Audit Report on Financial Statements
issued by an Independent Auditor

FCC SERVICIOS MEDIO AMBIENTE HOLDING, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2024

Building a better working world

Ernst & Young, S.L.
C/ Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

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 32)

To the shareholders of FCC Servicios Medio Ambiente Holding, S.A.:

Opinion

We have audited the consolidated financial statements of FCC Servicios Medio Ambiente Holding, 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 statements of recognised income and expense, the statement of changes in consolidated equity, the statement of consolidated cash flows, 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.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

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More 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 uninvoiced accrued revenue

Description

The Group recognises part of its revenue with a balancing entry to uninvoiced work for those contracts in which the amount accrued for the service rendered is higher than the amount invoiced, i.e., those for which part of the revenue has not yet been invoiced at the reporting date.

"Trade and other receivables" on the consolidated balance sheet as at 31 December 2024 includes 401,850 thousand euros relating to uninvoiced work recognized as revenue at the reporting date.

The recognition and measurement of uninvoiced accrued revenue at each reporting date entails estimates that require Parent´s Management to make judgements to establish the assumptions underlying those estimates, e.g., estimating work carried out based on contractual terms and the actual invoicing for the remaining months of the year.

Given the complexity of making the estimates to determine uninvoiced accrued revenue, and due to the relevance of the amount of uninvoiced completed work recognized as revenue at 31 December 2024, we determined this to be a most relevant audit issue.

The information related to the measurement policies and principal assumptions applied when determining uninvoiced accrued revenue, as well as the disclosures related to uninvoiced completed work, is provided in Notes 3.q) and 14.a) of the accompanying consolidated financial statements.

Our response

Our audit procedures related to this matter included:

- Understanding the process designed by Parent´s Management to recognise uninvoiced accrued revenue, assessing the design and implementation of the relevant controls in place in that process.
- Selecting a sample of contracts obtained from supporting documentation, including evidence of subsequent certification, invoicing and/or collection to evaluate the reasonableness of Parent´s Management's assumptions in connection with these estimates.
- Assessing the reasonableness of the amounts recorded for uninvoiced completed work for a selected sample of contracts, taking into account, among other factors, trends observed in comparable prior years.
- Reviewing the disclosures made in the notes to the consolidated financial statements, assessing whether they are in conformity with the applicable financial reporting framework.

Recognition and measurement of provisions for environmental actions and dismantling, removal and restoration of fixed assets

Description	"Non-current provisions" on the consolidated balance sheet at December 31, 2024 include 439,054 thousand euros related to provisions set aside to cover environmental actions and dismantling, removal and restoration of fixed assets. Due to the significance of the amounts involved and the fact that measuring provisions requires Group management to apply significant judgments to establish the assumptions used for estimating these provisions, we determined this to be a key audit matter. Information on the applied measurement standards and the related disclosures are provided in Notes 3.I), 3.T), and 17 to the accompanying consolidated financial statements.
Our response	Our audit procedures related to this matter included: ▶ Gaining an understanding of Group management's policy for identifying and measuring the abovementioned contingencies. ▶ Assessing the reasonableness of the estimates made regarding any probability of the above litigations and contingencies resulting in an outflow of resources, based on available information, as well as their possible impact on the consolidated financial statements. ▶ Analyzing the related allowances, application, and reversal of provisions recognized in 2024 based on information provided by Group management. ▶ Reviewing the disclosures in the notes to the consolidated financial statements and evaluating whether they are in conformity with the applicable regulatory financial reporting framework.

Other information: consolidated management report

Other information refers exclusively to the 2024 consolidated management 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 management report. Our responsibility for the consolidated management 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 management 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 management 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 management 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.

Jesús F. Pérez Molina

March 25, 2025

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES (CONSOLIDATED GROUP)

Financial Statements 2024

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

CONSOLIDATED BALANCE SHEET

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES
at 31 December 2024 (in thousands of euros)

ASSETS	31/12/2024		31/12/2023 (*)	
NON-CURRENT ASSETS		**4,566,601**		**3,424,296**
Intangible assets (Note 6)		**1,374,397**		**921,960**
Concessions (Notes 6 and 9)	564,021		375,937	
Goodwill	643,226		492,835	
Other intangible assets	167,150		53,188	
Property, plant and equipment (Note 7)		**2,256,394**		**1,950,902**
Land and buildings	457,072		375,469	
Plant and other items of property, plant and equipment	1,799,322		1,575,433	
Investments accounted for using the equity method (Note 10)		**275,055**		**233,202**
Non-current financial assets (Note 12)		**595,538**		**245,660**
Deferred tax assets (Note 22)		**54,271**		**59,040**
Non-current receivables and other non-current assets (Note 14)		**10,946**		**13,532**
CURRENT ASSETS		**1,989,345**		**1,690,534**
Inventory (Note 13)		**88,096**		**87,211**
Trade and other receivables		**1,241,737**		**1,080,802**
Trade receivables for sales and services (Note 14.a)	1,154,525		1,021,525	
Other receivables (Note 14.b)	83,875		52,191	
Current tax assets (Note 14.b)	3,337		7,086	
Other current financial assets (Note 12)		**92,158**		**96,503**
Other current assets		**35,048**		**29,693**
Cash and cash equivalents (Note 15)		**532,306**		**396,325**
TOTAL ASSETS		**6,555,946**		**5,114,830**

The accompanying Notes 1 to 32 and Annexes I to V form an integral part of the consolidated financial statements, jointly forming the 2024 consolidated income statements.
(*) The figures as at 31 December 2023 have been restated, as explained in Note 2.a).

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

CONSOLIDATED BALANCE SHEET

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES
at 31 December 2024 (in thousands of euros).

LIABILITIES AND EQUITY	31/12/2024		31/12/2023 (*)	
EQUITY (Note 16)		**1,187,866**		**1,099,026**
Equity attributable to the Parent Company		**1,070,984**		**989,532**
Shareholders' equity	1,132,605		1,099,528	
Capital	10,000		10,000	
Accumulated earnings and other reserves	1,089,385		895,392	
Profit/(loss) for the business year attributable to the Parent Company	33,220		194,136	
Valuation adjustments	(61,621)		(109,996)	
Non-controlling interests		**116,882**		**109,494**
NON-CURRENT LIABILITIES		**4,193,670**		**2,884,611**
Grants		**3,851**		**4,285**
Non-current provisions (Note 17)		**624,379**		**561,787**
Non-current financial liabilities (Note 18)		**3,238,141**		**2,052,887**
Bonds and other marketable securities	1,806,921		1,210,870	
Bank borrowings	816,310		301,207	
Other financial liabilities	614,910		540,810	
Deferred tax liabilities (Note 22)		**195,703**		**134,249**
Other non-current liabilities (Note 19)		**131,596**		**131,403**
CURRENT LIABILITIES		**1,174,410**		**1,131,193**
Current provisions (Note 17)		**83,987**		**4,992**
Current financial liabilities (Note 18)		**322,222**		**480,190**
Bonds and other marketable securities	94,596		236,530	
Bank borrowings	103,306		113,657	
Other financial liabilities	124,320		130,003	
Trade and other accounts payable (Note 20)		**763,079**		**640,882**
Suppliers	293,951		261,744	
Other payables	455,034		373,399	
Current tax liabilities	14,094		5,739	
Other current liabilities		**5,122**		**5,129**
TOTAL EQUITY AND LIABILITIES		**6,555,946**		**5,114,830**

