Elvas, S.A.	290	215
Aquafundalia - Agua do Fundão, S.A.	407	253
Aquajerez, S.L.	(647)	2.454
Aqualia Colombia S.A.S.	(1.437)	(321)
Aqualia Czech, S.L.	5.476	5.648
Aqualia desalación Guaymas, S.A. de C.V.	5.533	(4.142)
Aqualia Flanders S.A.S.S.E.S.P.	(903)	(1.744)
Aqualia France, S.A.S.	(5.661)	(5.343)
Aqualia Georgia LLC	(60)	83
Aqualia Gestión Los Cabos, S.A. de C.V.	2.372	503
Aqualia Infraestructures Inzenyring, s.r.o.	3.067	2.398
Aqualia Intech, S.A.	(1.305)	2.420
Aqualia Latinoamérica, S.A.	(1.866)	1.818
Aqualia MACE LLC	1.545	1.458
Aqualia Mace Qatar	508	486
Aqualia México, S.A. de C.V.	1.090	860
Aqualia Portugal S.A.	(9)	(8)
Aqualia Riohacha, S.A.S. E.S.P.	798	(102)
Aqualia Villa Del Rosario S.A.	(622)	(2.173)
Aquamag S.A. E.S.P.	750	1.277
Aquamaior - Aguas de Campo Maior, S.A.	(118)	(49)
Aquos El Realito, S.A. de C.V.	2.013	781
Cartagua - Aguas do Cartaxo, S.A.	108	161
CEG, S.A.S.	1.970	1.687
Compañía de Servicios Medioamb. do Atlántico, S.A.	2	(55)
Codeur, S.A.	(184)	(139)
Compagnie Armoricaire Des Eaux	25	39
Concesionaria de Desalación de Ibiza, S.A.	1.235	44
Conservación y Sistemas, S.A.	331	(2)
Constructora de Infraestructuras de Aguas de Potosí, S.A. de C.V.	4	12
Constructora de Infraestructuras de Aguas de Querétaro, S.A. de C.V.	21	(77)
Depurplan 11, S.A.	693	1.006
Ecosistema De Morelos S.A. De C.V.	1.937	(443)
EMANAGUA - Empresa Municipal de Aguas de Níjar, S.A.	(176)	4
Empresa mixta de Aguas de Jódar, S.A.	(41)	(41)
Empresa Municipal de Aguas de Linares, S.A.	(443)	11
Empresa Municipal Aguas de Algeciras, S.A.	(301)	(330)

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	2024	2023
Empresa Gestora de Aguas Linenses, S.L.	-	370
Empresa Mixta de Aguas de Ubrique, S.A.	7	(42)
Empresa Mixta de Aguas y Servicios, S.A.	56	110
Empresa Municipal Aguas de Benalmádena, S.A.	136	138
Empresa Municipal Aguas de Toxiria, S.A.	(5)	(21)
Empresa Mixta de Aguas de Langreo, S.L.	86	94
Entemanser, S.A.	4.297	3.113
FCC Aqualia América, S.A.U.	2	-
FCC Aqualia, S.A.	30.895	44.792
FCC Aqualia USA CORP.	(7.263)	(1.696)
Genesis Lodos, S.L.	(1)	-
Gardabani Sewage Treatment Plant Llc	572	1.979
Georgia Global Utilities Jsc	(8.404)	(5.600)
Georgian Energy Trading Company Llc	60	8
Georgian Engineering And Management Company Llc	19	(95)
Georgian Water And Power Llc	18.717	14.427
Rustavi Water Llc	-	(1.791)
Saguramo Energy LLC	575	282
Girona, S.A.	45	9
H.A.A. & Co. Integrated Serv	259	(182)
Hidrotec Water Technology, S.L.U.	445	2.145
Infraestructuras y Distribución General de Agua, S.L.	399	191
Local Sports Centers Management S.L. Sole-Shareholder Company	1.238	-
Municipal District Services, LLC	5.518	-
Naunet S.A.S.	(552)	(258)
North Cluster S.P.V. Llc	890	764
Nueva Sociedad de Aguas de Ibiza, S.A.	14	10
Oman Sustainable Water Services SAOC	812	769
Orasqualia Construction SAE	(2)	-
Orasqualia Devel. Waste Treatment Plant S.A.E.	941	1.022
Orasqualia Operation and Maintenance, S.A.E.	384	407
Proveïments d'Aigua, S.A.	13	27
Qatarat Saquia Desalination Ltd.	1.377	1.199
Servicios Hídricos Agricultura Y Ciudad, S.L.U.	13	(67)
Severomoravske Vodovody a Kanalizace Ostrava a.s.	17.666	14.920
Shariket Tahlya Miyah Mostaganem	4.486	4.245
Sociedad Española de Aguas Filtradas, S.A.	1.583	1.550
Sociedad Ibérica del Agua, S.A.U.	70	74
Societe Des Eaux De Fin D'Oise, S.A.S.	3.755	4.415
Société Pays De Dreux S.A.S.	332	229
South Cluster SPV LLC	1.079	669
Suministro de aguas de Querétaro, S.A. de C.V.	94	89
Tratamiento Industrial de Aguas, S.A.	9.984	8.243
Vodotech Spol, s.r.o.	628	598
Water Sur, S.L.	28	6
TOTAL	112.702	110.720



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e) Minority interests

This heading in the accompanying consolidated balance sheet includes the proportional part of the net equity and after-tax profit for the year of the subsidiaries in which the Group's minority shareholders hold interests.

The composition of the balance at 31 December 2024 and 2023 by item of the main companies with minority interests is as follows:

	Net Equity	Conversion differences	Outstanding disbursements	Interest rate hedging transactions	Result	Total
2024						
Abrantaqua, S.A.	1.422	-	-	-	127	1.549
Aguas de la Sabana S.A. E.S.P.	3.792	(169)	(599)	-	488	3.512
Aqua Campiña, S.A.	(27)	-	-	-	7	(20)
Acque di Caltanissetta, S.P.A.	180	-	(266)	-	2	(84)
Entemanser, S.A.	(133)	-	-	-	133	-
Shariket Tahlya Miyah Mostganem	110.421	(3.511)	-	-	13.107	120.017
Aguas do Cartaxo, S.A.	1.207	-	-	-	72	1.279
Aqualia Mace LLC	965	590	-	-	1.485	3.040
Aqualia Mace Qatar	520	31	-	-	488	1.039
Aquos El Realito, S.A. de C.V.	9.287	1.662	-	(135)	1.934	12.748
H.A.A. & Co. Integrated Serv	2.682	201	-	-	248	3.131
Qatarat Saquia Desalination	14.920	1.252	-	28	1.323	17.523
South Cluster SPV LLC	1.326	78	-	-	1.319	2.723
Aqualia Georgia LLC	(51.198)	(8.481)	-	-	-	(59.679)
Georgia Global Utilities JSC	37.497	6.277	-	-	(2.101)	41.673
Gardabani Sewage Treatment Plant Llc	1.236	167	-	-	143	1.546
Georgian Water And Power Llc	9.429	1.927	-	-	4.679	16.035
Saguramo Energy Llc	208	89	-	-	144	441
Aqualia Riohacha, S.A.S. E.S.P.	1.424	58	(1.291)	-	767	958
North Cluster S.P.V. Llc	795	66	-	-	855	1.716
FCC Aqualia USA CORP.	(2.409)	(153)	-	-	-	(2.562)
Municipal District Services, LLC	2.238	153	-	-	171	2.562
Rest	76	20	-	-	86	182
TOTAL	145.858	257	(2.156)	(107)	25.477	169.329

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	Net Equity	Conversion differences	Outstanding disbursements	Interest rate hedging transactions	Result	Total
2023						
Abrantaqua, S.A.	1.260	-	-	-	163	1.423
Aguas de la Sabana S.A. E.S.P.	3.515	17	(599)	-	408	3.341
Aqua Campiña, S.A.	(11)	-	-	-	(2)	(13)
Acque di Caltanissetta, S.P.A.	179	-	(266)	-	1	(86)
Entemanser, S.A.	(97)	-	-	-	97	
Shariket Tahlya Miyah Mostganem	113.360	(9.683)	-	-	12.403	116.080
Aguas do Cartaxo, S.A.	1.099	-	-	-	108	1.207
Aqualia Mace LLC	(296)	433	-	-	1.400	1.537
Aqualia Mace Qatar	52	(21)	-	-	467	498
Aquos El Realito, S.A. de C.V.	8.536	3.419	-	521	751	13.227
H.A.A. & Co. Integrated Serv	2.856	41	-	-	(175)	2.722
Qatarat Saquia Desalination	14.492	167	-	585	1.152	16.396
South Cluster SPV LLC	508	(57)	-	-	817	1.268
North Cluster SPV LLC	60	(14)	-	-	734	780
Aqualia Georgia LLC	(2.271)	3.235	-	-		964
Georgia Global Utilities JSC	(7.154)	(4.716)	-	-	(1.400)	(13.270)
Gardabani Sewage Treatment Plant Llc	976	106	-	-	495	1.577
Georgian Water And Power Llc	5.816	1.294	-	-	3.607	10.717
Rustavi Water Llc	453	(4)	-	-	(448)	1
Saguramo Energy Llc	69	70	-	-	71	210
Aqualia Riohacha	1.614	7	(1.291)	-	(98)	232
Rest	(85)	10	-	-	102	27
	144.931	(5.696)	(2.156)	1.106	20.653	158.838

On 31 December 2023, FCC Aqualia, S.A. acquired a 97% interest in Municipal District Services LLC (Note 2.e). Both at that date and at 31 December 2024, there is a put in favour of the minority shareholder and a call in favour of FCC Aqualia, S.A. for the 3% interest held by the minority shareholder in the company's shareholding. The aforementioned put has been recorded as a financial liability at fair value (note 16) and not as an equity instrument, so that no minority interests are recognised for the stake that is the object of the put. The difference between the fair value of the put and the value that the minority interests would have on the closing date in the absence of the put is accounted for as an equity transaction and charged to reserves. At 31 December 2024, this difference represents a EUR 1,387 thousand increase in reserves (EUR 75 thousand increase in reserves at 31 December 2023).

On 2 February 2022, FCC Aqualia, S.A. acquired a 65% interest in the Georgia Global Utilities Group, which after the spin-off of the energy activity was left with an 80% interest in the water utilities business (see note 2.e). There is a put in favour of the minority shareholder and a call in favour of FCC Aqualia, S.A. for the 20% interest held by the minority shareholder in the water utilities business. The aforementioned put has been recorded as a financial liability at fair value (note 16) and not as an equity instrument, so that no minority interests are recognised for the interest that is the subject of the put. The difference between the fair value of the put and the value that the minority interests would have had at the closing date in the absence of the put is accounted for as an equity transaction and charged to reserves. At 31 December 2024, this difference represents a decrease in reserves of EUR 2,279 thousand (decrease in reserves of EUR 1,048 thousand at 31 December 2023).

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16. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

a) Non-current and current payables to credit institutions

The detail as at 31 December 2024 and 2023 is as follows (in thousands of euros):

2024	NON CURRENT	CURRENT	TOTAL
Credit Lines and Loans	1.134.551	6.026	1.140.577
Accrued interest to be settled	-	1.488	1.488
Debts limited resource project financing	28.199	6.880	35.079
	1.162.750	14.394	1.177.144

2023	NON CURRENT	CURRENT	TOTAL
Credit Lines and Loans	1.136.398	94.068	1.230.466
Accrued interest to be settled	-	2.096	2.096
Debts limited resource project financing	40.330	8.318	48.648
	1.176.728	104.482	1.281.210

This debt is recorded at amortised cost and its fair value does not vary significantly.

At 31 December 2024, the limit of credit facilities and loans granted to the FCC Aqualia Group amounts to 1,189,006 thousand euros (1,288,549 thousand euros at 31 December 2023), with a drawn down balance of 1,177,144 thousand euros at 31 December 2024 (1,281,210 thousand euros at 31 December 2023).

The average interest rate on bank borrowings in 2024 and 2023 was basically the result of the conditions of the various interbank markets, referenced to Euribor.

Bank borrowings at 31 December 2024 and 2023 are broken down by company as follows (amounts in thousands of euros):

	Limit	Currency	2024.12	2023.12	Start date	Expiry date	Interest rate
Credit lines and loans							
FCC Aqualia S.A.	1.100.000	Euro	1.097.721	1.096.112	22.06.2022	22.06.2026	EURIBOR 6M + 0.97%.
Aquajerez, S.L. (Note 15.c)	48.574	Euro	39.401	44.074	21.07.2016	15.07.2031	EURIBOR 6M + 1.75%.
Other Amounts owed to credit institutions in Spain	1.158	Euro	520	649			



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FCC Aqualia USA Corp.	-	US dollar	-	85.973	28.12.2023	28.12.2024	SOFR 3M + 0.95%.
Amounts owed to credit institutions in Georgia	1.150	Lari Georgian	843	884			
Debts owed to credit institutions in Colombia	3.045	Colombian Peso	2.092	2.773			
Interests			1.488	2.096			
Debts limited resource project financing							
Aquos El Realito, S.A. de C.V.	31.007		31.007	41.162	16.03.2011	24.03.2029	TIIE 28D 3.25% Saivor 3M 2.25% Saivor
Qatarat Saquia Desalination	4.072		4.072	7.487	04.03.2018	06.08.2026	3M 2.25% Saivor 3M 2.25% Saivor 3M
Interests			-	-			
	1.189.006		1.177.144	1.281.210			

In 2024, FCC Aqualia USA Corp repaid the loan agreement with Caixabank for USD 95 million maturing in December 2024, which was signed a year earlier for the acquisition of the company MDS in the United States. The financing obtained bore interest at SOFR plus a spread of 0.95%.

In 2022, the Parent Company signed a long-term syndicated financing agreement with a group of banks in which Caixabank acts as agent bank, coordinating entity and sustainability agent. The main features of this agreement are as follows:

- Maximum amount available: 1,100,000,000 euros.
- Interest. Calculated at Euribor + 0.97 on the amount drawn down and paid in 6-month periods.
- Maturity: 22 June 2026, after extension of the initial term.
- Purpose. Financing or refinancing of eligible projects, which are all those investment projects that the Company or its subsidiaries, in the ordinary course of their business, have launched prior to the signing of this contract or will launch in the future and that meet the eligibility criteria established in the Sustainable Financing Framework Agreement.
- Debt instruments to be refinanced:
 - The USD 250 million bond issue by Georgia Global Utilites (GGU) with an initial maturity of 30 July 2025.
 - The bilateral financing contracts signed between the Company and Caixabank between 21 November 2021 and 28 March 2022 for successive amounts of 600,000, 200,000 and 300,000 thousand euros, of which an aggregate amount of 975,000 thousand euros has been drawn down at signature.
- Funding entities. The name and participation of the entities involved in the contract are as follows:

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Funding Entity	Amount financed
Caixabank, S.A.	450.000
BBVA, S.A.	76.000
Credit Agricole Corporate Investment Bank, Suc. in Spain	76.000
ING Bank NV, Branch in Spain	100.000
Banco de Sabadell, S.A.	76.000
Komerčni Banka, A.S.	55.000
Société Generale, Sucursal en Espagne	21.000
Intesa San Paolo, S.P.A. Branch in Spain	76.000
Kutxabank, S.A.	70.000
Banco de Crédito Social Cooperativo, S.A.	50.000
Unicaja Banco, S.A.	50.000
Total	1.100.000

- ESG reporting. The Company has to provide the Sustainability Agent with a periodic funding review report regarding the allocation of funds to eligible projects verified by an independent expert.

In addition, the financing obtained entails another series of formal obligations for the financed party, such as:

- Delivery of audited annual financial information to the agent bank no later than 180 days after the closing of such information.
- Report prior to the payment of dividends to its shareholders or the raising of new indebtedness and send a certificate showing the calculations before and after payment or the raising of such indebtedness showing that the consolidated net debt ratio is equal to or less than 5.

b) Bonds and other securities

The detail of this heading is as follows (in thousands of euros)

Non-current	2024		2023	
	Bonds	Interests	Bonds	Interests
Irish-listed plain vanilla bond issue	913.243	-	648.653	-
Total non-current	913.243	-	648.653	-

The movement between 31 December 2023 and 2024 is as follows (in thousands of euros):

	Balance at 31.12.23	Broadcast	Amortisation	Allocation to profit and loss	Exchange rate adjustment and other	Balance at 31.12.24
Debt securities issued within the E.U., which have been required to have a prospectus filed	648.653	255.833	-	379	9.136	913.243
	648.653	255.833	-	379	9.136	913.243

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The movement between 31 December 2022 and 2023 is as follows (in thousands of euros):

	Balance as at 31.12.22	Broadcast	Amortisation	Allocation to profit and loss	Exchange rate adjustment and other	Balance at 31.12.23
Debt securities issued within the E.U., which have been required to have a prospectus filed	648.284	-	-	369	-	648.653
	648.284	-	-	369	-	648.653

b.1 Issuance of plain vanilla bonds listed in Ireland.

b.1.1. FCC AQUALIA

The Board of Directors of FCC Aqualia at its meeting held on 24 February 2017 resolved, inter alia, to carry out one or several issues of simple bonds of the Parent for an aggregate maximum nominal amount of 1,350,000,000 euros.

Subsequently, on 1 June 2017, the Irish Stock Exchange ("Irish Stock Exchange") approved the prospectus in relation to two issues of Parent Company senior secured plain vanilla bonds with the following features:

- One of them for an amount of 700,000,000 euros with an annual remuneration of 1.413% and a single maturity in 2022.
- 650,000,000 with an annual remuneration of 2.629% and a single maturity in 2027.

Finally, on 8 June 2017, the Parent Company notarised the terms and conditions of the two previous issues which, in addition to the above, contain the following features:

- The nominal value of the bonds is €100,000 and above that in whole multiples of €1,000 up to €199,000.
- Interest shall be paid annually on 8 June of each year.
- The scheduled redemption date for the first issue is 8 June 2022 and for the second issue 8 June 2027.
- The uncovered bonds are admitted to trading on the Irish Stock Exchange on an unregulated market.
- Both issues have the following guarantees:
 - o Pledge on 100 % of the shares of Tratamiento Industrial de Aguas, S.A., Conservación y Sistemas, S.A., Sociedad Española de Aguas Filtradas, S.A., Depurplán and Aigues de Vallirana, S.A. and on 97 % of the shares of Entemanser, S.A.
 - o Pledge on 100% of the shares of Infraestructura y Distribución General del Agua, S.L., Empresa Gestora de Aguas Linenses. S.L., Aguas de las Galeras, S.L., Hidrotec Tecnología del Agua, S.L. and 51 % of Aqualia Czech.
 - o Pledge on 98 % of the shares of Acque di Caltanissetta and on 100 % of Aqualia Mexico, S.A.C.V.
 - o Pledge on balances of certain accounts (see note 13)



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On 19 April 2022, the Parent Company redeemed early the bond issue scheduled to mature on 8 June 2022.

Under the heading "Current liabilities and bonds with third parties", the Parent Company records an amount of Euros 9,738 thousand at 31 December 2024 (Euros 9,691 thousand at 31 December 2023) for accrued interest payable.

The price of the bonds maturing in June 2027 is 99.343% at 31 December 2024 (97.965% at 31 December 2023).

In addition to the guarantees set out in the preceding paragraphs, the simple bond issues by FCC Aqualia have imposed the following limitations on the Consolidated Group:

- Limitation to new financial indebtedness that did not exist on the date of issue of the bonds if a Net Debt/EBITDA ratio of less than 5 times is not reached or if it does not relate to the purchase and sale of goods and services, possible claims by employees, contractual obligations and guarantees provided by the FCC Aqualia Group in the normal course of its business. In addition to the aforementioned transactions, the granting of credits and loans within the consolidation perimeter is permitted. This limitation on financial indebtedness does not include the two subsidiaries that have their own financing, namely Shariket Talhya Mostaganem and Aquajerez (note 16.a.), nor does it include non-recourse financing by the Group.
- Limitation on dividend distribution. No dividend distribution is allowed as long as a Net Debt to EBITDA ratio of less than 5 times is not reached.
- Limitation to changes in the capital structure of the group's parent company and its investees whose shares are pledged except for capital increases permitted under the terms and conditions of the issue.

B.1.2 GEORGIA

In July 2024, FCC Aqualia, S.A.'s subsidiary Georgia Global Utilities JSC (GGU) issued a USD 300 million bond with an annual yield of 8.875%, maturing in 2029. This bond is admitted to trading on the unregulated market (Global Exchange Market) of the Irish Stock Exchange with an investment grade rating by the rating agencies S&P and Fitch.

Both the Bonds and the issuer have been rated BB- by both agencies.

At the time of the issuance, Georgia Global Utilities JSC purchased bonds in the amount of USD 24 billion, setting the final amount of the payment obligation at USD 276 billion.

The most important features of these bonds are as follows:

- The face value of the bonds is USD 200,000 and above that in whole multiples of USD 1,000 up to USD 199,000.
- Interest will be paid semi-annually on 25 January and 25 July of each year starting on 25 January 2025.
- The scheduled redemption date is 25 July 2029, although full or partial redemption is permitted from 25 July 2026.

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- The uncovered bonds are admitted to trading on the Irish Stock Exchange on an unregulated market.
- GGU's payment obligation in relation to the bonds is guaranteed by its subsidiary Georgian Water & Power, LLC.

Under the heading "Current liabilities and bonds with third parties", the consolidated Group records an amount of 10,242 thousand euros at 31 December 2024 for accrued interest payable.

The price of the bonds maturing in July 2029 is 100.962% at 31 December 2024.

c) Other non-current financial liabilities

Other non-current financial liabilities are stated at amortised cost and are broken down as follows:

	2024	2023
Bonds and deposits received	52.922	49.851
Long-term suppliers of fixed assets with group companies	673	915
Long-term suppliers of fixed assets	64.157	64.375
Non-current financial liabilities	22.245	79.811
Other	73	49
TOTAL	140.070	195.001

"Deposits and deposits received" records the amounts received from subscribers of water services at the time of service provision. In some territories there is an obligation to deposit such deposits received with a public body. The amount deposited is recorded in "Non-current deposits" (see note 11.a.2).

"Long-term suppliers of fixed assets" includes non-current liability of Euros 63,767 thousand at 31 December 2024 (Euros 63,438 thousand at 31 December 2023) for future payment obligations incurred in accordance with IFRS 16 on "Leases" (see note 9). This liability is recognised at the present value of the future cash flows of each lease. In addition, there is a liability of Euros 672 thousand at 31 December 2024 and Euros 914 thousand at 31 December 2023 with FCC Group companies in this connection.

Details of "Non-current financial liabilities" are as follows:

	2024	2023
Minority shareholders of Georgia Global Utilities	-	54.333
Minority shareholders of Municipal District Services LLC	1.113	2.443
Third-party shareholders of Aquos El Realito	7.158	8.240
Third-party shareholders of HAACO and Qatarat	13.103	11.620
Other non-current financial liabilities to third parties	871	3.175
TOTAL	22.245	79.811

In 2024, the Group has reclassified to Other current financial liabilities (note 16.d), the debt arising with the

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minority shareholder of Georgia Global Utilities based on the fact that the Parent Company and Georgia Capital have granted each other a put option and a call option, respectively, on GCAP's remaining 20% interest in the share capital of GGU. The put option granted to GCAP may be exercised in each of the two semi-annual periods immediately following the approval by the shareholders of the audited consolidated accounts of GCAP for each of the years ended 31 December 2024 and 2025. The call option granted to the Issuer may be exercised in the period commencing on the expiry date of the put option and expiring six months thereafter.

The debt to the minority shareholder of Municipal District Services LLC is based on the fact that the Parent and MUD All Stars have granted each other a call option and a put option, respectively, on the remaining 3% interest of MUD All Stars in the share capital of MDS to be exercised by one or the other within sixty days after the end of the financial years 2026 and 2027.

The one for Qatarat Saquia Desalination bears an annual interest rate of 5 %.

d) Other current financial liabilities

Its detail is as follows:

	2024	2023
Remaining short-term financial debt with FCC Group companies	1.336	1.556
Short-term suppliers of fixed assets with FCC Group companies IFRS16	-	766
Short-term payables	3	39
Suppliers of short-term fixed assets	18.079	106.824
Bonds and deposits received	6.767	5.621
Dividend payable to group companies	-	15.529
Dividend asset payable to non-group third parties	240	15.130
Minority shareholders of Georgia Global Utilites	61.959	-
Current financial liabilities, third parties	9.350	9.181
TOTAL	97.734	154.646

In "Current financial liabilities with third parties", the increase in 2024 is due to the reclassification of the financial debt with the minority shareholder of Georgia Global Utilities discussed in note 16.c).

At 31 December 2023, the heading "Suppliers of short-term fixed assets" included the amount pending payment for the acquisition from the previous owners of the company Municipal District Services, Llc. amounting to 81,433 thousand euros, which was paid on 2 January 2024.

As at 31 December 2023, part of the dividend that was approved on 13 December 2023 was outstanding and has been paid in 2024.

The heading "Other short-term financial debts with FCC Group companies" basically includes the balances generated by the Group companies with FCC, S.A. as a result of collections and payments on behalf of this

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company with FCC Aqualia Group companies, which are not remunerated as they are settled in a very short period of time.

The item "Suppliers of short-term fixed assets" includes at 31 December 2024 for an amount of 7,096 thousand euros the liability associated with IFRS16 with current maturity (9,204 thousand euros at 31 December 2023).

e) Maturities of bank borrowings and other non-current financial liabilities.

The expected contractual maturity schedule as at 31 December 2024 and 2023 is as follows:

Year 2024

	2026	2027	2028	2029	2030 AND BEYOND	TOTAL
Bonds and other marketable debt securities (note 16.b)	-	650.000	-	265.667	-	915.667
Non-current interest on bonds, debentures, bonds and other securities.	40.666	32.122	23.578	13.754		110.120
Non-current bank borrowings (note 16.a)	1.128.886	7.652	7.767	7.512	43.054	1.194.871
Other non-current financial liabilities (note 16-c)	29.363	6.992	7.132	6.291	104.175	153.953
	1.198.915	696.766	38.477	293.224	147.229	2.374.611

Year 2023

	2025	2026	2027	2028	2029 ONWARDS	TOTAL
Bonds and other marketable debt securities (note 16.b)	-	-	648.653	-	-	648.653
Non-current bank borrowings (note 16.a)	9.736	1.101.312	5.389	5.577	54.714	1.176.728
Other non-current financial liabilities (note 16-c)	83.772	5.133	5.066	8.148	92.882	195.001
	93.508	1.106.445	659.108	13.725	147.596	2.020.382

f) Other information

In relation to the financial liabilities contracted by the Group, there are mandatory ratios, and at 31 December 2024 there were no defaults that could affect the Group's main financing contracts. It is not expected that there will be any default in 2025.

g) Changes in financial liabilities impacting financing cash flows

Below is a detail of the movements in non-current and current financial liabilities, distinguishing those that have had an impact on the financing cash flows in the Statement of Cash Flows from the rest of the changes:

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	Balance at 1 January 2024	Cash flows from financing activities	No impact on cash flows			Balance at 31 December 2024
			Exchange rate differences	Change in fair value	Other movements	
Non-current	2.020.382	261.033	18.798	(6)	(84.144)	2.216.063
Bonds and other marketable debt securities (note 15.b)	648.653	255.486	9.104	-	-	913.243
Amounts owed to credit institutions (note 15.a)	1.176.728	(1.870)	(4.342)	-	(7.766)	1.162.750
Other financial liabilities (note 15.c)	195.001	7.417	14.036	(6)	(76.378)	140.070
Currents	268.819	(214.336)	(203)	-	77.828	132.108
Bonds and other marketable debt securities (note 15.b)	9.691	10.088	201	-	-	19.980
Amounts owed to credit institutions (note 15.a)	104.482	(96.361)	(1.493)	-	7.766	14.394
Other financial liabilities (note 15.d)	154.646	(128.063)	1.089	-	70.062	97.734

	Balance at 1 January 2023	Cash flows from financing activities	No impact on cash flows			Balance at 31 December 2023
			Exchange rate differences	Change in fair value	Other movements	
Non-current	2.017.592	3.945	3.949	(444)	(4.660)	2.020.382
Bonds and other marketable debt securities (note 16.b)	648.284	369	-	-	-	648.653
Amounts owed to credit institutions (note 16.a)	1.186.845	(5.594)	4.032	-	(8.555)	1.176.728
Other financial liabilities (note 16.c)	182.463	9.170	(83)	(444)	3.895	195.001
Currents	68.376	186.419	307	-	13.717	268.819
Bonds and other marketable debt securities (note 16.b)	9.691	-	-	-	-	9.691
Amounts owed to credit institutions (note 16.a)	16.111	78.845	623	-	8.903	104.482
Other financial liabilities (note 16.d)	42.574	107.574	(316)	-	4.814	154.646

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17. NON-CURRENT AND CURRENT PROVISIONS

The composition of provisions as at 31 December 2024 and 2023 is as follows:

	2024	2023
Non-current		
Long-term employee benefit obligations	4.972	4.554
Litigation	3.210	4.636
Guarantees and contractual or legal obligations	6.472	5.329
Actions to improve or expand concession capacity	159.014	207.711
Other risks and expenses	12.434	14.494
TOTAL NON-CURRENT PROVISIONS	186.102	236.724
Currents		
Settlement and construction losses	11.652	11.885
Compensation for works personnel	1.539	1.318
Other provisions	3.910	4.456
TOTAL CURRENT PROVISIONS	17.101	17.659

The movement in the various provisions during each year in the periods analysed is as follows:

	Non-current provisions	Current provisions
Balance as at 31.12.22	184.556	14.377
Endowments	107.817	8.472
Reversals	(2.235)	(2.318)
Exits	(59.312)	(2.615)
Conversion differences	5.898	(257)
Balance at 31.12.23	236.724	17.659
Endowments	29.224	6.569
Reversals	(6.086)	(3.737)
Exits	(70.669)	(2.982)
Conversion differences	(3.092)	(408)
Balance at 31.12.24	186.102	17.101

In 2024, the provisions amounted to 35,793 thousand euros, the main provisions being the "Provision for concession capacity improvement and expansion activities" the contracts obtained in Spain.

In 2023, provisions amounted to EUR 116,289 thousand, including EUR 84,127 thousand in the "Provision for concession capacity improvement and expansion measures" for the commitments acquired by the Group to



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undertake investments. In addition, the provision included an amount of Euros 9,632 thousand corresponding to the financial restatement of provisions.

In 2024, the Group has recorded a provision of Euros 5,050 thousand (Euros 7,093 thousand at 31 December 2023) for the negative equity of two equity accounted companies domiciled in Mexico, Constructora de Infraestructura de Aguas de Querétaro and Constructora de Infraestructura de Aguas de Potosí, as the directors consider this to be a future cash outflow.

The timing of expected disbursements at 31 December 2024 and 2023 arising from obligations covered by non-current provisions is as follows:

2024	UP TO 5 YEARS	OVER 5 YEARS	BALANCE
Long-term employee benefit obligations	2.231	2.741	4.972
Litigation	3.210	-	3.210
Legal or contractual obligations and warranties	6.187	285	6.472
Actions to improve or expand concession capacity	117.447	41.567	159.014
Other provisions for liabilities and charges	10.175	2.259	12.434
TOTAL	139.250	46.852	186.102

YEAR 2023	UP TO 5 YEARS	OVER 5 YEARS	BALANCE
Long-term employee benefit obligations	1.895	2.659	4.554
Litigation	4.636	-	4.636
Legal or contractual obligations and warranties	5.320	9	5.329
Actions to improve or expand concession capacity	102.678	105.033	207.711
Other provisions for liabilities and charges	12.400	2.094	14.494
TOTAL	126.929	109.795	236.724

Long-term employee benefit obligations

Non-current provisions include those covering the Group companies' pension and similar obligations such as medical and life insurance.

Litigation

These cover the risks of the FCC Aqualia Group companies involved as defendants in certain lawsuits for the liabilities inherent to the activities they carry out, without these lawsuits giving rise, according to the directors, to liabilities additional to those already recognised at 31 December 2024.

Guarantees and contractual or legal obligations

This includes provisions to cover the cost of obligations arising from contractual and legal commitments of a non-environmental nature such as removal of installations at the end of certain contracts and costs to ensure the quality of the service.



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The Group expects that the conclusion of the investigation will not have material consequences beyond the amounts provided for in these consolidated financial statements.

Actions to improve or expand concession capacity

These are those created when the Group is obliged to carry out actions to improve the infrastructure and these actions are not offset by obtaining higher revenues from the concession. The balancing entry is "Intangible assets under concession agreement" (note 7).

Other risks and expenses

This item includes risks not included in the above headings, including contractual liabilities that may give rise to a future payment obligation.

18. OTHER CREDITORS

The composition of the balance of "Other payables" at 31 December 2024 and 2023 corresponds to the following breakdown (in thousands of euros):

	2024	2023
General government - VAT payable (Note 20)	25.919	27.374
General government - Social security organisations creditors (Note 20)	10.935	10.193
General government - Withholding tax payable (Note 20)	5.343	5.053
Taxes receivable - Payable for other items (Note 20)	71.110	58.479
Remunerations to be paid	15.401	12.105
Customer advances	46.880	41.611
Creditors and other non-trade payables	165.033	145.443
TOTAL BALANCE OF OTHER CREDITORS	340.621	300.258

The heading "Taxes receivable - Payable for other items" includes the amounts collected by the FCC Aqualia Group companies from their customers on behalf of the Public Administrations in respect of taxes and which are pending settlement (Note 20).

The heading "Creditors and other non-trade payables" includes balances payable by the Group for services rendered.

19. SUBSIDIES

The movement in this heading during the financial years 2024 and 2023 is as follows:

	2024	2023
Balance at 1 January	47.282	37.291
Additions for the year	55.879	14.383
Exits	(7.014)	(231)
Recognition of subsidies for intangible and tangible assets in profit or loss	(4.486)	(4.161)



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Conversion differences	-	-
Balance at 31 December	91.661	47.282

The FCC Aqualia Group has obtained additions in 2024 amounting to 55,879 thousand euros (14,383 thousand euros in 2023), including those obtained in Italy for the partial financing of the Caltanissetta investment plan amounting to 11,912 thousand euros (10,115 thousand euros at 31 December 2023), those obtained in FCC Aqualia amounting to 18,655 thousand euros as part of the second call of the Recovery, Transformation and Resilience Plan financed by the European Union, and those obtained in Mexico for the financing of the investment plan in Aqualia Gestión los cabos.655 thousand euros within the second call of the Recovery, Transformation and Resilience Plan financed by the European Union and those obtained in Mexico for the financing of the investment plan in Aqualia Gestión los Cabos, in the amount of 8,399 thousand euros

In addition, in financial year 2023, the Parent Company was awarded an amount of 4,008 thousand euros in the first call made by the Spanish Government for competitive grants for the development of projects to improve the efficiency of the urban water cycle (PERTE digitalisation of the water cycle) within the framework of the Recovery, Transformation and Resilience Plan financed by the European Union with Next Generation funds. FCC Aqualia's project involves the digitalisation of the water cycle in the municipalities belonging to the Campo de Gibraltar region (Cádiz - Spain).

At 31 December 2024, the Group has recognised an amount of Euros 46,108 thousand (Euros 30,381 thousand in 2023) in the consolidated income statement as operating subsidies (Note 22) for the subsidies granted by the town councils of the municipalities in which the Group provides the integral water cycle service and in recognition of the concession holder's operating deficit on these concessions, as stipulated in the respective specifications and contract.

The amounts receivable at 31 December 2024 and 2023 in this connection are shown in Notes 13 and 20.

20. TAX SITUATION

This note describes the items in the accompanying consolidated balance sheet and consolidated income statement relating to the tax obligations of each of the Group companies, such as deferred tax assets and liabilities, tax receivables and payables and income tax expense.

Since 13 February 2019, FCC Aqualia, S.A. has been the head of the 233/19 Tax Group, which includes all the companies with tax domicile in Spain that meet the requirements established by current tax legislation.

At 31 December 2024, FCC Aqualia S.A. has open for inspection for the taxes applicable to it, all the years for which the statute-of-limitations period has not expired.

a) Public administrations

The composition at 31 December 2024 and 2023 of current assets and liabilities to public authorities is as follows (in thousands of euros):

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Current assets

	2024	2023
H.P. Receivable for grants awarded (note 13)	82.544	45.700
VAT receivable (note 13)	39.301	38.048
Social security debtors (note 13)	1.662	1.384
Inland revenue, indirect taxes borne (note 13)	7.155	6.919
	130.662	92.051

Current liabilities

	2024	2023
Withholdings on account of personal income tax and corporate income tax (income from employment and income from movable capital) (note 18)	5.343	5.053
Value added tax (note 18)	25.919	27.374
Social security organisations, creditors (note 18)	10.935	10.193
Rest of general government (Note 18)	71.110	58.479
	113.307	101.099

Rest of Public Administrations" includes the amounts payable for taxes and duties for which the Group manages their collection on behalf of the Public Administration in relation to services rendered to customers.

b) Deferred tax assets and liabilities

Deferred tax assets mainly relate to provisions not deductible for tax purposes in the year, the time limit on the deduction of depreciation of fixed assets recorded in previous years and the tax loss carryforwards of joint ventures which are to be taken to income in the following year, while deferred tax liabilities basically relate to those arising from the allocation of the acquisition difference arising on the purchase of companies, taxable income of joint ventures which are to be taken to income in the following year, and from the depreciation allowance.

In accordance with accounting regulations, the Group has offset the deferred tax assets and liabilities corresponding to the tax group of which the parent company FCC Aqualia S.A. is the head, since it is legally entitled to offset them and, in accordance with Spanish tax legislation, they will be settled at their net amount based on their reversal schedule. At 31 December 2024 deferred tax assets and liabilities amounting to Euros 10,952 thousand (Euros 11,064 thousand at 31 December 2023) have been offset.

A breakdown of the main deferred tax assets and liabilities is shown in the table below.

DEFERRED TAX ASSETS	2024	2023
Provisions	20.096	18.266
Pension plans	565	390
Depreciation	4.596	4.978
For the result of joint ventures carried forward and adjustments thereto	2.615	2.747

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For intra-group transactions in the sale and purchase of fixed assets	7.121	6.472
Capitalised taxable income	8.436	6.772
For reversal of the financial capitalisation of the concession arrangement in IFRS	8.304	8.324
Other differences	8.160	6.876
Offsetting of deferred tax liabilities of the Tax group	(10.952)	(11.064)
TOTAL	48.941	43.761

The offsetting of deferred tax liabilities of the tax group is mainly due to the results of the joint ventures in the amount of EUR 4,306 thousand as at 31 December 2024 (31 December 2023: EUR 5,038 thousand) and the allocation of goodwill in the amount of EUR 2,645 thousand as at 31 December 2024 (31 December 2023: EUR 2,923 thousand).