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CONSOLIDATED INCOME STATEMENT

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES
at 31 December 2024 (in thousands of euros)

	31/12/2024	31/12/2023 (*)
Net business turnover (Note 25)	**4,346,132**	**3,852,994**
Own work capitalised	33,206	46,683
Other operating income (Note 25.a)	76,701	86,062
Changes in finished goods and work in progress inventories	927	784
Supplies (Note 25.b)	(1,082,790)	(960,952)
Staff expenses (Note 25.c)	(1,796,346)	(1,610,133)
Other operating expenses	(847,127)	(768,226)
Depreciation and amortisation (Notes 6 and 7)	(373,100)	(306,740)
Non-financial and other capital grants taken to income (Note 7)	801	897
Impairment and gains/(losses) on disposal of non-current assets (Note 25.d)	(25,421)	1,558
Other profit/(loss) (Note 25.e)	(90,504)	(8,310)
OPERATING PROFIT(LOSS)	**242,479**	**334,617**
Financial income (Note 25.f)	26,673	28,458
Financial expenses (Note 25.f)	(152,122)	(91,147)
Other financial income/(losses) (Note 25.g)	4,156	(622)
FINANCIAL GAINS/(LOSSES)	**(121,293)**	**(63,311)**
Profit/(loss) of companies accounted for using the equity method (Note 25.h)	217	22,289
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	**121,403**	**293,595**
Corporate tax (Note 22)	(60,779)	(72,181)
PROFIT/(LOSS) FOR THE BUSINESS YEAR FROM CONTINUING OPERATIONS	**60,624**	**221,414**
Profit/(loss) for the business year from interrupted operations after tax	-	-
CONSOLIDATED PROFIT/(LOSS) FOR THE BUSINESS YEAR	**60,624**	**221,414**
Profit/(loss) attributable to the Parent Company	33,220	194,136
Profit attributable to non-controlling interests (Notes 16 and 25)	27,404	27,278
EARNINGS PER SHARE (Note 16)	**3.32**	**19.41**

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CONSOLIDATED STATEMENTS OF RECOGNISED INCOME AND EXPENSE

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES
at 31 December 2024 (in thousands of euros)

	31/12/2024		31/12/2023 (**)	
CONSOLIDATED PROFIT/(LOSS) FOR THE BUSINESS YEAR		**60,624**		**221,414**
Other comprehensive income - Items that are not reclassified to profit/(loss) for the period		**2,045**		**(4,014)**
Actuarial profits and losses and other adjustments (*)	2,045		(4,014)	
Other comprehensive income - items that can subsequently be reclassified to profit/(loss) for the period		**61,337**		**(4,728)**
Financial assets at fair value with changes in other comprehensive income		**2,736**		**(1,452)**
Valuation gains/(losses)	2,736		(1,452)	
Amounts transferred to the income statement				
Cash flow hedges		**11,252**		**(9,619)**
Valuation gains/(losses)	18,608		(5,221)	
Amounts transferred to the income statement	(7,356)		(4,398)	
holding				
Conversion differences		**56,412**		**4,698**
Valuation gains/(losses)	53,214		4,698	
Amounts transferred to the income statement	3,198			
holding				
Participation in other comprehensive income recognised by investments in joint ventures and associates		**383**		**(23)**
Valuation gains/(losses)	383		(23)	
Amounts transferred to the income statement				
Tax effect	(9,446)	**(9,446)**	1,668	**1,668**
TOTAL COMPREHENSIVE INCOME FOR THE BUSINESS YEAR		**124,006**		**212,672**
Attributable to the Parent		**85,050**		**184,424**
Attributable to non-controlling interests		**38,956**		**28,248**

The accompanying Notes 1 to 32 and Annexes I to V form an integral part of the consolidated financial statements, jointly forming the 2024 consolidated income statements.

(*) Amounts that under no circumstances will be charged to the statement of profit and loss.

(**) The figures as at 31 December 2023 have been restated as indicated in Note 2.a).

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TOTAL STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES as of December 31, 2024 (in thousands of euros)

	Capital stock (Note 16.a)	Share premium and reserves (Note 16.b)	Interim dividend (Note 16.e)	Profit/(loss) for the business year attributed to the Parent Company	Valuation adjustments (Note 16.c)	Equity attributable to shareholders of the Parent Company (Note 16)	Non-controlling interests (Note 16.II)	Total equity
Equity at 31 December 2022	**10,000**	**715,997**	**-**	**184,084**	**(103,661)**	**806,420**	**104,670**	**911,090**
Total income and expenses for the business year	**-**	**(3,719)**	**-**	**196,707**	**(6,095)**	**186,893**	**28,248**	**215,141**
Transactions with shareholders or owners	**-**	**184,092**	**-**	**(184,084)**	**-**	**8**	**(23,466)**	**(23,458)**
Capital increases	-	-	-	-	-	-	320	320
Distribution of dividends	-	-	-	-	-	-	(23,778)	(23,778)
Distribution of profit/(loss) for 2022	-	184,084	-	(184,084)	-	-	-	-
Increases/(reductions) by business combinations	-	8	-	-	-	8	(8)	-
Other transactions with shareholders or owners	-	-	-	-	-	-	-	-
Other changes in equity (Note 16)	**-**	**8**	**-**	**-**	**(342)**	**(334)**	**42**	**(292)**
Equity at 31 December 2023	**10,000**	**896,378**	**-**	**196,707**	**(110,098)**	**992,987**	**109,494**	**1,102,481**
Impact of recalculation of the fair value of net assets acquired (Note 2.a)	-	**(986)**	**-**	**(2,571)**	**102**	**(3,455)**	**-**	**(3,455)**
Equity at 1 January 2024	**10,000**	**895,392**	**-**	**194,136**	**(109,996)**	**989,532**	**109,494**	**1,099,026**
Total income and expenses for the business year	**-**	**2,882**	**-**	**33,220**	**48,948**	**85,050**	**38,956**	**124,006**
Transactions with shareholders or owners	**-**	**191,893**	**-**	**(194,136)**	**-**	**(2,243)**	**(31,568)**	**(33,811)**
Capital increases	-	-	-	-	-	-	-	-
Distribution of dividends	-	194,136	-	(194,136)	-	-	(31,580)	(31,580)
Distribution of profit/(loss) for 2023	-	-	-	-	-	-	-	-
Increases/(reductions) by business combinations	-	(2,243)	-	-	-	(2,243)	12	(2,231)
Other transactions with shareholders or owners	-	-	-	-	-	-	-	-
Other changes in equity (Note 16)	**-**	**(782)**	**-**	**-**	**(573)**	**(1,355)**	**-**	**(1,355)**
Equity at 31 December 2024	**10,000**	**1,089,385**	**-**	**33,220**	**(61,621)**	**1,070,984**	**116,882**	**1,187,866**