DEFERRED TAX LIABILITIES	2024	2023
Difference between book and tax depreciation-SMVAK	28.492	28.254
Deferred profit and loss and other adjustments UTES	4.306	5.038
For the allocation of goodwill	26.726	24.289
Difference between accounting and tax depreciation - concessions in Mexico	214	18.738
Difference between book and tax depreciation - concessions in Algeria	932	714
Other adjustments	10.981	6.473
Offsetting of deferred tax liabilities of the Tax group	(10.952)	(11.064)
TOTAL	60.699	72.442

The expected maturities of the deferred taxes before the aforementioned offset in the Spanish tax group headed by FCC Aqualia, S.A. are presented below:

	2025	2026	2027	2028	2029	2030 AND BEYOND	TOTAL
Deferred tax assets	9.697	2.302	11.289	2.166	5.171	29.268	59.893
Deferred tax liabilities	8.315	2.623	2.352	2.873	11.035	44.453	71.651

c) Reconciliation between the accounting result and the tax base

Below is the theoretical reconciliation between the accounting profit and the taxable profit (amounts in thousands of euros) by applying consolidation criteria to the reconciliations between the accounting profit and the taxable profit of all the companies in the accounting perimeter. This reconciliation has no practical effect because the accounting perimeter is wider than the perimeter of the FCC Aqualia Tax Group.

	2024			2023		
Consolidated accounting profit for the year before taxation			170.983			172.239
	Increases	Decreases		Increases	Decreases	
Consolidation adjustments and eliminations	1.300	(4.501)	(3.201)	1.501	(3.085)	(1.584)
Permanent differences	16.316	(1.376)	14.940	18.778	(31)	18.747
Offsetting B.I. from previous years						
Adjusted consolidated accounting result			182.722			189.402

Time differences:

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- For other adjustments (mainly provisions and allowances)	39.752	(48.336)	(8.584)	40.238	(6.235)	34.003
- For depreciation	61.579	(12.151)	49.428	10.310	(12.615)	(2.305)
- For carryovers of the result of the UTEs to the following financial year	25.276	(22.329)	2.947	20.858	(29.973)	(9.115)
- Tax effect IFRS16	217	(7)	210	395	(24)	371
- Non-deductible financial expenses	363	(291)	72	-	-	-
- Adjustment of deferred tax assets for intra-group results	2.327	(1.431)	896	-	-	-
- Change in fair value Investment property		(640)	(640)	2.514	(1.371)	1.143
Activation and offsetting of tax credit			(6.003)			(2.748)
Consolidated tax base (tax result)			221.048			210.751

At 31 December 2024 and 2023, "Consolidation adjustments and eliminations" mainly relate to the result of companies accounted for using the equity method.

The income tax expense accrued in the year amounts to 32,804 thousand euro, as reflected in the accompanying consolidated income statement (40,866 thousand euro in 2023).

d) Tax recognised in equity.

There are no significant taxes recognised in equity in 2024 and 2023.

e) Reconciliation between accounting profit and corporate income tax expense.

	2024	2023
Adjusted consolidated accounting result	177.814	189.402
Corporate income tax liability	50.355	50.066
Deductions and allowances	(1.575)	(367)
Other adjustments	(10.266)	(8.833)
Prior year adjustments	(5.710)	-
Corporate income tax accrued	32.804	40.866

At 31 December 2024, the parent company of the FCC Aqualia Group has a balance of 9,866 thousand euros payable to the tax authorities in respect of companies with tax domicile in Spain and belonging to the FCC Aqualia tax group (group number 233/19) (5,703 thousand euros at 31 December 2023).

Moreover, the OECD has promoted a project to establish a supplementary tax to ensure an overall minimum level of taxation for multinational groups (the so-called "Pillar 2" project). Pillar 2 legislation has been enacted, or substantially enacted, in certain jurisdictions in which the Group operates. The legislation will be effective for the Group's annual periods beginning on or after 1 January 2024. The Group is in the process of assessing the potential exposure arising from Pillar 2 legislation.



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The assessment of the potential Pillar 2 tax exposure is based on the most recent tax returns, country-by-country reports and financial statements of the entities forming the Group.

Based on the assessment performed so far, the Group has identified a potential Pillar 2 tax exposure on profits earned in Georgia, where the expected effective Pillar 2 tax rate is likely to be lower than 15%. The potential exposure would arise from entities, mainly operating subsidiaries, in these jurisdictions where the effective Pillar 2 tax rate is lower than 15%. However, exposure may also exist in other jurisdictions where assessment is ongoing.

However, the total profit attributable to jurisdictions for which there could be a liability to pay a supplementary tax currently represents no more than 9% of the Group's total profit. Accordingly, we believe that the implementation of the Pillar II regulations should not have a material effect on the Group's future taxation.

f) Tax losses and deductions pending application

The FCC Aqualia Group has capitalised tax losses amounting to Euros 8,436 thousand at 31 December 2024 (Euros 6,772 thousand at 31 December 2023) relating mainly to the losses obtained by the branch in Algeria, which are expected to be recovered in less than 5 years when this permanent establishment is liquidated, and to the losses obtained by the holding company of the holding in Severomoravske Vodovody a Kanalizace Ostrava.

The Group does not have any tax credits relating to tax loss carryforwards that have not been capitalised in the financial statements.

(g) Years open for inspection and inspection actions

In November 2024, the Spanish Tax Agency has started the verification of Value Added Tax returns for the period from 1 November 2020 to 31 December 2021, although it is still at a preliminary stage.

In relation to the other taxes to which the Company is subject, the last four years remain open for review for all taxes, and the directors do not consider that any significant liabilities could arise.

21. GUARANTEES GIVEN TO THIRD PARTIES AND OTHER CONTINGENT LIABILITIES

At 31 December 2024, the Group has provided guarantees to third parties, mostly to public bodies and private customers to secure the execution of works and contracts, amounting to Euros 267,576 thousand (Euros 285,527 thousand at 31 December 2023).

FCC Aqualia, S.A. and the Group's subsidiaries are involved as defendants in certain lawsuits arising from the liabilities inherent to the Group's various activities in the performance of contracts awarded and for which provisions have been recognised (see note 17), and it is estimated that the liabilities that might arise therefrom, considering the existing provisions, would not significantly affect the Group's equity.

As indicated in note 10, the participation of Group companies in joint ventures managed through joint ventures, joint ventures, joint ventures, economic interest groupings and other entities with similar legal characteristics means that the participating partners share joint and several liability for the activity carried out.



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The Parent's directors consider that no significant liabilities will arise from these joint and several guarantees.

22. INCOME AND EXPENDITURE

Operating income

Group companies record operating income under "Revenue", except for operating subsidies which are recognised as "Other operating income" in the consolidated income statement.

Turnover consists mainly of two items:

- Water supply. This includes the amount corresponding to the cubic metres supplied to subscribers valued at the sale price. The sale price is established for each contract on the basis of the tariffs approved by each corresponding public body.
- Sale of works and services. This includes the amount corresponding to construction work and activities carried out by the Group, for the most part, in relation to the provision of the integral water cycle in those municipalities in which it has been awarded the same or in relation to water infrastructures in which it has been awarded the concession contract.

The amount of the sale of construction work is calculated by applying the percentage of completion method, which consists of valuing the units of work completed during the period at the selling price established in the contract and recognising the expenses incurred thereon.

The difference between the amount of production of each of the contracts and the amount invoiced for each of them up to the consolidated balance sheet date, for both water and works, is recorded as "Production executed and pending certification" under "Trade receivables for sales and services rendered" (Note 13).

The distribution of net turnover by type of activity is as follows:

	2024	2023
Supply	896.182	757.816
Sanitation	253.509	227.885
Debugging	168.859	156.033
Hydraulic works	207.538	210.396
Desalination	100.493	90.308
Other income	48.076	44.964
	1.674.657	1.487.402

The Group does not present analytical profit and loss or balance sheet information by business segment as its main activity is the integral water cycle, and it is treated as a whole, as a single segment in all the items of both financial

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statements. Except for turnover, this segment is shown by activity in accordance with the information included in the table above.

The distribution of net revenues by geographical location of the Group is as follows:

	2024	2023
Spain		
Andalusia	241.292	249.830
Aragon	15.845	13.853
Asturias	36.638	37.111
Balearic Islands	41.396	41.059
Canary Islands	86.953	76.945
Cantabria	26.651	25.656
Castilla La Mancha	102.912	85.220
Castilla y León	52.662	50.863
Catalonia	68.280	65.672
Valencian Community	43.718	46.516
Extremadura	43.531	46.673
Galicia	75.128	76.181
Madrid	52.662	47.196
Murcia	37.560	35.807
Navarre	4.786	3.058
Basque Country	7.552	4.252
La Rioja	6.706	7.441
Melilla	-	5.837
Total Spain	944.272	919.170
International		
Saudi Arabia	73.741	55.149
Algeria	55.404	48.413
Chile	722	758
Colombia	74.625	64.953
Egypt	5.602	6.262
United Arab Emirates	21.834	16.752
France	40.025	34.199
Georgia	99.367	79.240
Italy	55.060	59.661
Mexico	34.022	25.565
Montenegro	(57)	-
Oman	511	514
Portugal	17.099	15.639
Qatar	10.439	7.577
Czech Republic	155.088	148.048
Romania	354	5.502
United States	86.549	-
Total International	730.385	568.232
	1.674.657	1.487.402

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The composition of "Other operating income" is as follows:

	2024	2023
Income from operating subsidies (Note 18)	46.108	30.381
Income from miscellaneous services	15.606	16.074
Excess provisions for liabilities and charges and others	5.178	3.041
	66.892	49.496

Procurement

The composition of the balance of Procurements is as follows:

	2024	2023
Work carried out by subcontractors and other companies	268.358	202.490
Purchasing and procurement	384.543	380.621
	652.901	583.111

Staff costs

The following is a breakdown of staff costs:

	2024	2023
Wages and salaries	333.012	289.012
Social Security	95.322	87.093
Other staff costs	14.853	12.737
	443.187	388.842

The average number of employees of the Group, distributed by professional category, is as follows:

CATEGORIES	No. of employees		Men		Women	
	2024	2023	2024	2023	2024	2023
Executives and managers	132	134	121	124	11	10
Controls	1.789	1.681	1.353	1.281	436	400
Technicians	2.333	2.211	1.454	1.392	879	819
Administrative	1.269	1.256	334	352	935	904
Various trades	8.239	7.946	7.756	7.480	483	466

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	13.762	13.228	11.018	10.629	2.744	2.599
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The Group employs 14,040 employees at year-end 2024 (14,069 employees at year-end 2023), broken down by category and gender, as follows:

CATEGORIES	No. of employees		Men		Women	
	2024	2023	2024	2023	2024	2023
Executives and managers	113	143	104	130	9	13
Controls	1.900	1.790	1.442	1.354	458	436
Technicians	2.452	2.351	1.515	1.479	937	872
Administrative	1.271	1.336	332	362	939	974
Various trades	8.304	8.449	7.823	7.919	481	530
	14.040	14.069	11.216	11.244	2.824	2.825

As at 31 December 2024, the Group has 147 employees with a disability of 33% or more (132 employees as at 31 December 2023).

Other operating expenses

Details of other operating expenses are shown below:

	2024	2023
External services	210.366	182.105
Tributes	15.524	12.416
Losses, impairment and change in provisions for trading operations	22.238	15.162
Other current administrative expenditure	5.109	6.236
	253.237	215.919

Financial income and expenses

The composition of financial income is as follows:

	2024	2023
Income from holdings in equity instruments of third parties	1.348	36
Interest on loans to FCC group companies	31.044	31.054
Interest on receivables from third parties	12.062	8.426
	44.454	39.516



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Financial expenses

The composition of financial expenses is as follows:

	2024	2023
Interest on bonds, debentures and other marketable securities	27.588	17.458
Interest on debts owed to third parties	70.511	62.457
Interest on debts owed to group companies IFRS 16	22	21
Interest on debts owed to third parties IFRS 16	1.951	1.825
Financial update of provisions	8.285	9.632
TOTAL	108.357	91.393

23. POLICIES IN FINANCIAL RISK MANAGEMENT

The concept of financial risk refers to the variation in the financial instruments contracted by the Group due to political, market and other factors and their impact on the consolidated annual accounts.

The FCC Aqualia Group's risk management philosophy, in line with that of the FCC Group, is consistent with the business strategy, seeking maximum efficiency and solvency at all times, for which strict financial risk control and management criteria have been established, consisting of identifying, measuring, analysing and controlling the risks incurred by the Group's operations, with the risk policy being correctly integrated into the Group's organisation.

Capital risk management

The FCC Aqualia Group, following the guidelines given by its majority shareholder, manages its capital to ensure that the Group's companies will be able to continue as profitable businesses while maximising shareholder return through the optimal balance of debt and equity.

The Group's strategy as a whole continues to focus on geographic diversification with the opening of markets mainly in Europe, LATAM and MENA.

The Group's capital structure comprises debt (consisting of the loans and credit facilities detailed in Note 16), cash and cash equivalents (Note 14) and shareholders' equity, which includes capital, reserves and retained earnings, as discussed in Note 15.

Group's Finance Area, which is responsible for financial risk management, periodically reviews the capital structure and solvency and liquidity ratios.



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The cost of capital and the risks associated with it in each investment project are analysed by the Operating Areas and the Economic and Financial Department and subsequently approved or rejected by the corresponding Committee or the Board of Directors of the Parent Company, with the necessary reports from other functional areas of the Group.

One of the objectives in the investment analysis is to maintain the Net Debt/EBITDA ratio at reasonable levels and within existing commitments.

Exchange rate risk

The current positioning of the FCC Aqualia Group in international markets means that the concept of exchange rate risk, in the global context of the Group, has a moderate incidence.

However, regardless of its significance, the Aqualia Group's policy is to reduce, as far as possible, the negative effect that this risk could have on its consolidated annual accounts, both due to transactional and purely equity movements.

The Group actively manages exchange rate risk by arranging financial transactions in the same currency in which the asset is denominated, i.e. the financing required for the local activity of the company in the country of origin of the investment is always carried out in local currency in order to achieve a natural hedge or "matching" between the cash flows generated with the financing.

Interest rate risk

In view of the nature of the business, in which concession projects require intensive use of capital with payback periods of more than one year, the financing structure also tends to guarantee long-term financial resources, trying to accommodate, within the possibilities offered by the market, the contractual conditions that regulate the resources obtained so as to sufficiently cover the evolution of inflation and the evolution of interest rates. Similarly, working capital management plays an essential role, with the Group's general practice being to try to match the average payment period of its current obligations to the average collection cycle of its current receivables.

Solvency risk

At 31 December 2024, the net financial debt of the FCC Aqualia Group amounts to 974,555 thousand euros (862,959 thousand euros at 31 December 2023), as shown in the following table, which represents 88% (84% in 2023) of equity at that date:

	2024	2023
Amounts owed to credit institutions (note 16)	1.177.144	1.281.210
Bonds and other marketable securities (note 16)	933.223	658.345
Other interest-bearing financial debts	94.995	90.482
Other current financial assets (note 11)	(81.026)	(68.024)
Other non-current financial assets (note 11)	(806.479)	(806.479)
Cash and cash equivalents (note 14)	(343.302)	(292.575)
Net financial indebtedness	974.555	862.959



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Liquidity risk

In 2022, the Company signed a syndicated loan in the amount of 1,100,000 thousand euros with a 3-year maturity, extendable to one more year, which has enabled it to meet the following maturities:

- Redemption of the FCC Aqualia bond for a nominal amount of 700,000 thousand euros in April 2022, despite the fact that the final maturity was 8 June 2022.
- Redemption of Severomoravske Vodovody's bond to Kanalizace Ostrava in the nominal amount of CZK 5.4 billion in June 2022 and maturing on 15 July 2022.
- Redemption of the USD 250 million Georgia Global Utilities JSC bond in August 2022 despite maturing in July 2025.

In terms of operational management, the impact of the Covid-19 crisis on the Company has been increasingly limited, with no interruption in service provision or even in sports facilities activities.

Hedging financial derivatives

The main financial risk hedged by the FCC Aqualia Group through derivative instruments relates to the variation in floating interest rates to which the financing of the Group companies is referenced.

At 31 2024 and 2023, the FCC Aqualia Group has contracted the following interest rate hedges that meet the conditions for cash flow hedges:

	Fair value 2024	Notional 2024	Fair value 2023	Notional 2023	Expiration
Fully consolidated companies					
Aquajerez	1.717	27.932	2.472	39.334	2031
Aquos el Realito, S.A. de C.V.	(33)	25.783	1.036	42.490	2025
Qatarat Saquia Desalination	33	3.718	107	17.218	2024-2026

To a lesser extent, as indicated in previous sections, the Group actively manages exchange rate risk by arranging financial transactions in the same currency in which the asset is denominated, i.e. the financing required for the local activity of the company in the country of origin of the investment is always carried out in local currency, with a view to achieving a natural hedge or "matching" between the cash flows generated with the financing.

In the year 2022, the Parent Company granted a loan to its Czech subsidiary in Czech koruna whose exchange rate effect is adjusted to Translation Differences as included in IAS 21.



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Changes in the fair value of cash flow hedges are recognised, net of the tax effect, under "Valuation adjustments" in equity and are recognised in profit or loss for the year to the extent that the hedged item affects the consolidated income statement.

The valuation of financial derivatives has been carried out by experts in the field, independent of the Group and its financing entities, using generally accepted methods and techniques.

24. TRANSACTIONS WITH DIRECTORS, MANAGEMENT TEAM OF THE COMPANY AND RELATED PARTIES

Board of Directors.

As at 31 December 2024 and 2023, the members of the Board of Directors have not received any remuneration from the Company.

In addition, there are no advances, loans or any other type of guarantee granted to these members of the Board of Directors, nor are there any pension or life insurance obligations in respect of these members.

Members of the Board who hold positions in companies in which FCC Aqualia, S.A. has interests do not directly or indirectly participate in other companies of the FCC Aqualia Group, but may hold positions, perform functions and/or have interests of less than 0.01% in other companies of the FCC Group and the IFM Group.

In 2024, there were no significant transactions involving a transfer of resources or obligations between Group companies and their managers or directors.

Management Team.

The amount accrued for remuneration to the members of the Management Team, as salaries, in the financial year 2024 amounts to 4,029 thousand euros (4,531 thousand euros in 2023). The management team consists of 17 people in 2024, one more than in 2023.

Balances and transactions with FCC group companies and joint ventures and associates are as follows (in thousands of euros):

a) Customers and debtors FCC Group companies and joint ventures and associates

	2024	2023
AGUAS DE ARCHIDONA, S.L.	369	377
AGUAS DE GUADIX, S.A.	186	41
AGUAS DE LANGREO, S.L.	988	815
AGUAS DE NARIXA, S.A.	136	69
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	1.133	1.673

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AIE COSTA TROPICAL DE GRANADA	591	524
AIGÜES DEL SEGARRA GARRIGUES, S.A.	81	23
AIGUES DEL VENDRELL	68	78
CIA. DE SERV. MEDIOAMBIEN. DO ATLANTICO	61	65
CODEUR, S.A.	77	92
CONCESIO. DESALACION DE IBIZA, S.A.	10	102
CONST.DE INFRAEST.DE AGUAS POTOSI, SACV	1.911	2.200
CONSTRUCTORA INFRAEST. DE AGUA QUERETARO	50	58
EMP. MIXTA MUNICIPAL DE AGUAS DE NIJAR	4.677	4.975
EMP.MIXTA DE AGUAS DE JODAR, S.A.	771	1.017
EMP.MUNICIPAL AGUAS DE LINARES	3.080	3.950
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	13.093	14.531
EMPRESA MIXTA DE AGUAS DE UBRIQUE, S.A.	451	456
EMPRESA MIXTA DE AGUAS Y SERVICIOS, S.A.	128	86
EMPRESA MPAL. AGUAS DE BENALMADENA, S.A.	1.462	1.076
MUNICIPAL COMPANY AGUAS DE TOXIRIA, S.A.	1.123	899
FAST CONSORTIUM LIMITED LLC	2.708	2.849
FCC CONSTRUCTION	2.598	3.228
FCC INDUSTRIAL AND ENERGY INFRASTRUCTURES + UTES	14	15
FCC, S.A.	91	134
FCC ENVIRONMENT	48	21
GESTION Y VALOR INT.CENTRO, S.L.	-	1
GIRONA, S.A.	4	4
HA PROYECTOS ESPECIALES HIDRAULICOS S.R.L. DE CV.	881	1.014
MATINSA	10	2
NUEVA SOCIEDAD DE AGUAS DE IBIZA, S.A.	1	1
OMAN SUSTAINABLE WATER SERVICES SAOC	55	290
ORASQUALIA DEVEL.WASTE T.P. S.A.E.	8	16
ORASQUALIA O&M	-	7
	36.864	40.689

b) Suppliers and creditors FCC group companies and joint ventures and associates

	2024	2023
AGUAS DE ARCHIDONA, S.L.	1	1
AGUAS DE DENIA, S.A.	0	26
AGUAS DE GUADIX, S.A.	(5)	-
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	-	(5)
ARIDOS DE MELO, S.L.	14	16
ASESORIA FINANCIERA Y DE GESTION, S.A.	143	123
CONST.DE INFRAEST.DE AGUAS POTOSI, SACV	626	466
CONSTRUCTORA INFRAEST. DE AGUA QUERETARO	8	10
ECOACTIVA DE MEDIO AMBIENTE, S.A.	5	-

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	2024	2023
EMP. MIXTA MUNICIPAL DE AGUAS DE NIJAR	133	131
EMP.MUNICIPAL AGUAS DE LINARES	31	25
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	3.779	4.010
EMPRESA MIXTA DE AGUAS DE UBRIQUE, S.A.	4	5
EMPRESA MIXTA DE AGUAS Y SERVICIOS, S.A.	9	18
FAST CONSORTIUM LIMITED LLC	(7)	(7)
FCC SCOPE	7	4
FCC CONSTRUCTION INC	14	6
FCC CONSTRUCCION, S.A.	4.721	5.646
FCC INDUSTRIAL AND ENERGY INFRASTRUCTURE	100	271
FCC, S.A.	6.706	3.894
FCCMA	83	188
FEDEMES, S.L.	537	829
GAMASUR CAMPO DE GIBRALTAR, S.L.	1	8
HA PROYECTOS ESPECIALES HIDRAULICOS S.R.L. DE CV.	2.581	2.970
HORMIGONES DELFIN, S.A.	1	-
HORMIGONES Y MORTEROS PREP., S.A. UNIPERSONAL	1	1
OPERATIONS AND SER. IND. CONSTRUCTION	106	122
ORASQUALIA O&M	246	519
DELTA PREFABRICATED PRODUCTS	-	5
PROVEIMENTS D'AIGUA, S.A.	1	1
SERVICIOS DOS REIS, S.A. DE C.V.	48	55
SERVICIOS ESPECIALES DE LIMPIEZA, S.A.	3	3
TREATMENTS AND RECOVER. INDUSTRIAL	42	-
	19.939	19.341

c) Non-current loans to FCC Group companies

	2024	2023
FCC, S.A.	806.479	806.479
	806.479	806.479

d) Current receivables from FCC Group companies and joint ventures and associates.

Short-term receivables from companies accounted for using the equity method	2024	2023
AGUAS DE ARCHIDONA, S.L.	30	29
AGUAS DE LANGREO, S.L.	366	732
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	327	1.920
AIGÜES DEL VENDRELL	307	307
CONST.DE INFRAEST.DE AGUAS POTOSI, SACV	320	369
EMP. MIXTA MUNICIPAL DE AGUAS DE NIJAR	527	589
EMP.MIXTA DE AGUAS DE JODAR, S.A.	24	116

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Short-term receivables from companies accounted for using the equity method	2024	2023
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	539	670
EMPRESA MIXTA DE AGUAS DE UBRIQUE, S.A.	1	-
EMPRESA MPAL. AGUAS DE BENALMADENA, S.A.	840	823
MUNICIPAL COMPANY AGUAS DE TOXIRIA, S.A.	13	365
	3.294	5.920

Short-term loans to FCC Group companies	2024	2023
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	12	10
AIE COSTA TROPICAL DE GRANADA	30	27
CONSTRUCTORA INFRAEST. DE AGUA QUERETARO	176	-
EMP. MIXTA MUNICIPAL DE AGUAS DE NIJAR	21	21
EMPRESA MIXTA DE AGUAS Y SERVICIOS, S.A.	4	3
FCC CONSTRUCCION SA	5.314	5.311
FOMENTO DE CONSTRUCCIONES Y CONTRATAS S.A.	2.466	2.466
FCC MEDIO AMBIENTE S.A.	1	1
MANTINSA S.A.	5	5
OMAN SUSTAINABLE WATER SERVICES SAOC	0	8
	8.029	7.852

Dividends receivable from equity-accounted companies	2024	2023
AGUAS DE GUADIX, S.A.	103	164
CODEUR, S.A.	-	93
ORASQUALIA CONSTRUCTION SAE	71	110
ORASQUALIA DEVEL.WASTE T.P. S.A.E.	-	175
	174	542

e) Current financial liabilities with FCC Group companies and joint ventures and associates

	2024	2023
AGUAS DE ARCHIDONA, S.L.	5	2
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	1	-
AIGÜES DEL VENDRELL S.A.	3	6
AUGAS MUNICIPAIS DE ARTEIXO, S.A.	1	1
CONSTRUCTORA INFRAEST. DE AGUA QUERETARO S.A. DE C.V.	12	12
EMP.MIXTA DE AGUAS DE JODAR, S.A.	124	467
EMP.MUNICIPAL AGUAS DE LINARES S.A.	63	54

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	2024	2023
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	182	119
EMPRESA MIXTA DE AGUAS DE UBRIQUE, S.A.	451	366
MUNICIPAL COMPANY AGUAS DE TOXIRIA, S.A.	1	-
FCC CONSTRUCCION, S.A.	62	62
FCC INDUSTRIAL AND ENERGY INFRASTRUCTURES	69	69
FOMENTO DE CONSTRUCCIONES Y CONTRATAS S.A.	2	773
FCC MEDIO AMBIENTE S.A.	296	324
PROACTIVE GROUP	13	13
OMAN SUSTAINABLE WATER SERVICES SAOC	-	6
SISTEMAS Y VEHICULOS DE ALTA TECNOLOGIA, S.A.	47	47
	1.332	2.321

f) Dividend payable

	2024	2023
FOMENTO DE CONSTRUCCIONES Y CONTRATAS S.A.	-	12.485
FCC MIDCO, S.A.	-	3.045
FCC Group	-	15.530
GLOBAL INFRACO SPAIN S.L.U.	-	14.920
REST	240	210
Non FCC Group	240	15.130
	240	30.660

g) Turnover

	2024	2023
AGUAS DE ARCHIDONA, S.L.	565	574
AGUAS DE GUADIX, S.A.	223	114
AGUAS DE LANGREO, S.L.	221	300
AGUAS DE NARIXA, S.A.	433	441
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	6.309	5.682
AIE COSTA TROPICAL DE GRANADA	516	499
AIGÜES DEL SEGARRA GARRIGUES, S.A.	212	92
AIGUES DEL VENDRELL	558	494
CIA. DE SERVICIOS MEDIOAMBIENTALES DO ATLANTICO, S.A.	191	195
CODEUR, S.A.	168	137
CONCESSIONARIA DESALACION DE IBIZA, S.A.	518	476
EMP. MIXTA MUNICIPAL DE AGUAS DE NIJAR, S.A.	4.873	4.514
EMPRESA MIXTA DE AGUAS DE JODAR, S.A.	698	639
EMP.MUNICIPAL AGUAS DE LINARES, S.A.	5.477	4.477
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	10.525	11.813
EMPRESA MIXTA DE AGUAS DE UBRIQUE, S.A.	1.201	1.234
EMPRESA MIXTA DE AGUAS Y SERVICIOS, S.A.	105	55

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	2024	2023
EMPRESA MPAL. AGUAS DE BENALMADENA, S.A.	2.785	2.589
MUNICIPAL COMPANY AGUAS DE TOXIRIA, S.A.	1.245	1.042
FAST CONSTRUCTION, LLC	-	4.691
FCC CONSTRUCCION, S.A.	25	3
FCC INDUSTRIAL AND ENERGY INFRASTRUCTURE	6	-
FOMENTO DE CONSTRUCCIONES Y CONTRATAS S.A.	7	6
FCC MEDIO AMBIENTE, S.A.	94	83
GIRONA, S.A.	27	27
MATINSA, S.A.	2	5
NUEVA SOCIEDAD DE AGUAS DE IBIZA, S.A.	2	2
OMAN SUSTAINABLE WATER SERVICES SAOC	521	514
ORASQUALIA DEVEL.WASTE T.P. S.A.E.	96	96
ORASQUALIA O&M	69	69
SHARIKET MIYEH RAS DJINET, S.P.A.	7.670	6.344
	45.342	47.207

The 2023 turnover with Fast Construction LLC originates from the works and works carried out for the Riyadh Metro (Saudi Arabia).

h) Purchases and other supplies

	2024	2023
AGUAS DE NARIXA, S.A.	-	1
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	39	24
ARIDOS DE MELO S.L.	211	153
CONST.DE INFRAEST.DE AGUAS POTOSI, SACV	864	1.956
ECOACTIVA DE MEDIO AMBIENTE, S.A.	1	1
MIXED MUNICIPAL WATER COMPANY OF NIJAR	993	988
EMP.MIXTA DE AGUAS DE JODAR, S.A.	1	27
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	2.038	2.030
EMPRESA MUNICIPAL DE AGUAS DE TOXIRIA, S.A.	(44)	61
FCC AMBITO, S.A.	4	4
FCC CONSTRUCCION S.A.	3	4
FCC INDUSTRIAL E INF. ENERGETICAS, S.A.	52	6
FCC, S.A.	19	31
FCC MEDIO AMBIENTE, S.A.	(4)	
GESTION Y VALOR INT.CENTRO, S.L.	-	1
HORMIGONES DELFIN, S.A.	1	2
HORMIGONES REINARES, S.A.	1	3
NUEVA SOCIEDAD DE AGUAS DE IBIZA, S.A.	128	66
DELTA PREFABRICATED PRODUCTS	6	20
PROVEIMENTS D'AIGUA, S.A.	9	7
SISTEMAS Y VEHICULOS DE ALTA TECNOLOGIA, S.A.	-	1
	4.322	5.386

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i) Work carried out by other companies

	2024	2023
AGUAS DE GUADIX, S.A.	15	-
ARIDOS DE MELO, S.L.	93	97
ECOACTIVA DE MEDIO AMBIENTE, S.A.	20	14
EMPRESA MIXTA DE AGUAS Y SERVICIOS, S.A.	114	100
MUNICIPAL COMPANY AGUAS DE TOXIRIA, S.A.	1	-
FCC AMBITO, S.A.	114	100
FCC CONSTRUCCION, S.A.	98	242
FCC SERVICIOS INDUSTRIALES Y ENERGÉTICOS, S.A.	824	766
FCC, S.A.	3	4
FCC MEDIO AMBIENTE, S.A.	66	18
GAMASUR GIBRALTAR, S.L.	82	73
ORASQUALIA O&M	682	452
PROVEIMENTS D'AIGUA, S.A.	3	4
TREATMENTS AND RECOVER. INDUSTRIAL	524	468
	2.639	2.338

j) Other operating expenses

	2024	2023
AGUAS DE ARCHIDONA, S.L.	-	1
AGUAS DE DENIA, S.A.	256	256
AGUAS DE GUADIX, S.A.	(5)	-
AIE COSTA TROPICAL DE GRANADA	-	(9)
AIGÜES DEL VENDRELL	19	18
EMP.MIXTA DE AGUAS DE JODAR, S.A.	3	3
EMP.MUNICIPAL AGUAS DE LINARES S.A.	22	21
EMPR.MUNICIPAL DE AGUAS DE ALGECIRAS, SA	90	107
EMPRESA MIXTA DE AGUAS DE UBRIQUE, S.A.	3	8
EMPRESA MIXTA DE AGUAS Y SERVICIOS, S.A.	1	1
FCC AMBITO, S.A.	3	7
FCC CONSTRUCCION, S.A.	(1.001)	(453)
FCC CONSTRUCTION INC	84	58
FCC INDUSTRIAL E INFRAESTRUCTURAS ENERGÉTICAS, S.A.	23	44
FCC, S.A.	24.212	22.579
FCC MEDIO AMBIENTE, S.A.	52	66
FEDEMES, S.L.	5.246	5.134
PROVEIMENTS D'AIGUA, S.A.	55	28
SERVICIOS ESPECIALES DE LIMPIEZA, S.A.	5	5

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	2024	2023
	29.068	27.874

k) Financial income

	2024	2023
AGUAS DE ARCHIDONA, S.L.	24	27
AGUAS DE LANGREO, S.L.	115	131
AGUAS DEL PUERTO EMPRESA MUNICIPAL, S.A.	513	613
AIE COSTA TROPICAL DE GRANADA	762	742
AIGÜES DEL VENDRELL	247	253
EMPRESA MUNICIPAL DE AGUAS DE NIJAR, S.A.	80	92
EMPRESA MIXTA DE AGUAS DE JODAR, S.A.	52	55
ALGECIRAS MUNICIPAL WATER COMPANY	79	46
MUNICIPAL WATER COMPANY OF BENALMADENA, S.A.	55	54
MUNICIPAL COMPANY AGUAS DE TOXIRIA, S.A.	10	13
FCC, S.A.	29.107	29.028
	31.044	31.054

k) Financial expenses

In 2024 and 2023, financial expenses with FCC Group companies are entirely with FCC, S.A. due to the effect of IFRS 16.

25. REMUNERATION OF STATUTORY AUDITORS

The fees for auditing services and other professional services provided during the year to the different companies that make up the Aqualia Group by the main auditor and other auditors participating in the audit of the different companies in the group, as well as by entities related to them, are shown in the following table:

	2024			2023		
	Lead Auditor	Other auditors	Total	Lead Auditor	Other auditors	Total
Audit Services	757	487	1.244	695	345	1.040
Other Verification Services	383	45	428	25	200	225
Total	1.140	532	1.672	720	545	1.265
Tax Advisory Services	-	347	347	-	166	166
Other services	-	197	197	-	111	111
Total professional services	-	544	544	-	277	277
TOTAL	1.140	1.076	2.216	720	822	1.542



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26. EARNINGS PER SHARE AND OTHER INFORMATION

Diluted earnings per share coincides with basic earnings per share, as follows:

	2024	2023
Net profit for the year attributable to the Parent Company (Thousands of euros)	112.702	110.720
Weighted average number of shares outstanding	145.000	145.000
Basic result per share (euros)	0,78	0,76

1. Information on payment deferrals made to suppliers. Third additional provision "Duty of information" of Law 15/2010, of 5 July.

The Official State Gazette in Spain has published Law 18/2022 of 28 September on the creation and growth of companies, which aims, among other things, to reduce commercial late payments. The new law changes Law 15/2010 of 5 July 2010 amending Law 3/2004, which established measures to combat late payment by regulating payment periods in commercial relations between Spanish companies or between companies and the Spanish Administration. Specifically, it amends the Third Additional Provision which established that companies must expressly publish information on supplier payment periods in the notes to their annual accounts. Following the publication of Law 18/2022, unlisted companies that do not present abridged accounts, as is the case of the Company, must publish the average supplier payment period, the monetary volume and number of invoices paid in a period lower 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 amount of their payments to suppliers, both on their website and in their annual accounts.

In compliance with the aforementioned Law, a table with information on the average payment period to suppliers is set out below.

	2024 Days	2023 Days
Average supplier payment period	58	63
Ratio of paid transactions	57	62
Ratio of transactions outstanding	71	73

	Amount	Amount
Total outstanding payments	53.933	55.389

	Amount	Amount
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Total payments made	500.304	513.928
Total payments made in a period shorter than the maximum established in the late payment regulation	379.134	271.488
of payments below this maximum as a % of total payments made	76%	53%

	Number	Number
Total number of invoices paid in the period	260.082	270.663
Number of invoices paid in a period shorter than the maximum period established in the late payment regulations.	209.857	158.272
% of total invoices	81%	58%

27. ENVIRONMENTAL INFORMATION

Our knowledge of the current environmental challenges and our role in addressing them has guided us in the design of the Aqualia 2024-2026 Strategic Sustainability Plan. Thus, we are committed to innovation, design, regeneration and the development of solutions to provide water in areas with limited availability of the resource, through projects to reduce water consumption, energy optimisation, emissions reduction, protection and recovery of the ecosystem and to promote the circular economy, the reuse and circularity of water.

In the implementation of the Environmental Management System, we define the operational control of the significant environmental aspects and the legal requirements through procedures and technical instructions. These aspects are identified on the basis of Aqualia's activities and environmental risks, related to events such as floods, chemical product spills, wastewater discharges outside specifications, etc.

From there, the Management Committee, through the Integrated Management System Committee, sets the overall objectives and milestones of the Integrated Management System, such as, for example, energy reduction and carbon footprint projects, efficient and responsible management of the integral water cycle.

We are also committed to the Paris Agreement Framework Convention's commitment to global warming and decarbonisation in all countries where we operate with a strategy for achieving these outcomes.

In Spain, we aligned our performance with the Long-Term Decarbonisation Strategy of the Ministry for Ecological Transition and the Demographic Challenge (MITERD), which establishes a roadmap for Spanish companies to



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develop their decarbonisation strategies with targets for 2030, 2040 and a horizon in 2050; and in Italy, we aligned with the decree-law that includes decarbonisation as an environmental priority.

Projects underway to act on the carbon footprint by 2024 include the following:

- 2022 - 2024: Project Calculation, Reduction, Compensation and Neutrality of the carbon footprint in Lleida (Spain) with declaration of neutrality verified by AENOR (PAS 2060). It has been carried out:
 - Calculation and verification HC 2020-2023.
 - HC Reduction Plan 2023- 025.
 - Purchase of carbon credits: 1800 tonnes of CO₂.
 - AENOR Verification Standard PAS 2060: Neutrality Declaration.
 - Next steps: registration in the COMPENSO Seal (OECC), in the "Voluntary Compensation" and "Voluntary Agreement" Seal of the OCCC (Catalonia).
- LCA (Life Cycle Assessment) and environmental footprint project: development of a comprehensive project to measure/calculate environmental impacts in the integrated water cycle contracts of the Spanish municipalities of Ronda and Badajoz. Tools included: water footprint; LCA/environmental footprint/DAP; carbon footprint; project closure in the first half of 2025.
- Development of a comprehensive project for measuring and calculating environmental impacts in two FCC Aqualia water cycle contracts: Ronda and Badajoz.
- Tools included: water footprint; LCA/environmental footprint/DAP; carbon footprint.
- Compliance with Law 3/2023, Circular Economy of Andalusia.
- Reduction/compensation action plans: water efficiency/water remediation; energy efficiency; energy targets; photovoltaic energy, carbon footprint reduction and compensation. Hydraulic efficiency; energy efficiency; energy targets; photovoltaic energy, carbon footprint reduction and offsetting.

Improving energy efficiency

At Aqualia, we have our Energy Efficiency Improvement Plan, developed under the ISO 50001 Energy Management Systems standard, to reduce our electricity consumption. The contracts included within the perimeter of these systems are subject to an energy review-audit. The objective is to evaluate the results of the energy efficiency measures adopted after the previous review and to propose new ones. The specialised reporting and data analysis tool Aqualia RT-BI is responsible for monitoring and implementing the proposed improvements.