The accompanying Notes 1 to 32 and Annexes I to V form an integral part of the consolidated financial statements, jointly forming the 2024 consolidated income statements.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

STATEMENT OF CONSOLIDATED CASH FLOWS (INDIRECT METHOD)

FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A. AND SUBSIDIARIES
at 31 December 2024 (in thousands of euros)

	31/12/2024		31/12/2023 (*)	
Profit/(loss) before tax from continuing operations		**121,403**		**293,595**
Adjustments to profit		**615,734**		**338,679**
Depreciation and amortisation (Notes 7, 8 and 9)	373,100		306,740	
Impairment of goodwill and non-current assets (Notes 7 and 8)	25,421		(1,558)	
Other adjustments to profit (net) (Note 27)	217,213		33,497	
Changes in working capital (Notes 11 and 16)		**(41,337)**		**(197,878)**
Other cash flows from operating activities		**(45,946)**		**(34,267)**
Dividend collections	12,170		39,561	
Collections/(payment) for corporation tax	(58,116)		(73,828)	
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		**649,854**		**400,129**
Payments on investments		**(1,045,028)**		**(546,584)**
Group companies, associates and business units	(488,419)		(46,302)	
Property, plant and equipment, intangible assets and real estate investments (Notes 7, 8 and 9)	(549,113)		(496,332)	
Other financial assets	(7,496)		(3,950)	
Proceeds from divestments		**22,220**		**13,241**
Group companies, associates and business units	4,442		1,908	
Property, plant and equipment, intangible assets and real estate investments (Notes 7, 8 and 9)	11,251		10,540	
Other financial assets (Note 11)	6,527		793	
Other cash flows from investing activities		**94,426**		**3,442**
Interest received	14,852		13,293	
Other collections/(payments) from investing activities	79,574		(9,851)	
TOTAL CASH FLOWS FROM INVESTING ACTIVITIES		**(928,382)**		**(529,901)**
Proceeds and (payments) from equity instruments (Note 18)		**-**		**378**
Issue/(redemption)	-		432	
(Acquisition)/disposal of own shares	-		(54)	
Proceeds from (payments on) financial liabilities (Note 20)		**544,822**		**141,690**
Issuance	3,085,694		1,742,094	
Repayment and amortisation	(2,540,872)		(1,600,404)	
Dividend payments and payments on equity instruments (Note 5)		**(31,531)**		**(27,463)**
Other cash flows from financing activities		**(108,237)**		**(48,240)**
Interest paid	(105,137)		(48,404)	
Other collections/(payments) from financing activities	(3,100)		164	
TOTAL CASH FLOWS FROM FINANCING ACTIVITIES		**405,054**		**66,365**
EFFECT OF VARIATIONS IN EXCHANGE RATES		**9,456**		**2,391**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**135,982**		**(61,016)**
Cash and cash equivalents at the start of the period		**396,324**		**457,340**
Cash and cash equivalents at the end of the period		**532,306**		**396,324**

The accompanying Notes 1 to 32 and Annexes I to V form an integral part of the consolidated financial statements, jointly forming the 2024 consolidated income statements.
(*) The figures as at 31 December 2023 have been restated as indicated in Note 2.a).

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FCC SERVICIOS MEDIO AMBIENTE HOLDING, S.A. AND SUBSIDIARIES AT 31 DECEMBER 2024

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1. GROUP ACTIVITY

FCC Servicios Medio Ambiente Holding, S.A. (hereinafter the Parent Company) was incorporated in Madrid on 10 July 2008 under the name Dédalo Patrimonial, S.L. On 20 May 2019, the agreement to change the company's name was executed in a public deed; accordingly, it became known as FCC Servicios Medio Ambiente Holding, S.A.

The Environmental Services Group is made up of the Parent FCC Servicios Medio Ambiente Holding, S.A. and a group of investees at national and international level, which carry out different activities associated with Environmental Services in different business divisions, classified by region and grouped together as follows:

- Spain and Portugal and France
- United Kingdom
- Central Europe
- United States of America

All of these business areas provide services related to the collection and processing of solid waste, sanitation of public roads and drainage, the treatment of industrial waste, including both the construction and operation of plants, and energy recovery from waste.

The joint ventures in which the Environmental Services Group participates perform the same activity and are detailed in Annex V.

Also, the Parent has equity interests in companies with similar corporate purposes and activities to those described above. The details of the companies consolidated by the global integration method and by the equity method are included in ANNEXES I, II and III.

The Parent is part to a higher group subject to the current Spanish laws, of which, in turn, Fomento de Construcciones y Contratas, S.A. is the parent, with registered address in Barcelona, Calle Balmes, 36. Grupo FCC Fomento de Construcciones y Contratas, S.A. (hereinafter "FCC Group") prepared its consolidated financial statements for 2023, which were approved by the General Shareholders' Meeting of Fomento de Construcciones y Contratas S.A. held on 27 June 2024 and filed with the Barcelona Mercantile Register. Likewise, the consolidated annual accounts for the financial year 2024 have been prepared and are pending approval by the General Meeting of Shareholders.

The Environmental Services Group prepared its 2023 consolidated financial statements, which were approved by its shareholders, on 6 May 2024 and filed with the Madrid Mercantile Registry.

International activity accounts for approximately 47% of FCC Servicios Medio Ambiente Holding's revenue ("Environmental Services Group"), mainly in European (Austria and the United Kingdom) and the United States.

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In 2023, the parent company Fomento de Construcciones y Contratas, S.A. sold a 24.99% stake in the capital of FCC Servicios Medio Ambiente Holding, S.A. to CPP Investment Board Private Holding INC, belonging to the Canada Pension Plan Investment Board ("CPP Investments").

2. BASIS OF PRESENTATION AND BASIS OF CONSOLIDATION OF THE CONSOLIDATED INCOME STATEMENT

a) Basis of presentation

FCC Servicios Medio Ambiente Holding, S.A.U. voluntarily presents the consolidated financial statements and management report as parent company of the group of subsidiaries, which are detailed in these Notes to the Financial Statements, under Article 42.6 of the Spanish Commercial Code, despite being exempt from the obligation pursuant to the applicable legislation, Articles 43 of the Spanish Commercial Code and 7 of the Rules for the Preparation of the Consolidated Financial Statements of Royal Decree 1159/2010 of 7 September: it is a subsidiary of the FCC Group, whose parent is Fomento de Construcciones y Contratas, S.A., with registered office at c/ Balmes, 36, Barcelona 08007, Spain, and whose shares have been admitted for official trading on the four Spanish stock markets (Madrid, Barcelona, Bilbao and Valencia) through the stock exchange interconnection system (Continuous Market). The consolidated financial statements and management report of Fomento de Construcciones y Contratas, S.A. are filed in the Barcelona Mercantile Register.

The accompanying financial statements and the notes thereto that comprise this Report and which make up these consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union at the closing date, in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, and all the implementing provisions and interpretations.

The consolidated financial statements of the Environmental Services Group for 2024 were authorised for issue by the Board of Directors of FCC Servicios Medio Ambiente Holding, S.A., and will be presented for approval by the General Shareholders' Meeting. However, no amendments are expected as a result of the fulfilment of said requirement.

These consolidated financial statements of the MA Servicios Group presents fairly the equity and financial position at 31 December 2024 and 2023, as well as the results of its operations, changes in equity and consolidated cash flows that occurred at the Group during those years.

The consolidated financial statements of the Environmental Services Group have been prepared from the accounting records of FCC Servicios Medio Ambiente Holding, S.A. and its investees. These records, in accordance with the procedures and operating systems established in the Group, justify and support the consolidated financial statements prepared in accordance with current international accounting regulations.

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In order to uniformly present the various items composing these consolidated financial statements, accounting standardisation criteria were applied to the individual financial statements of the companies included in the scope of consolidation. In 2024 and 2023, the reporting date of the financial statements of the companies included in the scope of consolidation was the same as that of the Parent, i.e. 31 December.

The consolidated financial statements are expressed in thousands of euros.

Reclassifications made

Restatement of comparative data at 31 December 2023 following the recalculation of the fair value of the net assets acquired under certain business combinations carried out in prior years, specifically those relating to Premier Waste Services, Llc., Houston Waste Services, Llc. and Houston Waste Solutions Llc. (Note 4). Pursuant to the regulations, the reasonable values of certain tangible and intangible assets have been re-estimated, with the corresponding impact on the goodwill recognised (Note 6.b) and on deferred tax liabilities. The impact of the restatement on the consolidated financial statements in 2023 were as follows:

2023	
Non-current assets	**1,977**
Intangible assets	**(4,669)**
Concessions	-
Goodwill	**(18,140)**
Other intangible fixed and non-current assets	**13,471**
Property, plant and equipment	**6,646**
Current assets	**-**
Total assets	**1,977**
Equity	**(3,455)**
Non-current liabilities	**5,432**
Deferred tax liabilities	**5,432**
Current liabilities	**-**
Total equity and liabilities	**1,977**

2023	
Operating profit/(loss)	(3,522)
Profit/(loss) before tax from continuing operations	(3,522)
Profit/(loss) for the business year from continuing operations	(2,571)
Profit attributable to the Parent Company	(2,571)

Rules and interpretations issued but not in force

The Group intends to adopt standards, interpretations and amendments to standards issued by the IASB, which are not mandatory in the European Union, when they become effective, if applicable to it. Although the Group is currently analysing its impact, based on its analysis to date, it believes that its initial application will not have a significant impact on the consolidated financial statements, with the exception of the future application of IFRS 18 "Presentation and information to disclose in financial statements", which has been approved by the IASB but has not yet been adopted by the European Union.

Among other changes, IFRS 18 primarily introduces three new requirements for improving company information about financial performance and provide a better basis for investors for analysing and comparing companies:

-improve comparability between financial performance statements by introducing three new categories: operating, investment and financing, as well as new subtotals: operating profit/(loss) and profit/(loss) before financing and corporation tax,

-provide greater transparency around performance measurements established by Management by introducing new guidelines and breakdowns, and

-provide guidelines to help group information in financial statements in a more useful way.

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

Significant rules and interpretations applied in 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 significant impact on the Group's accounting policies.

b) Basis of consolidation

Subsidiaries

Consolidation is carried out using the full consolidation method for those subsidiaries listed in Annex I, over which FCC Servicios Medio Ambiente Holding S.A.U. exercises control, that is, when it has the power to steer the company’s main activities, it is exposed to variable returns as a result of its stake in the investee, and it has the ability to exercise said power to influence its own returns, either directly or through other companies controlled by it.

The value of the participation of non-controlling shareholders in equity is presented under the heading "Non-controlling interests" of the liability side of the accompanying consolidated balance sheet and the participation in the profit/(loss) is presented under the heading "Profit/(loss) attributed to non-controlling interests" of the accompanying consolidated income statement.
Where appropriate, goodwill is determined in accordance with the provisions of Note 3.b) to these consolidated financial statements.

Joint arrangements

The Group develops joint arrangements by taking part in joint ventures jointly controlled by one of more of the Environmental Services Group companies with other companies outside the Group (Note 11), as well as through participation in joint operations, temporary joint ventures and other similar entities (Note 11).

The Group applies its professional judgement to evaluate its rights and obligations over joint agreements taking into account the financial structure and legal form of the agreement, the terms agreed by the parties and other relevant facts and circumstances to evaluate the type of joint agreement. Once such an analysis has been carried out, two types of joint agreements are distinguished:

a) Joint operation: When the parties hold rights over the assets and obligations over the liabilities.
b) Joint business: When the parties hold only rights over the net assets.

In accordance with IFRS 11 "Joint agreements", participations in joint ventures are integrated according to the equity method and are included in the accompanying consolidated balance sheet under the heading "Investments accounted for using the equity method". These companies' participation in the net income of the business year is included under the heading "Profit/(loss) of entities valued using the equity method" of the accompanying consolidated income statement.

The joint operations, which mostly take the form of temporary joint ventures and other similar entities, have been integrated in the accompanying financial statements, based on the percentage of participation in assets, liabilities, income and expenses derived from the operations carried out by them, eliminating the reciprocal balances in assets and liabilities, as well as the income and expenses not incurred against third parties.

Annex II lists the business jointly controlled with third parties outside the Group and Annex V lists the joint operations carried out with third parties outside the Group, mainly through temporary joint ventures and other entities with similar characteristics.

Associates

The companies listed in Annex III, in which FCC Servicios Medio Ambiente Holding S.A. does not exercise control but has significant influence, are included in the accompanying consolidated balance sheet under the heading "Investments accounted for by applying the equity method", integrated

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using said method. These companies' contribution to net income for the year is included under the heading “Profit/(loss) of entities accounted for using the equity method” of the accompanying consolidated income statement.

Transactions between Group companies

In transactions between consolidated companies, the profit/(loss) of internal operations are eliminated, being deferred until they are made against third parties outside the Group. This elimination does not apply in the "Concession agreements" since the result is considered to be realised against third parties (Note 3.a).

Group work on its own fixed and non-current assets is measured at production cost, eliminating the intra-group profit/(loss).

Reciprocal credits and debits have been eliminated from the consolidated financial statement, as well as internal income and expenses from the collection of the subsidiaries that are consolidated.