Among the projects launched for energy efficiency, the transversal projects for improving aeration automation and control, biogas recovery and the implementation of renewable energy in the facilities that make up the water cycle stand out. Also important is the development of new applications based on artificial intelligence, aimed at the energy optimisation of production processes in desalination plants.

Energy efficiency projects

Since 2020, we have been purchasing 76 GWh/year of green electricity from photovoltaic plants through the PPA (*power purchase agreement*) model. In 2023, a new contract for 75 GWh/year of photovoltaic electricity was added.

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As a result, by 2024, Spain will have achieved more than 70 % renewable electricity. The company's energy mix for 2024 is shown in the graph below:

Electricity mix	2024	
	KWh	%
renewable kWh of the electricity mix	438.702.213	29 %
non-renewable kWh of the electricity mix	814.934.095	54 %
kWh self-consumption photovoltaic generation	11.442.637	1 %
kWh biogas generation in purification	22.038.650	1 %
kWh hydroturbine generation	221.293.183	15 %
Total	1.508.410.778	100 %

In Spain in 2024, 1,867.21 kWp of photovoltaic energy have been installed in 24 installations, so that the overall power in operation has risen to 9,048.8 kWp in 60 installations. The forecast for the coming years is to install 59 installations, with a power of 16,923 kWp.

In plants with several renewable energy generation systems (cogeneration, solar-photovoltaic, hydro turbines, etc.), good hybridisation energy management is crucial. In this sense, in 2024 at the Wastewater Treatment Plant in the Spanish city of Lleida, we have implemented a control system to manage the hybridisation of technologies and allow the demand for electricity from outside to be as low as possible. We have also started up the hydraulic turbine installed at the Badajoz plant, which generates more than 600,000 Kw/year and accounts for 38% of the consumption at this facility.

28. ADDITIONAL NOTE FOR ENGLISH TRANSLATION

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company in Spain (See Note 2). Certain accounting practices applied by the Company that conform with that regulatory framework may not conform with other generally accepted accounting and rules.



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ANNEX I

FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP) SUBSIDIARIES (FULLY CONSOLIDATED)

SOCIETY	% GROUP SHARE	AUDITOR
Acque di Caltanissetta, S.p.A. Viale Sicilia 176 93100 Caltanissetta - ITALY	99,562%	EY
Aguas De Albania S.A. E.S.P. Calle 4, 4A-38 Albania - COLOMBIA	99,02%	BDO
Aguas De Aracataca S.A.S. Calle 7, 2-12 Aracataca - COLOMBIA	98,80%	BDO
Aguas De La Península S.A. E.S.P. Calle 10A 9-05 Maicao - COLOMBIA	100,00%	BDO
Aguas De La Sabana de Bogotá S.A. E.S.P. Autopista Medellín Km 3.9 Cota, Cundinamarca - COLOMBIA	79,80%	BDO
Aguas Del Sur Del Atlántico S.A. E.S.P. Carrera 53 80-198 Barranquilla - COLOMBIA	100,00%	BDO
Aigües de Vallirana, S.A.U. C/ Conca de Trempt, 14 - Vallirana (BARCELONA)	100,00%	-
Aqualia Colombia S.A.S. Carrera 53 80-198 Barranquilla - COLOMBIA	100,00%	BDO
Aqualia Desalación Guaymas, S.A. de C.V. Avenida 5 de febrero N° 1351, ROBLE 304 - Querétaro - MEXICO	100,00%	EY
Aqualia Infraestructures D.O.O. Beograd-Vracar Resavska 23 Belgrade Vracar - Belgrade-SERBIA	100,00%	-
Aqualia Infraestructuras Montenegro Bulevar Svetog Petra Centinjskog I A - 81000 Podgorica - MONTENEGRO	100,00%	-
Aqualia Infraestructures Pristina LLC Bulevardi Nëna Terezë No 47/5B -Prishtina- REPUBLIC OF KOSOVO	100,00%	-
Aqualia Gestión los Cabos S.A. de C.V. Avda. 5 de febrero. Queretaro - MEXICO	100,00%	EY
Aqualia Georgia LLC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	100,00%	EY
Aqualia MACE LLC P.O. Box 105547 - Abu Dhabi, U.A.E.	51,00%	BAKER & TILLY
Aqualia Riohacha S.A.S. E.S.P. Carrera 11 82 - Bogotá - COLOMBIA	51,00%	BDO
Aqualiaportugal S.A. Camilo Castelo Branco 2. Lisboa-PORTUGAL	100,00%	EY
AquaElvas - Aguas de Elvas, S.A. Rua Paco Bandeira, 14 - Assunção - Elvas - PORTUGAL	100,00%	EY
Aquamaior - Aguas de Campo Maior, S.A. Rua Mayor Talaya, 28 - Nossa Senhora de Expectação - Campo Maior - PORTUGAL	100,00%	EY
Abrantaqua, S.A. Lena Park - Alferrarede Abrantes - PORTUGAL	60,00%	OLIVEIRA, REIS & ASOCIADOS
Aqua Campiña, S.A. C/Blas Infante, 6 - Écija (SEVILLA)	90,00%	CAPITAL AUDITORS
Aquafundalia - Agua do Fundão, S.A. Rua Fernando Pessoa, 195 6230 479 Fundao - PORTUGAL	100,00%	EY
Aquajerez, S.L. C/ Cristalería, 24 - CÁDIZ	100,00%	EY
Aqualia Flandes S.A.S. ESP CR 11 NO.8201 OF 903, Bogotá D.C. - COLOMBIA	100,00%	BAKER & TILLY
Aqualia France, S.A.S. Quai De L'Oise 28 - ANDRESY (FRANCE)	100,00%	SNR AUDIT



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FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP)
SUBSIDIARIES (FULLY CONSOLIDATED)

SOCIETY	% GROUP SHARE	AUDITOR
Aqualia Intech, S.A. Avda. Camino de Santiago, 40 - MADRID	100,00%	EY
Aqualia Infrastructures Inzenyring, s.r.o. Mariennské Hory, Slavnikovcu 571/21 Ostrava - CZECH REPUBLIC	100,00%	CMC AUDIT
Aqualia Latinoamérica, S.A. CL 80, 11. Bogotá-COLOMBIA	100,00%	BDO
Aqualia Villa del Rosario, S.A. CL 4 , La Palmita 6-104. Villa Rosario-COLOMBIA	100,00%	BDO
Aqualia México, S.A. de C.V. Carrizal, 33 - Santiago de Queretaro - Queretaro - MEXICO	100,00%	EY
Aqualia Czech, S.L. Avda. Camino de Santiago, 40 - MADRID	100,00%	EY
Aquamag S.As E.S.P. Calle 10, 8-14, Fundación - COLOMBIA	100,00%	BDO
Aquos El Realito, S.A. de C.V. San Luis Potosí (MEXICO)	51,00%	EY
Cartagua - Aguas do Cartaxo, S.A. Zona Industrial do Cartaxo, Lote 20 - Cartaxo - PORTUGAL	60,00%	OLIVEIRA, REIS & ASOCIADOS
CEG, S.A.S. Boulevard du Général de Gaulle 71 - GOUSSAINVILLE (FRANCE)	100%	SNR AUDIT
Compañía Onubense de Aguas, S.A. C/Martín Alonso Pinzón, 8 - HUELVA	60,00%	-
Conservación y Sistemas, S.A. C/ Federico Salmón, 13 - MADRID	100,00%	EY
Compagnie Armoricaïne Des Eaux Rue Lucien Rosengart 1, Plérin - FRANCE	100,00%	SNR AUDIT
Depurplan 11, S.A. C/ Madre Rafols, 2 - ZARAGOZA	100,00%	CAPITAL AUDITORS
Ecosistema de Morelos S.A. de C.V. C/ Ejido. Col. San Miguel Acapantzingo s/n. Cuernavaca-MEXICO	100,00%	CTS CONSULTANTS
Empresa Mixta de Butarque, S.A. C/Princesa, 3 - (MADRID)	70,00%	-
Entemanser, S.A. C/Castillo, 13 - ADEJE (SANTA CRUZ DE TENERIFE)	97,00%	EY
FCC Aqualia América, S.A.U. C/ Uruguay, 11 - Vigo (PONTEVEDRA)	100,00%	-
FCC Aqualia USA Corp. 2711 Centerville Road, Suite 400. Wilmington (New Castle -Delaware-USA)	100,00%	H&CO
Flores, Rebollo y Morales, S.L. Ctra Águilas 6, Bugarvillas-VERA (ALMERÍA)	60,00%	-
Gardabani Sewage Treatment Plant LLC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	80,00%	EY
Genesis Lodos, S.L. Avda. Kansas City 9 (SEVILLA)	80,00%	-
Georgia Global Utilities JSC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	80,00%	EY
Georgian Energy Trading Company LLC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	80,00%	EY
Georgian Engineering And Management Company LLC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	80,00%	EY
Georgian Water And Power LLC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	80,00%	EY



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FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP)
SUBSIDIARIES (FULLY CONSOLIDATED)

SOCIETY	% GROUP SHARE	AUDITOR
Haji Abdullah Ali Reza Integrated Services Ltd (H.A.A. & CO.) Ali Reza CC, King Abdulaziz Road 8. Jeddah-ARABIA SAUDI ARABIA	51,00%	EY
Hidrotec Water Technology, S.L.U. C/Pincel, 25 - SEVILLA	100,00%	EY
Infraestructuras y Distribución General de Agua, S.L. C/La Presa, 14 - Tijoco Bajo-ADEJE (SANTA CRUZ DE TENERIFE)	100,00%	EY
Local Sports Centers Management, S.L. Sole proprietorship Av. Camino de Santiago 40	100,00%	
Municipal District Services, LLC 406 W Grand Pkwy S 260, Katy, TX 77494, USA	97,00%	-
Naunet S.A.S. Carrera 53 80-198 Barranquilla - COLOMBIA	100,00%	BDO
North Cluster Spv LLC Ali bin Abi Taleb -Burajdah - SAUDI ARABIA	51,00%	EY
Qatarat Saquia Desalination Company LTD. Corniche Road 2719. Jeddah-ARABIA SAUDI ARABIA	51,00%	EY
Saguramo Energy LLC Lit. A, Floor 3, 10 Medea (Mzia) Jugheli Street, Mtatsminda District,Tbilisi - GEORGIA	80,00%	EY
Servicios Hídricos Agricultura y Ciudad, S.L.U. C/ Alfonso XIII - Sabadell (BARCELONA)	100,00%	-
Severomoravske Vodovody a Kanalizace Ostrava a.s. Varenská 2723/51 70200 Ostrava - CZECH REPUBLIC	100,00%	EY
Shariket Tahlya Miyah Mostaganem Cité Abdoni Ilot, 36 - Dar el Beida (ALGERIA)	25,50%	EY
Sociedad Ibérica del Agua, S.A.U. C/Federico Salmón, 13 - MADRID	100,00%	-
Sociedad Española de Aguas Filtradas, S.A. C/ Jacometrezo, 4 - MADRID	100,00%	EY
Societe Des Eaux De Fin D'Oise, S.A.S. Quai De L'Oise 28 - Andresy (FRANCE)	100,00%	SNR AUDIT
Societe Pays de Dreux Rue Madeleine Michelis,13 Neuilly-sur-Seine (FRANCE)	100,00%	-
South Cluster Spv LLC King Abdulaziz Road, 5080, Abha - SAUDI ARABIA	45,00%	EY
Tratamiento Industrial de Aguas, S.A. C/Federico Salmón, 13 - MADRID	100,00%	EY
Vodotech Spol, S.R.O. Jaselská 47 - Opava - CZECH REPUBLIC	100,00%	CMC AUDIT
Watersur, S.L. Ctra Águilas 6, Bugarvillas-VERA (ALMERÍA)	60,00%	-

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ANNEX II

FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP) JOINT OPERATIONS (PROPORTIONATELY CONSOLIDATED)

SOCIETY	% GROUP SHARE	AUDITOR
AIE Costa Tropical de Granada Plaza Aurora, s/n - Motril (GRANADA)	51,00%	PKF
Gestión de Servicios Hidráulicos de Ciudad Real AIE C/ Ramírez de Arellano, 15 - MADRID	75,00%	-
Empresa Mixta de Aguas y Servicios, S.A. Alarcos, 13 - CIUDAD REAL	41,25%	CAPITAL AUDITORS

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ANNEX III

SOCIETY	% SHARE	CNV 31.12.2024 (Note 7)	CNV 31.12.2023 (Note 7)	AUDITOR
Aguas de Archidona, S.L. Plaza Ochavada, 1 - 29300 Archidona - MALAGA	48,00%	41	38	VACIERO AUDITORES SL
Aguas de Denia, S.A. Pedro Esteve, 17 - Denia (ALICANTE)	33,00%	428	387	KRESTON IBERAUDIT
Aguas de Guadix, S.A. Plaza de la Constitución 1, Guadix (GRANADA)	40,00%	272	289	DELOITTE, S.L.
Aguas de Langreo, S.L. C/Alonso del Riesgo, 3 - Langreo (ASTURIAS)	49,00%	968	976	CAPITAL AUDITORS
Aguas de Narixa, S.A. C/Málaga, 11 - Nerja (MÁLAGA)	50,00%	559	564	KRESTON IBERAUDIT
Aguas del Puerto Empresa Municipal, S.A. C/ Aurora 1 - 11500 - EL PUERTO DE SANTA MARÍA (CÁDIZ)	48,98%	4.199	3.853	CAPITAL AUDITORS
Aigües de Blanes, S.A. Canigó, 5. Blanes - GIRONA	16,47%	58	58	CD AUDITORS
Aigües de Girona Salt i Sarrià del Ter Ciudadans, 11 - GIRONA	26,88%	162	162	CATAUDIT AUDITORS ASSOCIATS SL
Aigües Del Vendrell, S.A. Plaza Vella, 1 - El Vendrell (TARRAGONA)	49,00%	754	233	GM AUDITORS SL
Compañía de Servicios Medioamb. do Atlántico, S.A. Carretera de Cedeira, km1 - Narón (LA CORUÑA)	49,00%	297	240	KRESTON IBERAUDIT
Concesionaria de Desalación de Ibiza, S.A. Rotonda de Sta. Eulalia, s/n - Ibiza (BALEARIC ISLANDS)	50,00%	1.111	876	BDO AUDITORES S.L.
Codeur, S.A. C/ Mayor 22-Vera (ALMERÍA)	28,26%	5.232	3.965	-
Constructora de Infr. de Aguas de Potosí, S.A. de C.V. Bulevar Manuel Avila Camacho, 36 Mexico, Distrito Federal (MEXICO)	24,50%	(5.396)	(5.396)	-
Constructora de Infr. de Aguas de Querétaro, S.A. de C.V. C/ Minería Edificio B Mexico City, Distrito Federal (MEXICO)	24,50%	(2.995)	(2.995)	DELOITTE SL
EMANAGUA - Empresa Municipal de Aguas de Níjar, S.A. Plaza de la Glorieta, 1 - Níjar (ALMERÍA)	49,00%	45	224	CAPITAL AUDITORS
Empresa mixta de Aguas de Jódar, S.A. Plaza de España, 1- Jódar (JAEN)	49,00%	(41)	(21)	VACIERO AUDITORES SL
Empresa Municipal de Aguas de Linares, S.A. C/ Cid Campeador, 7 - Linares (JAEN)	49,00%	(296)	158	VACIERO AUDITORES SL
Empresa Municipal Aguas de Algeciras, S.A. C/Virgen del Carmen, s/n - Algeciras (CÁDIZ)	49,00%	(301)	(165)	KRESTON IBERAUDIT
Empresa Mixta de Aguas de Ubrique, S.A. C/JUZGADO S/N - 11600 - UBRIQUE (CÁDIZ)	49,00%	81	32	VACIERO AUDITORS
Empresa Municipal Aguas de Benalmádena, S.A. Exp. Ap.Tívoli, s/n - Arroyo de la Miel (MÁLAGA)	50,00%	1.249	1.240	AUDINFOR SL
Empresa Municipal Aguas de Toxiria, S.A. Plaza de la Constitución - Torredonjimeno (JAÉN)	49,00%	65	71	VACIERO AUDITORES SL
Girona, S.A. Travesía del Carril, 2 - GERONA	33,61%	1.667	1.622	CATAUDIT AUDITORS ASSOCIATS SL
HA Proyectos Especiales Hidraulicos S.R.L. de CV Neucalpan - MEXICO D.F.	49,50%	1.122	1.292	GRANT THORNTON SC
Nueva Sociedad de Aguas de Ibiza, S.A. C/Bartolomé Rosselló, 18 - (IBIZA)	40,00%	49	105	-
Oman Sustainable Water Services SAOC Batinah Highway 322 - Sohar (OMAN)	49,00%	1.816	1.666	-



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SOCIETY	% SHARE	CNV 31.12.2024 (Note 7)	CNV 31.12.2023 (Note 7)	AUDITOR
Operadora El Realito S.A. de C.V. Tomas Alva Edison 176- San Rafael-Distrito Federal (MEXICO)	15,00%	332	383	EY
Orasqualia Construction, S.A.E. 2112 South Tower - Cairo (EGYPT)	50,00%	(30)	(47)	GRANT THORTON
Orasqualia Devel. Waste Treatment Plant S.A.E. 2112 South Tower - Cairo (EGYPT)	27,95%	4.906	9.447	GRANT THORTON
Orasqualia Operation and Maintenance, S.A.E. Nile City Towers - Cairo - EGYPT	50,00%	737	1.229	GRANT THORTON
Prestadora de Servicios Acueducto El Realito SACV Bvd. Manuel Avila Camacho, 36. MIGUEL HIDALGO (MEXICO)	24,50%	1	1	-
Proveïments d'Aigua, S.A. Asturias, 13 - GIRONA	15,12%	684	671	ANTONI RIERA ECONOMISTES AUDITORS
Sera.Q.A. Duitama, S.A. (COLOMBIA)	30,60%	34	35	-
Suministro de aguas de Querétaro, S.A. de C.V. Santiago de Querétaro - Querétaro Arteaga (MEXICO)	1,00%	501	541	DELOITTE MEXICO
		18.311	21.734	

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ANNEX IV

FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP) TEMPORARY JOINT VENTURES

DENOMINATION	PARTICIPATING PARTNERS	% GROUP SHARE
Consortium O&M Alamein	Aqualia Intech, S.A. - ICAT	65%
UTE Abastecimiento Picadas Almoguera Supply Joint Venture	FCC Aqualia, S.A. - Barahona Obras Y Serv. S.L	95%
UTE Abu Rawash Construction	Aqualia Intech, S.A. - Orascom Cons.Industries	50%
UTE Aguas de Alcalá	FCC Aqualia, S.A. - Canal de Isabel II - SUFI, S.A.	50%
UTE Aguas del Doramás	FCC Aqualia, S.A. - Eicoh Explot. S.L. - Eléct. Maspalomas, S.A.	50%
UTE Alcantarillado Alcoy	FCC Aqualia, S.A. - FCC Medio ambiente S.A.	50%
UTE Alcantarillado Burgos	FCC Aqualia, S.A. - FCC Medio ambiente S.A.	40%
UTE Alcantarillado Madrid Lot D	FCC Aqualia, S.A.	99,99%
Alkhorayef-FCC Aqualia JV	FCC Aqualia, S.A. - Alkhorayef Water & Power	51%
UTE Expansion Edam Granadilla	FCC Aqualia, S.A. - Satocan S.A.	60%
UTE Expansion Idam Melilla	FCC Aqualia, S.A. - Arpo empr. Constructora.	50%
UTE Oviedo	FCC Aqualia, S.A. - Seafsa, S.A.	100%
Aqualia Riofabar Piloña Joint Venture	FCC Aqualia, S.A.	100%
UTE Badajoz East Zone	FCC Aqualia, S.A. - Automation and Control Systems	50%
UTE Badajoz Zona Oeste	FCC Aqualia, S.A. - Automation and Control Systems	50%
UTE Cap Djinet	Aqualia Intech, S.A. - Inima	50%
Granadilla de Abona Sports Centre UTE	FCC Aqualia, S.A. - FCC, S.A.	99%
UTE CH Talave II	FCC Aqualia, S.A. - Matinsa	80%
UTE Copero Environmental Complex	FCC Aqualia, S.A. - FCC Medio Ambiente S.A.U.- Heliopol S.A.U.	34%
UTE Cons. Gestor Ptar Salitre	Aqualia Intech, S.A. - Cass Construct.s y Cía S.A.- Aktor Thechnical S.A. Col. Branch	30%
UTE Consorcio Louro	FCC Aqualia, S.A.	99%
UTE Consorcio PTAR Arraiján	FCC Aqualia, S.A. - Aqualia Intech, S.A.	100%
UTE Costa Tropical	FCC Aqualia, S.A. - Acciona Agua, S.A.	51%
UTE Costa Tropical II	FCC Aqualia, S.A. - Acciona Agua, S.A.	51%
UTE Costa Tropical III	FCC Aqualia, S.A. - Acciona Agua, S.A.	51%
UTE aqualia Inima (Depuración poniente almeriense)	FCC Aqualia, S.A. - Inima, S.A.	75%
UTE Depuración San Roque	Fcc Construcción S.A. - Fcc Aqualia S.A. - Heliopol S.A.U.	30%
UTE Depuradoras Lot 1	FCC Aqualia, S.A. - Barahona Obras Y Serv. S.L	95%
UTE EDAM Santa Eulalia	FCC Aqualia, S.A. - Aqualia Intech, S.A.	100%
UTE EDAR A Guarda 2013	FCC Aqualia, S.A. - DEMAINE, S.L	50%
UTE EDAR A Guarda 2022	FCC Aqualia, S.A. - DEMAINE, S.L	50%
UTE Edar Albuñol	FCC Aqualia, S.A. - FCC Construcción, S.A.	50%
UTE EDAR Baeza	Aqualia Intech, S.A. - Explotaciones las Misiones, S.L.- Martín Casillas, S.L.	50%
UTE EDAR Galindo	FCC Aqualia, S.A. - Ansareo saneamiento servi- Altuna y Uría, S.A.	50%
UTE EDAR Gijón	Aqualia Intech, S.A. - FCC Construcción, S.A. - Degremont, S.A.	30%
UTE EDAR La Ranilla	FCC Aqualia, S.A. - Aqualia Intech, S.A.	100%
UTE Estaciones Perales	FCC Aqualia, S.A. - Aqualia Intech, S.A.	100%
UTE Fuentes De Cádiz	FCC Aqualia - FCC S.A.- FCC M.A.	50%
UTE Galasa	Trainasa- Seafsa	100%
UTE Garrucha	FCC Aqualia - Talleres y Gruas González	85%
UTE Gestión Cangas	FCC Aqualia, S.A. - Civis Global, S.L.	70%
UTE Groupement Solidaire Jerba Guadiana Plueblonuevo Joint Venture	FCC Aqualia, S.A. - Aqualia Intech, S.A. - Inima, S.A.	50%
	FCC Aqualia, S.A. - OPS INFR Y SERV HIDR	51%



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**FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP)
TEMPORARY JOINT VENTURES**

DENOMINATION	PARTICIPATING PARTNERS	% GROUP SHARE
UTE Guia de Isora	Entemanser S.A.-Britos y Gutierrez Gruas	70%
UTE HIDC-HIDR-INV. Do centr ACE	FCC Aqualia, S.A. - Lena Environment	50%
UTE Ibiza	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
UTE IDAM Ibiza	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
UTE IDAM Janubio	FCC Aqualia, S.A. - Aqualia Intech, S.A.	100%
UTE IDAM Santa Eulalia	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
UTE IDAM Santa Eulalia II	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
UTE IDAM Santa Eulalia III	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
UTE IDAM Santa Eulalia IV	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
IDAMS Santa Euralia-San Antoni Joint Venture	FCC Aqualia, S.A. - Acciona Agua, S.A.	50%
UTE Idga Saneca	Infr. y distr. gral del agua S.L.-Saneca Siglo XXI S.L.	70%
UTE Lot 1 Sanea Plan	FCC Aqualia, S.A. - FCC Construcción, S.A.	60%
UTE Lot 11 Santillana	Trainasa- Conservation and Systems	100%
UTE Lot 4 Culebro A	Sociedad Española de Aguas Filtradas, S.A. - FCC, S.A.	99%
UTE Lot 9 Torrelaguna	Trainasa- Conservation and Systems	100%
Mancomunidad de Órbigo Joint Venture	FCC Aqualia, S.A. - FCC, S.A.	99%
UTE Mantenimiento Red Alc. 6	Trainasa- Conservación y Sistemas - FCC Construcción, S.A.	99,99%
UTE Improvements San Isidro Park	FCC Aqualia, S.A. - FCC Medio Ambiente S.A.U.	1%
UTE Mostaganem	Aqualia Intech, S.A. - Inima	50%
UTE O&M EDAM West	Aqualia Intech, S.A.	100%
UTE Works Edar Argamasilla De Calatrava	FCC Aqualia, S.A. - Barahona Obras Y Serv. S.L	70%
El Endrinal Wastewater Treatment Works Joint Venture	FCC Aqualia, S.A. - FCC Construcción, S.A.	33,33%
UTE OYM Cap Djinet	FCC Aqualia, S.A. - Inima	50%
UTE OYM Mostaganem	FCC Aqualia, S.A. - Inima	50%
UTE PTAR Ambato	Aqualia Intech, S.A. - Alvarado Ortiz Constructors	60%
UTE Qatar	FCC Aqualia- GEC Contracting Services- Power Water Energy	51%
UTE Redondela	FCC Aqualia, S.A. - FCC, S.A.	99,99%
UTE Pipe Renovation Lot 7	FCC Aqualia, S.A. - FCC Construcción, S.A.	60%
UTE Saneamiento Emasa	FCC Aqualia, S.A. - FCC Medio Ambiente S.A.U.	50%
UTE Seafsa Lanzarote	Sociedad Española de Aguas Filtradas, S.A. - Jaime and Isaac Rodríguez	60%
UTE Vigo	FCC Aqualia, S.A. - FCC, S.A.	99,99%
UTE Sevilla Territorial Areas	FCC Aqualia, S.A. - FCC Medio Ambiente S.A.U.	50%
UTE Sollano Zalla	FCC Aqualia, S.A. - Ansareo Serv.Integrales	50%
UTE Tic Lillo	FCC Aqualia, S.A. - FCC Industrial Infraestructura y Energía S.A.U.	99%
UTE TSE Riyadh	FCC Aqualia, S.A. - Alkhorayef Water & Power	51%
UTE Zafra	FCC Aqualia, S.A. - Magenta Business Group	65%
UTE Zaragoza Sewerage	FCC Aqualia, S.A. - FCC Medio Ambiente S.A.U.	50%

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ANNEX V

FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP) VARIATIONS IN THE CONSOLIDATION PERIMETER 31-12-2024

TITLE	ADDRESS	% GROUP SHARE
A) Additions to Global Consolidation		
Local Sports Centers Management, S.L. Sole proprietorship	SPAIN	100,0%
B) Divestitures in Global Consolidation due to merger		
Aguas de las Galeras, S.L.	SPAIN	100,0%
Empresa Gestora de Aguas Linenses, S.L.	SPAIN	100,0%
C) Divestitures in Full Consolidation by liquidation		
Aqualia Infrastructures Mostar	SERBIA	100,0%
Rustavi Water LLC	GEORGIA	80,0%
D) % change in Global Consolidation		
Aguas De Albania S.A. E.S.P.	COLOMBIA	99,02%
Aguas De Aracataca S.A.S.	COLOMBIA	98,8%

FCC AQUALIA AND SUBSIDIARIES (CONSOLIDATED GROUP) VARIATIONS IN THE CONSOLIDATION PERIMETER 31-12-2023

DENOMINATION	ADDRESS	% GROUP SHARE
A) Additions to Global Consolidation		
Aqualia Riohacha S.A.S. E.S.P.	COLOMBIA	51,0%
Municipal District Services, LLC	USA	97,0%
North Cluster Spv LLC	SAUDI ARABIA	51,0%
Societe Pays de Dreux	FRANCE	100,0%
B) % change in Global Consolidation		
Aguas Del Sur Del Atlántico S.A. E.S.P.	COLOMBIA	100,0%

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Aqualia

Management Report 2024

ON CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31/12/2024

Content

1. Business model and strategy

- 1.1. Purpose, values and culture
- 1.2. Worldwide presence
- 1.3. Certifications
- 1.4. Value creation in figures
- 1.5. Aqualia Strategic Sustainability Plan 2024-20246
- 1.6. Sustainability Policy

2. Market situation

- 2.1. Domestic market
- 2.2. International market

3. Foreseeable developments

4. Customer management

- 4.1. Transparent communication to citizens
- 4.2. We are working to ensure access to water and sanitation.
- 4.3. Satisfaction surveys

5. Efficient and sustainable management

- 5.1. Commitment to the climate emergency
- 5.2. Efficiency and optimisation for the reduction of water consumption
- 5.3. Ecosystem protection and restoration
- 5.4. . Boosting the circular economy

6. Innovation and technology

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6.1. R&D&I Strategy

6.2. Lines of work

7. People and culture

7.1. Attracting and retaining talent

7.2. A safe and healthy environment

7.3. A diverse and inclusive organisation

8. Communication and Marketing

8.1. Public-private partnerships to guarantee access to water

8.2. Strategic communication

8.3. Environmental awareness

8.4. Events

8.5. Global engagement

8.6. Prizes and awards

9. Regulatory compliance

9.1. Global structure at the service of water

9.2. Compliance model

9.3. Compliance policies and procedures

9.4. Ethical Channel

9.5. Actions taken in the area of compliance

9.6. Risk assessment and control system

9.7. Compliance training

9.8. Responsible taxation

9.9. Responsible supply chain

10. Technology, digitisation and cybersecurity

10.1. Real-time data-driven water management

10.2. Digitisation projects through Next Generation funds

10.3. Data protection and cybersecurity



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1. Business model and strategy

+14,000 employees around the world	Presence in 18 countries (2,347 municipalities)	44,8 millions of users	1.246.224.141 m³ drinking water produced
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As one of the world's leading operators, we provide technical solutions and quality services at all stages of the water cycle. Our aim is to improve the well-being of the people and communities in which we operate.

Aqualia's way of working¹ is based on the preservation of water and environmental resources through innovation to improve management efficiency. To do this, we follow the guidelines of the United Nations Sustainable Development Goals (SDGs), and the legal and regulatory frameworks existing in each geography.

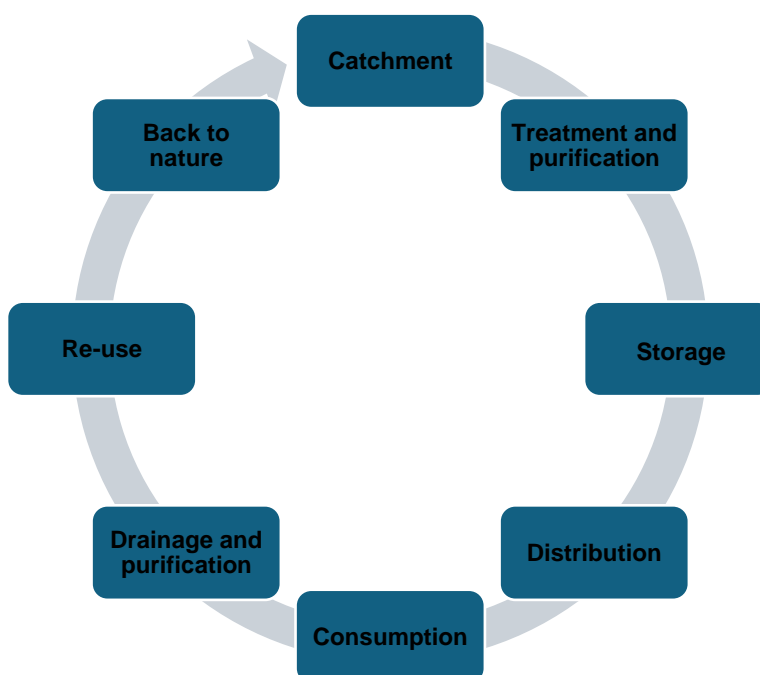
Our activity covers all **stages of the water cycle**: a thread that links the entire value chain, from collection and treatment, purification and reuse, to distribution, customer management, sewerage and infrastructure construction. We stand out for our ability to adapt to the specific business model of each region and for our solid experience, adaptability and strategic leadership in a dynamic environment that also makes a difference in the regions where we operate.

Integrated water cycle: efficient and sustainable management from start to finish (and back again)

¹ FCC Aqualia S.A. The trademark will be used in the document. Aqualia

The head office is located at Avda. del Camino de Santiago 40. 28050. Madrid. Spain

FCC Aqualia S.A. is part of the FCC Group, one of Europe's leading groups specialising in environment, water, development and infrastructure management with a presence in more than 25 countries around the world.



We focus our management on a business model based on **public-private collaboration with the** aim of achieving sustainable and sustained long-term growth. To this end, we seek reasonable profitability in all areas of the value chain comprising the water cycle, from the design of facilities to the management of large investment projects in water systems.

In our more than 50 years of experience, we have demonstrated a strong commitment to sustainability and a significant contribution to the Sustainable Development Goals. A commitment that presides over both **Aqualia's Strategic Sustainability Plan 2024-2026 (PESA)** and the pillars of our business model:

Sustainability	Digitalisation and technology	Internationalisation
----------------	-------------------------------	----------------------

1. Sustainability. Our activity contributes to several of the goals of the 2030 Agenda: specifically, everything related to the use of water as a scarce resource, as well as the fight against pollution, climate change and its environmental and social impact. To this end, innovating in sustainability and



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playing an important role in the circular economy is a priority.

2. Digitalisation and technology. Digital transformation and the application of technological solutions in processes shape our present and future. The development of these areas allows us to optimise the management of the integral water cycle and, as a result, reduce or avoid losses in the water distribution networks supplied, as well as improve all processes related to the internal organisation of the company and customer service.

3. Internationalisation. Our action is closely linked to sustainable growth and international expansion to meet clean water and sanitation needs worldwide, especially in Europe, America, Africa and Asia.

We create connections with the environment and with society through social value, dialogue and knowledge transfer. We also build an internal culture of pride and trust among our employees, which also brings us closer to the objectives of the Aqualia 2024-2026 Strategic Sustainability Plan.

Providers of essential services to citizens

Our business focuses on concessions and services, and encompasses concessions and proprietary infrastructure for full cycle, BOT, operation and maintenance services and irrigation; as well as technology and network activities, including EPC contracts and industrial water treatment activities.

Among the business models we deploy in the geographical areas where we are present are the following:

MANAGEMENT OF THE INTEGRAL WATER CYCLE (GCIA)

Management of public utilities in the integral water cycle through long-term concession models or ownership of assets in countries with proven regulatory systems. We currently operate municipal water concessions in **Spain, Portugal, Italy, France and Colombia**, as well as owned assets in **Spain, Czech Republic, Georgia and Colombia**.

INFRASTRUCTURE CONCESSIONS (BOT)

Infrastructure concessions in which infrastructures, treatment plants (drinking water treatment,



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purification and desalination) or reuse facilities are designed, built, financed and operated in the long term through BOT-type contracts and *take or pay* mechanisms, in which the recovery of the investment associated with the infrastructure is guaranteed without assuming demand risk. We develop this business model in **Spain, Mexico, the United States, Algeria and Egypt.**

OPERATION AND MAINTENANCE (O&M)

Operation, maintenance and exploitation services for hydraulic infrastructures. This service allows for the continuous availability of quality water, which requires the dedication, technology, professionalism and experience necessary to achieve maximum excellence in the processes. We have these business models in **Spain, United Arab Emirates, Egypt, Saudi Arabia, Oman, Mexico, United States and Chile.**

TECHNOLOGY AND NETWORKS (EPC)

Design and construction projects on hydraulic infrastructures, mainly for our own concessions and singular projects. The experience of working with leading construction companies allows us to create alliances to reduce and minimise construction risks. We have EPC contracts in all geographies, mainly in those where we manage the complete cycle.

AQUALIA INDUSTRIAL

At Aqualia we are committed to industry, innovation and infrastructure as fundamental pillars for the creation of positive impact. Thanks to Aqualia Industrial, we contribute to a **resilient and modernised infrastructure**, which supports and accompanies a competitive and sustainable industry, and adapts to changes through the development of technologies and innovation.

Faced with a new and increasingly demanding legal environment, especially in the regulation of effluents (liquids emanating from industrial plants), there is a growing demand for efficient and sustainable water management in production processes. As an awareness of this, Aqualia Industrial's water projects have experienced significant growth in recent years.

An example of this is that, as of 31 December 2024, Aqualia Industrial was working on **45 new projects** in different industrial sectors, such as petrochemicals, energy, agri-food, canning, pharmaceuticals, paper and mining. We have more than six hundred references in treatment plants and an extensive presence in **Spain** and Portugal.



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At Aqualia Industrial, we have completed significant projects, such as the operation at Aguas Industriales de Tarragona (AITASA) and the construction and operation of the treatment plant for Jealsa Rianxeira, the largest canning group in Spain. We have been awarded notable contracts, such as the extension of the Industrial Waste Water Treatment Plant (WWTP) for Heineken-Cruzcampo in Seville and the Industrial Waste Water Treatment Plant (WWTP) for Prolongo in Malaga, as well as the approval of the private initiative of the Waste Water Regeneration Plant for Industrial Uses in Campo de Gibraltar, for ARCGISA, which will be put out to tender in the future.

We have also renewed contracts for the expansion and maintenance of industrial wastewater treatment plants with leading companies such as Danone, Cuétara and Mahou-San Miguel. In 2024 we have also strengthened our area of activity in **Portugal**, where we are currently managing more than ten projects in important sectors such as agri-food, paper and petrochemicals.

The new technologies we are developing for the industrial sector take into account respect for the environment. Sustainability (reductions in operating costs and improved efficiency in pollutant elimination processes) and the reduction of the carbon footprint are the most critical aspects in the development of biogas production projects and *upgrading* to biomethane for injection into the gas grid.

Another commitment to sustainability comes from technologies that allow the reuse of water (reclaimed water). Examples of this are the projects implemented at ENCE (Pontevedra, Spain).

1.1 Purpose, values and culture

Aqualia's identity stems from its purpose, values and culture, from its unique way of being and being in the world. What makes us who we are is our strong conviction of the responsibility of managing a public good and a human right such as access to water and sanitation.

Our **purpose** is to ensure the well-being and progress of the people and communities in which we work by providing a public service, the sustainable management of water. Ensuring with pride and commitment the universal/local right to water.



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Values and attributes			
Specialised expertise in each stage of the management of the full water cycle	Orientation towards people's present and future well-being	Quality and efficiency in service	Solvency and financial consistency
Innovation	Environmental involvement, awareness-raising and outreach	Social involvement	Business ethics, transparency and integrity

Our culture and [Code of Ethics and Conduct](#) are inspired and based on these values, from which we face the challenge of efficient and innovative management of the integral water cycle. This is how we build our identity, **our own culture** that leaves a mark and a positive impact on each territory where we operate.

1.2 Worldwide presence

We are the **fourth largest water company in Europe** by population served and the **ninth largest in the world**, according to the latest Global Water Intelligence ranking (December 2024). We currently serve 44.8 million users and are present in 18 countries: Algeria, Saudi Arabia, Colombia, Chile, Egypt, United Arab Emirates, Spain, United States, France, Georgia, Italy, Mexico, Oman, Peru, Portugal, Qatar, Czech Republic and Romania.

Europe

The company's evolution in Europe in 2024 is characterised by a moderate reduction in consumption. This is due to several factors: on the one hand, greater public awareness of water stress has led to significant water savings; and, on the other hand, demand has been sensitive to tariff increases due to the rise in the operating costs of water services.

Likewise, the search for water resources, such as desalination and reuse, and greater control of



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groundwater and surface water, resulting from scarcity, have also marked the sector's performance. In 2024, moreover, emphasis has been placed on leakage control and reduction, sectorisation and digitalisation thanks to the allocation of European funds for these purposes.

In the **Czech Republic**, through the Czech subsidiary SmVak, we have been awarded the tender for the management of the integrated water cycle in the industrial area of Mošnov, in the district of Nový Jičín. In 2024 we implemented investments in network upgrades to maintain the efficiency of the infrastructure. And in line with the sustainability plan, we plan to undertake further investments in improving the electrical efficiency of existing infrastructure and reducing the carbon footprint of the integrated management system.

In **France**, the population served now totals 970,000 inhabitants, distributed among 101 municipalities where we manage supply, and 100 municipalities where we manage sewerage or wastewater treatment. We have signed new contracts in Ile d'Adam for production and distribution and in Pithiviers for sanitation. In addition, the renewal of the Gousainville contract marks a new milestone by completing the renewal of the last major contract from the previous owner. At the end of the year, we continued to consolidate our presence in the country with three new contracts in the Val d'Oise, Eure et Loir and Loiret departments, which will bring the total number of inhabitants served to 50,000. These contracts - two for water supply and one for wastewater and wastewater treatment - will come on stream at the beginning of 2025. This growth keeps us as the fourth largest operator in France.

In **Italy**, Aqualia's subsidiary in the country, Acque di Caltanissetta, manages the water service in the province of Caltanissetta, which suffered a severe drought in 2024 that led to severe restrictions. Throughout the year we have carried out important actions aimed at minimising the effects of this water crisis under the coordination of a Regional Crisis Committee.

Similarly, **Portugal** has faced a period of drought in recent years, which has highlighted the need to optimise water use. This shortage has led Portuguese organisations, industries and authorities to consider both the improvement of distribution networks and the reuse of treated water in WWTPs. In this context, several innovation projects focused on sustainability have been launched.

In **Spain**, we are leaders in integrated water management thanks to management backed by specialised human capital and a high level of technological development and R&D&I projects that allow us to make our integrated water cycle more sustainable. In 2024, the drought has worsened in communities such as Andalusia, Catalonia and the Canary Islands, which has led us to put our



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technologies at the service of the administrations and implement four water reuse plants in El Ejido, Almeria, Velez-Malaga and Algarrobo.

Another of the alternative sources to alleviate the drought is desalination, a technology in which we are pioneers. We have started up the first phase of our own desalination project in the Alboran Sea (Almeria). We have also been commissioned by the government to build extensions to five seawater desalination plants in the Canary Islands.

In **Romania**, the expansion of the Glina wastewater treatment plant has been a major milestone for Aqualia in this country and has been a great technical challenge, as the works have been carried out without interrupting activity. In addition to treating all the wastewater, the plant will also co-generate energy through the incineration of the sludge. It is the largest facility of its kind in the country and meets European standards for biological pollutants. It will be able to treat more than one million cubic metres per day by 2040, serving almost two and a half million people. Aqualia has been working for more than 15 years in Romania, where we have previously developed the wastewater treatment plants of Agnita and Dumbraveni, both in the county of Sibiu, and *Zimnicea* in the county of Teleorman.

Africa and Asia

In **Algeria**, we keep the two desalination plants, Mostaganem and Cap Djinet, operating at full capacity and without significant incidents. Thanks to them, we provide an essential service for the population of the country's most important metropolitan areas, Oran and Algiers. In addition, their outstanding energy efficiency reduces the carbon footprint that is common in this type of facility.

In **Egypt**, we continue to manage the water treatment plants of Abu Rawash (the largest in Africa) and New Cairo (the country's first and only PPP²), as well as the El Alamein desalination plant, which supports new urban developments on the Mediterranean coast and is a benchmark within the desalination plan designed by the government to reduce the country's water stress.

In **Saudi Arabia**, we lead two of the National Water Company's six regional water management contracts (clusters), serving eight million people. These contracts form a firm basis for water management in the country, and are in line with the sustainability requirements of the Vision 2030 agenda. Aqualia is also developing a contract for the operation and maintenance of three floating

² Public - Private Partnerships



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desalination plants for the Saudi state-owned shipping group Bahri, each with a capacity of 56,000 m³/d. Thanks to this initiative, Aqualia would be in a position to offer a rapid solution in water-stressed areas.

In the **United Arab Emirates**, we developed two sanitation contracts in Abu Dhabi and Al Ain, in **Qatar** the Al Dakhira treatment plant and in **Oman**, through the subsidiary Oman Sustainable Services Company, we manage the desalination and treatment facilities of the port of Sohar, one of the largest in the world and of vital strategic and economic importance in the area.

Finally, in **Georgia**, our activity through Georgian Global Utilities (GGU) focuses on water and energy infrastructures in Tbilisi and adjacent areas, where a third of the country's population lives. GGU is advancing and improving on all fronts, within a framework of sustainability standards that ensure the robustness of the services provided.

America

In the **United States** in 2023, we acquired 97% of the company Municipal District Services, LLC (MDS), dedicated to the comprehensive management of water and sanitation infrastructures in the Municipal Utility District (MUD) around the metropolitan area of Houston (Texas). MDS is the second operator of this delivery model in this area and serves more than 360,000 inhabitants through 147 contracts. The scarcity of water, the constant loss of quality in the resources at source, the obsolescence of hydraulic infrastructures and the low penetration of private operators in the sector are our main opportunities for growth in certain states of the country. On the other hand, the increasingly demanding legislation for the protection of aquifers and surface water represent a business opportunity for the coming years.

In **Mexico**, we have consolidated our position as the benchmark company in the water sector, thanks to a highly diversified portfolio of assets that includes water distribution and purification with the Querétaro and San Luis de Potosí BOT contracts, desalination through the Guaymas BOT, wastewater treatment thanks to the Cuernavaca Wastewater Treatment Plant (WWTP) BOT contract and the Integral Management Improvement project, with a BOT contract structure, in Los Cabos (Baja California Sur).

In **Colombia**, we also established ourselves as the second largest private operator in the country. In 2023, we started a major project in the district of Riohacha (Guajira), where we will provide service



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to around 310,000 inhabitants for 30 years. The execution of the contract includes the management, financing, rehabilitation, design, expansion, construction, replacement and maintenance of the water and sewerage infrastructures. In addition, with the entry into management of the capital of the department of Guajira, we reached a population of more than 1,400,000 inhabitants in 32 municipalities and eight departments of the country. On the other hand, in 2024 we completed the construction of the El Salitre Bogotá WWTP and we also inaugurated the remodelled and expanded "La Gran Colombia" Drinking Water Treatment Plant (DWTP) in Villa del Rosario. Thanks to it, the inhabitants of this municipality will see an improvement in their drinking water supply as it will increase the distribution flow by 60%.

In **Peru**, we actively participate in several private initiatives that, in most cases, promote the optimisation of water treatment plants in different regions, as well as the construction, operation and maintenance of wastewater treatment plants and water collectors. In other projects, we seek to improve the quality of life of the population through the construction of seawater desalination plants for drinking water and other industrial uses. At the date of writing this report, Aqualia has been awarded the BOT contract for the Chincha WWTP and associated collectors, the result of one of the private initiatives mentioned above.

In **Chile**, we operate the Huechún sulphate abatement plant - built by Aqualia - for CODELCO (Corporación Nacional del Cobre de Chile). We are also exploring commercial opportunities in desalination under the BOT scheme, for both public and private clients.

18 countries	2.347 municipalities	44.822.891 population served	14.040 employees
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		Catchment	Treatment / Potabilisation	Distribution and Customer Management	Debugging	Re-use	Sewerage	Construction	Commercial Delegation	Municipalities	Population served (Inhabitants)	Employees
AFRICA AND ASIA	Saudi Arabia	X	X	X	X	X	X			631	8.815.518	311
	Algeria	X	X							4	1.500.000	59
	Egypt	X	X		X	X		X		3	11.000.000	226
	United Arab Emirates				X		X			2	1.960.000	428
	Georgia	X	X	X	X	X	X	X		35	1.437.833	2.844
	Oman	X	X	X	X		X	X		1	85.000	2
	Qatar				X		X			1	280.000	45
AMERICA	Chile				X					-	-	11
	United States of America	X	X	X	X	X	X			8	434.049	243
	Colombia	X	X	X	X		X			28	1.240.686	1.056
	Mexico** Mexico	X	X	X	X	X		X		6	2.444.494	106
	Peru*** Peru*** Peru*** Peru								X	-	-	4
EUROPA	Spain	X	X	X	X	X	X	X		1.167	13.224.673	7.079
	France		X	X	X	X	X			147	816.745	190
	Italy	X	X	X	X		X	X		22	249.431	279
	Portugal	X	X	X	X		X	X		5	113.479	114
	Czech Republic****	X	X	X	X	X	X	X		287	1.220.983	1.037
	Romania*****	X			X					-	-	4

*In Chile, Aqualia has the Tranque Huechún water treatment contract for Codelco.

** In the specific case of Mexico, distribution does not involve customer management.

*** In Peru, Aqualia has a commercial delegation.

**** In the Czech Republic, Aqualia also supplies water to Poland from its subsidiary SmVaK (109,708 inhabitants included in the Czech Republic figure).



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*****In Romania, Aqualia is finalising the EPC contract for the Glina WWTP (to serve 2.4 million inhabitants).

1.3 Certifications

At Aqualia, we act in accordance with the principles, commitments and procedures for action wherever we operate. We do this through an **Integrated Management System**, unique and efficient, which includes the management of the quality of the processes, products and services (ISO 9001), as well as environmental management (ISO 14001), energy management (ISO 50001) and innovation (166002).

The **Integrated Management System** defines our desire for continuous improvement in each and every one of the activities we carry out, through the monitoring and analysis of data, management of communication and accessibility to information, application of quality tools and innovation techniques.

Aqualia Integrated Management System	
1997	Quality Management System (ISO 9001)
1999	Environmental Management System (ISO 14001)
2006	A-LAB (Accreditation of Physicochemical and Microbiological Laboratory)
2010	R&D&I Management System (UNE 166002)
	Energy Management System (ISO 50001)
2011	Information Security Management System (ISO 27001)
2013	Greenhouse Gases (14064)
2017	Work-Life Balance Management (EFR 1000-1)
2020	Occupational Health and Safety Management System (ISO 45001) *
	Asset Management System (ISO 55001)
2021	Certificate of Business Contribution to the SDGs
2024	Information Management when using BIM (ISO 19650-1/2:2019)
	Value-added purchasing management (UNE 15896)
	Sustainable Procurement (ISO 20400)

*From 2008 - 2019, OHSAS 18001 (standard superseded by ISO 45001)

Key milestones achieved in 2024 in terms of certifications include:



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- **The EDAM of Granadilla de Abona (Canary Islands), the first contract in Spain to implement and certify the ISO 55001 Asset Management System Standard.** The certification, issued by AENOR, enables long-term investment plans to be made so that the administration can make an appropriate investment and maintain - and even extend - the useful life of these facilities. Previously, in 2020, the contract for the industrial port of Sohar in Oman had been certified in this standard.
- **Six companies of the Aqualia Group in Colombia have been awarded the Quality Management System seal for complying with the specific requirements for the provision of water and sewerage services.** The companies certified with ISO 9001 are the subsidiaries of the Aguas de la Península S.A. E.S.P. group, in Maicao, Aguas de Aracataca S.A.S. E.S.P. and Aquamag S.A.S. E.S.P., in Magdalena, the Ruitoque operation of Aqualia Latinoamérica S.A. E.S.P., in Santander and Aguas de la Sabana S.A. E.S.P., in Cundinamarca with the ISO 45001 seal of 2018, in the Occupational Health and Safety Management System.
- **Spain:** Aguas de Garrucha, Almeria (ISO 9001, 14001).
- **Oman (OSWS):** Extension of the scope for the desalination plant and WWTP (ISO 9001, 14001, 45001 and 55001).
- **Qatar:** Al Dhakhira WWTP: ISO 9001, 14001 and 45001.
- **BIM:** ISO 19650-1 and ISO 19650-2.



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1.4 Value creation in figures

Financial capital

1.674,7 M€ Turnover	425,4 M€ EBITDA
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Industrial capital

53,498 km supply networks	38,907 km sewage systems	48 seawater desalination plants (IDAM)	1.246.224.141 m³ drinking water produced
291 drinking water treatment plants (DWTP)	3.353 drinking water tanks	1.721 drinking water pumping stations	996 sewage treatment plants

Intellectual capital

86,17 M€ total subsidies**	82,67 M€ investment and operating grants and other relevant types of grants*.	3,50 M€ operating subsidies in R&D&I	16.800.585 € investment in digital transformation
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*Includes training subsidies (subsidised training courses, an item which, by nature, corresponds to personnel costs) plus capital subsidies on non-R&D projects and operating subsidies on non-R&D projects.

** Accrual basis.

Natural capital

958,985 tCO₂e GHG emissions (scopes 1, 2 and 3)	2,933,763 GJ Total energy consumption	1.532.941.125 m³ Purified water returned to its natural environment	+45 % of energy consumed from renewable sources
941.631 water quality determinations	2.065.839.327 m³ Drinking water collected for management		



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Human capital

14,040 employees (20 % women - 80 % men)	11.880 permanent employees	1.490.690 € investment in training	232,374 hours of employee training
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Social and relational capital

0,69 % Aqualia Contact complaints index	92 % positive ratings of the service provided Spain (excellent, very good or good)	5.564.393 € social investment	351,336 customers benefited via bonds and subsidies
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1.5 Aqualia Strategic Sustainability Plan 2024-20246

Our Aqualia Strategic Sustainability Plan (PESA 2024-2026) is a solid, transversal roadmap with a positive impact on the business. It is a continuation of the previous PESA, corresponding to the period 2021-2023, which marked a turning point for the company in the integration and management of ESG aspects with a firm purpose: to **ensure the well-being and progress of people and communities through the provision of a public service such as the sustainable management of water**.

The plan materialises a series of internally agreed, firm and realistic commitments that facilitate the day-to-day management of our activities with rigour and a clear commitment to sustainability. It establishes 43 objectives, articulated around **seven Strategic Lines**, aimed at our activity, our supply chain, our employees and society.

The Strategic Sustainability Plan is itself a dynamic document, subject to annual review and updating. Given the changing nature of stakeholder expectations and concerns, as well as the increasingly rapid evolution of events, the plan is subject to constant updating.

In addition to disseminating and deploying this plan, at Aqualia we continue to devote efforts to raising awareness and internal awareness of sustainability. In this regard, more than 350 managers and middle managers have already gone through the sustainability training programme.

1.6 Sustainability Policy

Aqualia's [Sustainability Policy](#) expresses our commitment to the environment, efficient water management and the well-being of communities. It sets out our way of acting and summarises the actions related to ESG aspects that are developed in other documents such as **Aqualia's Strategic Sustainability Plan 2024-2026**.

2. Market situation

2.1 Domestic market

In 2024, once the effects of the pandemic were finally overcome, we started the year with a resource availability crisis due to drought in large parts of the country. The recovery of economic activity - especially in the services and tourism sectors - has also been affected by the exorbitant increase in material costs that began with the war in Ukraine, and which in 2024 has begun to moderate.

The accumulated water reserve began the year at 47% of the volume available in reservoirs, after four months at around 39%. Thus, 2024 began with a drought situation in the internal basins of Catalonia, Andalusia and Murcia, where cuts and restrictions on non-priority consumption were decreed. This situation began to stabilise in the second half of the year and ended 2024 at 52%, the average percentage for the last 10 years.

Continuing with severe weather events, the floods caused by the DANA in October resulted in heavy loss of life and material damage in the south of Valencia, Letur (Albacete) and parts of Malaga. In the Valencian Community, the most affected region, the public authorities requested assistance to meet the needs for equipment and personnel to work on recovering facilities. In response to this request, Aqualia mobilised 15 trucks and seven plumbing teams. Once the infrastructure reconstruction work had begun, we were awarded one of the largest emergency works contracts for the replacement of more than five kilometres of sewerage collector between Buñol and the Buñol wastewater treatment plant.

Beyond this tragic episode, the Spanish government and several regional governments have approved emergency plans, especially for the construction of new infrastructures such as deep water catchments, the expansion of desalination plants and the improvement of surface water use. These include new desalination projects in Barcelona, Almeria and Malaga, and water reuse



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in Andalusia and Alicante, valued at a total of 1.4 billion euros. The central government has also approved the third cycle of hydrological planning for all the national basins - for the period ending in 2027 - with special attention to the maintenance of ecological flows and the quality standards set by the European Directives, with a total budget of 22.8 billion euros.

The Spanish government also gave the go-ahead to the PERTE project for the Digitalisation of the Urban Water Cycle, endowed with 1.6 billion euros from the funds of the European Mechanism for Reconstruction and Development. Of the two calls for tender, we were awarded the project submitted for Campo de Gibraltar (Cádiz) in the first, and four in the second: Realwater (Ciudad Real), Digital island (Canary Islands), Anda (Asturias) and Cantabricontrol (Cantabria). These five projects will improve services for 1,539,876 people and have an approved budget of 54 million, of which we will directly execute 32.4 million. The tender for a third phase with an additional 100 million is currently open and we will once again bid for several significant projects.

With regard to the evolution of electricity costs, we have maintained a policy of diversifying our suppliers in order to minimise the economic risk due to variations in the price per kilowatt hour. The two PPAs (Power Purchase Agreement) signed in previous years have covered slightly more than a third of total consumption in Spain. In addition, fixed tariffs have been negotiated on the fixed and futures markets for a high percentage of our CUPs, which account for approximately 60 % of consumption. As a result, only 3% of electricity consumption in Spain has been left open to the free market (OMIE). The rest of the costs have consolidated the increases of previous years and have evolved around the CPI, with slight additional increases due to legislative changes.

Tariff billing for residential and industrial customers was stable in 2024. In the first half of the year, there was an increase of 0.6 % in the volumes billed to customers in decline. The average value for the year finally ended with an increase compared to 2023 of 0.7%. During 2024, the ban on water cut-off for non-payment to vulnerable customers has been maintained, without affecting Aqualia's collection capacity.

As for the sale of water in bulk, in 2024 the volumes supplied fell by 6.63% compared to 2023. In any case, this type of supply has little weight in our overall calculation. The aforementioned upstream supplies have been affected by the prolonged drought that Spain is suffering.



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It should also be noted that a special effort has been made to obtain tariff increases or subsidies to compensate for cost increases and thus maintain the profitability levels of previous years. In this way, we have managed to ensure that many of the contracts reflect the CPI increases of recent years.

Commercial area

In 2024, we secured new contracts and renewed services we were already operating in 366 contracts. This figure represents a production of 58 million euros per year and a contracted portfolio of 533 million euros. It is also a sign of the trust and loyalty of our customers, as this is a renewal of over 95% of the contracts that expired during the year.

Similarly, in 2024 we continued to consolidate our presence in the industrial water sector. The pre-award of the Minera Los Frailes water treatment plant (Seville) - for 48.7 million euros - is a technological challenge for which we have been chosen among the most important industrial water companies. For this reason, we believe that this engineering work will be a very important worldwide reference for Aqualia.

In the municipal concessions market, new contracts were awarded. The main ones were La Llagosta (Barcelona) and Rota (Cádiz). In O&M contracts, of note were the IDAM O&M service contracts for Santa Eulalia and San Antoni de Portmany (Balearic Islands), IDAM Ibiza O&M service (Balearic Islands), CABB peripheral sanitation installations O&M service (Vizcaya), La Almozara WWTP O&M service (Zaragoza) and Navarra Canal infrastructure operation service.

In addition, the main O&M contracts extended or renewed were the renewal of the operation and maintenance service for the Valle de la Orotava (Santa Cruz de Tenerife), the renewal of the operation, maintenance and conservation service for the Rio Huerva (Zaragoza) sewerage and wastewater treatment system, the maintenance service for the Levinco DWTP in Mieres (Asturias), the operation services for the Picadas-Almoguera (Toledo) and Mancoma (Manresa) water supply systems, and the maintenance services for the Picadas-Almoguera (Toledo) and Manresa (Manresa) supply systems, the maintenance service for the Levinco DWTP in Mieres (Asturias), the operation services for the Picadas-Almoguera (Toledo) and Mancomunidad El Girasol (Cuenca) supply systems, the operation and maintenance service for the installations



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attached to the water service of the Consorcio del Louro (Pontevedra), the O&M service for the regional desalination system (Toledo), the renewal of the operation, maintenance and upkeep service for the M service of the regional desalination system of Oeste-Guía de Isora (Santa Cruz de Tenerife), the operation and maintenance services of the peripheral sewerage networks managed by Canal de Isabel II in lots 3 Guadarrama, 9 (Torrelaguna), the maintenance service of the sewerage network of the city of Zaragoza (Zaragoza) and EMASESA (Seville) and the maintenance of the WWTP of Chiclana de la Frontera and La Barrosa (Cádiz).

In terms of EPC activity, highlights include the award of emergency works to guarantee supply to the La Caleta WWTP (Santa Cruz de Tenerife), emergency works to repair the sewerage and treatment facilities affected by the DANA in the Valencian Community (Buñol-Alborache system) (Valencia), new connections to the Ter-Llobregat network. Lot 4: Copons, Rubió and Jorbá connection (Barcelona), the actions to increase production at the Valle de Güímar portable WWTP (Santa Cruz de Tenerife), the supply of equipment for IDAMs in Fuerteventura, the enlargement of the Industrial Wastewater Treatment Plant (WWTP) of Heineken España at the Seville factory, and the tertiary treatment works at the Valle de la Orotava WWTP (Santa Cruz de Tenerife).

Efficiency in operational management

Our policy is always aimed at seeking efficiency in operational management. In this regard, in 2024 we have redoubled our efforts to reduce costs - especially in consumption (energy, materials and water purchase) - which has enabled us to improve efficiency ratios, despite generalised price increases. We have also made progress in the creation of eleven regional logistics centres to obtain synergies in purchasing capacity and to have warehouses provided by suppliers.

Continuing along these lines, in the last year we have continued to reduce costs linked to customer management, with measures such as policies to pursue fraud in the measurement of consumption, the promotion of electronic billing, the increase in direct debit of bills, the control of bank fees, the reduction of face-to-face customer service and the transfer to other channels (telephone, social networks, internet).



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In the field of digitalisation, we have set up the technology centres in Denia (Alicante), Oviedo and Toledo, where the **Aqualia Live** integrated digital management tool for water services is being developed. This platform enables integrated management of water networks, incidents, issuing of work orders, asset management and meters.

In addition to all this intense activity, we have promoted initiatives as a socially committed company. Thus, we have renewed our agreements with Caritas, and we have promoted actions for the reduction of emissions and the commitment to green energy. As a founding member of the StepbyWater Alliance, we continue to promote the development of its founding objectives under the chairmanship of our CEO.

2.2 International market

Internationally, we have concentrated our activity in 2024 mainly in Europe, North Africa and the Middle East (MENA) and Latin America (LATAM).

2.2.1. Europe

Developments in Europe in financial year 2024 were characterised by the following highlights:

- Moderate reduction in consumption, due to several factors: the effects of the health crisis that originated in 2020, which persist in some regions; public awareness of the need to save water and care for the planet; and the sensitivity of demand to tariff increases caused by the rise in operating costs. Specifically, in Italy we have suffered a 5.9% reduction in consumption due to the restrictions caused by the drought that has plagued Sicily since April.
- Increase in water and sewerage tariffs. As a result of inflation due to the energy crisis caused by the war in Ukraine, the operating costs of water services have risen significantly. Thanks to the resilience of water contracts supported by mature regulatory systems, these increases have

translated into parallel tariff increases. For example, the Czech Republic has increased its tariffs by 10%. Tariff increases in Italy have been significant (7.1%), helping to partially mitigate the effects of the drop in consumption.

- In the face of water scarcity, member states have adopted supply-side policies based on the search for new resources in desalination and reuse, and greater control of groundwater and surface water. They have also acted on demand-side policies for leakage reduction, sectorisation and digitisation through the allocation of EU funds.

- The sustainability plans for the reduction of the carbon footprint and the promotion of the circular economy with the transformation of the sector's waste into new usable resources (reused water, biogas, biofertilisers, renewable energies) have promoted new regulations and the promotion of innovation in treatment technologies. The improvement of the quality of the water distributed and the water discharged has acted in the same direction.

Czech Republic

In the Czech Republic, annual inflation - after a couple of years of double-digit growth - has stabilised at around 2.8%. In relation to the infrastructure necessary for the provision of services, the Czech subsidiary SmVaK has continued with its investment plan of renovation and improvement in order to maintain its high levels of efficiency.

At the same time, the Czech koruna has remained relatively stable at around CZK 25/€ throughout 2024, which has benefited the company's consolidated financial statements expressed in its functional currency (euro).

In mid-September, the region of Moravia Silesia, where our subsidiaries' operations are concentrated, was hit by heavy rains and floods that affected their facilities and networks. By the end of the year, all these facilities were operational.

In terms of business activity in the country, the Czech subsidiary SmVaK was successful in winning the contract for the Mošnov industrial area in Ostrava (Moravia Silesia region). In addition, as a result of the aforementioned floods, cooperation with industrial customers has been intensified, as many of their water treatment facilities were severely damaged.



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France

France remains the European country with the most business opportunities for organic growth despite having the largest global competitors in the sector and several local players causing margins to tighten.

Over the past year, we have continued our expansion in this country, where we now serve more than 100 municipalities. We have strengthened our presence in the north of Île de France with the management of the Île d'Adam supply service and the renewal of the historic Goussainville contract. We also expanded our presence in Pays de Dreux with a new supply concession contract and won a first contract in the Loiret department. In addition, in the last quarter of the year, we opened a new branch in Lyon to strengthen our presence in the south of France and begin a phase of more intense development in the south-east of the country. All of this has contributed to consolidating Aqualia's position as the fourth largest water operator with a presence throughout the country.

On the other hand, the dissolution of parliament at the beginning of June and the subsequent difficulties in forming a government have hindered the progress of the measures announced in 2023 by the French Ministry of Ecological Transition, in particular key legislation on reuse and initiatives to support industrial efficiency projects.

Italy

In Italy, the year has been marked by the drought that has plagued Sicily. Restrictions have been frequent since the end of April, reaching a situation of extreme need in the summer. This situation has highlighted the chronic lack of infrastructure in the region. To alleviate this situation, the authorities have activated plans to improve and improve existing infrastructures and to develop new infrastructures in order to mitigate a new situation of scarce rainfall as in the last two years.



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Acque di Caltanissetta has received funding from Civil Protection for a total amount of 8.4 million euro for several projects to combat the water emergency. Among them, the most significant is the project for the creation of a new well field in the south-east of the province with a production of 100 l/s.

In addition, new funding has been obtained from the Sicilian Region to implement in 2025 a new project to upgrade the networks in Caltanissetta for 4.2 million euros and a second project for the first phase of upgrading the networks in the industrial areas of Caltanissetta and San Cataldo for 2.5 million euros.

Portugal

Drought has also been one of the main issues of the year in Portugal. Thus, water management in Portugal has focused on protecting the use of water resources by increasing the monitoring of groundwater consumption and holding public tenders to promote the efficiency of distribution networks within the framework of the sector's digital transition. On the other hand, policies to increase supply have been adopted with the announcement of the construction of new desalination and reuse infrastructures.

In this regard, the Portuguese Water Strategic Plan (PENSAARP 2030) aims to revitalise leakage reduction activity. The plan foresees that any network upgrades will introduce smart grids to meet the target of 20% (10 percentage points below the current level) of non-revenue water by 2030 set by the country's water regulator (ERSAR).

In the field of desalination, it is important to mention the ongoing seawater desalination projects in the Algarve, and those planned for the port and industrial area of Sines, and the agricultural area in the south of the country.

A new phase is also beginning in the industrial sector, which, aware of the water situation, is actively seeking more efficient solutions for the consumption and treatment of its liquid effluents. Thus, in 2024, we were awarded the contract for a Faruni WWTP for the Lusiaves Group, the largest agri-food business group in the Centro region of Portugal. With this project, we have once again positioned ourselves as an international benchmark in the treatment of industrial effluents due to the incorporation of our own technologies and our capacity to recover valuable resources from waste.



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With respect to operating costs, we have suffered a considerable increase in electricity costs. This has been covered by the revision formulas stipulated in the concession contracts and which, following negotiations with the administrations, have been passed on to the tariffs.

2.2.2. AFRICA AND ASIA

Georgia

At the end of December 2023, the national regulator GNERC published the new water tariffs for the period 2024-2026 - previously agreed with GGU - in order to update the impact of inflation and make funds available to increase investments for the improvement of water cycle infrastructures.

The new tariffs - effective from 1 January 2024 - include a significant increase in the commercial tariff billed to companies, businesses and public entities. During 2024, this commercial billing has been monitored in detail to detect changes in consumption behaviour, but no reduction has been identified, but, on the contrary, increases due to increased economic activity.

With regard to the operation of the project, the modernisation and operational improvement programme continued throughout the year, with the planned investment programme and the reorganisation of the operational centres. With regard to the latter, a total reorganisation has been implemented, and a new operations centre has been opened, which has significantly increased the presence on the street and, therefore, has greatly reduced outages.

In April 2024, a landslide caused a break in one of the main supply pipes to Tbilisi, the capital of the country, which meant that an urgent repair had to be carried out in order to minimise the time the population would be without supply. Thanks to the efforts and foresight of the GGU team, the repair was completed in less time than expected, for which the city authorities acknowledged and thanked them for their work.



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Algeria

In Algeria, the two desalination plants, Mostaganem and Cap Djinet, have continued to operate at full capacity and without significant incidents. These provide a critically important service to the population of the country's most important metropolitan areas: Oran and Algiers.

Egypt

We have continued to operate the Abu Rawash wastewater treatment plant to the full satisfaction of the client. With a treatment capacity of 1,600,000 m³/d, this plant serves the western area of Cairo.

As for the operation of the 250,000 m³/d wastewater treatment plant in New Cairo, it continued to operate at full capacity throughout the year, also maintaining customer satisfaction.

The Alamein desalination plant - with a capacity of 150,000 m³/d - is a first level reference within the desalination plan designed by the Egyptian government with the aim of reducing the country's water stress in the Mediterranean and Red Sea coastal areas. An extension of the operation and maintenance contract was signed in 2022 for a period of five years, and during 2024 the plant has been operating without incident.

Saudi Arabia

The three desalination plants traditionally operated by the Haaisco subsidiary - at Jeddah International Airport, KAUST University and Petrorabigh - have been fully operational since 2024. As for the Jizan desalination plant - also operated by Haaisco - it has been fully operational since the end of 2023.



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Haaisco signed in June 2023 a new operation and maintenance contract for three floating desalination plants of 50,000 m³/d each for the Saudi state-owned shipping group Bahri. By the end of 2023, one of the three desalination plants was already in operation and in November 2024 the second floating desalination plant came on stream. The third plant is expected to be operational by mid-2025. These mobile plants are currently located in the port of Yanbu on the Red Sea, but will be able to move to wherever they are required along the country's coastline for periods of several months or years.

In Saudi Arabia, we led consortia won in 2022, two of the six regional delegated water management contracts for the national operator National Water Company: the North Cluster and the South Cluster. The other four contracts were awarded to consortia led by Saur, Veolia and Suez.

These two contracts - Cluster North and Cluster South - have maintained customer satisfaction in 2024. Each comprising a large team of professionals who manage and transform the client's existing water management organisation in the provinces of each cluster, they are carrying out an ambitious programme of modernisation and optimisation of the full water cycle services, with a view to future privatisation.

The South Cluster comprises the governorates of Jizan, Al Baha, Najran and Asir, and serves a population of 5.5 million. The Northern Cluster comprises the governorates of Qassim, Hail, Al Jouf and Northern Border, and serves a population of 2.5 million. In both the North and South, work has been progressing satisfactorily throughout the year.

United Arab Emirates

The subsidiary Aqualia MACE has continued to provide the operation and maintenance of the networks of collectors, pumping stations and wastewater treatment plants in the geographical area of Al Ain and Abu Dhabi capital without incident and at full capacity.



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The operation and maintenance contract for the operation and maintenance of water distribution infrastructure for irrigation in agricultural production facilities and for irrigation of recreational areas also continues to operate for Al Ain Distribution Company (AADC).

Oman

During 2024, we continued to operate the integrated water cycle management of the Sohar port area without incident through the subsidiary Ornan Sustainable Services Company. It now operates all the infrastructures for the desalination of seawater, supply and distribution of drinking and process water, distribution of cooling water for industries, collection and treatment of wastewater and distribution of reused water for irrigation.

Qatar

Aqualia MACE has continued to operate the Al Dhakhira wastewater treatment plant, one of the most important in the country, which supplies treated water for garden irrigation to nearby areas.

Likewise, under the framework agreements signed with the Ministry of Public Works for the execution of works on sewerage networks and infrastructure, in 2024 we continued to execute several projects for the internal lining of collectors, the extension of networks and the remodelling of plants.

2.2.3. United States

On 31 December 2023, through the subsidiary FCC Aqualia USA Corp, we acquired 97% of the company Municipal District Services (MDS), dedicated to the comprehensive management of water and sanitation infrastructure in the Municipal Utility District (MUD) around the metropolitan area of Houston (Texas). MDS currently serves 360,000 inhabitants through 136 contracts.



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Throughout 2024, the operation has been consolidated, the company has been reorganised, and new work methodologies have been implemented for greater operational efficiency. By the end of 2024, 147 contracts will be in operation.

In the last year, we have focused our commercial activity on the active search for new projects and business opportunities in which the company's acquired experience can be put to good use. Water scarcity, the obsolescence of hydraulic infrastructures and the low penetration of private operators in the sector are the main growth opportunities for the company in certain states. At the same time, increasingly stringent legislation on the control and elimination of emerging pollutants for the protection of aquifers and surface water is another future business opportunity.

2.2.4. Latin America

The deficit of water infrastructures and the search for efficiency in the existing ones are two factors that enhance our possibilities for growth in Latin America.

Mexico

In Mexico, we have consolidated our position as a benchmark company in the water sector, thanks to a highly diversified portfolio of assets, including water distribution and treatment with the Querétaro and San Luis de Potosí BOT contracts, desalination through the Guaymas BOT, wastewater treatment thanks to the Cuernavaca WWTP BOT contract, and the Integrated Management Improvement project, with the structure of a BOT contract, in Los Cabos (Baja California Sur). Thanks to this contract, efficiency levels will increase and the provision of drinking water services in the municipality will improve.

The national body that controls, regulates and administers national waters in Mexico is CONAGUA, which includes the country's water policy for the coming years in the National Water Programme 2024-2030. In order to meet its objectives, different projects will be carried out, several of them led directly by CONAGUA. Many others - generally smaller - will be carried out by local, regional or state entities, although the budget will be mainly federal.



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Colombia

We have consolidated our position as the second largest private operator in the country, with contracts as important as that of the district of Riohacha (Guajira), where we provide service to around 310,000 inhabitants, or the management of the capital of the department of Guajira (more than 1,400,000 inhabitants). In addition to our main project in Colombia, the construction of the El Salitre Bogotá Wastewater Treatment Plant, our presence in the country has been boosted with the inauguration of the expansion of the Villa del Rosario drinking water treatment plant.

In Colombia, 32% of municipalities (350) lack access to quality drinking water, while 450 receive water less than 20 hours a day. Moreover, the gap between urban and rural coverage remains wide. In terms of sanitation, less than half of the wastewater passes through treatment plants, and the country lags behind others in the Pacific Alliance (Colombia, Peru, Chile and Mexico).

Colombia has therefore become a target for large European water corporations: a country with a high investment deficit that, at the same time, has economic resources and supports long-term private management contracts. The increasing urban population, the necessary adaptation and mitigation of climate change, sustainable rainwater management and integrated water resources management are posing a number of challenges for the water sector in this country.

Currently, due to problems of coverage, quality and continuity of service, and the aforementioned urban-rural divide, projects at national and municipal level are oriented towards rural areas. The Departmental Water and Sanitation Plan for Peace, the Bogota Water and Sewerage Master Plan, the National Circular Economy Strategy (ENEC) and the National Plan for Ecological Restoration and Recovery of Degraded Areas are some of the projects promoted by the National Government.

Peru

The government has recently launched a new initiative to reform legislation and create new water management institutions, which takes up many of the ideas and debates of the 1990s. While this initiative definitively ruled out water privatisation, it retained the possibility of introducing market mechanisms for water allocation. The Promotora de la Inversión Privada (ProInversión) is in charge of promoting this private investment through public-private partnerships. Thanks to the



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PPP regulatory framework created in 2009, it has been possible to implement transport, energy, agriculture and irrigation, as well as water and sanitation projects.

Aqualia is actively involved in several private initiatives in this country. Most of the projects are aimed at optimising water treatment plants, as well as the construction, operation and maintenance of wastewater treatment plants and water collectors. Other projects aim to improve the quality of life of the population through the construction of seawater desalination plants for drinking water and other uses in industrial sectors. ProInversión's short-term PPP projects such as Chincha, Cajamarca, Cusco, Cañete, Ilo, Lambayeque and Trujillo-Chepén are at different stages: many of them have passed the formulation and feasibility stage, and others are in the structuring phase.

In the case of the province of Chincha, at the time of writing, ProInversión had awarded us the project to develop the wastewater treatment plant for USD 96.5 million. More than 345,000 inhabitants in seven districts will benefit from a project comprising the design, financing, construction, operation and maintenance for 24 years of approximately 21 kilometres of main collection networks and impulsion lines, a pumping station, two new treatment plants, and 7.7 kilometres of lines for the final disposal of treated wastewater.

Chile

We are currently monitoring several projects in this country, which has 32 desalination plants: 24 in operation, five under construction and three with environmental approval. In addition, 17 projects are in the preliminary assessment phase. In 2023, a new law was passed to study and build water infrastructure, the permitting system was modified, and tenders were announced for the construction of new desalination plants. During 2024, significant progress was made in the construction of large desalination plants in the Valparaíso, Antofagasta and Tarapacá regions, and new projects were submitted for environmental assessment. The ministry's project portfolio includes the tendering of the desalination plant for the Coquimbo Region in 2025 and the Rancagua desalination plant in 2026. The current production capacity is 9,882 lps and 85% of the desalinated water is used by the mining industry.

As water demand increases in all sectors suffering from water scarcity and continuous droughts, desalination emerges as the best option for water resources. In fact, the Chilean government has proposed new policies to promote the use of this type of water in some sectors, such as urban, mining and agriculture. In this context, for example, the use of seawater desalination by mining in Chile is expected to grow by 156% by 2030, while the use of inland water will decrease by 6%.