Changes in the scope of consolidation

Annex IV shows the changes made in 2024 in all consolidated companies using global integration and the equity method. The profit/(loss) of these companies are included in the consolidated income statement as from the effective acquisition date or until the effective disposal or derecognition date, as appropriate.

The heading "Change in scope" in the corresponding notes to this Report shows the effect of the additions and derecognitions of companies from the scope of consolidation. Additionally, Note 4 of this Report "Changes in the scope of consolidation", shows the most significant inputs and outputs of said scope.

3. ACCOUNTING POLICIES

The accounting policies applied to the consolidated financial statements of the Environmental Services Group are detailed below:

a) Service concession arrangements

Concession contracts are arrangements between a public sector grantor and Environmental Services Group companies, to provide public services, such as industrial waste treatment, energy recovery, etc., through the operation of infrastructures. Meanwhile, revenue from providing the service may be received directly from the users or, sometimes, through the concession grantor itself, which regulates the prices for providing the service.

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The concession right generally means that the concession operator has an exclusive right to provide the service under the concession for a given period of time, after which the infrastructure assigned to the concession required to provide the service is returned to the concession grantor, generally for no consideration. Concession contracts are required to provide for the management or operation of this infrastructure. They also typically establish obligations to acquire or build all the elements that will be needed to provide the concession service over the contract term.

When the above conditions are met, said concession contracts are registered by the provisions of IFRIC 12 "Service Concession Arrangement". In general, we must highlight two clearly differentiated phases, the first one in which the concessionaire provides construction or improvement services that are recognised according to the degree of progress, with a counterpart 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. In both cases, income is recognised in accordance with the provisions of IFRS 15 "Ordinary income from contracts with clients" (Note 3.q).

An intangible asset is recognised when the demand risk is borne by the concessionaire and a financial asset is recognised when the demand risk is borne by the concession grantor, since the concessionaire has an unconditional contractual right to receive the proceeds of the construction or upgrade services. These assets also include the amounts paid in relation to the fees for the award of the concessions.

There may be mixed situations in which the demand risk is shared between the concessionaire and the grantor.

For concessions classified as intangible assets, provisions for dismantling, removal or restoration and any steps to improve and increase capacity, the revenue from which is envisaged in the initial contract, are capitalised at the start of the concession and the amortisation of these assets and the discounting of such provisions are recognised in profit or loss Also, provisions to replace and repair the infrastructure are systematically recognised in profit or loss as the obligation is incurred.
Borrowing costs attributable to infrastructure financing are recognised as an expense in the period, capitalising, only in the intangible asset model, those that accrue during the construction phase and until the related infrastructure is put to use.

The amortisation of these intangible assets is carried out according to the consumption pattern, understanding as such the performance and best estimation of the production units in each of the different activities. The amortisation is completed in the concession period, which is generally between 25 and 50 years.

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Concession arrangements recognised as financial assets are measured at the fair value of the construction or upgrade services rendered. In accordance with the amortised cost method, the corresponding income is recognised in profit or loss as revenue based on the effective interest rate resulting from forecasts of the concession's cash flows and payments.

Finance expenses arising from the financing of these assets are classified under “Financial expenses” in the consolidated income statement. As stated above, for the provision of maintenance or operating services, income and expenses are allocated to profit/(loss) in accordance with IFRS 15 "Ordinary income from contracts with clients".

b) Business combinations and goodwill

The assets and liabilities of the companies and subgroups over which control is acquired are recognised in the consolidated balance sheet at their fair value together with the related deferred taxes. However, in accordance with regulations, the initial measurement of the assets and liabilities and their allocation to the various headings may be reviewed within the twelve months following the acquisition date, should it be necessary to consider new data.

The date of inclusion in the scope of consolidation is the date on which effective control of the company is obtained, which normally coincides with the acquisition date.

Goodwill is recognised as the positive difference between (a) the sum of the fair value of the consideration transferred as a result of the acquired interest, the amount of the non-controlling interests and the fair value at the date on which control over these interests is acquired when control is obtained in stages, and (b) the fair value of identifiable assets and liabilities.

In general, non-controlling interests are valued by the proportional part of the fair value in the assets and liabilities of the acquired company.

If control over a business combination is achieved in stages, the difference between the fair value at the time control over the preceding interest is obtained and the carrying amount of that interest is recognised in profit/(loss).

Once control is obtained over an investee, and until that control is lost, the difference between the amount of any additional equity interest acquired or sold and its carrying amount is accounted for in equity.

Goodwill is not amortised. However, it is tested for impairment at least at each balance sheet date, in order to recognise it at the lower of its recoverable value, estimated on the basis of expected cash flows, or acquisition cost, less any prior years' impairment losses. The accounting policies used to determine impairment are detailed in section e) of this note.

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c) Intangible assets

Except as indicated in the two previous sections of this note regarding the agreements for the concession of services and goodwill, the other intangible assets contained in the accompanying financial statements are initially recognised at their acquisition cost. These intangible assets include investments related to operating contracts and licences, assignment rights and software applications.

Such registered intangible assets have a finite useful life. Amortisation is carried out during its useful life, which is generally between 20 and 35 years, that is, the period during which it is estimated that they will generate income, using the linear method, except when the application of the consumption pattern reflects its depreciation more faithfully. Software applications are generally amortised within a period of 5 to 10 years.

d) Property, plant and equipment

Property, plant and equipment are recorded at their cost price (updated, where appropriate, with various legal provisions prior to the date of transition to IFRS), less accumulated depreciation and any loss due to impairment of recognised value. The cost of those assets includes the estimated present value of their dismantling or the withdrawal of the affected items and, in those cases in which they were acquired through business combinations as described in section b) of this note, they are initially recognised at their fair value on the acquisition date.

The work carried out by the Group for its fixed and non-current assets is valued at production cost.

Conservation and maintenance expenses that do not involve an extension of the useful life or productive capacity of the corresponding assets are charged to the profit/(loss) of the year in which they are incurred.

When the construction and commissioning of fixed and non-current assets require a period of long construction, the interests derived from their financing accrued during said period are activated.

Companies depreciate their fixed and non-current assets following the linear method, distributing the cost thereof between the following years of estimated useful life:

Natural assets and buildings	25-50
Plant, machinery and transport items	5-12
Furniture and tools	5-12
Other property, plant and equipment	4-10

However, some contracts may have terms shorter than the useful life of the related fixed and non-current assets, in which case they are depreciated over the term of the contract.

The residual value, useful life and depreciation method applied to the Group's PP&E are reviewed periodically to ensure that the depreciation method used reflects the pattern in which the revenue deriving from operating the property, plant and equipment. This review is carried out through an in situ evaluation and technical analysis, taking into account their current conditions and estimating the remaining useful life of each asset, based on their ability to continue providing the functionalities for which they were defined. Subsequently, these internal analyses are compared against third parties outside the Group, such as manufacturers, installers, etc. to ratify them.