3. Foreseeable developments

In Spain, growth expectations for 2025 are for the consolidation of the recovery of pre-pandemic activity levels in non-residential consumption together with the commissioning of the Mar de Alborán IDAM in the Spanish province of Almería. This situation will be reinforced by our international activity as a result of the incorporation of new assets in Colombia, France and the United States into our perimeter.

In addition, we expect to maintain historically high renewal rates for maturing contracts (above 90%) and, from an operational perspective, a stabilisation of electricity tariffs.

In the concession businesses of the international activity, tariff revenues will grow as a result of the generalised rise in water and sanitation tariffs. Despite the inflationary crisis, the EBITDA margin of these businesses will be maintained due to the water and energy efficiency measures derived from our sustainability strategy. Meanwhile, our entry into the US market, with the acquisition of a majority stake in MDS, generates expectations of new projects, especially in the large cities of Texas.

Throughout the year, we will also promote the design of renewable energy generation projects to reduce the carbon footprint in the countries where we operate (Spain, Mexico, Qatar, Georgia, Czech Republic, Portugal). The development of singular construction projects will be fairly limited in international activity as a result of the completion of the El Salitre WWTP in Colombia and the Glina WWTP in Romania. Although other projects linked to Aqualia's technological advantage will continue to be explored, the focus will be on projects related to our own concessions.



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Similarly, no major variations in O&M activity are expected. Existing contracts will continue to develop at their normal pace and we expect a significant contribution from the new contracts in Saudi Arabia (management of the clusters awarded in 2023 and the operation of the floating desalination plants).

In Colombia, Aqualia's operating standards will be consolidated in all the concessions acquired and awarded in 2022, with operational efficiency improvements stabilising in the existing perimeter and synergies obtained from the integration of these in 2023 and 2024. New tenders for municipal concessions will also be submitted and new acquisition opportunities are expected throughout the year.

In Mexico, the final overcoming of the operational issues arising from the Realito aqueduct is expected, as well as significant progress in the project for the Integral Management Improvement of Los Cabos, which began in 2023.

The situation in Peru in 2025 will be marked by the launch of the BOT Chinchá project. In this country, we are also developing four other private initiative projects in purification and another two in desalination.

In France, development activity will be accelerated with the search and selection of new business opportunities inside and outside the current perimeter. We also plan to open new sales offices, including Lyon, which is already operational and will strengthen our presence in the south and east of the country.

Georgia expects to maintain the positive trend of this year's results, motivated by the approval of the new regulatory triennium 2024-2026 with the consequent tariff update, once the bases that will regulate the three-year Infrastructure Master Plan have been established.

In addition, several BOT contracts are expected to be tendered in Egypt and Saudi Arabia during 2025, for which Aqualia is well positioned.

4. Customer management



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Our main customers are national and regional governments, municipalities, public institutions, business and industry, irrigators and citizens.

4.1 Transparent communication to the citizen

Meeting users' needs and doing so through excellent service are an essential part of our commitment to society. With the end customer at the centre of our strategy, in 2024 we have continued to focus on direct communication with the user and on technological investment to improve this interaction.

The European Directive 2020/2184 on the quality of water intended for human consumption includes the problem of leaks in distribution networks and establishes a period of three years for their evaluation. The transposition in Spain through Royal Decrees 3/2023 and 665/2023 established the control mechanisms, information and indices to be communicated and improved, and the obligation to make available to municipalities systems that trace, control and optimise this management.

To analyse these new requirements, a multidisciplinary working group drew up the **Water Health Plans** to identify and manage the possible risk in water supply infrastructures. And to accompany the process and enhance transparency with citizens, the **Aqualia Laboratory Platform (LAB)** tool was developed

Citizen information portals

Continuing with this quest for greater transparency, in 2024 we redefined the **Citizen Information Portals** with the local councils of the towns in which we operate, so that users can access transparent and quality information on the service. There are already 200 portals published and [accessible through our website](#), where citizens can search for their municipality and access the portal of the municipal water service in their locality.

What is on Aqualia's **Citizen Information Portals**?



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- **Service excellence:** complaints rate, customer service data, incoming call satisfaction rate.
- **Social action mechanisms:** information on subsidised tariffs
- **Customer service channels:** face-to-face office, virtual office, *app*, social networks, telephone service.
- **Water quality,** water qualification access to SINAC
- **Information on bills,** tariffs and average water price regulations, average consumption per inhabitant.
- Information on the integral water cycle, responsible water use, fraud prevention, commitment to the SDGs and news.

On our website we have also developed the **Responsible Water Use Area**, consisting of two sections: water sanitation and responsible consumption, where public administrations can find communication tools and messages to raise public awareness of the importance of using water responsibly.

Aqualia Contact

In 2024, our customer call centre celebrated its 20th anniversary in Spain. In these two decades, nearly 17 million calls have been received and it now serves three million customers in 430 Spanish municipalities.

Aqualia Contact Ecosystem			
Customer Service Centre (CAC) ³	Virtual office website	Mobile application	Profile on X (formerly Twitter)

In 2024 we launched a **new Aqualia Contact virtual office** to offer a clearer, safer and more efficient management experience to the end customer. With global coverage and adapted to each country and jurisdiction, the solution provides new functionalities and greater ease of use.

³ The Customer Service Centre currently serves Spain, Czech Republic, Italy, Georgia and Colombia, where it began operations in April 2024.



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The new virtual office is just a click away:

- All your transactions and enquiries made easier .
- Increased security in access with personal passwords.
- Information on irregularities or fraud in consumption or management.
- Detailed consumption with daily and monthly consumption graphs.
- Technological innovation: cloud platform for greater monitoring and control.
- And other services such as meter reading, meter queries, data, files, requests for subrogations or duplicate contracts, etc.

In 2025, digitalisation will continue to be developed to improve customer relations through the creation of professional Whatsapp, the integration of telephone customer service on the web with *click-to-call* and the incorporation of Bizum as a new payment method.

4.2 Working to ensure access to water and sanitation

351,336 customers benefited via bonds and subsidies	5.564.393 € Social investment	+ 20.000 People benefited thanks to the partnership with Caritas
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Our Strategic Sustainability Plan 2024-2026 (PESA) directs our efforts to guarantee access to water and sanitation through effective measures for the population. Our commitment leads us to develop the best technical, social and environmental solutions, as well as to seek public-private partnerships to make this right effective in a stable and safe manner.

A right that should be enjoyed by all people, regardless of their social or economic situation. For this reason, strategic line 7 of the SPFS includes the development of mechanisms (vouchers, social tariffs, solidarity funds) in the countries in which we operate.

Information on tariffs and social bonuses is available on Aqualia's website for all users. We also inform customers in the notifications of the possibility of setting up deferred payment plans.



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In 2024 more than 23,700 customers in Spain took advantage of these payment plans in line with their needs.

On the other hand, 2,658,000 customers have access to bonuses and subsidies, of which 46,518 have access to subsidised tariffs. In the rest of the countries, more than one million people have access to these tariffs, and in particular, in Italy, Portugal and France, 5,000 users benefited in 2024.

4.3 Satisfaction surveys

In the countries where we are responsible for the management of the integrated cycle, we carry out customer satisfaction surveys. Thanks to this direct listening, the company can integrate the opinions and assessments of end users into its management, and thus base its performance on understanding the areas of satisfaction and improvement in supply or sanitation services.

Issue 2024: general conclusions

In the 2024 household surveys, up to 92% of respondents rated our management as positive, and 96% considered the drinking water supplied to be of good quality (with 56% of the total saying the water was excellent).

Regarding the institutional customer, 94% of the municipalities are of the opinion that we manage the infrastructures adequately, and 93% of the respondents report that the drinking water supply is running smoothly and without problems, which is stated by all respondents in municipalities with more than 5,000 inhabitants.

In the case of industrial customers, the level of satisfaction is even higher and close to excellence with 98% of respondents having a positive perception of management.



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These results are the fruit of a persistent strategy of investment and updating of the infrastructure, which each year allocates around 40 million euros to the supply and sanitation networks and treatment plants. They also speak of the dedication and public service vocation of all the company's employees.

Conclusions by country

In **Spain**, we have carried out 3,535 surveys with end customers and 17 interviews with institutional customers, in both cases in the municipalities where Aqualia (or its subsidiaries) manages the municipal service. Among the results, 88% of the users consulted were satisfied with the quality of the service. When asked about the processes, satisfaction is also at high levels: between 83% with regard to supply and 90% with regard to meter reading. In terms of communication with the company, the personal customer service office, the app, the telephone assistance service and the virtual office are, in that order, the most highly rated channels.

Continuing on the Iberian Peninsula, in **Portugal**, 700 interviews were conducted with end customers distributed among the brands under which we operate in Portugal (Abrantaqua, Aqualia, Aquamaior and Aquaelvas, and Cartagua). Almost all of them have a high level of satisfaction with the service - over 65% - and have water quality and pressure as aspects highlighted by customers. In turn, trust and efficiency are the company's most valued attributes.

In **Italy**, the end-customer survey in Caltanissetta and neighbouring municipalities (1,104 interviews) reveals that 67% consider the service to be good. The population participating in the study highlighted the continuity of service (64%) and the understanding of the bill (71%) as positive aspects. In terms of communication with the company, timetables, waiting times and the friendliness of the staff are perceived as a competitive advantage.

The results for **France**, meanwhile, show a clear improvement compared to 2022, with 86% of end customers satisfied. The survey of 441 respondents, divided by the different commercial brands (SEFO, CEG, CAE and DREUX), also shows that the telephone is the most used communication channel in France.



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In the **Czech Republic**, very positive results were obtained in a survey that added the business customer to the usual end customer and institutional customer. More than 1,000 interviews showed a level of satisfaction of more than 90% across all audiences. Among the most valued aspects were the quick solution of operational problems such as network breakdowns.

Finally, in Latin America we surveyed 924 end customers in **Colombia**, in the municipalities of Guajira, Córdoba, Atlántico and Magdalena. The results show an overall satisfaction rate of 33%, and a perception of water as a cheaper service than electricity and telephone (59%). From this study, Aqualia extracts points for improvement on which it is already working to continue to make progress in providing the best service.

5. Efficient and sustainable management

Integrated management and environmental approach

By the very nature of our business, we have always been very aware that our activity is intrinsically linked to caring for the planet. And this awareness is reflected in everything we do and in a clear desire to leave a positive footprint through the reduction of emissions, the efficient use of water resources, the protection of biodiversity and the promotion of the circular economy. We also know that the health of the planet is the health of all the people who inhabit it, two interdependent and inseparable realities.



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Our knowledge of the current environmental challenges and our role in addressing them has guided us in the design of the **Aqualia 2024-2026 Strategic Sustainability Plan**. Thus, we are committed to innovation, design, regeneration and the development of solutions to provide water in areas with limited availability of the resource, through projects to reduce water consumption, energy optimisation, emissions reduction, protection and recovery of the ecosystem and to promote the circular economy, the reuse and circularity of water.

In the implementation of the **Environmental Management System**, we define the operational control of the significant environmental aspects and the legal requirements through procedures and technical instructions. These aspects are identified on the basis of Aqualia's activities and environmental risks, related to events such as floods, chemical product spills, wastewater discharges outside specifications, etc.

From there, the **Management Committee**, through the **Integrated Management System Committee**, sets the overall objectives and milestones of the **Integrated Management System**, such as, for example, energy reduction and carbon footprint projects, efficient and responsible management of the integral water cycle.

5.1. Commitment to the climate emergency

958,985 tCO₂e Carbon footprint: Scope 1, 2 and 3 (-1.44% compared to 2023)	45,97 % renewable energy from own generation, PPA or acquisition (+50% compared to 2023)	33 % vehicles with low CO ₂ emissions of total vehicle fleet (+3% compared to 2023)
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Prolonged droughts, extreme weather events, infrastructure failures... These are some of the physical risks that jeopardise access to water today and that could affect our ability to fulfil our active contracts and thus fail to meet the needs of the population. For this reason, in the **Aqualia 2024-2026 Strategic Sustainability Plan**, we have defined a line of work focused on "**Climate emergency and care for the planet**" with commitments, projects and actions in which we do not act alone. We work with governments, communities and industry to find solutions to water



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challenges, thanks to models that prioritise energy optimisation, renewable energies and the reduction of emissions.

An example of this is the development of innovative technologies in **desalination** and water **reuse** to achieve alternative sources of water collection. Our experience makes us a benchmark ally of the administrations in tackling the water crises of the coming decades.

This leadership in desalination is evident in all the projects we have in the countries where we operate. Thus, in Algeria we have the Mostaganem and Cap Djinet desalination plants; in Saudi Arabia, three floating desalination plants, in Egypt, Abu Rawash and New Cairo; and in Mexico, the Guaymas plant. In Spain, we have a strong presence in the archipelagos: in the Canary Islands we operate four desalination plants (Abona, Fonsalia and La Caleta) and we offer portable solutions with containerised desalination plants as an emergency plan against drought. In addition, in 2024 the Balearic Water and Environmental Quality Agency (Abaqua) awarded the consortium we formed with Acciona the contract for the operation, maintenance and conservation of the three desalination plants in Ibiza for the next four years, extendable for a further year.

In addition, the project for the rehabilitation and remodelling of the Alboran Seawater Desalination Plant in Almeria (Spain), which includes the design, construction and operation of a plant that can supply 20hm³ of water per year for irrigation, stands out. This rehabilitation has been a technical and management challenge, and provides a very valuable contribution of water for the Almeria countryside, where the aquifers are salinised and with very low levels.

Also in Almeria, in terms of wastewater reuse, the remodelling project of the El Ejido treatment plant is important, which includes a treatment line with MBR membranes, as well as microfiltration and subsequent ultraviolet disinfection in the conventional line to obtain quality water for agricultural irrigation adapted to the new legal requirements (RD 1081/2024).

Commitment to decarbonisation

We are also committed to the **Paris Agreement Framework Convention's** commitment to global warming and decarbonisation in all countries where we operate with a strategy to achieve these

outcomes. We do so at a time when action is even more urgent, after 2024 was the warmest year on record for the planet and the first to exceed the 1.5 degree increase over pre-industrial levels, a critical threshold under the Paris Agreement.

In Spain, we aligned our performance with the **Long-Term Decarbonisation Strategy of the Ministry for Ecological Transition and the Demographic Challenge (MITERD)**, which establishes a roadmap for Spanish companies to develop their decarbonisation strategies with targets for 2030, 2040 and a horizon in 2050; and in **Italy**, we aligned with the decree-law that includes decarbonisation as an environmental priority.

We are thus responding to the climate challenge with energy management based on optimisation through four lines of action: **calculation of the individual carbon footprint per country** aimed at emission neutrality, **improvement of the energy efficiency** of the facilities, **use of renewable energies** and **transformation of the vehicle fleet**.

Lines of action of our energy management			
Calculation of country-specific carbon footprint aimed at emission neutrality	Improving the energy efficiency of installations	Use of renewable energies	Transformation of the vehicle fleet

Carbon footprint calculation and action plan

In this line of action we implement strategic measures for the control and reduction of greenhouse gas (GHG) emissions.

One of the most important is the detailed study of emissions by processes carried out in Spain. Thanks to this study, we have found that the treatment process is the one that generates the most GHG emissions due to the consumption of electrical energy in the plants. It would be about 31% of the total, while other significant emissions come from wastewater management, either as part

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of the managed infrastructure or depending on the pollution at the entrance of the facility. Because of this, the reduction of these emissions is beyond the scope of the company.

As a result of this study, strategic plans for the control and reduction of GHG emissions have focused - mainly, but not exclusively - on reducing emissions derived from the consumption of electrical energy by wastewater treatment plants. These key initiatives include plans to improve energy efficiency and to reduce the emission factor associated with the energy consumed.

Location-based GHG emissions (tCO ₂ e)	2024	2023	2022
Scope 1	348.400	99.237	119.246
Scope 2	391.738	344.355	330.519
Scope 3	218.847	552.726	272.386
Total	958.985	996.318	722.151

Scope 1: includes fossil fuels and water management complexes.

Scope 2: includes electricity or steam purchased from third parties.

Scope 3: includes purchased items and services, fuel and energy activities not included in scope 1 and 2, and waste generated in operations.

It should be noted that avoided emissions in Spain, the Czech Republic and Georgia from heat production (biogas flaring), electricity generation in turbines, production in renewable energy generation (photovoltaic), energy recovery in pressure exchangers, during 2024 amount to 23,046 tCO₂e.

Projects underway to act on the carbon footprint by 2024 include the following:

- **2022 - 2024: Project Calculation, Reduction, Compensation and Neutrality of carbon footprint in Lleida (Spain) with declaration of neutrality verified by AENOR (PAS 2060).** It has been carried out:
 - Calculation and verification HC 2020-2023.
 - HC Reduction Plan 2023- 025.
 - Purchase of carbon credits: 1800 tonnes of CO₂.
 - AENOR Verification Standard PAS 2060: Neutrality Declaration.

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- Next steps: registration in the COMPENSO Seal (OECC), in the "Voluntary Compensation" and "Voluntary Agreement" Seal of the OCCC (Catalonia).

FCC Aqualia ha compensado un total de **1.800 toneladas de CO₂**, a través de las siguientes entidades:

<p>• VERRA (Internacional): </p> <p>El 90% (1.600 toneladas) se ha compensado a través del proyecto REDD+ ADPML Portel-Pará REDD Project en Brasil.</p>	<p>• MITECO (Nacional): </p> <p>El 5% (100 toneladas) corresponde al proyecto Bosque Forcarei, registrado bajo el código 2024-b158.</p>	<p>• OCCC (Regional): </p> <p>El 5% restante (100 toneladas) proviene de créditos de la Bolsa 3 de OCCC, incluyendo el proyecto del Banco de Alimentos de Lleida.</p>
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- **LCA (Life Cycle Assessment) and environmental footprint project:** development of a comprehensive project to measure/calculate environmental impacts in the integrated water cycle contracts of the Spanish municipalities of Ronda and Badajoz. Tools included: water footprint; LCA/environmental footprint/DAP; carbon footprint; project closure in the first half of 2025.
- Development of a comprehensive project for measuring and calculating environmental impacts in two FCC Aqualia water cycle contracts: Ronda and Badajoz.
- Tools included: water footprint; LCA/environmental footprint/DAP; carbon footprint.
- Compliance with Law 3/2023, Circular Economy of Andalusia.
- Reduction/compensation action plans: water efficiency/water remediation; energy efficiency; energy targets; photovoltaic energy, carbon footprint reduction and

compensation. Hydraulic efficiency; energy efficiency; energy targets; photovoltaic energy, carbon footprint reduction and offsetting.

Improving energy efficiency

At Aqualia, we have our **Energy Efficiency Improvement Plan**, developed under the ISO 50001 Energy Management Systems standard, to reduce our electricity consumption. The contracts included in the perimeter⁴ of these systems are subject to an energy review-audit. The objective is to evaluate the results of the energy efficiency measures adopted after the previous review and to propose new ones. The specialised reporting and data analysis tool Aqualia RT-BI is responsible for monitoring and implementing the proposed improvements.

Among the projects launched for energy efficiency, the transversal projects for improving aeration automation and control, biogas recovery and the implementation of renewable energy in the facilities that make up the water cycle stand out. Also important is the development of new applications based on artificial intelligence, aimed at the energy optimisation of production processes in desalination plants.

Energy efficiency projects

Since 2020, we have been purchasing 76 GWh/year of green electricity from photovoltaic plants through the PPA (*power purchase agreement*) model. In 2023, a new contract for 75 GWh/year of photovoltaic electricity was added. As a result, by 2024, Spain will have achieved more than 70 % renewable electricity. The company's energy mix for 2024 is shown in the graph below:

Electricity mix	2024	
	KWh	%
renewable kWh of the electricity mix	438.702.213	29 %
non-renewable kWh of the electricity mix	814.934.095	54 %
kWh self-consumption photovoltaic generation	11.442.637	1 %

⁴ Corresponds to the contracts of Spain and the Czech Republic.

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kWh biogas generation in purification	22.038.650	1 %
kWh hydroturbine generation	221.293.183	15 %
Total	1.508.410.778	100 %

In Spain in 2024, 1,867.21 kWp of photovoltaic energy have been installed in 24 installations, so that the overall power in operation has risen to 9,048.8 kWp in 60 installations. The forecast for the coming years is to install 59 installations, with a power of 16,923 kWp.

In plants with several renewable energy generation systems (cogeneration, solar-photovoltaic, hydro turbines, etc.), good hybridisation energy management is crucial. In this sense, in 2024 at the Wastewater Treatment Plant in the Spanish city of Lleida, we have implemented a control system to manage the hybridisation of technologies and allow the demand for electricity from outside to be as low as possible. We have also started up the hydraulic turbine installed at the Badajoz plant, which generates more than 600,000 Kw/year and accounts for 38% of the consumption at this facility.

Aeration control project

We have implemented advanced aeration controls to improve the process and increase energy efficiency, while optimising the effluent. To achieve this, we have installed systems adaptable to each plant and need, which manage aeration with low-cost probes (redox potential and oxygen) located at the outlet of the reactors.

In the first phase, we have selected 22 WWTPs (mainly located in the different delegations of Andalusia and Extremadura, in Spain). With this project and the average data obtained in similar projects, we foresee an estimated reduction of more than 3.3 MkWh/year and more than 100,000 kg/year of FeCl₃.

In addition, we continue to co-digest local co-substrates at the WWTPs in the Spanish towns of Guijuelo and Guillarei. Thanks to this process, the plant's anaerobic digestion can be self-sustaining and we reduce the external energy demand of the facility by more than 40%.

At the Lleida WWTP we have built a plant to recover sludge from nearby treatment plants. In this plant the sludge is received, mixed and homogenised before being stabilised in the anaerobic



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digestion of the WWTP, which increases the production of biogas. In addition, the fats generated during the process are pre-treated with soda hydrolysis and then fed into the digester. This reduces the waste to be managed and increases biogas generation.

Creation of expert groups

The group of experts working with the Biowin software favours the modelling and optimisation of the process in Aqualia, and its implementation in other facilities. This generates a network of experts who, with the necessary training, will be prepared to deal with different installations.

The objectives of the group are to simulate:

- Special monitoring plants, which may be contract headworks, with non-compliance or spillage.
- Singular plants, either because of the treatment or their size.
- Plants where advanced aeration control is of interest, to define the control strategy.
- Plants considered to be of strategic interest to the company.

Alboran Sea desalination plant project

In 2024 we launched the Mar de Alborán desalination plant project in the Spanish region of Almeria to improve energy efficiency at this plant through new technology. We have replaced the previous turbines and a double-pass osmosis system with state-of-the-art equipment, including more advanced energy recuperators and energy-efficient reverse osmosis membranes with higher production capacity.

This upgrade has allowed us to double the desalinated water production capacity (from 8,000 m³/day to 13,000 m³/day), and has reduced the plant's carbon footprint. This water will mitigate the consequences of the drought in the area and provide an additional resource for Almeria's farmers.

We have also incorporated a 12 MWh photovoltaic installation in this desalination plant. This is yet another example of our commitment to renewable energies and the reduction of energy

consumption. Thus, the combination of technology and clean energies ensures a more economical and environmentally friendly water supply. Another step forward in our action against the climate emergency.

Energy efficiency in the Czech Republic

Energy efficiency measures in the Czech Republic have ensured that the three water treatment plants in Ostrava remain energy self-sufficient: in 2024, the seven hydropower plants produced 4.72 GWh of electricity, i.e. more than they consumed.

Use of renewable energies

Our target for 2030 is to use 50% of renewable energy generated by own installations, PPAs or procurement, divided by the total energy consumed⁵. And, thanks to the installation of plants for self-consumption, the use of biogas resulting from the digestion of sewage sludge for electricity generation, and for self-consumption of the plants themselves, cogeneration systems, hydroelectric generation, among other actions, in 2024, 45% of the renewable energy used will come from own facilities, PPAs or acquisition.

In order to achieve this objective, we developed several projects, among which we can highlight the following:

- Together with seven other companies (Naturgy, Norvento, Perseo, Repsol, Redexis, Reganosa and Técnicas Reunidas) and nine research organisations, the ongoing **Zeppelin Missions** project will implement several innovative hydrogen production pilots at the WWTP in the Andalusian town of Algeciras, which can supply large hydrogen consumers in the area such as Acerinox, Viesco, Air Liquide, Linde, as well as the port companies.
- Also in **Spain**, the wastewater treatment plant in Mérida (Badajoz) achieved zero energy consumption at peak hours thanks to the energy from its 665 solar panels, which are able to cover 100 % of the daytime electricity consumption. This means that 40 % of the annual

⁵ 5 MWC and BOT contracts of more than three years.

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consumption (500,000 kilowatts per year) will come directly from the sun, saving 2 million tonnes of CO₂ emissions.

- In **France**, we have installed 3,500 m² of photovoltaic panels at the Dreux wastewater treatment plant, which will produce 730,000 kWh per year, 24% of the plant's consumption. The panels, located on the roof of the sludge storage facility, will allow the investment to pay for itself in just over three years thanks to the green energy generated.
- The sector of energy production through biogas generated from the treatment of wastewater and its sludge in municipal and industrial WWTPs is experiencing a remarkable growth in **Portugal**. Our innovative technology is generating interest and opening up new business opportunities.
- In **Georgia**, we continued to upgrade the infrastructure managed by our subsidiary GWP. These include the modernisation of the Zhinvali hydroelectric complex, the second largest hydroelectric complex in the country, through the installation of a SIEMENS HB3-C generator system of European standard. An investment of more than 1.13 million euros will guarantee the safety and stable operation of this strategic plant for the water supply of the country's capital.

We are currently working on updating the projects for mini-hydro power plants at two locations with large water reservoirs and on the construction of photovoltaic power plants at several large wastewater treatment plant sites in the region, which could be commissioned next year.

Transformation of the vehicle fleet

Continuing with our vehicle fleet transformation strategy, in 2024 we continued to incorporate electric vehicles in our management and in several of the municipal water services we manage. As a result, 33% of our vehicle fleet now consists of vehicles with low CO₂ emissions. By incorporating electric vehicles, we modernise our fleet and provide a better service for the well-being of citizens and the planet, as we avoid the use of fossil fuels.

5.2 Efficiency and optimisation for the reduction of water consumption

2.065.839.327 m³ volume of raw water abstracted for its management (+30% compared to 2023)	1.532.941.125 m³ purified water (+94 % compared to 2023)	Aqualia-LAB network of 22 international laboratories assuring water quality
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It has never been more important than now to ensure the continuity of the blue thread through efficient and optimised consumption of water resources. For this reason, a large part of our efforts and investments are dedicated to developing or improving water collection, treatment and distribution systems, in collaboration with the administrations. With the **Aqualia 2024-2026 Strategic Sustainability Plan** as a guide, we have developed plans to reduce the volumes of non-revenue water (NRW) and improve the efficiency of the water networks.

Optimisation of water consumption

In view of the drought affecting several of the regions where we operate, we are committed to the most advanced technology and the implementation of remote control solutions to reduce water losses and optimise water consumption.

In these areas we strictly comply with the drought plans to guarantee supply to the population in any situation, we collaborate with the public administrations and we dedicate all our technology to optimising this essential resource.

In **Georgia** the number of breakdowns in the water supply network remains very high. However, improvements in losses are taking place in several areas thanks to the introduction of acoustic detectors and improved training of field staff.



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In addition, we will invest more than 46 million euros to renovate 70 kilometres of water supply and sewerage networks in Tbilisi, Rustavi and Mtskheta. This project is part of a 10-year action plan developed after a comprehensive infrastructure audit. By September 2024, GWP has already completed 40 rehabilitation projects and has nine more underway.

In **Colombia**, meanwhile, some municipalities face a number of water problems, including turbidity, colour and hardness problems and limited water supply due to the "El Niño" weather phenomenon. To address these problems, we are taking measures such as investing in new pumps, alternative water sources and desalination plants. In addition, we have commissioned the Villa del Rosario Drinking Water Treatment Plant, which will improve catchments, increase treatment capacity, as well as increase the availability of the resource in the rainy season.

Like Spain, Portugal has faced a period of drought in recent years that has highlighted the need to optimise water use. This shortage has led Portuguese organisations, industries and authorities to consider both the improvement of distribution networks and the reuse of treated water in Waste Water Treatment Plants. In this context, we have launched several innovation projects focused on sustainability:

- The **Life Phoenix** project, a pioneering initiative in the development of solutions for the regeneration of wastewater, as well as the treatment of microplastics and emerging pollutants.
- The **GestEAUr project**, which seeks to promote collaboration between different entities in the countries or regions that make up southwest Europe. Within this project, Aqualia will carry out two specific actions:
 - The installation and monitoring of pilot stations for the elimination of arsenic in the water collected in the Portuguese municipality of Elvas.
 - The construction and monitoring of a wetland at one of the Cartaxo WWTPs, which will function as a pilot wastewater treatment station with the aim of studying the operability of intensive/extensive treatment systems using electrostimulation.

In Spain, the portable desalination plant in San Sebastián (La Gomera) is already in the final phase of commissioning to combat water stress on the island, as it will generate up to 3,000 m³ of



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desalinated water per day for domestic, industrial and irrigation use. We have also carried out a study of containerised plants of different sizes that will contribute to improving water quality in drinking water treatment plants located in the Spanish Levante region (Catalonia, Valencia and Murcia).

Other 2024 actions: emergency response

Commitment and responsibility are no longer everyday words and take on new meaning in situations such as the one caused by the DANA in Spain in October. At Aqualia, we express our solidarity with those affected in the best way we know how: by restoring the basic services of the full water cycle as soon as possible. In collaboration with the local councils, we are deploying human and material resources to recover the basic supply and sanitation services.

Of the services we manage, the most affected was Albal (Valencia), where we made sure that the people who work there and their families were provided with basic necessities. Also affected were the Chulilla service, the Jerez de la Frontera, San José del Valle and El Puerto de Santa María services in Cádiz and the Cártama service in Málaga. All services were restored within a very short time.

Water quality

Aqualia-LAB

Our responsibility at Aqualia is to guarantee access to quality water, free of any microorganism, parasite or substance that could threaten human health. To this end, we have a **network of 22 international laboratories** and two in the process of accreditation in five countries:

- **Spain:** eight accredited laboratories in the cities of Vigo, Tafalla, Oviedo, Badajoz, Adeje (Tenerife), Jerez de la Frontera, Lleida, and Ávila; the latter six are managed under the HIDROTEC brand and employ 64 people, who analyse 1,034,387 parameters in 66,175 samples. In total, 1,170 parameters are accredited between the eight laboratories.



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- **Georgia:** six accredited laboratories, employing 57 people, where 233,831 parameters are analysed in 17,854 samples. In total, 149 parameters are accredited between the six laboratories.
- **Czech Republic:** seven accredited laboratories, employing 97 people, analysing 221,000 parameters. In total, 28 parameters are accredited among the seven laboratories.
- **Italy:** one accredited laboratory with three staff analysing 19,300 parameters in 1,120 samples. The laboratory is accredited for 17 parameters.
- **Colombia:** two laboratories in the process of accreditation (24 parameters between the two laboratories).

The primary function of the laboratories is to carry out quality control analyses of water for human consumption, as well as the analysis of inland, waste, swimming pool and sea water. For this purpose, the laboratories are accredited according to ISO 17025, the highest guarantee and reliability in terms of technical competence for the performance of these analyses.

The main challenge for the laboratories in 2024 has been to continue with the implementation of the new regulation on water for human consumption in accordance with Royal Decree 3/2023, which establishes the technical-sanitary criteria for the quality of drinking water, its control and supply. The implementation of this Royal Decree has meant an overall increase of 7,568 samples in 2024 with respect to 2023, an increase of 13%. With regard to the total number of parameters analysed, 169,384 parameters were analysed in 2024, an increase of 20%.

Tank cleaning to ensure water excellence

Tank cleaning is a key task in guaranteeing the quality of the water we supply to citizens and users. At Aqualia, we manage 3,142 drinking water tanks around the world, which require cleaning that can take several weeks and must be carried out without affecting the supply.

During 2024, we implemented the asset management system in tank cleaning and thus assisted in carrying out the inspection tasks set out in the procedure and recording regulatory compliance.



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New software application to manage water quality

Also in the last year we have designed a new system to manage all aspects related to water quality. An application called **LAB**, which has the following modules:

- Infrastructure management (synchronisation with SINAC)
- Analytical planning
- Incident management
- Elaboration and management of Water Sanitation Plans
- Display of parameters and bulletins
- Integration of the sampling points into our G.I.S.
- Dashboard

This system - unique in the market - is of vital importance for regulatory compliance with RD3/23 and covers all the needs of the operator. In addition to helping to comply with legal requirements, it is oriented towards the operation and process control of the facilities we manage. Currently, through this tool, we are preparing around 750 Water Health Plans.

Control of discharges

In addition to guaranteeing controlled water discharges, Aqualia has plans for possible emergencies related to accidental discharges and/or spills. These plans establish preventive and response actions. Similarly, the wastewater treatment plants have discharge authorisations approved by the competent water authorities.

All the wastewater treatment plants identified have applicable authorisations for discharging water into the natural environment. In the event that they do not have this legislation, we establish minimum discharge criteria. Regardless of the country, we use European technology, which meets high standards in terms of discharge levels, ensuring that in most countries the minimum levels established by regulatory requirements are exceeded.



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One way to prevent the impact of unauthorised dumping is to set up pollution warning stations. In this regard, Aqualia has developed a pilot project with a camera for detecting water pollution by image based on artificial intelligence, so that pollution information is available in real time. This will allow us to have early warning systems and therefore make process control decisions quickly and efficiently.

Presence at events and awards in efficiency and optimisation of water consumption.

Our leadership and position as a benchmark in the sector inspires us to participate in the public conversation. We want to share knowledge and best practices in sectoral forums and working groups, such as the one represented by **StepbyWater**, a multi-sectoral alliance that promotes initiatives to optimise and reduce water consumption.

Beyond this partnership, these are some of the most significant examples of our public activity in 2024:

- Digital and efficient management, control centres, artificial intelligence, and the efficient operation of plants in the integral water cycle managed by Aqualia have been chosen by the **Ministry for Ecological Transition and the Demographic Challenge** (MITERD) and by **AGA-AEAS** as success stories.
- Large representation of Aqualia at the **Spain Smart Water Summit 2024**, a benchmark forum in the water sector in Spain, in which we participated in four sessions.
- Participation in a **UNESCO event** on sustainable desalination in the Arab region with a presentation of our emerging desalination technologies.

Presentation of good municipal practices based on technology and reuse in the face of drought in Catalonia at the conference organised by the **Catalan Water Partnership**, the water cluster in this community.

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- Participation for the third consecutive year in the "**Local Forum on Water Management**", a reference event for public bodies, water management entities and technology providers in north-west France.

The extension of the Glina WWTP (Romania), nominated for "**Best Wastewater Treatment Plant of the Year**" at the **Global Water Awards**, presented by the **Global Water Intelligence (GWI)** platform.

- Presence at three of the **most important sector forums in the United States** to explain our experience in sustainable water management: WEFTEC (New Orleans), AU San Diego and Algae Biomass Summit (Houston).
- **ERSAR Exemplary Water Quality Seal** in the Aquamaior and Cartágua services in Portugal.
- **Silver Sun" award** for the artwork that the StepbyWater alliance produced on a wetland in the province of Toledo (Spain), the first artwork on a lagoon to raise awareness of the water crisis.

5.3 Ecosystem protection and restoration

Analysis of nature-related risks and opportunities	817 analysed facilities	8 new biodiversity protection and ecosystem restoration projects
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As part of the **Climate emergency and care for the planet** action line of the **Aqualia 2024-2026 Strategic Sustainability Plan**, we work to protect and recover the natural capital in the territories where we operate. In our management of the integral water cycle, integrated into the natural environment, we redouble our efforts to prevent the contamination of soils or bodies of water, and to minimise the impact on ecosystems.

At Aqualia we manage operations centres - owned or leased - next to protected areas or areas of great value for biodiversity. We operate in two directions:



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- In accordance with **ISO 14001**, we care for protected spaces with initiatives such as green roofs and green walls, light emission reductions, pruning and mowing to control vegetation, restoration of ponds, wetlands and riverbanks.
- We seek to be proactive in paying special attention to protected areas with a focus on the preservation of ecosystems and the survival of species.

Our commitment also materialises in the support of initiatives, whether governmental or from benchmark institutions, that are leading the way in biodiversity care and conversation. Thus, we are members of the Spanish **Business and Biodiversity Initiative (IEEB)** and the **Biodiversity Pact**, both initiatives promoted by **Fundación Biodiversidad** of the **Ministry for Ecological Transition and the Demographic Challenge**.

Analysis of nature-related risks and opportunities

A major step forward in our ambition to preserve natural capital has been the nature-related risk and opportunity analysis we conducted in 204. With this initiative we have analysed all facilities included in our own operations in order to identify nature-related risks. We have developed the **LEAP methodology** proposed by the Taskforce on Nature-related Financial Disclosures (TNFD) and the Corporate Sustainability Reporting Directive (CSRD) to define the nature-related impacts, dependencies, risks and opportunities of our activities.

In particular, it pursued these objectives:

- Analyse the sensitivity of the ecosystems where Aqualia operates.
- Identify facilities located in vulnerable ecosystems.
- Identify and assess impacts and dependencies related to nature.
- Identify and assess nature-related risks and opportunities.

We analysed **817 installations in 15 countries⁶** in Europe, the Middle East and Latin America, corresponding to four technologies:

⁶ Spain, Portugal, France, Italy, Czech Republic, Georgia, Algeria, Egypt, United Arab Emirates, Oman, Colombia, Saudi Arabia, Qatar, Chile and Mexico.



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- Drinking Water Treatment Plants (DWTP)
- Wastewater Treatment Plants (WWTPs)
- Seawater Treatment Plant (Seawater Treatment Plant - IDAM)
- Brackish Water Treatment Plant (BWTP)

These facilities are mainly located in terrestrial (scrub and shrub forest, temperate boreal forest and savannah and grassland) and freshwater (artificial inland waters, rivers and streams, and wetlands) biomes. They contain sensitive locations based on their importance for biodiversity, ecosystem integrity, water stress and the presence of areas of high ecosystem service provision.

Of the 817 facilities analysed, we identified **15 WWTPs located in Spain as priority facilities** in which to define action plans related to nature protection.

In the analysis we followed TNFD's LEAP methodology, which guided us through five consecutive phases of analysis:

Biodiversity highlights

Beyond the analysis carried out, a large part of our action focuses on promoting measures to mitigate the direct impact of our activity on ecosystems and other actions in nature. Among all the 2024 actions, here are some significant examples.

Application of sewage sludge as organic amendments for the restoration of degraded forest soils in Riofrío (Ávila, Spain).

This study is part of a public-private partnership between the **Composting Group of the University of Burgos**, in charge of applying the amendments and monitoring soil quality, and Aqualia, supplier of the sewage sludge used as organic amendments. The main objective of the project is to monitor the improvement in the physicochemical properties, the concentration of available nutrients, the enzymatic activity in the soil and the diversity of the plant cover after the application of these amendments over a period of two years.