At least at the end of each reporting period, the companies shall determine whether there is any indication that an item or group of items of fixed and non-current assets is impaired on a regular basis, so that, if applicable, and as indicated in section e) of this note, an impairment loss, or the reversal of such losses, can be recognised or reversed in order to adjust the carrying amount of the assets to their value in use. Under no circumstances do reversals exceed all prior impairment recognised.

e) Impairment of the property, plant and equipment and intangible asset value

Intangible assets with finite useful lives and property, plant and equipment items are tested for impairment when there is any indication that the assets might have become impaired, in order to adjust their net carrying amount to their value in use (if this is lower).

The Group uses both internal and external sources of information to assess possible signs of impairment. External sources include market value decreases beyond the passage of time or normal use or possible adverse future changes in the legal, economic or technological environment that could reveal a loss of the recoverable value of its assets. The Group internally assesses whether there has been a physical deterioration or obsolescence of the assets, if the future situation itself may produce a change in the expected use of the asset, for example if the asset is expected to be idle for a significant period of time or due to restructuring plans or if it is detected that the return on the asset is worse than expected.

Goodwill and intangible assets with indefinite useful lives must be tested for impairment at least once a year 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 the impairment test show a recovery in the value of these assets. The carrying amount of the assets whose recoverable amount increases must in no case exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years.

The recognition or reversal of impairment losses on assets are charged or credited to income under "Impairment and results obtained on the disposal of assets".

To calculate the recoverable amount of the assets subject to impairment tests, the present value of the net cash flows originating from the Cash Generating Units (CGUs) associated therewith was estimated, except those flows related with payments or collections on lending operations and corporate tax payments, together with those that arise from future improvements or refurbishments envisaged for the assets belonging to such Cash Generating Units. To discount cash flows, a pre-tax discount rate was used, which includes the current market assessments of the time value of money and the risks specific to each Cash Generating Unit.

The estimated cash flows are obtained from the projections made by the Directorate of each of the CGUs that generally use periods of five years, except when the business characteristics advise longer periods and that include growth rates supported by the different approved business plans, whose review is carried out periodically, generally considering zero growth rates for those periods beyond the years projected in the aforementioned plans. Also, it is necessary to indicate that sensitivity analyses are performed to assess the growth of income, operating margins, and discount rates, in order to foresee the impact of future changes in these variables.

Cash flows from CGUs located abroad are calculated in the functional currency used by those cash generating units and they are updated using discount rates that take into consideration the risk premium relating to each currency. The present value of the net cash flows obtained in this manner are translated at the year-end exchange rate for each currency.

f) Leasing

As indicated in Note 2.a, as a result of the application of IFRS 16 "Leases", as at 1 January 2019 all lease operations (with certain exceptions for small amounts or short durations) in which the Group acts as the lessee, require the accounting of an asset corresponding to the right in use, fundamentally recognised by nature as a material asset, and a liability for the future payment obligations that are incurred. This liability is recognised at the present value of the future cash flows for each lease and the asset in an equivalent amount, adjusted for any early payment made.

A contract contains a lease when the lessor transfers control of an identifiable underlying asset for a certain period of time in exchange for a consideration. An asset is identifiable when it is explicitly specified in the contract or implicitly when it is made available to the customer. However, if the supplier has the right to replace the asset during the period of use, that is, when it has alternative assets and can economically benefit from such substitution, the asset is not considered identifiable and therefore the contract will not contain a lease.

To estimate the duration of the contract, extensions that are reasonably expected to occur and the period in which the lessee does not expect to terminate the contract (when they have the power to do so) are considered, without exclusively taking into account the minimum term established in the contract, as the term during which the lessee expects to continue using the underlying asset, depending on its particular circumstances, is estimated. To determine whether an extension is expected to take place, the economic incentives that the lessee may have to extend the contract are taken into account, considering factors such as the existence of advantageous conditions compared to market conditions in case of an extension, if the lessee has incurred significant costs in adapting the underlying asset to its needs that it must reapply in case of contracting a new lease, any possible costs for the termination of the contract in case it is not extended or the importance of the asset to the lessee, especially If it is a specialised asset that is not readily available on the market. Furthermore, the background in terms of the period of use in the past of certain assets is also taken into account.

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

When the Group acts as the lessor, income and expenses arising from operating lease agreements are charged to the income statement during the year they are accrued.

g) Investments accounted for using the equity method

The participation in joint ventures and associates is initially recognised at acquisition cost and is subsequently revalued to take into account the share with the profit/(loss) of these companies not distributed in the form of dividends. Also, the value of the investment is adjusted to reflect the proportion of the changes in these companies' equity that were not recognised in their profit or loss. These include the conversion differences and the adjustments caused by changes in the fair value of financial derivatives of cash flow hedges acquired by the companies themselves.

They undergo an impairment test as long as there are indications of impairment that may reveal a decrease in the recoverable value below the carrying amount of the investment, using both internal and external sources.

h) Financial assets

Financial assets are initially recorded at fair value, which is generally the same as their acquisition cost, adjusted for the operation costs directly attributable to it, except in the case of financial assets at fair value with changes in profit/(loss) that are attributed to that year's profit/(loss).

All acquisitions and sales of financial assets are recorded at the date of contracting the operation.

The Group manages its financial assets in order to obtain its contractual cash flows, so it values them according to the amortised cost method, that is, initial cost less principal charges plus accrued income based on its effective interest rate pending collection, adjusted for any recognised impairment loss. The effective interest rate consists of the rate that equals the initial cost of the total cash flows estimated for all the items throughout the remaining life of the investment. As an exception to the above, it should be noted that the Group values certain financial assets at fair value in the following cases:

- Financial assets at fair value with changes in profit/(loss): This category includes derivatives that do not meet the conditions to be considered as hedging, financial assets that other standards establish must be valued at fair value charged to profit/(loss), such as contingent considerations in business combinations and financial assets that, if valued differently, would generate an accounting asymmetry.

- Financial assets at fair value with changes in other comprehensive income: The Group values its interests in companies in which it does not have control, joint control or exert significant influence at fair value charged to reserves.

Financial assets at fair value have been recorded at fair value at the closing date of the financial statements. Fair value is understood as the value by which a financial instrument could be exchanged between informed and experienced parties in a free transaction (independent between third parties).

In the case of financial assets at fair value with changes in the profit/(loss), the profits or losses resulting from the change in fair value are attributed to the net profit/(loss) of the year, while financial assets at fair value with changes in other comprehensive income are attributed to equity, until the asset is disposed of, at which time the profit previously accumulated in equity will be included in that year's profit/(loss).

In assets that are valued at amortised cost, an impairment loss is recorded if, on the closing date of the financial statements, it is determined that credit losses will be incurred throughout their entire life. That is, impairment losses are recorded immediately when there is credit risk. Credit risk is understood as the risk of one of the parties to the financial instrument causing a financial loss to the other party if it breaches an obligation.

Collection rights arising from a service concession arrangement are valued according to the criteria indicated in section a) of this note.

Trade receivables arising in the Group's normal business activities are stated at their nominal value, given that they generally mature within twelve months, adjusted by any expected credit losses over the course of their lives. Accounts receivable with maturities greater than twelve months are valued at their current value.

The Group, based on the short-term cash flow needs, transfers credit from clients to financial entities. The amount of the aforementioned credit assignments is reported in Note 14.a). These operations accrue interest under usual market conditions and the collection management is still carried out by the Group companies, although the costs associated with such management are residual.

To the extent that the risks and rewards inherent to the accounts receivable are substantially transmitted through these sales and assignments of collection rights, as well as the control over them, without there being any repurchase agreements signed between the Group companies and the credit institutions that have acquired the assets and that they can freely dispose of said acquired assets without the Group companies being able to limit that right in any way, the aforementioned sales and assignments are recognised as "without recourse". Consequently, in accordance with the criteria established by IFRS, balances receivable from debtors assigned or sold under the conditions indicated are written off in the consolidated balance sheet.

i) Inventory

Inventories are stated at the lower of acquisition or production cost or net realisable value. Trade discounts, rebates, other similar items and interest included in the nominal amount of the payables are deducted when determining the acquisition cost.

Production cost includes the costs of direct materials and, where applicable, direct labour costs and manufacturing overheads incurred.

Net realisable value represents the estimated selling price less all estimated costs of completion and the costs to be incurred in the marketing, sale and distribution of the product.

The Group recognises the appropriate impairment losses and records them as an expense in the consolidated income statement when the net realisable value of inventories is lower than their acquisition cost (or production cost).

j) Foreign currency

j.1) Conversion differences

In general, the financial statements of foreign operations denominated in currencies other than the euro have been translated to euros, with the exception of:

- Capital and reserves, which were converted at historical exchange rates.

- The income statement items of foreign operations that were converted at the average exchange rates for the period.

Conversion differences for the foreign companies from the consolidation scope, generated by the application of the year-end exchange rate method, are included in the equity of the accompanying consolidated balance sheet, as shown in the accompanying statement of changes in the equity.

j.2) Exchange differences

Balances receivable and payable in foreign currencies are translated to euros at the exchange rates prevailing at the date of the consolidated balance sheet, and the differences that arise are taken to income, except as regards advances, which, since they are considered non-monetary items, are converted at the exchange rate prevailing at the time of the transaction.

The differences resulting from fluctuations in exchange rates between the date on which the collection or payment was made and the date on which the transactions took place or their value was discounted are allocated to profit or loss.

Meanwhile, the exchange differences that occur in relation to the financing of investments in foreign companies, with both the investment and the financing being registered in the same currency, are directly recognised in equity as conversion differences that offset the effect of the difference in conversion to euros of the foreign company.

k) Grants

Grants are recognised according to their nature.

k.1) Capital grants

Capital grants are those that involve the acquisition or construction of assets. These grants are measured at the amount received or the fair value of the asset received; they are recognised as deferred income on the liability side of the accompanying consolidated balance sheet and are taken to income as the asset or assets to which they relate are depreciated.

k.2) Operating grants

Operating grants are those other than those defined above that do not relate directly to an asset or group of assets. Operating income is considered the amount received at the time of its concession, except if it is granted to finance specific expenses, in which case its allocation to profit/(loss) will be made as those expenses accrue.

l) Provisions

The Group companies recognise provisions on the liability side of the accompanying consolidated balance sheet for present obligations arising from past events for which the companies consider it probable that there will be an outflow of funds to settle them on maturity.

These provisions are recognised when the related 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 expenditure required to settle the obligation. The change in the year relating to the discount to present value has an impact on financial profit/(loss).

Provisions for dismantling, removal or restoration and environmental provisions are recognised by increasing the value of the related asset by the present value of the expenses that will be incurred when operation of the asset ceases. The effect on income occurs when the asset is depreciated in accordance with the preceding paragraphs of this note and due also to the discounted present value mentioned in the preceding paragraph.

In addition, some Group companies provide provisions for restructuring costs when there is a detailed formal plan for such restructuring that has been communicated to the affected parties. As at 31 December 2024 no liabilities of a substantial amount have been recognised for this item.

Provisions are classified as current or non-current in the accompanying consolidated balance sheet on the basis of the estimated maturity date of the obligation covered by them, and non-current provisions are considered to be those whose estimated maturity date exceeds the normal operating cycle of the activity giving rise to the provision.

m) Financial liabilities

Financial liabilities are initially recognised at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These financial liabilities are subsequently measured at amortised cost.

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

Bank borrowings and other current and non-current financial liabilities maturing within no more than 12 months from the balance sheet date are classified as current liabilities and those maturing within more than 12 months as non-current liabilities.

n) Financial derivatives and hedge accounting

A financial derivative is a financial instrument or another type of contract whose value varies in response to changes in certain variables, such as an interest rate, financial instrument price, foreign exchange rate, credit rating or credit index or any other variable that may not be financial.

Apart from giving rise to gains or losses, financial derivatives may, under certain conditions, fully or partially offset foreign currency or interest rate risks or risks relating to the value associated with balances and transactions. Hedges are accounted for as follows:

- Cash flow hedges: in hedges of this type, the changes in value of the hedging instrument are recognised provisionally under equity, and are taken to income when the hedged item materialises.
- Fair value hedges: in this case, changes in the value of the hedging instrument are recognised in income by offsetting changes in the fair value of the hedged item.
- Hedges of a net investment in a foreign operation: this type of hedges are aimed at covering foreign currency risk and are treated as cash flow hedges.

IFRS 9 "Financial Instruments" states that an effectiveness test must be performed, consisting of a qualitative assessment of the financial derivative to determine whether it can be considered to be a hedging instrument and, therefore, effective.

The qualitative requirements that must be met are as follows:

- Formal designation and documentation, at inception of the hedge, of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.
- Documentation identifying the hedged item, the hedging instrument and the nature of the risk being hedged.
- The effectiveness requirements must be met. This means that there is a financial relationship between the hedged item and the hedging instrument such that both generally move in opposite directions upon the occurrence of the hedged risk. Credit risk must not have a dominant effect on the changes in the value of the hedged items and the hedging ratio must be equivalent to the percentage of the exposure to the covered risk.

The hedge is considered to be fully effective provided that the qualitative effectiveness test shows that it complies with those criteria. If not, the hedge would cease to be treated as a hedge and the hedge relationship would cease, recognising the derivative at its fair value through changes in profit or loss.

A quantitative analysis that will determine how the instruments are recognised takes place after their effectiveness has been assessed. This quantitative analysis consists of a retrospective portion for purely accounting purposes and another prospective portion intended to analyse any possible future deviations relating to the hedge.