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The project incorporates sewage sludge (charcoal obtained after thermal treatment of the sludge and struvite recovered from urban wastewater) into the degraded soils of Riofrío (Ávila), after the forest fire of 2021.

B-FERST: Bio-based FERTilising products as the best practice for agricultural management SusTainability.

This project converts nutrients from WWTPs into innovative fertilisers for agricultural use. In this way, new circular value chains are generated with bio-products, which also improve the sustainability of arable land.

One of the milestones of the project has been the development and validation on a demonstration scale of the process for recovering phosphorus in the form of struvite from the anaerobic digestion process in WWTPs. This technology was developed in collaboration with the University of Santiago de Compostela (European Patent EP3112320A1 "Method and system for the crystallisation of struvite for recovering phosphates in wastewater") and has already been implemented at the Guadalete WWTP (Jerez de la Frontera).

In addition to complying with the nutrient recovery requirements of the new European Directive (3019/2024), the recovered product (registered under the Aquavite® brand) is rich in phosphorus and nitrogen, which has led to satisfactory results during its validation in different applications and successful user acceptance.

Use of biomass resulting from the purification process using Aqualia ANPHORA® technology at the Linares WWTP (first 100% solar anaerobic photoecofactory) to increase the fertilisation of agricultural soils.

The main objective of this study is the evaluation of PPB (purple phototrophic bacteria) biomass as a feedstock for the production of slow-release fertilisers for both acidic and alkaline soils, and its effect on microbial activity, physicochemical properties, fertility and biodiversity of these soils. For this purpose, six agronomic trials were carried out in three different countries: **Italy** (Isola Sant'Antonio, Silvano Pietra and Ferrera Erbognone), **France** (Grenade and Romans sur Isère) and



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Spain (Cuevas, León). This agricultural application is relevant, as this type of biomass is characterised by its high content of the main plant nutrients (nitrogen and phosphorus).

The study was part of the DEEP PURPLE project, coordinated by Aqualia and co-funded by the Circular Biobased Europe Joint Undertaking (CBE JU). Aqualia acted as biomass supplier and Agro Innovation, a French multinational fertiliser company, carried out the *pellet* formulation and agronomic trials.

MARadentro, Managed aquifer recharge with reclaimed water in Medina del Campo.

The aim of this project is to reuse reclaimed water to improve both the quantity and quality of groundwater. The process has the Medina WWTP as its environmental centre and is carried out in an environmentally friendly manner and in harmony with the biodiversity-rich lagoons.

5.4. Boosting the circular economy

88.844.350 m³ recycled or reused water	Life Ulysses Project transforming WWTPs into zero waste biofactories	98,10 % recovered sludge
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Promoting the circular economy is one of the projects that make up LE1 of our **Aqualia 2024-2026 Strategic Sustainability Plan**: Climate emergency and care for the planet. We cannot even aspire to achieve a clean and regenerated environment if we are not aware of the limited nature of our resources, starting with the one we manage and whose availability is increasingly threatened. At Aqualia, we are well aware - and we apply it in our performance - that the present and the future involve embracing a paradigm in which **waste is not the end, but the beginning of another productive cycle**, as positive for the economy as it is for the environment.



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Thus, we are promoting lines of research to convert WWTPs into **circular stations** or **biofactories** capable of recovering, transforming and valorising waste into usable resources for agricultural use or energy recovery.

Sludge recovery

The **recovery of WWTP sludge** is a key alternative for improving degraded soils by providing nitrogen and phosphorus, which are essential for agriculture. At Aqualia, the main destination of the sludge we manage is agriculture, and only if adequate treatment is not available is the sludge sent to landfill. In line with the principle of waste hierarchy, we develop technologies that reduce the generation of waste and recover it for environmental or industrial applications. WWTPs also generate resources such as energy, fertilisers, charcoal and activated carbon, useful for soil remediation, water and gas treatment, as well as reusable water for industry and agriculture.

Innovation projects drive the transformation of WWTPs into biofactories, such as the **H2020** project **BBI B-Ferst**, focused on the potential of recovered raw materials, and **Life Intext**, focused on resource recovery in small towns, currently at the Talavera de la Reina WWTP.

In 2024, the Mérida WWTP inaugurated one of the largest microalgae biofactories in Europe, with 20,000 m² dedicated to the **H2020 SABANA** project. This project, led by Aqualia, uses wastewater to generate bioproducts with an investment of 11 million euros from European funds and 1.5 million from Aqualia.

We also participate in other circular economy initiatives such as **HE Cheers**, which revalorises by-products from the brewing industry, and **H2020 Ultimate** in Tarragona, which implements industrial effluent treatment systems to maximise water quality and reduce environmental impacts.

Increased use of recycled water

At Aqualia we create circularity processes and technologies to make the most of and conserve water: such as the use of reclaimed water for the recovery of ecosystems or the transformation of effluents into water suitable for irrigation.



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Together with other partners, we are participating in the **Ultimate** project, which develops new solutions for the purification, reuse and exploitation of resources in the food and beverage industry. Also in the Spanish city of Tarragona, with AITASA, we are developing water reuse projects in the petrochemical industry through research into a new industrial effluent treatment system; or continuing in Spain, at the Mahou San Miguel brewery, we have installed a new process for purifying and reusing water, which also produces biomethane and hydrogen.

The use of wastewater is even more essential in a context of water crisis. The Hub REUSA project in the Spanish city of Almeria is dedicated to regenerating wastewater for agricultural use. With this platform, we are also ahead of the new requirements of RD 1085/2024 and European Regulation 741/2020.

Another important reclamation project is that of the wastewater from the El Ejido WWTP, also in Andalusia, whose 'çi reform has managed to increase the treatment capacity of the facility in a very small space. In addition, it has been possible to obtain water for reuse validated for agricultural irrigation with two different treatment lines.

Water recycled or reused (m³)	2024	2023	2022
Recycled or reused water	88.844.350	72.290.583	80.862.569

The three recycling countries are Spain, Egypt and the United Arab Emirates, and all three are in water-stressed areas. Water stressed areas have been defined as stipulated in the following link: <https://www.wri.org/data/aqueduct-30-country-rankings> and associated at country level.

Awards and recognitions in the field of circular economy

The algae biofactory inaugurated at the Mérida WWTP (Extremadura, Spain), one of the largest in Europe, has received the **"Treatment Project of the Year"** award **at the iAgua 2024 Awards**.

Award for **"Best public-private collaboration project"** **at the 1st Spanish Water Technology Platform (PTEA) Awards** for an innovation project by Aqualia and the University on biogas recovery.

Andalusia Environment Awards (PAMA) of the Andalusian Regional Government to the Life Ulises project as a model for transforming WWTPs into zero waste biofactories.

6. Innovation and technology

6,260,473 euros R&D investment	4 new R&D projects initiated during the year involving the development of innovative solutions for the care of the planet	6 new implementations of R&D processes applied in facilities managed by the company	23 projects developed by the Department of Innovation and Technology (DIT)
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In an ever-changing present, innovation is no longer optional, but mandatory. It is not for nothing that the Draghi Report - called to be the compass of the new European agenda - identifies innovation as one of the three transformations necessary for a stronger European Union. An innovation that goes hand in hand with decarbonisation and the circular economy to make a **clean, fair and competitive transition** a reality.

At Aqualia, we have long taken on board and internalised throughout the organisation the importance of innovation to address the main challenges of our time. Our Department of Innovation and Technology (DIT) works - in collaboration with other people from both inside and outside the company - to identify opportunities, develop innovative solutions, and implement and transfer knowledge. The transfer of knowledge from Aqualia's R&D&I to production is also an essential part of our sustainability strategy.



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Following European policies as a roadmap, we develop solutions for sustainable wastewater treatment, reuse, sustainable drinking water treatment and desalination, circularity, eco-efficiency, and smart management tools for the efficiency of water resources throughout the water cycle.

Innovation in the face of new requirements

The water sector is facing an imminent tightening of legal requirements⁷, in the face of which innovation plays a fundamental role in guaranteeing the sustainability of the facilities and services of the integral water cycle. The Innovation and Technology Department works together with the production and engineering teams to adapt plants and implement alternative solutions for water collection, as well as for eco-efficiency and intelligent management of the water resource throughout the cycle.

Within this approach, we develop action plans for the transfer of technological solutions obtained in R&D&I projects to production.

⁷ European Water Treatment Directive (5 November 2024), new European Regulation 741/2020 on reclamation and reuse and its transposition with the recently approved Royal Decree 1085/2024 (22 October), and the new Drinking Water Directive (EU) 2020/2184 which entered into force on 12 January 2023.

6.1. R&D&I Strategy

Our R&D&I strategy is oriented towards the search for innovative solutions that minimise environmental impact and maximise the quality of service to people. This vision is articulated in two axes that are deployed throughout the entire water cycle: eco-efficiency and sustainability.

R&D&I Strategy					
ECO-EFFICIENCY			SUSTAINABILITY		
following the principles of the circular economy with efficient management of natural resources and recovery of raw materials.			minimising energy consumption, avoiding pollution in a socially equitable environment and protecting the climate and nature.		
Objectives			Objectives		
<ul style="list-style-type: none">Development of cutting-edge technologies that promote the company's sustainability, protecting the environment and biodiversity.Improving energy efficiency in the company's solutions and services.Valorisation of by-products of the integral water cycle.			<ul style="list-style-type: none">Develop advanced technologies that optimise the use of renewable resources.Avoiding the generation of waste in the company's processes and services.Seek solutions that enable growth in all water markets in line with eco-efficiency requirements.		
<div><div>6 AGUA LIMPA Y SANEAMENTO</div><div>7 ENERGIA ACIONÁVEL E ACESSIBILIDADE</div><div>12 PRODUÇÃO CONSUMO RESPONSÁVEL</div><div>13 AÇÃO PELO CLIMA</div></div>					
Sustainable Wastewater Treatment	Alternative resources: reuse, potabilisation and desalination	Sustainability and energy efficiency	Circular economy, eco and biofactories	Industrial waters	Digital developments

Our R&D&I strategy focuses on identifying opportunities and developing and implementing **solutions** to respond to the environmental, social, technological and legislative challenges of integrated water management. **Internal and external collaboration** is key to the transfer of knowledge that drives innovation in Aqualia and its contribution to sustainable development.

6.2 Lines of work

Sustainable purification

The revision of the Urban Waste Water Treatment Directive (UWWTD) extends the wastewater treatment obligation to towns and cities with more than 1,000 inhabitants and requires integrated stormwater management. It also reduces discharge limits, increases nutrient recovery and aims for a neutral energy balance by 2040. At the same time, it requires higher quality sludge for subsequent reuse, addressing the removal of micropollutants and microplastics.

Classical solutions do not meet these expectations, and in small plants, conventional technologies such as prolonged aeration require costly investment and maintenance. On the other hand, nature-based solutions (mainly lagoons and peat filters) offer low-cost options with very good performance. Also in larger plants, solutions are based on aerobic technologies, which consume energy and produce worthless sludge, when there are alternatives that reduce size, improve efficiency and avoid energy consumption and waste production.

In this line, we work on adapting treatment technologies to the size of the plants in order to **minimise energy consumption and waste production**. In this way, we improve aerobic and anaerobic treatments and reduce sludge production by recovering nutrients to obtain valuable resources such as fertilisers.

OUTSTANDING PERFORMANCE IN 2024

Hub Intext is a project that directly addresses the problem of wastewater treatment in small towns, which sometimes lack adequate facilities. The INTEXT platform will help in decision-making on wastewater treatment systems both for small towns without prior treatment and for those requiring improvement of existing systems.

Alternative resources: reuse, drinking water and desalination

In the current scenario of water stress, the use of non-conventional water sources is key. Regulation (EU) 2020/741 on the reuse of wastewater guarantees the same levels of quality and risk control for reclaimed water in all EU countries. The new Royal Decree 1085/2024 on water reuse establishes a new legal regime for the use of reclaimed water. For drinking water, Directive 2020/2184 and Royal Decree 3/2023 establish the technical and sanitary criteria with growing concern for health and emerging pollutants, and require a modernisation of much of the drinking water treatment processes in Europe to address new limits on endocrine disruptors, pharmaceuticals and microplastics.

This set of requirements motivates the development of innovative solutions for the purification and regeneration of wastewater. For each objective, we establish tailor-made solutions, so that we can achieve sustainability in all its aspects: technical, economic and environmental.

The new standards require, in addition to measuring and eliminating emerging contaminants and microplastics, the development of risk control strategies and diagnostic tools. These tools will allow the selection of the optimal combination of technologies for each situation, while also assessing the feasibility of upgrading existing plants to meet the new requirements.

Along with reuse, desalination also contributes to securing the water resource. In Europe, 1,000 plants are already operating, with a nominal flow of 2,500 Mm³/year, and an estimated annual growth of around 9%. A key factor is undoubtedly the optimisation of these processes, thanks to

the introduction of new materials and membranes, which increase performance and reduce energy consumption.

OUTSTANDING PERFORMANCE IN 2024

In the context of the new legal requirements, **Hub Reusa** focuses on the advanced reclamation and reuse of urban wastewater. It is a demonstration-scale platform located at the WWTP in the Almeria town of El Toyo in Spain, where the European projects **Life Phoenix** and **H2020 Rewaise** are currently being developed.

The Hub Reusa platform has 16 innovative technologies - six of which are developments of our Innovation and Technology Department - on a semi-industrial scale, with a treatment capacity ranging from 10 to 50 m³/h and which can be applied to different types of WWTP. These technologies aim to pre-treat water before it passes through secondary treatment, with the objective of improving its quality as much as possible. By achieving this improvement, the amount of disinfectant required at later stages can be significantly reduced. This is important because the disinfection dose is a key factor in meeting established water quality standards.

[More information](#)

Sustainability and energy efficiency

The revision of the UWWTD Directive includes the objective of energy neutrality for WWTPs with capacities greater than 10,000 h-eq, and proposes to increase the contribution of renewable sources to 100% by 2040. Currently in the integral water cycle, the associated electricity consumption in pumping for urban water collection, supply and distribution is 0.2 kWh/m³. On the other hand, the average specific consumption of WWTPs is 0.5 kWh/m³, which represents 1% of Spain's annual consumption.

In the innovation work, wastewater is considered as a source of energy capable of supplying the purification process itself, and still generate an energy surplus. We are making progress in the development of technological alternatives such as anaerobic treatment and in maximising the transformation of organic matter into bioenergy (biomethane and/or hydrogen). In parallel, we are



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also optimising the equipment and control of plant operation thanks to digital tools. To maximise the production and use of energy in the WWTPs, we are incorporating renewable energies, such as solar and wind power, into the process.

On the other hand, we are working on energy recovery in waterfalls within the integral cycle and active pressure control.

OUTSTANDING PERFORMANCE IN 2024

As part of our **ambitious renewable energy plan**, in 2024 we validated new renewable electricity production solutions by adding innovative panels to the existing ones at the WWTP in the Spanish town of Linares, Andalusia. These panels allow us to increase daily production during the hours with the most sunshine, especially in the months with the least irradiation.

On the other hand, we have developed a pilot experience in another WWTP located in Spain -in this case, Badajoz- to explore electric storage solutions in batteries with greater energy efficiency and lower cost.

Circular economy, eco and biofactories

The European Circular Economy Action Plan (EU CEAP) promotes the efficiency of industrial processes and the use of resources to avoid waste. At the same time, a new European law on critical and strategic raw materials is in preparation, which will include a zero pollution plan for air, water and soil.

According to the National Sludge Register, around five million tonnes of sewage sludge (at 20% dry matter) is produced annually in Spain, the main destination of which is agricultural use (approx. 80%), with the remainder ending up in landfill and incineration (approx. 4%). The UWWTD requires sludge to be treated, recycled and recovered in accordance with the hierarchy defined in the Waste Framework Directive.

The EU will set a minimum recovery of phosphorus, and recommends the reuse of nutrients such as the recovery of biosolids and their compounds with agronomic value (organic matter, nitrogen,



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phosphorus, potassium, calcium, magnesium and other micronutrients) in agriculture. Since 2014, Aqualia has been working with the University of Santiago de Compostela to precipitate the phosphorus present in the runoff from the dewatering centrifuges and recover the struvite crystals. In this way, in 2024 we obtained the European Patent [EP3112320A1](#) (Method and system for the crystallisation of struvite for recovering phosphates in wastewater).

The first industrial-scale struvite reactor was built at the WWTP in the Spanish town of Guillarei, and in recent years another plant has been operated, also in Spain, at the Guadalete WWTP to supply a fertiliser, Aquavite®, to Fertiberia's factories.

Many innovation projects develop alternative solutions to conventional WWTPs in order to transform them into biofactories, thus minimising energy and reagent consumption and avoiding waste production. It is also a way of creating opportunities for the generation of bioproducts through the recovery of resources: biofertilisers, biostimulants, biopesticides, biochar, charcoal, ectoin, or unicellular protein, among others.

Likewise, sludge management at WWTPs includes sanitisation and stabilisation treatments, its material and energy recovery, as well as its biomethanisation and co-digestion.

OUTSTANDING PERFORMANCE IN 2024

2024 marked the first anniversary of the **Centre for Innovation in the Integrated Water Cycle**, located at the WWTP in the Spanish city of Salamanca. The centre is developing innovative solutions to address the current and future challenges of a sustainable integrated water cycle, ensuring the quality of drinking water and a decarbonised wastewater management system that delivers the true value of water. The Centre also coordinates activities of national and international scope, including water treatment for human consumption. Another line of work in which progress has been made in the last year is the recovery of sewage sludge.

Industrial waters



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The role of water in industry is key and at Aqualia we work to ensure that our industrial clients meet their sustainability and innovation objectives and improve the processes involved in adapting both process water and effluents to the regulations in force. To this end, we have developed solutions aimed at optimising the treatment of industrial wastewater in the agri-food, mining and chemical industry sectors, until it can be reused, and reducing the water footprint.

In this line we have worked on different technologies such as:

- Anaerobic membrane reactors, tested since 2014 in Ecoparc de Barcelona and currently in Xinzo de Limia.
- The advanced upflow reactor as the patented PUSH®.
- The ELAN® reactor has several references in the industrial sector, where the industrial-scale implementation at the Heineken plant in Seville stands out.

A particular stream generated in many industries is brine, which is also abundant in seawater desalination. These effluents resulting from the separation of minerals must be managed appropriately, which is why we are working on their use as a critical and strategic source of raw materials.

OUTSTANDING PERFORMANCE IN 2024

ELSAR technology

At the Lleida factory of the Mahou San Miguel brewery group, we have started up the largest biostimulated reactor in the world to treat its industrial wastewater. This technology, developed and patented by Aqualia in collaboration with the University of Alcalá, has been christened ELSAR® and has significant advantages over other systems on the market, as, in addition to the excellent quality of the treated water, it manages to increase the production of bioenergy (biomethane and hydrogen), energy savings, flexibility and stability.

The ELSAR® system is designed to meet the needs of 80% of the country's food and beverage factories. The aim of the process is to minimise water consumption and maximise the use of wastewater flows to obtain energy and resources. In this way, high levels of circularity are achieved in the management of industrial water linked to the manufacturing processes of the Mahou San Miguel group's products and the organic load is used to obtain biofuels. The current



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European project to which ELSAR® technology is linked is ULTIMATE, although the development of this technology is due to previous projects such as ADVISOR, ANSWER and ITACA.

Digital developments

Advanced tools have revolutionised the management of the water cycle and energy consumption, optimising processes with technologies such as the Internet of Things (IoT), which connects multiple sensors. Data analytics and artificial intelligence, meanwhile, monitor water and energy systems in real time for early detection of problems, and enable fast and efficient response.

Decision support systems (DSS) are critical in this context, as they integrate data from various sources and use advanced algorithms to provide accurate recommendations. In water management, these systems can forecast future demand, optimise distribution and ensure that resources are used efficiently. In terms of energy consumption, DSSs can identify usage patterns, suggest savings measures and manage load more effectively, reducing consumption and associated costs.

At Aqualia we design our own systems based on the knowledge of thousands of professionals, providing value, branding and differentiating ourselves from the competition as an added value to the management we carry out in all the municipalities in which we operate.

We have also carried out computer developments in catchment to prevent algae and in potabilisation, such as the elimination of trihalomethanes (THM) or the dosing of reagents. In desalination, we have used algorithms to optimise the electricity consumption of desalination plants in national and international installations. And we have applied numerical optimisation methods and mathematical modelling to minimise the energy consumption of the sewerage system or aeration processes in wastewater treatment.

OUTSTANDING PERFORMANCE IN 2024

In line with the objective of developing sustainable purification solutions, the Department of Innovation and Technology (DIT) has been working for a decade on the development of its own



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granular in-line water technology. As a compact technology, it is able to treat certain volumes of water using less space.

This technology is of interest for the construction of new wastewater treatment plants, as it requires a smaller extension than the conventional one and reduces civil works costs. It is also a valuable option for plants already in operation that require an increase in their treatment capacity (higher volumes or stricter requirements for the removal of organic matter or nutrients such as those required by the new Waste Water Directive).

Within the framework of the **LIFE RESEAU project**, we have designed, built and started up two 450 m³ reactors at the WWTP in the Galician municipality of Moaña, in which the treatment capacity per reactor surface area has been increased by 400% to 2,000 m³/d of wastewater.

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Projects implemented in 2024

Register	Acronym	Name	Home	End	Location	Lines of work					
						Sustainable purification	Alternative resources: reuse, drinking water and sustainable desalination	Sustainability and energy efficiency	Circular economy, eco and biofactories	Industrial waters	Digital developments
19 03	BBI B-FERST	Bio-based FERTilising products as the best practice for agricultural management Sustainability	2019	2024	Jerez de Frontera	X			X		
19 04	BBI DEEP PURPLE	Conversion of diluted mixed urban bio-wastes into sustainable materials and products in flexible purple photo biorefineries	2019	2024	Linares Badajoz	X			X		
19 06	LIFE INTEXT	Innovative hybrid Intensive Extensive resource recovery from wastewater in small communities	2019	2024	Talavera de la Reina (Hub Intext)	X	X				
20 02	H2020 SEA4VAL UE	Developing radical innovations to recover minerals and metals from seawater desalination brines	2020	2024	Denia (Desalination Innovation)		X				

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20 03	H2020 ULTIMATE	Industry water-utility symbiosis for a Smarter Water Society	2020	2024	Lleida			X		X	
20 06	LIFE ZERO WASTE WATER	Positive energy wastewater treatment plant for combined treatment of wastewater and bio-waste in small populations	2020	2025	Almería	X		X			
20 07	LIFE INFUSION	Intensive treatment of waste effluents and conversion into useful sustainable outputs: biogas, nutrients and water	2020	2025	Gijón	X				X	
21 03	HATCHING MISSIONS	New materials, technologies and processes for the generation, storage, transport and integration of renewable hydrogen and biomethane from biowaste	2021	2025	Salamanca (Centro de Innovación en el Ciclo Integral del Agua)			X	X		
21 04	ZEPPELIN MISSIONS	Research on Innovative and Efficient Green Hydrogen Production and Storage Technologies based on the Circular Economy	2021	2025	Algeciras			X	X		
20 04	H2020 REWASE	Resilient Water Innovation for Smart Economy	2020	2025	Moaña Almería (REUSA)		X		X		X

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20 05	LIFE PHOENIX	Innovative cost-effective multibarrier treatments for reusing water for agricultural irrigation	2020	2025	Almería (REUSA Hub)	X	X				
21 01	H2020 NICE	Innovative and enhanced nature-based solutions for sustainable urban water cycle	2021	2025	Talavera de la Reina (INTEXT Hub)	X	X				
21 02	LIFE RESEAU	Resilience enhancement in the urban water sector	2021	2025	Moaña	X					X
22 04	UMI AQUATIM	Joint research unit: sustainable future of the circular, efficient and resilient water cycle.	2022	2025	Santiago de Compostela	X		X			X
22 02	HE D4RUNOFF	Smart implementation of adaptive hybrid solutions in sewage networks for preventing and managing diffuse pollution from urban water runoff	2022	2026	Santander	X					X
22 03	HE CHEERS	Producing novel non-plant biomass feedstocks and bio-based products through upcycling and the cascading use of brewery side-streams	2022	2026	Lleida				X	X	

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22 05	HE NINFA	Taking action to prevent and mitigate pollution of groundwater bodies	2022	2026	Los Alcazares		X				X
23 01	HE RESURGENCE	Industrial water circularity: reuse, resource recovery and energy efficiency for greener digitised processes	2023	2027	Algeciras				X	X	
24 01	LIFE SALTEAU	Sustainable drinking and irrigation water production from saline alternative water resources	2024	2028	Denia (Desalination Innovation)		X				
24 02	INTERREG GESTAUR	Sustainable and digitised water management in rural environments in the SUDOE area.	2024	2027	Tiñosillos Fonviveros				X		X
24 03	HE CIRSEAU	Building a water smart economy and society	2024	2026	Madrid						X
24 04	UNITED CIRCLES	Interconnected efforts from feasibility to finance for industrial-urban symbiosis driven by circularity hubs	2024	2028	Salamanca (Centre for		X		X		
24 05	INTERREG IDIWATER	DESAL + LIVING LAB MAC	2024	2026	Adeje (Centre		X				



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Prizes and awards in the field of R&D&I

- **Award for Best Digitalisation Project at the Disruptors Innovation Awards 2024** of the newspaper El Español for the digitalisation project of the water network in the Spanish municipalities of Dénia and Talavera de la Reina.
- **Prize awarded by the Royal Galician Academy of Sciences (RAGC)** to the Aqualia and University of Santiago de Compostela (USC) patent that allows struvite to be extracted from wastewater.
- **Fernando Calvet Prats" Technology Transfer Award**, for the same project, to the Environmental Biotechnology Group (BioGroup) of the University of Santiago de Compostela (USC) and to Aqualia.

7. People and culture

People and culture We renew the EFR Reconciliation certificate until 2027 we promote a work-life balance for our staff	We created the young talent network AqualiaYoung we connect, inspire and empower young professionals in the company	III I4U Aqualia Innovation Awards we promote innovation, creativity and research among the company's talent	Be Aqualia 360 new people and culture management project
Healthy and Inclusive Leadership Training for Spanish team leaders	2nd Be Aqualia Awards promoting good health and wellbeing practices	Internal Women's Talent Network AqualiaWomen	Renewing our commitment to the 10 principles of the Charter



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			we are committed to diverse and egalitarian workplaces
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At Aqualia, we are people who work for the well-being of people. We do not lose sight of this and, for this reason, we take care of each and every one of those who make up the organisation, both professionally and personally. We want those who work with us to be able to flourish individually and collectively. We want to ensure stable, quality and stimulating employment in the 18 countries where we operate.

The management of people is so essential that it is the backbone of **strategic line 3** of our Aqualia 2024-2026 Strategic Sustainability Plan and focuses on three objectives: contributing to the objectives of the employees' overall health, generating an attractive and sustainable organisational identity, and contributing to the transformation of the company towards a sustainable culture.

To advance Aqualia's cultural transformation, in 2024 we have begun to evolve the Be Aqualia project into Be Aqualia 360, a more integrated perspective of people management, which will meet the company's new internal and external trends and needs.

Be Aqualia covers seven action blocks identified as **health assets** with which we promote the fulfilment of our team's responsibilities and objectives, and enhance their motivation and the positive relationships between the different areas.

Be Aqualia						
Quality of employment	Leadership	Reconciliation	Professional development	Community	Health and well- being	Equality and diversity

For its part, with Be Aqualia 360 we will work on five lines: integral health, quality of employment, corporate wellbeing, culture and talent, community and sustainability.

7.1. Attracting and retaining talent

The availability of multidisciplinary professionals is, together with the availability of technological tools for excellence in customer service, one of the aspects highlighted by Aqualia's teams.

In order to attract and retain this outstanding talent, we carry out different actions, always respecting equal opportunities and non-discrimination. In 2024 we have been present in the most relevant job portals and we have participated in events to promote young talent and the professional future of university students:

- **Job fairs to attract the interest of future professionals** such as the Foro de Empleo y Tecnología of the Universidad Politécnica de Madrid, the Foroempleo 2024, held at the Campus of the Universidad Carlos III de Madrid, or the Feria de empleo talento joven de Oviedo, organised by the Chamber of Commerce of Asturias (Spain).
- **Welcome Talent, the power of an inclusive brand" event** organised by MyGwork at the Instituto de Empresa in Madrid, where different companies shared diversity and inclusion initiatives with students and human resources professionals, with the aim of attracting talent and promoting equal opportunities in employment.
- **Collaboration with the Young Water Professionals (YWP) network:**
 - **First *hackathon* for young people in the water sector** where several members of our staff shared their knowledge and passion for finding solutions to improve aspects of water management.
 - **Teaching innovation project "Clearer water" with the YWP and the Polytechnic University of Madrid (UPM).** Young professionals from the company (who also belong to the YWP) were invited to share their professional experience with the students as part of the Water Management subject of the Master's Degree in Chemical Engineering and Environmental Engineering. The aim of this is for them to get to know young references in the sector and the existing opportunities in the water sector.

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- **4th IWA-YWP Spain National Conference 2024, held in Bilbao** to promote the exchange of experiences and knowledge among young professionals in the sector, encourage *networking* and their personal and professional promotion.
- **We have created the AqualiaYoung young talent network, integrated into the Be Aqualia ecosystem** and specifically designed to connect, inspire and empower the company's young professionals. This network is made up of employees under 35 years of age with the aim of sharing knowledge and building talent loyalty, and to this end, training, meetings and gatherings will be organised.

Staff by gender and country	2024		
	Men	Women	Total
Saudi Arabia	292	19	311
Algeria	53	6	59
Chile	11	-	11
Colombia	770	285	1.056
Egypt	222	4	226
United Arab Emirates	415	13	428
Spain	5.480	1.600	7.079
United States of America	164	79	243
France	137	53	190
Georgia	2.447	397	2.844
Italy	251	28	279
Mexico	88	18	106
Oman	2	-	2
Peru	3	1	4
Portugal	92	22	114
Qatar	42	3	45
Czech Republic	742	295	1.037
Romania	4	-	4
Other countries* Other countries	2	1	3



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Total	11.216	2.824	14.040
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*Panama, Montenegro, Tunisia

Staff by age range	2024	
	Q	%
Up to 35 years old	2.681	19 %
Between 35 and 54 years old	7.518	54 %
Over 54 years old	3.841	27 %
Total	14.040	100 %

Benefits for our people

Work-life balance, new ways of working and flexibility are requirements that are highly valued by employees, and essential in the management of people in a company. At Aqualia, we have been working in this direction for some time: we implement measures to improve the quality of employment, flexibility, family support, personal and professional development and equal opportunities for our staff.

Proof of this commitment is the fact that we have held the **Family Responsible Company (EFR) Certification** since 2017. Promoted by the Másfamilia Foundation and endorsed by the United Nations, this certification allows us to establish a system of continuous improvement with a series of measures to ensure the well-being of our people.

In 2024 the EFR Certification has been renewed again, and after the external evaluation by AENOR, we have received the certificate in work-life balance until 2027 with the category of "Committed Company C+", which recognises our commitment to the design of strategies and practices for the management of work-life balance.

Beyond this certification, our benefits and work-life balance measures are shared with employees through our internal communication channels: corporate intranet, notice boards in work centres, email, Be Aqualia *app*, among others.



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On the other hand, in terms of **compensation**, at Aqualia we comply with all regulations regarding salaries. We guarantee that the remuneration and salaries of our people are in line with what is established according to their job and performance. To this end, we design appropriate compensation through different actions:

- Exhaustive review of the concepts and amounts that correspond to each worker in accordance with what is legally established by collective bargaining agreement, individual agreement or employment contract.
- Variable remuneration policy based on objectives according to annually set performance parameters.

Boosting professional and personal development

Technological development and market evolution force us to continuously innovate and seek new ways to enhance the professional development of our people, whether in technical knowledge, languages or leadership. In this sense, the Standard Positions Manual is our reference to facilitate human resources processes, as well as to contribute to the optimal development of people. These manuals allow us to align training with strategic objectives and develop training adapted to the requirements of the positions.

At Aqualia, the transmission of knowledge is a priority. For this reason, we develop training courses and *webinars* for technical staff according to the needs of their function. We have a catalogue of training in technical courses and trainers from the engineering, production, innovation and operations departments. In addition, we promote the accreditation of professional competencies, with qualified experts in energy, water, safety and the environment. Since 2017 and to date, 310 people have already obtained this certificate.

In addition, to accompany our strategy of growth and international expansion, we have a platform where we can study the languages of the countries in which we operate: English, French, Portuguese, Italian and Spanish.

Emotional health is also part of our training offer. In 2024, we offered courses on topics such as stress, productivity and mental wellbeing, in which 754 people took part. Safety and security



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continue to be essential, especially the prevention of risks due to exposure to asbestos. In 2024, we delivered 98,375 hours of health and safety training.

It is not only technical knowledge that is fundamental to progress as a company, culture and ethics guide the best decision making in an organisation. For this reason, in 2024 we continued the training in the **Aqualia Leadership Model** for managers, and the sessions on the **Code of Ethics and Conduct**, with a focus on training on conflicts of interest.

Aqualia's Leadership Model is based on three pillars:

- **Participatory leadership** to foster people development and team management.
- **Healthy leadership** where we work on how the position of leadership can influence and modulate psychosocial risks.
- **Inclusive leadership**, which provides tools for inclusive decision-making.

In 2024, 25 managers in Spain participated in the **Aqualia Leadership Model** training courses, which included the Healthy Leadership and Inclusive Leadership modules, offered by **Affor** and the **Adecco Foundation**, respectively.

In addition, we work on leadership and skills development training, adapting to the different countries. For example, the assertiveness training course held in Tolima (Colombia) in collaboration with the Universidad del Rosario is part of the plan to strengthen leadership skills and improve management dynamics. This seminar also addressed issues related to the work climate and the influence of strong leadership on a safe and positive work environment.

Together with the Centre for University Studies (CEU), we have developed the second edition of the **Advanced International Management Programme**, to train key profiles of the company in advanced management knowledge in international environments, in which a selection of 15 people working in **Saudi Arabia, Portugal, Colombia, France, Georgia, Italy, Qatar and the United Arab Emirates** have participated.

From our subsidiary Georgian Water and Power (GWP) in **Georgia**, we have signed an agreement with the US aid agency USAID "Employers for Vocational Education" to implement vocational training programmes - specifically on water supply and sewerage systems - among our staff. With



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an investment of €475,815, this partnership will contribute to reducing unemployment and to the sustainable development of the country, and will benefit 90 people between 2024 and 2025.

In 2024 we also conducted leadership and communication training in line with the **Discovery Insights Model**. In October, two sessions were held for 35 people of more than 15 nationalities in the *cluster's* projects in Saudi Arabia. This training, designed to improve internal communication and teamwork, was highly valued given the complexity of the projects and the diversity of the teams working on them.

On the other hand, the **Spokesperson Training for the Development of Influence and Persuasion**, aimed at 24 managers representing production in **Spain**, is of particular relevance. The aim of these courses is to underline the desire for transparency with the company's stakeholders and to put into practice the techniques and skills necessary to act as a spokesperson and carry out persuasive and effective communication. In addition, the programme includes sessions on social media communication and how to communicate sustainability.

Finally, another project aimed at boosting our talent was the **3rd I4U Aqualia Innovation Awards**. An internal event that promotes innovation, creativity and research among the company's talent to discover proposals that can be implemented in operations and improve the quality, efficiency and sustainability of our activities. In this edition, professionals from Portugal, Georgia, Czech Republic and Spain participated with 18 applications focused on improving the quality, efficiency and sustainability of the integral water cycle. The project "Innovation in Aqualia's Cybersecurity" was the winner from among all the proposals submitted.

Internal communication

In 2024, internal communication continued to gain importance in our day-to-day work as a tool to keep everyone in Aqualia informed of our activities, positioning and other relevant events. It is also a fundamental element of internal cohesion and transmission of our culture.

Among the various internal channels, **Be Aqualia**, a mobile application aimed at all the company's employees, especially those who do not have a corporate email account, stands out. With this tool we achieve two-way communication: we inform employees of what is happening in



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Aqualia and they can give their opinion and participate in the surveys and challenges proposed by the company.

Be Aqualia	2024	2023	2022
Staff members who have downloaded the Be Aqualia app	8.685	8.033	7.280

In 2024, more than 800 internal communications were sent through different formats: *emailing*, *news flash*, **Aqualia Global News newsletter** and corporate *app*.

In terms of **collective bargaining**, the trend towards a reduction in the number of smaller collective agreements continues. In Spain, the labour reference framework, the 6th State Agreement for the Integral Water Cycle, has been extended to Extremadura, in addition to other agreements to which Aqualia has adhered or which have come to have the State Agreement as their regulated framework. Agreements have also been reached at provincial and regional level, such as the Balearic Islands Collective Bargaining Agreement and the updating of the agreement in Catalonia. We are also negotiating the agreement for the Smvak subsidiary in the Czech Republic for the years 2025-2027 and other agreements with a smaller scope of application under negotiation in 2024.

Another forum for social dialogue is **Aqualia's Charter for Occupational Health**: a working group between representatives of the majority trade unions and the company's management, which addresses health and welfare conditions and the implementation of good practices at a global level.

In 2024 we dealt with recurring issues such as the evolution of the accident rate and compliance with the objectives of the **Strategic Health and Wellbeing Plan**. We also presented the results of the psychosocial risk assessment, the physical security risks in situations of external violence and the means established for these cases. Finally, we discussed the extraordinary measures adopted following the effects of the DANA and new protocols for atmospheric risks.

Awards and recognitions for employment, development and a culture of belonging



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Recognition from the **Regional Ministry of Family, Youth and Social Affairs of the Community of Madrid** for our promotion of work-life balance measures as a Family Responsible Company (EFR).

7.2 A safe and healthy environment

We lead the promotion of health and safety -physical and emotional- in the company from a preventive and comprehensive approach. To this end, our guidelines are the **Integrated Management System** and the **Strategic Plan of the Health and Wellbeing Department 2024-2026**.

With the aim of continually improving our health and safety management, we are certified under the ISO 45001 standard, integrated in Aqualia's Integrated Management System.

At the same time, we continue to make progress in the four lines of work that form the backbone of the Department of Health and Wellbeing's Strategic Plan 2024-2026:

Zero harm to workers	Control of critical risks	Be Aqualia occupational wellbeing	Data analysis and reporting
To reduce personal injuries, which may result from unsafe conditions and attitudes, both for own and third-party employees and third parties.	Maintain a homogeneous control for the entire organisation that guarantees security and compliance with a standard in relation to the risks that we consider critical to our activity.	Improve indicators of physical, emotional health and well-being of the workforce, and significantly increase participation in programmes to promote healthy living.	Improve management, control and reporting through the implementation of a global application, the redefinition of proactive and predictive indicators, dashboards and targets.

Zero harm to workers

We have updated and structured this line into four programmes: control of absenteeism, organisational learning, control of the health and safety performance of contractors and



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integration of preventive activity. In 2024, we have focused on the internationalisation of these projects and the evaluation of internal training in order to consolidate the company's preventive culture.

Control of critical risks

This line is made up of two projects: the critical risk programmes and the company's key risks. The latter is new and seeks to raise awareness at all levels of the risks common to all activities in the full water cycle, which can sometimes lead to serious accidents.

Be Aqualia, well-being at work

In 2024 we have increased the number of healthy initiatives, including the promotion of physical activity, healthy nutrition, *webinars* and workshops, participation in sports activities (races, walks, paddle tennis, football, etc.), agreements with physiotherapy clinics, Family Days with employees and their social or family environments, etc.

In addition, with the support of our *partner* AffortHealth, we continue to offer emotional health programmes to workers and we have managed psychosocial risks in the company, consolidating a cultural change in the organisation when dealing with mental health. The measures implemented include the **Be Aqualia psychopack**:

- **Psicomet**, a tool for examining a person's level of mental and emotional well-being and the early detection of any mental health problems.
- **Employee Assistance Programme (PAE)**, a psychological counselling service offered by expert psychologists to help employees resolve any possible psychological and emotional discomfort in both the personal and work spheres.
- **Emotional health prevention** through live workshops led by expert psychologists to achieve greater emotional strength.
- **Interpersonal conflict management procedure**, a mediation tool for the management and resolution of conflicts arising in the workplace.



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Likewise, in Spain we have carried out the second **Psychosocial Risk Assessment** using the MentallyPro® tool, which allows us to classify the results by economic activity, cross-reference the data with other variables and classify them according to the company's intervention priorities. These results will guide us in making decisions that improve well-being and health care in the workplace

Along with this psychosocial risk assessment, we measured the psycho-emotional health status of the workforce using the Goldberg Scale and administered a workplace violence questionnaire. All this makes this assessment comprehensive and its results help us to prioritise our interventions in a holistic manner. We are also working to extend this methodology to other countries.

Data analysis and *reporting*

In 2024, we continued to implement the new software for global health and safety management. By gathering more feedback on its use, we have been able to develop improvements in terms of autonomy, ease of use and more detailed information. With these changes, the software has been rolled out to other countries and it is expected that by 2025 all projects will be using the same tool. Thanks to this, we will be able to homogenise management in key aspects such as accident reporting and investigation, safety inspections, identification and execution of corrective actions, etc.

II Be Aqualia Awards: good health and wellbeing practices

The second edition of these awards served to recognise those who get involved and excel in improving the lives of the other people who work at Aqualia and the communities where we operate. Their example helps us to collect good practices and inspire the rest of the organisation.

In this edition the awards were organised in three categories:

- Award for the Prevention of Occupational Risks, with 22 nominations
- Health and Well-being Promotion Award, with five nominations
- Personal Lifetime Achievement Award, with three nominations



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Safety, welfare and health awards and recognitions

Finalists in the 2nd **imPULSO Cardiovascular Health Awards**, in the large company category, awarded by the Spanish Heart Foundation (FEC), for our work in raising awareness and preventing cardiovascular diseases through the **BeFit Project**, which promotes healthy lifestyle habits among our staff.

In the **United Arab Emirates** we have been recognised at the **TAQA-WS HSE FORUM 2024** with the following awards:

- HSE Good Achievement Award
- HSE Individual Award: Mr. Shamal "Senior HSE Engineer".

Recognition as a **Protected Brain Space** by the Fundación Freno al Ictus, training 123 employees from the customer service offices in Lleida, Oviedo and Jerez de la Frontera (Spain) in the identification and effective response to cases of stroke.

OSWS, our Omani subsidiary that manages the water infrastructure of the port of Sohar and its industrial zone in Oman, has won two prestigious international health and safety awards: the **British Safety Council International Safety Awards** and **The RoSPA Health and Safety Award**.

Be Aqualia as a "success story" in the **'Perk Talks' of Vitaance**, a platform dedicated to the management of wellness programmes in companies

7.3 A diverse and inclusive organisation

Our culture is not only transformative and healthy, it is also diverse and inclusive. We have managed to create spaces of respect, inclusive, egalitarian and free of bias. And we do not want to be satisfied: with the **Diversity and Inclusion Protocol** and the coordination of the **Diversity Committee**, we continue to move towards the company we want to be

The Diversity, Equity and Inclusion Protocol is based on our responsibility to build work ecosystems that facilitate the relationship between different people in increasingly



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heterogeneous environments. Aqualia reflects the reality of the society in which it operates, an increasingly diverse context with people of different skills and abilities, with cultural and social particularities that enrich a global organisation such as ours.

All our subsidiaries, with regulatory obligations, have equality plans agreed with the social partners. In 2024 we implemented the commitments made in the **3rd Equality Plan**, signed in October 2021 for the period 2021-2025. In this way, we have renewed our commitment to gender equality (SDG 5) and the reduction of inequalities (SDG 10).

In terms of diversity, equity and inclusion governance, in 2024 the Diversity Committee has analysed diversity-related issues and projects and implemented the **Diversity, Equity and Inclusion Action Plan**, detailing all planned actions to further progress towards an inclusive and bias-free culture.

Actions for diversity

As a signatory of the [Diversity Charter](#), we promote the principles of equality, diversity and inclusion in the workplace through this initiative and others such as the AqualiaWomen network, the Empowering Women's Talent seal, the Diversity Leading Company certification, equality campaigns and campaigns against gender violence, AqualiaContigo, as well as training and awareness of diversity, equality and inclusion.

In addition to renewing our commitment to the Diversity Charter in 2024, we continue to join the **#CEOPorLaDiversidad** alliance, an initiative led by the **Adecco Foundation** and the **CEOE Foundation (Spanish Confederation of Business Organisations)** to unite companies and the people who lead them around the values of diversity, equity and inclusion.

We also have an agreement with the **Asociación Red Empresarial por la Diversidad e Inclusión LGBTI (REDI)**, an ecosystem of companies and professionals in Spain that works to promote safe and respectful work environments for all people, regardless of their identity, gender expression or sexual orientation. Through REDI, we have conducted awareness-raising sessions on diversity and inclusion for the entire workforce with the aim of raising awareness of the benefits of



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promoting more respectful and inclusive work environments, and to show the professional barriers that LGBTI+ people can encounter in the company.

Another agreement, this time with **MyGWork**, a global recruitment and networking platform for LGBTI+ people, helps us attract the most diverse talent among professionals, graduates and organisations working to promote diversity and inclusion at work. We participated in the platform's **Work Pride** forum to promote LGBTI+ employment and shared "What diverse, open and inclusive *networking* looks like" at the company.

In addition, in 2024 we organised a session for delegation managers in which we emphasised the importance of inclusive leadership and the positive impact of diversity on the business.

Also in the area of training, we have given courses on sexual violence, DE&I LGBTI+, inclusive language, unconscious bias and cycles of gender violence. And on the occasion of **Pride Day**, we have developed a campaign with the participation of the employees of the Madrid offices.

Actions for gender equality

Aqualiawomen. In 2024, 50 women were members of this internal network of female talent, which facilitates *coaching*, training and professional *networking* processes.

Cross Mentoring Programme. It is part of the **Empowering Women's Talent (EWT)** that combines pairs of mentors and mentees from different companies, and in which two mentees and two mentors from Aqualia participated in 2024.

Networking and Speed Mentoring. An initiative promoted by the organisation Womenalia to encourage STEM (science, technology, engineering and mathematics) vocations among young women. To this end, the event encourages contact between pre-university students and leading female engineers from the business world.

Let's Talk Equality Training. Mandatory for new recruits, this course equal opportunities in the workplace, the rejection of direct and indirect discrimination based on gender, race, age, nationality, religion, sexual orientation, disability, etc.



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Collaboration with the Women's Employment Programme of the Adecco Foundation, which promotes the employment of women at risk of social exclusion. In 2024 we participated -thanks to our volunteer staff- in the organisation of a Solidarity Wardrobe so that the participating women would have suitable clothes to present themselves at a job interview. Together with the Adecco Foundation, we have also contributed to the preparation of the 11th #EmpleoParaTodas Report.

Partnership with the Ministry of Equality (government delegation against gender violence) to promote awareness and social awareness against gender violence in the framework of the initiative **Companies for a Society Free of Gender Violence** signed in November 2022 (Spain).

Awareness campaigns. On key dates we launch awareness-raising and sensitisation initiatives in different locations with the collaboration of the workforce and maintain alliances to work on gender equality.

- Campaign for **International Women's Day** with the slogan **"Invest in diversity, the greatest asset to accelerate progress"**. Under the UN call, we invite you to share on www.aqualiaigualdad.com an image with the X symbol for multiplication, as a representation of the achievements made on the road to real equality.

For the **Day Against Gender Violence**, the campaign **"Ante la violencia de género, tenlo claro" (Be clear about gender violence)**: at www.aqualiacontigo.com we asked people to share a photo to show their support. In addition, numerous actions were carried out in the municipalities of Spain and Colombia, and an awareness-raising day was given by a technician from the violet point of the Ministry of Equality and people from the Adecco Foundation who work to raise awareness against gender-based violence.

Actions for inclusion

In Spain we comply with the regulations on disabled staff in full: we maintain the required 2 % of disabled staff in companies with more than 50 people, through appropriate alternative measures.



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In Spain, we also maintain the collaboration agreement with the **Down's Syndrome Foundation** and with **FSC Inserta de la Once**, and we continue to develop with the **Adecco Foundation** the **Family Plan** aimed at children of employees with a certified disability greater than or equal to 33%.

This year, together with the **Adecco Foundation**, we have held a series of activities focused on people with different abilities. The most popular were the corporate volunteering days, held at the headquarters of Las Tablas and Federico Salmón (Madrid), Kansas City (Seville) and Balmes (Barcelona), in which Aqualia volunteers collaborated with people with disabilities from the Cantera de Talentos Project to make a Christmas decorations workshop.

In addition, on the occasion of the **International Day of Persons with Disabilities**, we have developed a plan of actions in different work centres, such as the *"Who killed diversity?"* treasure hunt, a biscuit decorating workshop with disabled people from the Cantera de Talento Foundation, and a day with Pablo Pineda, the first European graduate with Down syndrome and ambassador of the Adecco Foundation.

Commitment and respect for **older people** is another of our unwavering principles. It drives us to drive global initiatives and support the most vulnerable communities in the countries we serve.

In Riohacha (Colombia) we support the "Celebration of the Elderly", an event with music and dance that brings together more than 300 people from diverse communities, including indigenous and afro-descendants.

In the Czech Republic, staff from our subsidiary SmVak regularly visit senior citizen centres such as the Na Výminku nursing home in Ostrava, where they talk to residents and promote responsible water use.

In Georgia, our subsidiary GWP covers the water bill for vulnerable elderly households, ensuring access to high quality drinking water. This action also extends to children's homes in Tbilisi.

Diversity, equity and inclusion awards and recognitions



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Renewal of the **Empowering Women's Talent (EWT)** seal from the human resources magazine **Equipos & Talento** for our commitment to the development of women's leadership.

Distintivo Igualdad en la Empresa (DIE), extended until 2028, as recognition from the Spanish Ministry of Health, Social Services and Equality of Spain of our commitment to diversity and equality between men and women.

The Riohacha service (Colombia) has received recognition from the Ministry of Labour for its participation in **Colombia's Labour Inclusion Strategy** for people with difficulties in finding work in La Guajira. 1,800 people have already received a job opportunity in different companies throughout the country thanks to this initiative.

Recognition for the third consecutive year by **Equipos y talento**, the leading human resources media in Spain, as one of the 70 leading companies in diversity, with the **Diversity Leading Company** seal, with a higher score than the previous year (644 compared to 600).

Selection in the **TOP 50 companies in Spain with best practices in diversity and inclusion** at the **DEI Summit 2024**, organised in Madrid by **Intrama Consultoría**.

8. Communication and Marketing

In a world increasingly dominated by uncertainty and a confluence of major social and environmental challenges, companies must be even more determined to create **positive impact**. And this involves maintaining business models that in themselves contribute to the development of their communities. This is our case at Aqualia, as we provide solutions to the need for access to a resource that is essential for life, social progress and economic dynamism. Our activity makes a difference in many areas where, before we entered the market, water supply and sanitation were not guaranteed at all times, nor were all the populations.

In addition to this direct impact on the well-being of people and the environment through our activity, as an international operator we have the responsibility to maximise our commitment to a more prosperous, fair and inclusive future. This is why we forge alliances in the different territories and promote social investment for the benefit of the stakeholders with whom we interact



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Engaging with our stakeholders allows us to gain an in-depth understanding of the impact of our management, and helps us to ensure that our decision-making remains aligned with stakeholder expectations.

At Aqualia, as operators of an essential public service, we are committed to maintaining communication with our stakeholders based on active listening and dialogue around their main demands and our commitments.

To this end, we have established a roadmap in accordance with their priorities and the main communication channels open to each of them. In addition, in order to reinforce our contribution to the 2030 Agenda, we have disseminated a sustainability communication manual for employees and the general public.

Digital communication

79,360 subscribers across all our networks

In 2024 we received 2,300,000 visits to the Aqualia website (1,172,827 in 2023). We also have a presence on the main social networks:

- On **YouTube**, we have 4,204 subscribers (3,600 in 2023) and **181,914** annual views (237,126 in 2023).
- 8,096 followers in **X** (7,650 in 2023).
- 71,528 followers on **LinkedIn** (50,270 in 2023).
- 3,371 followers on **Instagram** profile (2,270 in 2023).

8.1 Public-private partnerships to ensure access to water



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As a benchmark company in the water sector, we have the social legitimacy to lead public-private collaboration projects. These strategic alliances highlight the benefits of concessions in the water sector for both the Administration and citizens.

We cooperate with different institutions, organisations and associations in the organisation, management and development of projects to transform cities into smart and sustainable spaces. Thus, in the different countries in which we operate, we have become a strategic partner in water management and the consistency of these contracts allows us to maintain commercial relations despite political and economic circumstances.

Promoting good water governance through StepbyWater

For the fifth consecutive year, we maintain our leadership - as a founding partner and with our CEO chairing - in the **StepbyWater Alliance** for the development of its founding objectives. This pioneering alliance in Europe brings together, facilitates and drives a framework of key partnerships and initiatives at the supranational level, including the 2030 Agenda, the Decade of Action for Water and the Climate Summit Agreements, within a framework of integrated and cross-cutting partnerships. Within the framework of this partnership, the following activities were developed in 2024:

- **Almeria City Council joins 'StepbyWater',** a multi-sectoral alliance chaired by Aqualia and made up of public and private organisations and civil society.
- **Event in collaboration with Almeria City Council, Resilient: EU BLUE SUMMIT StepbyWater.** International meeting for water, in the framework of the Sun&Blue Congress.
- **Working session between the secretary general of the Andalusian Federation of Municipalities and Provinces (FAMP), Yolanda Sáez, and the Stepbywater alliance** to address the management, innovation and digitalisation of a resource increasingly limited by droughts.
- **Participation in Talent Land Spain,** focusing on regeneration and the emerging concept of the "blue economy"



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Projects and partnerships with third parties to ensure access to water

In Spain, since 2015 we have maintained a collaboration agreement with Cáritas, whereby we subsidise all water consumption in all its facilities where we provide services: 152 centres in 44 locations. To date, thanks to this agreement, access to water has been guaranteed to any person in a situation of vulnerability and more than 466,788 euros have been subsidised (68,844 euros in 2024 and more than 20,000 people benefited).

In 2024 we entered into a collaboration agreement with the Spanish Red Cross on the "Cruz Roja te escucha" (Red Cross listens to you) project, to help people with mental health problems, whereby we donate one euro to the organisation for each customer who switches to electronic invoicing. In 2024, €32,800 was raised for this project.

In addition, in collaboration with the **University of Huelva (UHU)**, we guaranteed access to water for 600 inhabitants of **the Senegalese village of Nandoumari**, located in the Commune of Dindefel, an agro-livestock farming community with difficult access and limited electricity and water supply. This project aims to improve food sovereignty and diversify the population's income towards agriculture and tourism. To this end, we financed a deep water borehole with an electric pumping system powered by solar panels to supply water to the community. Thanks to this intervention, the nutrition and health of the villagers have improved.

In Italy, we have carried out work to activate two water wells that will guarantee new water resources for the inhabitants of the **Sicilian region of Caltanissetta**, where we operate, as it will compensate for the low flow of the Ancipa reservoir. In addition to the two wells, approximately 400 metres of new pipeline has been constructed to transport the additional water.

In **Georgia**, we have long-standing partnerships to ensure access to water for **nursing homes and children's homes** as part of our commitment to social responsibility. In order to help these people, partnership agreements have been signed with 13 new social homes in 2024.

Finally, the Integrated Management Improvement Project (MIG) reaches its first milestone with the improvement of supply to 12,000 homes in **Cabo San Lucas (Mexico)**. This project, awarded in



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2021, will provide a continuous drinking water service and increase the efficiency of the supply system for more than 200,000 inhabitants of the municipality, while benefiting the local population with more than 100 direct jobs.

Solidarity funds for families in partnership with public institutions

Aqualia works with local councils to create solidarity funds that contribute to guaranteeing access to drinking water and sanitation for families who cannot afford to pay the bill. These funds provide timely coverage to people who are in a serious economic situation.

In 2024 we have maintained and renewed agreements with several Spanish city councils: Rota and Arcos in Cádiz, Nerja in Málaga, Jaén and Torredonjimeno in Jaén, Albal, in Valencia, in Alicante with Novelda and Alcoi; in Murcia with Mazarrón and San Pedro del Pinatar, and in Girona, with Llagostera.

8.2 Strategic communication

Communication is a key lever for communicating our objectives and priorities in integrated water management to our stakeholders. As such, it forms part of the Strategic Sustainability Plan in a cross-cutting strategic line.

Through our **Communication Plan** we seek to position our leadership as a company specialising in this sector, create alliances and promote specialised events. It also allows us to communicate the real value we bring from various perspectives: social, as a company committed to sustainable, digital and responsible consumption, and as an employer of future professionals. In this respect, some of the **most noteworthy actions in 2024** were:

Development of our social networks in Colombia with the aim of bringing communication closer to citizens. Aqualia's service in Villa del Rosario (Norte de Santander, Colombia) has introduced a new space to strengthen dialogue between the community and the company. The project includes regular meetings with the presidents of the Community Action Boards (JAC), and awareness-raising and sensitisation actions on sustainability and Aqualia's role.

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- **Development of a communication plan in Saudi Arabia.** The essential lines of positioning are digitalisation and sustainability, customer-centricity, knowledge transfer and the development of local talent.
- **Renewal of the Citizen Information Portal (required by the new Directive 2020/2084),** with new procedures to ensure not only water suitability, but also citizens' access to more information on this resource. In total in 2024 we have published 424 portals.
- **New communication tool for users Ostrava (Czech Republic).** Interactive map of the Moravia-Silesia region, where we operate, with information on water quality.
- **Special communication campaigns** in Almeria on the promotion of desalinated water and in Jerez de la Frontera for the change in tariffs, with the key message of tap water consumption and the importance of responsible use.
- **Crisis management for the water main break in Tbilisi (Georgia).** The communications team kept the public informed about the extent of the failure, the restoration plan and the daily progress of the work. Daily reports, interviews and press releases have been carried out to provide information on the progress of the work and an updated estimate of the completion of the repair.
- **"Heat Stroke Campaign", an awareness campaign for the use of protective measures against heat stroke for street workers (Oman).** Through OSWS, the Omani joint venture between Aqualia and the public company Majis, we carried out a campaign that included an awareness-raising talk on safety in extreme heat, distribution of special Personal Protective Equipment (PPE) and electrolytes to help employees stay hydrated.
- **Responsible consumption campaign in Caltanissetta (Italy) in a context of severe drought.** The campaign promoted the responsible use of water and included useful boards to optimise consumption and raise awareness among users about water care.



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8.3 Environmental awareness

Communication and awareness-raising are two fundamental tools for conveying to society the importance of sustainable management of the water cycle. Each communication campaign and educational action is an opportunity to remind us of the premise that guides us: the importance of caring for an essential resource for the future of the planet and the well-being of all the people who inhabit it.

8.4 Events

Our participation in sectoral events to share knowledge, new technologies and best practices in integrated water cycle management allows us to enrich the company's processes and procedures from design to implementation and project realisation.

Among the activities and events in which we are participating in 2024, we can highlight the following:

Carrefour de l'Eau event - Rennes (France). At the main French event for urban water management, we presented our efficient management and local connection. In this country we serve more than 900,000 citizens and we are consolidating our position as the fourth largest operator in France with contracts in the regions of Ile de France, Eure et Loire and Brittany.

Conference "Pathways to Sustainability in Ibiza and Formentera" (Spain). We participated in the central round table of the conference held at the Club Diario de Ibiza, dedicated to sustainable infrastructures.

8th Aqualia Journalism Award in Spain and Colombia. Since its first edition in 2016, Aqualia's journalistic competition has become a benchmark for the treatment of water management in the media. This is evidenced by both the growing participation figures and the increasing quality of the entries. This eighth edition has broken a record of participation with 106 entries



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Water Chair of the University of Almeria (Spain). On the occasion of World Water Day, the Aqualia Chair of the Integral Water Cycle organised a technical conference with free registration. The presentations focused on current issues given the current drought situation: desalination and wastewater reclamation. In addition, the fourth edition of the Aqualia Chair Summer Course was held with a focus on the new directives that legislate water quality.

III Castilla-La Mancha Economic Forum organised by El Español and El Digital CLM in Toledo (Spain). Our CEO, Santiago Lafuente, spoke about sustainability applied to the water sector, which, together with the use of technology to reduce unregistered water and the financing of services, is key to guaranteeing the urban water service.

Water Treatment Week organised by iAgua (Spain). We were sponsors of an event focusing on the new urban wastewater treatment directive.

Saudi Water Forum (Saudi Arabia). We presented several success stories and best practices in the contracts we manage in this reference event of the water sector in this country.

Global Water Summit, organised by the GWI media group. We participated in relevant presentations and panels at the water management event par excellence. In addition, SmVak joined the **Leading Utilities of The World** network, the global network of the world's leading water and wastewater utilities, in which our subsidiary is the first Czech company.

Conference on PERTE in Avilés (Asturias, Spain). We have been present at a national conference that brought together representatives and experts from public administrations and companies related to water management from all communities.

XXXVII AEAS Technical Conference (Castellón, Spain). We presented our digital, efficient and integrated management at this event organised by the Spanish Association of Water Supply and Sanitation (AEAS). At our stand we shared the technological potential and the latest improvements of Aqualia Live, and in several presentations we presented the most cutting-edge projects in different areas of the company.



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IDRA World Congress- Abu Dhabi (United Arab Emirates). We participated in the most renowned global event organised by the International Desalination and Reuse Association.

Water, a key element in the gastronomic festival "D*na" in Denia (Alicante, Spain). Once again this year we have created the "Espacio Aqualia", a place where the best *showcookings* and live workshops take place. In addition, we have offered water to the attendees to highlight all the work that goes into turning on the tap and having drinking water.

3rd Edition of the Community of Practice WATER ↔ ENERGY in Salamanca (Spain). During the event, professional experts will discuss the challenges and opportunities surrounding the water cycle and the commitment to biomethane and green hydrogen to materialise the sector's ecological transition. The meeting is the result of the collaboration of the Eclosion, Ultimate and Rewaise research projects in which we participate. Co-funded by the European Union's Horizon 2020 programme and the CDTI, it seeks to share knowledge and generate alliances to achieve a sustainable future.

67th International Trade Fair of Asturias-FIDMA (Spain). Present in the pavilion dedicated to the integral water cycle, which reached a record number of 81,500 visits during the two weeks of the event. The contents of the Aqualia space highlighted the importance of water, its availability and the responsible use of this resource. We presented three R&D projects: **Deep Purple** (to show how wastewater treatment plants can become biofactories), **SEA4Value + REWAISE** (to make desalination more sustainable, extracting minerals and metals from seawater) and **ELAN** (to obtain clean water while reducing the economic and energy costs of wastewater treatment).

UNESCO event "Towards sustainable and affordable desalination in the Arab region" (Egypt). We addressed cutting-edge research topics in the field of desalination, as well as reducing operational costs by improving plant components (reverse osmosis membranes, process pumps, etc.) and expanding the use of renewable energy.

Georgian Water and Power (GWP), our subsidiary in Georgia, participated in an important economic forum organised by **Business Insider Georgia**, which is attended by representatives of the Georgian administration and large Georgian companies. In this edition, the main topic was **"Water supply: opportunities and challenges"**.

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Other events in which we participate:

- **IWA Digital Water Summit**, a benchmark event in the digitalisation of the global water sector held in Bilbao, Spain.
- **XXVI ANDESCO Sectoral Congress**, Colombia's main public services event.
- **AEDyR Conference**, a conference on the challenges of water and energy in Colombia.
- **ANEAS 2024 Convention and Expo**, the most important water and sanitation event in Latin America, held in Mexico.

8.5 Global engagement

We recognise the importance of our social responsibility and contribute to projects that have a positive impact on the communities in which we operate. Water is fundamental to development and can be a driver of change for a fairer society.

In addition to offering solutions to guarantee access to water in all countries, we promote actions that generate a positive impact on communities and the people who live there. And we do this in each territory - large municipality or small town - through alliances with the social and cultural fabric that energises these environments.

Main lines of action of our programmes and initiatives with communities			
Social	Environment	Culture	Sport

Social investment by axis	2024	
	€	%
SPORTS	428.186	8%
IMAGE, COMMUNICATION AND STAKEHOLDER DIALOGUE	4.218.239	76%
AWARENESS RAISING, ENVIRONMENTAL EDUCATION	201.011	4%
CULTURE	459.572	8%
SOCIAL	257.384	5%
Total	5.564.393	100%



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Some of the initiatives carried out in each axis during 2024 were the following:

Social

We work in coordination with the Colombian National Army in the distribution of water to alleviate the shortage caused by "El Niño" in the department of La Guajira. In 2024, we delivered 42,000 litres of water to the Bello Sur neighbourhood in Riohacha, where many of the inhabitants have difficulties in obtaining water through distribution networks due to the topographical conditions of the sector.

Winds of almost 130 km/h, heavy rain and storm surges hit the Houston area in the second week of July, where our company, MDS (Municipal District Services), serves 350,000 inhabitants. Our teams' prevention efforts and swift subsequent action restored services in record time, despite the power outages that affected more than 2.7 million people.

For the second year we have collaborated with the organisation **Best Buddies Colombia, dedicated to offering training to people with intellectual disabilities.** The Christmas campaign facilitated the employability of XX people thanks to the training provided

The Jaén service collaborates with the Asociación Jienense de Atención a Personas con Parálisis Cerebral (ASPACE), in the creation of the annual calendar published by this non-profit organisation. The sale of this calendar raises funds that allow the association to continue providing its services.

The **Employment Service of the Colombian Ministry of Labour**, within its policy of labour inclusion for victims of the armed conflict and other populations, has recognised the commitment of the Aqualia service in Riohacha (La Guajira), which has collaborated with actions to mitigate labour barriers in segments of the population that do not have easy access to work.

For yet another year, we launched the educational platform where we developed our traditional digital competition and in which we received more than 9,000 entries and provided more than 5,300 hours of training. The **Aquaventura** educational project has trained nearly



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300,000 schoolchildren since its launch in 2002. The main mission of this project is to educate from childhood so that the future society acquires greater sensitivity and awareness of the importance of caring for the environment and the great value of efficient management of the integral water cycle.

Caltaqua, the Aqualia subsidiary that operates in the Sicilian province of Caltanissetta, has developed an interesting educational tool with the intention of raising awareness among children and young people and, through them, society as a whole, of the importance of the correct use of water supply and sanitation. The "Aqualia Educational Notebook" explains, in a simple and playful way, the process that water follows from the moment it is collected until it is returned to the natural environment.

Donation to the Pablo Ugarte association dedicated to child cancer research. Through the women who are developing this year's training programme for women with high potential, we made a donation and promoted a race organised by the association in Colmenar Viejo, Madrid.

In the Czech Republic, the quality of drinking water in the areas supplied by our Czech subsidiary SmVak was not affected by the **extreme flooding in Ostrava**. The effective response to this crisis situation has allowed us not only to minimise the impact of our own activity on the environment, but also to take on wastewater and other compounds from facilities that were taken out of service during the episode.

In the United States, in the face of the enormous damage caused by Hurricane Beryl, our MDS team managed to restore water services within 48 hours in Houston, where we served 350,000 inhabitants.

In the Czech Republic, hundreds of pupils from primary schools in Silesia took part in the 18th edition of the "Fair of Chemistry and other Sciences", organised by the Czech Chemical Society and the University of Ostrava.

We joined the campaign, **"Give your trainers a second life, score a goal against inequality!"**, of the organisation, Football for Equality, which aims to give trainers a new chance and take them



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to disadvantaged communities in Rio de Janeiro, Brazil. Our office in Sóller (Mallorca) acted as a collection point.

For Aqualia, people are essential, which is why, this year, in the Christmas Campaign, **Compartamosloesencial.com** has asked people to share words that define the essence of Christmas. Thanks to the participation of hundreds of people, we wanted to help in the reconstruction of Albal, a Valencian municipality badly damaged by the DANA, through the Public Space and Mobility Recovery Plan.

Donation of 500 school kits in vulnerable areas of the municipalities of Tuchín, Chimá, Planeta Rica in Colombia.

Donation of a vehicle for the development of the activity of the Jerez Solidarity Initiative Association (ISOJE), dedicated to the distribution of food to families.

Thanks to the IFM grant for the year 2023 to the Galician Asperger's Association, they have developed during the year 2024, a study of energy optimisation and hydraulic modelling of the Vigo estuary.

Collaboration with the Proyecto Hombre association in Almeria with a grant for the reintegration of people with addiction problems into the labour market.

Participation in races organised by the Spanish Cancer Association.

Collaboration with the Alzheimer's Association in Cortegana (Huelva).

Our contribution to the social development of communities in the Colombian territory

Colombia is a privileged place in terms of biodiversity and water sources. These resources, which are not distributed equitably, cause problems of safe access in many communities. According to recent data, around 10% of the rural population has no access to safe drinking water. In addition, pollution and climate change have aggravated the availability of this resource in recent years. In this context, water management determines the way of life and progress for thousands of people.



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Since our arrival in the country, we have taken on the provision of services in municipalities with problems of access to drinking water. In these municipalities, we are committed to community participation so that the communities themselves are the ones to champion the importance of good water management. To this end, we have developed work programmes and awareness-raising and education initiatives.

Our social impact results in improved public health and quality of life for the inhabitants of these communities. There is more coverage, better water quality, and improved health and safety conditions for workers. We have also facilitated payment processes, expanded channels and improved telephone service. Beyond this, we developed awareness campaigns on social issues such as equality, the fight against gender violence and the prevention of breast cancer.

For us, social management involves, firstly, getting to know the situation in depth, and then involving the members of the community in everything we do. This approach is based on direct listening and dialogue through initiatives such as **Aqualia al Barrio**, with days in which we listen to the user to offer an appropriate solution, or the **Open Doors** programme, with visits by students, personalities from the region and members of the community to the water treatment plants.

In addition, in 2024 we have managed to impact 12,789 people throughout Colombia through 578 workshops in public and private educational institutions, addressing issues related to environmental sustainability, care for ecosystems, recycling and the integral water cycle. We have also planted 508 trees and trained nearly 400 community leaders in sustainable practices. Another important initiative is the Children's Digital Drawing Contest, in which 6,000 children from all over the country have participated, with the outstanding involvement of the Familia de Nazareth Educational Institution in Riohacha.

The combination of these efforts has generated positive change in the communities reached, and has demonstrated that education and leadership are the way to face the environmental challenges of the present and the future. With the example of social impact achieved in Colombia through action on the ground and community participation, we are starting to work in Mexico with the aim of improving the living conditions of the population through access to water.



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Environment

- **Sosteniblómetro**, Aqualia's test that helps citizens to evaluate their sustainable behaviour.
- Given the drought situation in several areas of the planet, 2024 has been an intense year for **raising awareness about responsible use of water and sanitation**. In addition to the campaigns in favour of responsible consumption in different municipalities in Spain, Colombia and Italy, we have carried out a corporate campaign through our website and social networks.
- In both Spain and Colombia we have carried out several tree planting initiatives and initiatives to care for natural ecosystems, accompanied by environmental awareness-raising messages.
- In collaboration with the Lepe Environmental Centre, all the town's educational centres will develop awareness-raising activities on the integral water cycle in the centre.
- For **World Water Day**, we have launched activities such as open days at water treatment and purification plants, water tasting, the Sosteniblometer challenge and activities for schoolchildren. We also presented the spot ["Sustainable natives of integrated water management"](#), where we asked artificial intelligence to imagine a world without water.
- **Water routes in Granadilla de Abona (Sta. Cruz de Tenerife)**. Pupils in 5th and 6th grades of primary school in this town took part in a two-and-a-half hour walking route with the aim of promoting the sustainable use of water and care for the environment.

Culture

In 2024, we have carried out numerous small partnerships in the municipalities and cities where we carry out water management and sanitation activities. Thanks to these collaborations with cultural associations, events are developed that contribute to preserving the customs and culture of an area. Some of them were:



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- **Collaboration with the Semana de la Cultura**, organised by the Asociación del Cine y el Arte de Novelda (ACAN) for the celebration of the Novelda Film Festival (Alicante, Spain).
- **Together with the Agrupació Artística Musical de Dénia**, we are carrying out a project that aims to raise awareness of the integral water cycle and to discover the different ecosystems through music.
- **We sponsor the XXI International Street Art Festival Mueca in Puerto de la Cruz (Santa Cruz de Tenerife)**, an event that mixes culture, art and history of the city, with performances by national and international artists.
- **Other activities:**
 - Sponsorships Ópera de Oviedo
 - Cadaqués Music Festival (Girona)
 - Taoro Summers in Puerto de la Cruz
 - Phe Festival, also in Puerto de la Cruz, dedicated mainly to music.
 - Collaboration with Parc Aux Etoiles Nesles la Vallée festival (France)
 - Collaboration in the Spanish culture festival held in the Brno Region (Czech Republic).
 - Collaboration with the Flamenco Festival in Olomuc (Czech Republic)
 - Support to the Sinú Cultural Festival in Lorica (Colombia)

Sport

We reaffirm our support for sport as an activity that plays an important role in promoting effort, teamwork and respect. All of which are fundamental values for a better society and healthier communities.

We work with local teams in all types of non-professional sports in the cities of the countries where we manage the integrated water cycle. Thanks to this collaboration, many small clubs are able to maintain their activity. Some of the activities carried out in 2024 were:

- **Sponsorship of the Women Cycling Costa de Almeria (Spain)**, a women's cycling race

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- **Participation in the Triathlon of Spain Championship of medium and long distance and the T100 in Ibiza** with the installation of water recharging points and tanks of 1,000 to reduce plastic waste
- **1st edition of the Carrera de las Empresas de Tenerife (Spain).** For every participant who signs up, we have committed to donate a financial contribution to the work of the Diario de Avisos Foundation in the prevention, research and treatment of cancer.
- **We sponsored a hole of the VII Pingüino Golf 2024 Tournament,** a charity sporting event in favour of the Spanish Association Against Cancer in Huelva.
- **Sponsorship of the Real Fundació football team in support of youth and sport (Magdalena, Colombia),** with the delivery of 30 sports equipment.
- Participation of employees of the Czech subsidiary in a solidarity walk whereby the company pledged to transform each participation into money for the treatment of a disabled child.

Participation in the **11th edition of the "Trail Solidari Ciutat d'Alcoi" (Alicante, Spain),** a 23 km run whose funds go to the fight against cancer.

- **Other activities**
 - Sports schools in Caravaca de la Cruz (Murcia)
 - The Club Ciclismo Vicenç Reynés de Sóller (Mallorca), the "La Pera Run de Albatàrrec (Lleida), the Carrera de la Mujer de Quel (La Rioja) and the Club de Bàsquet Puig d'en Valls de Santa Eulària des Riu (Ibiza).
 - Sponsorship of the Spanish Women's Cycling Cup in the Bajo Andarax region.
 - Race for Diversity "Los Palomos" in Badajoz
 - Participation in the Women's Race in different cities
 - Rimini Sailing Championships 2024
 - The people who make up the Aqualia team and who provide services at the El Realito water treatment plant (San Luis Potosí, Mexico) have taken part in the "XXXVIII BMW Tangamanga International Marathon".



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- Collaboration with the Talavera de la Reina Chess Club.



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8.6 Prizes and awards

Values of Excellence 2024" award for our contribution to development in Andalusia as a company with extensive experience, consolidated and of maximum reference in the sector, specialising in water cycle management, committed to innovation and the circular economy at an international level.

Awarded in the "ESG Environmental Commitment" category at the VII Dircom Ramón del Corral Awards of the Association of Communication Managers (Dircom) for "Aquaventura", an educational programme with which we have trained nearly 300,000 schoolchildren since 2002.

"Can you imagine a world without water?", Aqualia's AI-generated video, **chosen as a success story in the XXVIII Dircom Communication Yearbook.**

Aqualia in Lleida recognised by **"Lleida en Verd Companies"** for its commitment to the environment and sustainability.

The Mar de Alborán desalination plant receives the "Apuesta por Andalucía" award at **the 22nd Andalucía Económica Awards.**

Efficient Water Management Award at the II Next Spain Awards for our leadership in water management.

Finalists for the Andesco Sustainability Award 2024 of the National Association of Public Utilities and Communications Companies (Andesco) in Colombia.

Presentation of the Salamanca service at the **European Benchmarking Cooperation** - together with 45 operators from 18 countries - as a model of excellence and improvement in water management

Recognition to **AqualiaMACE**, a consortium formed by Aqualia and the Emirati group MACE Contractors **for its commitment to sustainability (United Arab Emirates).**

9. Compliance

9.1 Overall structure at the service of water

Our governance bodies are responsible for this foundational action that makes everything else possible. They are the ones who lead the good performance of the company and establish an ethical business culture among all its members and in all countries.

The highest governing body is the **Board of Directors**, made up of directors representing FCC's 51 % shareholding and IFM's 49 % shareholding.

As the highest representative and administrative body of the company, and for optimal global governance, the **Board of Directors** delegates its functions to the **Chief Executive Officer**.

The Chief Executive Officer, together with the **Management Committee**, manages and deals with more specific issues through various committees: **Compliance Committee**, **Information Technology Committee**, **Management Systems Committee**, **Innovation Committee** and **Coordination Committee**.

The Coordination Committee deals transversally with the different areas of sustainability - social, environmental and governance - where we operate. This integration of ESG aspects in every decision taken by the teams ensures the creation of long-term value and conscious leadership in the development of all our activities.



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The Regulatory Compliance Committee⁸ is a collegiate body to which the **Board of Directors** has attributed the function of promoting an ethical culture throughout the organisation and ensuring both internal and external regulatory and regulatory compliance. To this end, it oversees and supervises the ethics and compliance programmes, as well as the **Code of Ethics and Conduct**, policies, standards, procedures and controls for the prevention of unlawful conduct. In addition, the Regulatory Compliance Committee is responsible for ensuring that the **Compliance Model** is periodically reviewed and updated in accordance with current legislation, international standards and the company's internal regulations.

The Regulatory Compliance Department is responsible for ensuring that the organisation operates with integrity and responsibility, i.e. in accordance with the legal and regulatory framework in force, and with the organisation's values and ethical principles.

With regard to ESG issues, the **Strategic Development and Sustainability Department** is responsible for involving all areas of the company in the responsible governance of the company, focusing on sustainable development that respects natural resources and people.

Organisation chart Steering Committee

Santiago Lafuente, CEO

Isidoro Marbán, Economic and Financial Affairs

Carmen Rodríguez, People and Culture

Elena Barroso, Legal Adviser

Juan Pablo Merino, Communications, Brand & Public Affairs

Lucas Díaz, Spain Area

José Miguel Janices, Europe and America Area

José Enrique Bofill, Africa and Asia Area

Pedro Rodríguez, Strategic Development and Sustainability

Rocío Santiago, Studies and Operations

⁸ The Regulatory Compliance Committee is a body made up of the *Chief Compliance Officer*, the Director of People and Culture and the Legal Director. It reports to the Delegate Compliance Committee (delegated committee of the Board of Directors) through the *Chief Compliance Officer*.



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Miguel Perea, Customer Management and I.T.

9.2 Compliance model

98 % Aqualia-owned companies with a Compliance Model in place ⁹	93% of companies controlled by Aqualia with an implemented business model ¹⁰
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The **Compliance Model** is related to the way we do things at Aqualia. With an ethical culture that permeates our decisions and actions at all levels and in all the territories in which we operate. Thus, it covers both regulatory compliance and the principles and values that underpin our [Code of Ethics and Conduct](#).

Since 2018, we have been integrating the Compliance Model in the company as an ally to achieve the objectives of the different business areas. This model also contributes, through the identification of risks and the implementation of due diligence and due control procedures, to shaping fairer and more humane societies in the countries where we operate.

At Aqualia, we not only work on the implementation of the Compliance Model in all the companies over which we have operational control, but we also promote it in all the companies and *joint ventures* in which we participate. In these companies, we have implemented controls as a preventive measure to mitigate corruption risks such as bribery, corruption in business, influence peddling, fraud, illegal financing of political parties, embezzlement, alteration of prices in tenders and auctions and money laundering.

9.3 Compliance policies and procedures

In 2024, five years after its implementation, the structure and content of the FCC Group's Compliance Model have been reviewed by an external reviewer. This work has concluded that the Compliance Model is designed in accordance with the main risk management and compliance

⁹ 40 owned companies in 2024 considering active companies and employees.

¹⁰ 28 controlled companies.



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standards, although certain areas for improvement have been identified in the process. These aspects have led the Board of Directors to approve a **new Compliance Policy** and the **Compliance Committee Regulations**, as well as to update the following policies and procedures:

- [Code of Ethics and Conduct](#)
- Crime Prevention Manual
- [Anti-Corruption Policy](#)
- Internal Information System Policy
- Internal Information System Procedure
- Internal Investigations Protocol.

With regard to the procedures with implications for the Compliance Model, the compliance risk analysis procedure has also been updated to adapt it to the different jurisdictions where we operate.

9.4 Ethical Channel

At Aqualia, we have an [Ethics Channel](#) that is accessible to all our stakeholders and where we receive any type of alert or notification. These notifications are evaluated by the **Compliance Committee**, which takes the necessary measures to resolve them or, alternatively, files them for the record. All notifications corresponding to Aqualia received in the **Ethical Channel** are transmitted to the **Regulatory Compliance Department**, which is the body responsible for following them up.

Up to 31 December 2023, a total of 77 communications have been received through the Ethics Channel, addressing various labour issues (17%), customer management (25%), conflict of interest (1%), misuse of company resources (1%), harassment (3%), internal fraud (1%), and other



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issues such as technical management, works management and organisational issues for a total of 1%.

It is important to note that 51% of the communications were considered not relevant, as they were customer queries or complaints that should be handled through **Aqualia Contact** or for other reasons were not considered relevant as alerts in the context of the **Ethical Channel**.

When analysing the distribution by country, 70% of the communications refer to the activity in Spain, 14% to Portugal, 10% to Colombia, 4% to Saudi Arabia and 1% to the United Arab Emirates. These data show that the Ethical Channel is increasingly known and used in the international jurisdictions in which Aqualia operates.

Alerts classified as high or medium risk are subjected to a detailed analysis. If necessary, an investigation is launched to clarify the facts, and an action plan is implemented to improve internal control, thus ensuring an adequate response to the risks identified.

9.5. Actions taken in the area of compliance

At Aqualia, we dedicate significant efforts to extending the Compliance Model to the countries in which we operate. To this end, we implement different measures and, thanks to them, in 2024 we have reached 96% implementation of the ethical and transparent management model in the company.

In **Colombia**, the company has approved the SAGRILAF (prevention of money laundering) and PTEE (transparency and ethics) programmes for the company Aqualia Riohacha, based on the Aqualia Compliance Model. In 2024 we also continued to promote the implementation of a Compliance Model in the companies in which we participate without having operational control. In particular, we have worked on continuing to provide compliance models to the joint ventures in which we share ownership with different Spanish public administrations.

We have also worked intensively on the international expansion of the compliance function through local *compliance officers*. It is worth highlighting the appointment of a *compliance officer* for Aqualia's activity in **Georgia** and another for the activity in the **United Arab Emirates, Oman**,



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Qatar and Egypt, as well as the appointment of a *compliance* coordinator for the activity in **France**.

With respect to the companies located in **Mexico** and **Portugal**, during 2024 work has been carried out to identify and analyse the criminal risks applicable in each jurisdiction, so that we now have a specific risk analysis. With this analysis as a basis, the relevant action plans have been established to manage these risks.

Similarly, another important activity in the past year has been the implementation of a **supplier compliance approval system** in the companies in **Portugal**, the **Czech Republic**, **Saudi Arabia** and **Georgia**.

Finally, in the third line of defence, FCC's Internal Audit Department has carried out the annual review of the **Compliance Model** to verify the continuous evolution of the **Compliance Management System** within Aqualia. This joint effort reflects the commitment to maintain and strengthen ethical and compliance standards in all the company's operations.

9.6 Risk assessment and control system

Within this area of risk assessment and control systems, in 2024 we continued to update the analysis of criminal risks in **Spain** and SAGRILAF risks, corruption and transnational bribery in **Colombia**. In addition, during the past year we have developed a specific risk analysis in both **Mexico** and Portugal. In both countries we have moved from an anti-corruption scope to include crimes that could entail liability for companies in these jurisdictions.

In response to the introduction in the legal system of new crimes with liability for companies, we have updated the risk analysis for Aqualia's activity in **Spain, Italy** and **Colombia**. These new offences include the use of non-cash payment instruments, as well as offences against cultural and landscape heritage in Italy, and animal abuse in Spain.

Similarly, two self-assessments of the implementation of controls have been carried out by control and process owners. These assessments have not only provided valuable information on the level of implementation of existing controls, but have also yielded suggestions for possible

improvements. In fact, based on the information provided by the control owners, the **Regulatory Compliance Department** carries out an analysis which it passes on to the process owners with the aim of establishing a work plan on the deficiencies and opportunities for improvement detected.

The monitoring of controls carried out by the Regulatory Compliance Department, Aqualia's second line of defence, has acquired special relevance in risk mitigation. Thus, in 2024, the processes identified in our activity were analysed by sampling evidence that supports the implementation of controls. This approach has allowed us to evaluate both the design of the controls and the effectiveness of their execution and the robustness of the existing evidence. In cases where areas for improvement have been detected, action plans have been proposed to strengthen controls and work on the continuous improvement of the Compliance System.

In 2024, the implementation of 43 controls by more than 308 control owners was examined. In this evaluation, a strengthening in the execution of controls and in the evidence of their implementation has been observed. In addition, the storage of this evidence has been improved to make it more accessible to the different areas of the organisation in charge of its execution, verification, supervision and audit.

9.7 Compliance training

IN 2024, 100 % OF THE MEMBERS OF THE GOVERNING BODY AND 9,100 EMPLOYEES WERE INFORMED ABOUT THE COMPANY'S POLICIES AND PROCEDURES ON CORRUPTION (64.5 % OF THE TOTAL) AND 5,258 WERE TRAINED IN THIS AREA (37.3 %).

The major milestone of 2024 was the launch of online training on conflicts of interest in **Spain, Czech Republic, Italy, Portugal, France, Colombia, Mexico, Peru, Chile, Saudi Arabia, United Arab Emirates** and **Egypt**. This training has been adapted and translated into the languages of these countries to inform staff of the situations that may generate a conflict of interest and to explain the organisation's protocol for its communication and management. In all these countries, in accordance with the characteristics of the jobs, staff have been trained to identify and resolve the different types of conflicts of interest.

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addition, new employees joining the company receive training on the [Code of Ethics and Conduct](#) and, depending on their positions, on international standards to prevent corruption offences and their concrete application in the organisation.

In **Colombia**, specific training was provided on the SAGRILIFT money laundering prevention systems and on transparency and ethics in PTEE, as well as in **Georgia, the United Arab Emirates and Oman**, where the [Code of Ethics and Conduct](#) and corporate policies were implemented. In **Italy**, teams were trained to update the Organisation and Management Model based on Legislative Decree 231/2001.

Beyond one-off training sessions, our commitment is aimed at **continually raising awareness** among the workforce. Thus, in 2024 we continued to disseminate awareness-raising videos and *compliance tips* with messages on the culture of compliance, the functioning of the [Ethics Channel](#), the protocol for the prevention and eradication of harassment, the importance of proper evidence management and ethical commitment in the daily practice of employees.

9.8 Responsible taxation

At Aqualia we comply with the tax regulations of all the jurisdictions of the countries in which we operate, following the tax governance and control frameworks established by the FCC Group. In addition, the company adheres to the **Code of Good Tax Practices of the Ministry of Finance** of the Government of Spain, which establishes the principles of transparency and mutual trust, as well as good faith and loyalty between the parties, so as to ensure a more effective relationship without legal uncertainty.

In addition, and with the aim of minimising the risks arising from tax breaches, the FCC Group has its own **Code of Tax Conduct**, which must be complied with by all persons linked to any company in the group. In the event of becoming aware of any inappropriate practice in tax matters, our stakeholders can turn to the **Ethics Channel**

9.9 Responsible supply chain

GoSupply, a new supplier approval platform	ESG supplier course	ESG Assessment Model for strategic and critical suppliers
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We cannot conceive of our contribution to a fairer, more inclusive and regenerative economy without a supply chain that shares this vision. A requirement that is being driven by the new regulations - with the Due Diligence Directive as a standard - and the demands of our stakeholders, and which Aqualia is taking on through commitment and action. Together with our suppliers, we are creating transparent and trusting relationships that benefit the company and society as a whole.

To generate and consolidate these links, the first step is to involve suppliers in our values. When we sign a contract, these companies undertake to accept and comply with our [Code of Ethics and Conduct](#) and [Anti-Corruption Policy](#), **as well as** to share this commitment with their staff, subcontractors and, in general, any third party with whom they have any kind of legal relationship, within the framework that links them to us as suppliers of goods or service providers.

As the backbone of our commitment, the **Aqualia 2024-2026 Strategic Sustainability Plan** aims to transfer our culture, ethical values and *compliance* to the supply chain. To this end, we are developing a series of actions aimed at implementing good governance in our suppliers throughout the entire value chain.

Choice of suppliers

We are convinced that every purchasing decision, every choice of supplier is an opportunity to promote the circular economy and the local fabric. That is why we prioritise business relationships that have a positive impact on the environment and people. We cultivate relationships based on trust, respect and closeness, and a way of procuring goods and services with the lowest possible risk and always based on transparency, ethics and honesty.



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The performance of our suppliers determines our own business objectives. They can help us to reduce the consumption of natural resources, to avoid wasting raw materials, to reduce the waste generated, etc. For our part, we care about the working conditions of their employees and promote local employment (99% of our suppliers are local in the countries where we are present).

At the end of December 2024, Aqualia had 17,976 suppliers, of which 17,724 are local and 252 are global.

GoSupply, a new supplier approval platform

In order to mitigate the risks associated with our commercial relationships¹¹ and create an environment of mutual trust, we have a supplier approval system that allows us to select the most suitable suppliers according to our standards of demand and quality. In 2024, we worked on the implementation and start-up of a **new, more active supplier approval platform** that includes more risk analysis. The platform is already available in **Spain** and **Colombia**¹², and we plan to extend it to the rest of the countries where we are present.

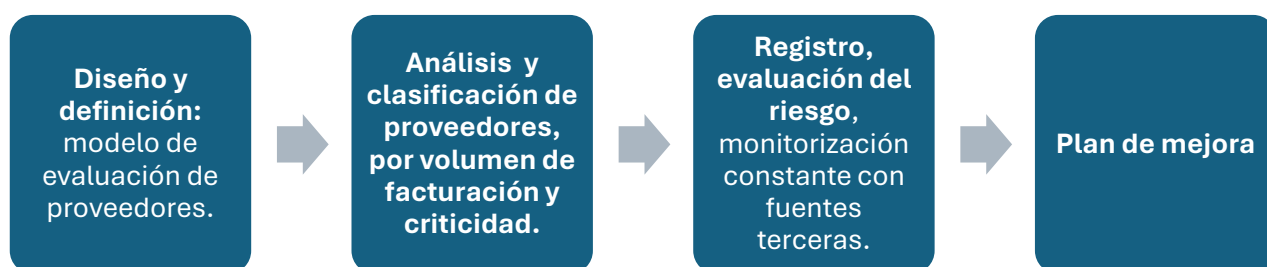
The supplier approval process consists of a study of possible risks associated with the information provided by each supplier. In order to be considered as eligible suppliers, they must duly complete their registration on the platform. Once this registration has been completed, the supplier declares that they have read and agree to comply with our [Code of Ethics and Conduct](#) and our [Anti-Corruption Policy](#).

Stages of the supplier approval process

¹¹ It refers to legal, health and safety, operational, financial, etc. risks.

¹² We have started with the implementation of this new platform in these countries as they are the two countries with the highest business volume (Spain) and exposure to risk (Colombia), but it will be implemented progressively in all the countries where we are present as long as its implementation is feasible in these other countries (otherwise alternatives will be sought with local platforms that have experience in the legislation of each country).

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Approvable suppliers must respond to a number of issues, including social, environmental and governance criteria:

Financial

- Information concerning the financial situation: balance sheet, ratios, dependency risk.

Operational

- Certificates and quality management systems. Occupational risk prevention management systems. Performance.

Compliance

- **Compliance:** own code of ethics and acceptance of our [Code of Ethics and Conduct](#), criminal prevention model, whistle-blowing channel, existence of a *compliance officer*, policies for the prevention of money laundering and terrorist financing and sanctions or convictions for corruption, bribery or influence peddling.

ASG

- **Environmental:** certificates and environmental management systems. Environmental policy. Adaptation to climate change. Identification of risks and greenhouse gas action plans. Carbon footprint. Pollution. Measures Biodiversity and ecosystems. Use of resources and circular economy.
- **Social:** management of human capital, own staff, working conditions. Reconciliation policies. Equal treatment and opportunities. Inclusion, equality and diversity policies. Talent management. Working conditions of workers in the value chain.

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- **Governance:** corporate social responsibility, declaration of respect for human rights, anti-discrimination policy, adherence to the Global Compact, certification of ethical/social management system, sanctions or legal proceedings for human rights violations.

Cybersecurity

- **Data protection:** existence of a data protection officer, data breach notification procedure, security breaches, risk analysis and security measures, sanctions received and open cybersecurity sanctioning procedures, employee privacy and support to local communities.

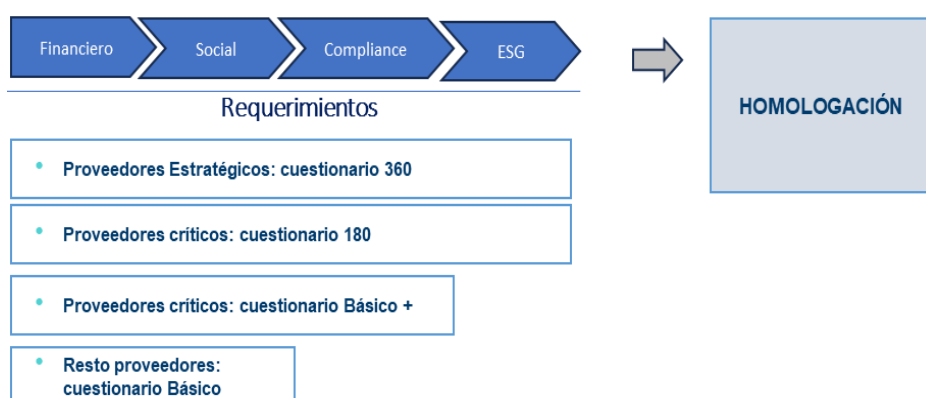
Other risks external sources

- Geopolitical risk
- Natural disasters

The evaluation of the suppliers selected with the new platform is segmented into four different types according to strategic and/or risk criteria in ORP:

- **Strategic/360°:** strategic suppliers. An extended questionnaire and evidence of financial, sustainability, health and safety, and *compliance* information is required. They are permanently evaluated and monitored against third party sources.
- **Strategic/180th:** critical suppliers. Suppliers of hazardous activities and recurring suppliers with high turnover in recent years. An extended questionnaire is required, but with a smaller volume of documentary evidence.
- **Core +:** core suppliers that by their nature require a basic analysis from a *compliance* point of view.
- **Core:** for medium and low risk suppliers, which ensures their adherence to the declaration of compliance with the main ethical, legal, fiscal, organisational, health and safety criteria.

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In addition, depending on the risk determined by the Compliance area, enhanced due diligence may be required for some suppliers in order to verify the warning signs that may have arisen during approval. Based on the conclusions obtained from the due diligence, the Purchases department decides whether or not the supplier should be approved and under what conditions, establishing preventive or corrective measures if necessary.

ESG Assessment Model for strategic and critical suppliers

At Aqualia, beyond regulatory compliance, we transfer our commitment to the main ESG criteria to our supply chain.

The ESG assessment for strategic and critical suppliers allows us to evaluate our suppliers through questionnaires and documentation around three fundamental sustainability axes aligned with our vision: environmental, social and governance. The factors evaluated are:

Environmental	Social	Governance
<ul style="list-style-type: none"> Environmental Policy Documented and/or certified environmental management system Greenhouse gas calculation 	<ul style="list-style-type: none"> Documented/certified quality system Documented health and safety management system 	<ul style="list-style-type: none"> Business conduct Company culture Policies Social responsibility and ethics



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<ul style="list-style-type: none"> • Measures for good management of water use • Resource use and circular economy 	<ul style="list-style-type: none"> • Ensures that the procurement procedure is fair • The company has a policy that promotes equality and diversity. 	<ul style="list-style-type: none"> • Ethics and corruption • Complaints channel
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Due diligence with third parties

During the year 2024, the analysis of the third parties with which the company has relations has continued and those third parties with which it continues to maintain relations have been reviewed, depending on the risk obtained in the initial assessment. Depending on whether the initial risk determined was low, medium or high, the analysis is reviewed every three years, two years or annually, respectively. The objective is to monitor possible changes in the level of risk and, if necessary, to strengthen the mitigation plans with these third parties to ensure compliance and reduce Aqualia's exposure to risk.

By the end of 2024, we have received a total of 92 internal requests to analyse a total of 100 third parties.

According to the final assessment reports issued by Compliance management, 11% of third parties have been classified as high risk, 56% as medium risk and 33% as low risk. Based on these risk levels, mitigation measures are implemented and monitored to ensure the correct implementation of these measures.

First ESG online training for suppliers

Aware that ESG requirements are a major challenge for many small and medium-sized companies, at Aqualia we support our suppliers with information and resources. As part of this training effort, in 2024 we wanted to go a step further and we launched the first online training on ESG aspects for our supply chain. The aim was for these companies to learn about and begin to apply these criteria in their daily management.



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This training is not only training, it is also a process of active listening that has allowed us to get to know the reality of each supplier and understand their real needs, while sharing with them our vision and ambition in sustainability.

Aimed at 365 suppliers in Spain selected for having a turnover of more than €50M in the last three years, the course provided a general introduction to ESG criteria, and was divided into three modules:

- General concepts of Aqualia's sustainability and our Code of Ethics.
- Module 2. Carbon Footprint.
- Human Rights and Justice, Equity, Diversity and Inclusion (JEDI).

The training process has been a learning experience for both us and our suppliers, providing valuable data and lessons for future initiatives that will enable us to continue to strengthen our value chain towards more comprehensive and effective sustainability.

Sustainable procurement certifications

In 2024, the FCC Group's purchasing management system (shared by Aqualia) achieved two certifications issued by the Spanish Association of Purchasing, Contracting and Procurement Professionals (AERCE):

- UNE 15896, Value-added Purchasing Management
- ISO 20400 Sustainable procurement

10. Technology, digitisation and cybersecurity

Technology is so important to us that it constitutes the **second strategic line of** the Aqualia 2024-2026 Strategic Sustainability Plan: Technology for integrated management. In this line, we are developing projects to promote digitalisation throughout the entire water cycle and to achieve a technology that allows us to manage resources more efficiently and sustainably.

This digital and technological transformation - parallel to that of the global economy - will facilitate strategic decision-making, and is generating a change in the company's culture, in search of new resources and processes.

10.1 Real-time data-driven water management

Proper management of water services is fundamental to the progress of societies and, with the current drought problems, water planning and efficiency become even more important. Thus, data analysis helps us to reduce unregistered water and increase water efficiency. In many areas, in fact, the future lies in the search for strategic alternatives such as reclaimed or desalinated water.

On this future horizon - and already in the present - digitalisation plays a key role. At Aqualia, we are committed to it and we use various technological tools and robots to obtain data that increase the efficiency of our operations. In 2024, Aqualia increased its investment in digitalisation by 10.6% compared to 2023. This data endorses our commitment to the smart management of the water cycle.

Based on this conviction, we created **Aqualia Live**, a tool designed by people "from water and for water", which covers all the processes of the integral water cycle. Aqualia Live integrates *big data*, *cloud computing* and smart management. These technologies evolve traditional computing capacity and facilitate the processing of large volumes of information for intelligent management.

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- **The management and storage of data in *big data* systems** makes it possible to reduce response times and access to information, as well as to integrate a single database that brings together all the information to which the different management programmes and modules have access, with the aim of being able to carry out cross-analysis of data from different sources (internal and external) and to better understand the water cycle and be able to make informed decisions based on the data in order to become a *data-driven company*.
- **Cloud processing** allows for better scaling of solutions that can flexibly increase capacities in the face of increased demands. In addition, it helps to optimise performance in the countries where we are present and considerably improves the latency and performance of the **Aqualia Live** platform.
- **Intelligent management, artificial intelligence and *machine learning*** favour the automation of processes, as well as the prediction and prevention of risks thanks to the speed at which these algorithms are able to analyse a huge amount of data and the learning that the algorithms extract from these analyses.

Through these technologies, we provide our staff with the necessary tools to carry out their daily work in the most efficient way and thus guarantee citizens access to water. At the same time, for our institutional and/or external clients, controlled access via the internet to some of **Aqualia Live's** functionalities facilitates direct access and consultation of data. A way to advance in the transparency of the management and status of their assets.

The integration of the different platforms in Aqualia Live involves the interconnection of these and, therefore, of the different devices and sensors through the network. This facilitates the collection of data in real time from different points and a more efficient and integrated management of the cycle in each area.

Aqualia Live is made up of a series of modules that are made available to customers and that allow them to manage all areas of the complete water cycle, as well as communication with all levels of control and supervision of the cycle.¹³

¹³ This digital transformation, currently being implemented in Spain, is expected to be extended to other countries.



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Main pillars of digitisation

In order to respond to the requirements of communication, transparency, water audits and support of the European Directive 2020/2184, the use and implementation of the systems we have developed for the efficient management of the water cycle is of particular importance.

Integrated Operations Centre (IOC.)	Geographic Environment Organization (GEO.)	Supervision, Control and Data Acquisition (SCA.)	Aqualia Water Analytics (aWA.)
Global Asset, Maintenance, Work Order and Procurement Management (NOW.)	Aqualia Laboratory (LAB.)	Customer Aqualia Contact (CAC)	Reporting systems and descriptive business analytics (AQ360.)

Investment in digital transformation (in €)	2024	2023	2022
Geographic Environment Organization (GEO.)	409.642	353.625	265.831
Aqualia Water Analytics (aWA.)	1.481.554	1.415.328	1.581.509
Global Asset, Maintenance, Work Order and Procurement Management (NOW.)	1.239.273	1.518.407	1.322.064
Customer Aqualia Contact (CAC)	3.324.102	2.928.776	2.157.540
Reporting systems and descriptive business analytics (AQ360.)	467.558	58.421	37.206
Be Aqualia	429.405	144.584	144.709
Tik	449.020	586.776	334.566
Aqualia Live	905.229	442.595	328.573
Water quality	322.954	274.070	275.182
Other	435.305	140.460	10.393.190
Telereading	9.183.009	8.995.964	-
Total	18.647.051	16.859.006	16.840.370

IOC (Integrated Operations Centres for real-time knowledge). It water networks, incidents, issuing of work orders, assets, legal maintenance and meters in an integrated way, increasing network sensors and plant control. Thanks to these centres, it is possible to know what is



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happening in real time in each municipality and to identify alerts and act immediately. They also enable early detection of leaks and improve network performance. In 2024 we began operating our first IOC Integrated Operations Centre in Toledo, with the aim of deploying another six Integrated Operations Centres in Spain by 2025, which will result in a better quality of service to municipalities and, above all, to citizens.

GEO (Geographic Information System): control of the network at all times. It allows a survey of georeferenced network elements in order to be able to identify them and carry out a more precise hydraulic modelling of the network. This, combined with the volumes of water distributed, flow rates and pressures, reduces network failures, makes it possible to know the flow of water and provide the city with the water it needs at all times. It also optimises consumption to the maximum in areas where this resource is already scarce.

The **GEO-Geographic information System** is the basis of digitisation and the cornerstone of all knowledge of Aqualia's supply and sanitation networks. Focused on the daily operation of the same - together with the commercial system - it enhances the exploitation of the data, and allows us to simulate the hydraulic and future behaviour of the distribution systems integrated in **Aqualia Live**.

To this end, we have established a plan to improve the information contained in the GEO System, which has not only achieved an effective improvement in the quality of the data, the basis for starting to digitise the rest of the processes, but has also managed to increase the effective use in all production areas. With this plan we have increased the quality of the existing information in supply and sewerage, in line with the company's digitalisation strategy.

SCA: Scada for a connected world. It offers solutions to the needs of the integral water cycle, providing its users with the necessary tools for the operation of networks and any installation of the integral cycle. This tool, based on state-of-the-art technology, centralises all digital data collected from water plants and networks. It also makes it possible to customise the operating environment to adapt it to the particular management of each service. It implements the best cybersecurity standards for a secure industrial environment and integrates with aWA to take advantage of the analytical environment.

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AWA: water analytics for smart management. An analytical platform that collects and analyses large volumes of information to transform it into knowledge oriented towards intelligent decision-making. It encompasses the complete data cycle, from the capture of devices in real-time processing, enrichment and transformation, to the generation of business intelligence, allowing the automation of processes and integration with the rest of Aqualia's technological solutions. In addition, the technical services of institutional clients have access to the aWA tool through the Aqualia Live platform.

Aqualia Live aWA- Aqualia Water Analytics	2024	2023	2022
Digital meters for remote reading	543.016	347.416	207.529
Services working with <i>big data</i> and artificial intelligence (aWA)	71	45	42

In 2024, we continue to promote the implementation of integrated management in our customers through aWA, which unifies all processes and leads to an improvement in the quality of customer service by providing more information in services, such as the detection of consumption alerts or the communication of any anomaly that improves customer service. Notifications received by customers with remote metering meters correspond to:

- **Alert for possible leakage.** Notifies the customer of the detection of a possible anomalous consumption.
- **Unexpected consumption alert.** This notification is generated when consumption is detected based on the criteria defined by the customer.
- **24-hour non-consumption alert.** This notification is generated when no consumption is detected within 24 hours.
- **Alert for consumption that has exceeded the set limit.** In the mobile application, the customer can configure the generation of a warning alert when their daily consumption exceeds the limit they have set.

These notifications - for greater transparency and convenience in communication with the user - are sent via the **Aqualia Contact** mobile application and SMS. Citizens can also visit any of our



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customer service offices to consult this information in greater detail. The omnichannel approach is a principle that is always present in our service.

NOW: Global maintenance and supply management. It is responsible for the maintenance and asset management of the service and is integrated with the rest of the systems. Through its modules, it is possible to manage assets, plan and manage maintenance work, control warehouse *stock*, make material purchases or inventory. It is worth noting that the dynamic assignment of work orders to the nearest qualified operator allows for the reduction or elimination of trips, with the consequent savings in fuel and paper, as well as a reduction in CO₂ emissions. In addition, the system provides continuous geopositioning of the vehicle fleet, and thus optimises both routes and the assignment of orders.

On the other hand, the platform provides information on operating and operational data at all times with a focus on effective maintenance management, the recording of legal compliance, work planning and integration with other areas. In 2024, we made great progress in the implementation and commissioning of a comprehensive tool in the facilities we had set up for this purpose, as well as in all drinking water reservoirs. In this way, we have ensured the control of cleaning and compliance with structural revisions. In total, the number of orders managed from the maintenance module has increased by 481%.

LAB: Aqualia Laboratory. Platform made up of several modules that manages all aspects related to water quality. Its main objective is the constant monitoring of water quality at sampling points and treatment systems to ensure that it complies with quality and safety standards.

AQ360: Reporting systems and descriptive business analytics. Balanced scorecard with the main executive business indicators for decision-making.

CAC: Technology to connect customers. Our commitment to excellence in customer service motivates us to develop our own innovative solutions in all processes and procedures. Always adapted to the needs of its users and following the best practices implemented in the sector.

- **Diversa.** Proprietary tool that carries out the commercial management of a service, covering with different modules all the processes related to customer and contract management, supply points, contracting, management of readings and consumption,

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definition of tariff structures, billing, collection and management of unpaid bills, customer service, management of irregularities, electronic signature, operational reports and reporting.

- **Aqualiacontact.** Module that develops omnichannel communication with customers to offer a higher quality of information and autonomy when carrying out procedures. The main communication channels of this module are:
 - **Genesys Cloud telephony platform.** It is the Contact Centre that unifies the different channels¹⁴ and guarantees 24*7 service availability.
 - **Aqualiacontact mobile application and Aqualiacontact virtual office.** Tool integrated with commercial systems that provides customers with a global view of their contracts.
 - **X@aqualiacontact.** Customers can carry out different procedures

Beyond the development of Aqualia Live, one of the objectives of the **2024-2026 Strategic Sustainability Plan** focuses on promoting the use of electronic invoicing among our Aqualia customers, which in 2024 grew by 15% globally, with 11.4 million electronic invoices issued. And the number of customers with electronic invoices has also increased by 19%, to 1.7 million.

The Saudi Arabian team, which manages water and sanitation for more than 3 million Saudis in the northern regions of the Kingdom of Saudi Arabia, has developed a digital *dashboard* to analyse live the key processes of the customer management department. The tool, developed with PowerBI, provides a visualisation of the main incidents (high bills, distribution network breaks, meter leaks, floods or supply problems) and details them in terms of both volume and resolution time. This knowledge of the service is already being used for more agile and documented decision-making, in order to improve the quality of the service and, therefore, the satisfaction of our customers.

In the Czech Republic, users of our subsidiary SmVaK can now access a new simple, virtual tool to find out all the information on water quality. It is an interactive map, which covers the entire area where the company operates in the Moravian-Silesian region, and data from other supply

¹⁴ We are currently working on the implementation of a *contact centre* platform in the cloud, which will allow us to incorporate significant improvements in telephone customer services.

points will be added gradually. Drinking water production and quality are monitored in accordance with current legislation.

10.2 Digitisation projects through Next Generation funds

Thanks to the public-private partnership model, we develop innovative proposals that result in the development and implementation of new technologies for sustainable water management.

During 2024 we continue the same strategy of consolidating our technological position by seeking public-private partnerships to help develop digitisation projects in collaboration with institutional customers, governments, municipalities.

The **first call of the PERTE** for the Digitalisation of the Urban Water Cycle, which was resolved in November 2023, already awarded funds to 30 projects to improve the urban water cycle. Among them was the proposal presented in the province of Cádiz by Aqualia and Arcgisa (Agua y Residuos del Campo de Gibraltar, S.A.), the public service company owned by the Mancomunidad de Municipios del Campo de Gibraltar. Thanks to this project, 8 towns in **Campo de Gibraltar** and 273,811 inhabitants will benefit from a centralised water management system, which will lead to significant improvements in their catchment, supply, sewerage, discharge and treatment systems. The project has a total investment of 12.6 million euros, of which 7.7 million will come from the PERTE.

In December 2023, we submitted 12 digitisation projects through Next Generation funds, and were awarded four for an amount of €36m. The focus is not only on digitisation and flow control, but also on water/energy efficiency and transparency in water cycle management through various actions:

- **DIGITAL ISLAND, water balances, optimisation of resources and reserves in the Canary Islands** for 9.4 million euros, with an impact on 9 towns and 240,973 inhabitants.
- **REALWATER, digitising water; connecting the future of Ciudad Real** with an amount of 7.4 million euros, with an impact on 102 towns and 492,591 inhabitants.
- **CANTABRICONTROL, flow control and optimisation of resources in the Cantabrian basin**, for 9.8 million euros, with an impact on 47 towns and 237,877 inhabitants.



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- **ANDA, AGLOMERACIÓN DEL NORA, digitalisation of water in Asturias** for 9.4 million euros, with an impact on 34 towns and 294,624 inhabitants.

5 projects	Joint investment of 48.6 M€	200 Populations reached	1,539,876 inhabitants benefited
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Thus, more than 1.6 million citizens will benefit from our new technologies, designed to solve critical situations - water loss controls, flood prevention, digital mapping information systems or artificial intelligence tools. In addition to improving water management, these technologies contribute to sustainable development by saving energy and reducing CO₂ emissions.

Among the projects awarded is **RealWater**, for the digitalisation of the water cycle throughout the province of Ciudad Real, awarded to Aqualia, Empresa Mixta de Aguas y Servicios, S.A. and the Provincial Council of Ciudad Real for 7,461,039.77€. This project aims to promote knowledge of the state of the bodies of water in Ciudad Real and improve their management, and to intensify the digitalisation of the integral water cycle. RealWater contemplates a battery of technical solutions to deploy an automated and centralised system to monitor and coordinate all the elements of the water supply network, so as to improve communication between processes and the capacity to respond to incidents.

10.3 Data protection and cybersecurity

Cybersecurity appears in fourth place in the World Economic Forum's Global Risks Report 2024 as the main threat in the next two years. At Aqualia, we are aware of its importance in protecting the company's tangible and intangible assets in all the areas and services we offer. This is also how we build the trust that presides over our relationship with our customers.

In order to protect - in a proportionate manner - the confidentiality, integrity and availability of information, we have a **cybersecurity model** and a regulatory framework, which defines the basic principles and requirements for its development. In addition, we focus our efforts on raising the awareness of all users, both technical and managerial. The ultimate goal is to achieve co-responsibility in the processing of customer data.

Cybersecurity

Cybersecurity pervades the general principles of the organisation and helps to reinforce the platforms that host the water management tools. To make everything available and secure, control mechanisms such as double authentication factors, *backups*, user management, event monitoring and incident detection, security policies and IT security procedures are put in place. We also rely on technical guides, IT (information technology) and OT (operational technology) cybersecurity market studies and technical and executive training in IT security to provide the entire organisation with security controls and prevention and response measures for better cyber defence.

We have certifications such as **ISO 27001 for Data Security** in the customer service centre, mobile application and virtual office, where mechanisms are established to supervise the state of cybersecurity in the different areas of the company and guarantee compliance with internal and external regulations. We also have others, such as **ISO 27017** and **27110**, and we implement the most prestigious national and international cybersecurity standards, methodologies, guides and best practices.

Protection of personal data



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At Aqualia, we comply with all current legislation¹⁵ on data protection and we continually review both this compliance and the adaptation to the legislation in all entities. This affects several areas:

- Scope of employees
- Customer scope
- Scope of suppliers
- Scope of contractual relations of the FCC Group
- Scope of contractual relations with public administrations
- Documentation and internal management
- Information technology and information security area
- Technical and organisational measures

In all these areas, risk maps are drawn up on the different personal data processing activities and reflect the extent to which each activity, due to its characteristics -either the type of data or the type of operations- could cause harm to data subjects. Accordingly, the necessary mechanisms are established to prevent them.

In 2024, this risk analysis was updated due to the change in the criteria of the Spanish Data Protection Agency, so that the use of biometric data (fingerprint, facial recognition) in Aqualia's facilities has been disabled. The Data Protection Department has also promoted the updating of the Register of Processing Activities, and the review and updating of the Processing Assignment Agreements with the Public Administrations (town councils), the adaptation of the Econtrols management programme to the data protection regulations, and the review and updating of the Privacy Policies of the Virtual Office, the BE AQUALIA APP and the legal texts of the website.

The data protection work plan in 2024 consisted of a continuous review of the implementation and compliance with the principles of the regulation through the management, review and reply to emails received in the departmental data protection mailbox.

¹⁵ EU Regulation 2016/679 (RGPD) and Organic Law 3/2018, on the Protection of Personal Data and Guarantee of Digital Rights (LOPDGDD).



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- Review and analysis of new suppliers, contracts and systems prior to implementation.
- Management of data subjects' rights.
- Conducting on-site visits at national level to monitor regulatory compliance in the offices.
- Compliance monitoring management through questionnaire and meeting via Microsoft Teams in international area.



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11. OTHER INFORMATION

The Group's exposure to financial risks is detailed in the accompanying notes to the consolidated financial statements in Note 22.

With regard to treasury share transactions, the Group has not carried out any treasury share purchase transactions, nor does it plan to do so in the future.

Possible events after 31 December 2023 are described in Note 27 of the accompanying notes to the financial statements.

The Company is included in the consolidated Statement of Non-Financial Information that forms part of the consolidated Directors' Report of Fomento de Construcciones y Contratas, S.A. and Subsidiaries. This Statement of Non-Financial Information has been prepared taking into account the requirements established in Law 11/2018, of 28 December, which amends the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, on Auditing of Accounts, in relation to non-financial information and diversity. The consolidated management report of Fomento de Construcciones y Contratas, S.A. and Subsidiaries is filed with the Barcelona Mercantile Registry.



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The Consolidated Annual Accounts and Directors' Report of FCC Aqualia, S.A. for the year ended 31 December 2024 were drawn up by the directors of the Company on 26 February 2025, and are identified by the fact that they are printed on 128 sheets, both sides, of Government stamped paper series 00 numbers 5234340 to 5234440 inclusive, being signed, in proof of conformity, on the sheet of Government stamped paper series 00 number 5234441.

President

D. Alejandro Aboumrad González

Vice-President

Member

D. Nicolás Villén Jiménez

D. Lars Bespolka

Member

Member

D. Pablo Colio Abril

D. Scott Longhurst

Member

Member

D. Gerardo Kuri Kaufmann

Mr. Juan Rodriguez Torres