The retrospective assessment analysis is adapted to the type of the hedge and the nature of the instruments used, and all of the financial derivatives contracted by the Group consist of cash flow hedges (Note 21):

- In the case of interest rate swaps (IRSs) in Cash flow hedges, the Group charges a variable rate equal to that of the hedged borrowings and pays a fixed rate, since the objective is to reduce the variability of the borrowing costs, the effectiveness test determines whether changes in the fair value of the IRS cash flows offset changes in the fair value of the hedged risk.

- The hypothetical derivative method is used for accounting purposes when performing the quantitative assessment of effectiveness, which establishes that the company will recognise in equity the lower of the absolute change in the value of the hypothetical derivative (hedged position) and the change in the value of the contracted derivative. The difference between the value of the recognised change in equity and the fair value of the derivative on the date of the effectiveness test will be considered to be the ineffective portion and it will be directly recorded in the income statement.

A distinction must be made between the designated portion and the non-designated portion of cash flow hedges in which the derivative hedge instrument is an option or a forward and not an IRS:

- The treatment of the designated portion will be similar to that indicated for IRSs.
- The fair value of the non-designated portion (forward points or the temporary value of the options) will be recognised in other comprehensive income when related to the hedged portion and will be accumulated in a separate component of equity. This amount will be reclassified from the separate component of equity to the income statement for the period as a reclassification adjustment in the same period or periods in which the expected future cash flow hedges affect results for the period (for example, when a planned sale takes place).

Changes in the fair value of financial derivatives that do not qualify for hedge accounting are recognised in the consolidated income statement as they arise.

The value is calculated using defined methods and techniques based on observable market inputs, such as:

- The interest rate swaps were measured by discounting all the flows envisaged in each contract on the basis of its characteristics, such as the notional amount and the collection and payment schedule. This measurement was made using the zero-coupon rate curve determined by employing a bootstrapping process for the deposits and swaps traded at any given time. This zero-coupon rate curve was used to obtain the discount factors for the measurements, which were made assuming the absence of arbitrage opportunity (AAO). When there were caps and floors or combinations thereof, on occasions conditional upon special conditions being met, the interest rates used were the same as those used for the swaps, although in order to introduce the component of randomness in the exercise of the options, the generally accepted Black - Scholes model was used.
- The methodology used in the case of a cash flow hedge derivative associated with inflation is very similar to that used for interest rate swaps. Expected inflation is estimated based on observed inflation and is embedded in the swamps indexed to the ex-tobacco European inflation rate used in the market, and translated to the Spanish rate using a convergence adjustment.

Furthermore, a sensitivity test is carried out on the derivatives and net financial debt in order to be able to analyse the effect that a possible fluctuation in interest rates might have on the Group's accounts, given different interest rate increase and decrease scenarios at year-end (Note 28).

Note 21 to this Report provides details of the financial derivatives that the Group has arranged and other matters related thereto.

o) Corporate tax

The expense for corporate tax is calculated on the basis of the consolidated profit before tax, increased or decreased, as appropriate, by the permanent differences between tax loss/taxable profit and accounting profit/(loss). The corresponding tax rate based on applicable legislation for each company is applied to this adjusted accounting profit.

Tax relief and tax credits earned in the year are deducted and the positive or negative differences between the estimated tax charge calculated for the prior year's accounting close and the subsequent tax settlement at the payment date are added to or deducted from the resulting tax charge.

The temporary differences between accounting profit/loss and taxable profit/tax loss for Corporate Income Tax purposes, together with the differences between the carrying amounts of assets and liabilities recognised in the consolidated balance sheet and their tax bases, give rise to deferred taxes that are recognised as non-current assets and liabilities. These amounts are measured at the tax rates that are expected to apply in the years in which they will foreseeably be reversed, without performing financial discounting at any time.

The Group activates deferred asset taxes corresponding to temporary differences and negative tax bases to be offset, except in cases where there are reasonable doubts about their future recovery.

FCC Servicios Medio Ambiente Holding, S.A., as well as the Spanish companies in which it holds a stake of over 75%, pay taxes under a consolidated tax system, in accordance with the regulations established in this regard by current laws, and are included in Tax Group 18/89, of which Fomento de Construcciones y Contratas, S.A. is the Parent.

p) Pension commitments

The Group companies have certain specific cases related to pension plans and similar obligations that are developed in Note 23 of this Report.

q) Operating income and expenses

Revenue is recognised when the control of the good or service is transferred to the customer, in general, only when there is approval from the customer applying a homogeneous method to contracts of a similar nature. Revenue is valued at the expected amount of the consideration that is to be received that can be estimated reliably and that is not expected to be reversed in the future. After analysing its portfolio of contracts, the Group has concluded that, except in very specific cases, there is no more than one performance obligation in the contracts being executed, since either integration services are provided for the different activities carried out, or because they are highly interrelated.

As regards variable consideration, only one income is recognised for the value, and it is highly probable that it will not suffer significant reversion when the uncertainty about it is subsequently resolved. Also, where the contracts include price review clauses, the income that represents the best estimate of the amount to be charged in the future and under the same probability criteria mentioned for the variable consideration is recognised.

In general, the Group has not identified significant financial components in its contracts with clients. The financial component is only separated from the consideration to be received and the corresponding financial income is recorded in those contracts in which the time between when a service is provided or a good is delivered and when the payment is received is greater than 12 months.

Revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arise. These are performance obligations that are satisfied over time as the customer receives and consumes the profits at the same time as the service is provided. Consequently, revenue is recognised by measuring the value of the services actually provided to the customer using a product-based method.

The costs of obtaining the contract are not incremental, so they are not activated and are recognised based on their accrual. Meanwhile, no relevant contract fulfilment costs are incurred and are therefore recorded as operating expenses in general.

Regarding service concession agreements, it should be noted that the Group recognises interest income derived from the collection rights of the financial model as revenue, as it is considered that since both models are related to the Company's activity of exploitation, the true and fair view is best represented by including the income derived from the financial asset as belonging to the exploitation (Note 3.a).

Also recognised as operating profit/(loss) are those produced in the disposals of shares in subsidiaries when it implies the loss of control over them.

r) Related-party transactions

The Group performs all of its transactions with related parties on an arm’s length basis. In addition, transfer prices are duly supported and, therefore, the Board of Directors considers that there are no significant risks in this regard that could lead to significant liabilities in the future.

s) Consolidated statement of cash flows

The Environmental Services Group prepares its statement of cash flows in accordance with IAS 7 "Statement of cash flows" following the indirect method, using the expressions below in the following ways:

- Cash flows are the inflows and outflows of cash and cash equivalents.
- Operating activities are the activities that constitute the main source of the company's ordinary income, as well as other activities that cannot be classified as investment or financing activities. Among the operating cash flows, it is worth highlighting the heading

"Other adjustments to profit/(loss)" which basically includes items that are included in the Profit/(Loss) Before Tax but have no impact on the change in cash, as well as items that are already included in other headings of the Cash Flow Statement according to their nature.

- Investing activities are the acquisition and disposal of long-term assets, as well as other investments not included in cash and cash equivalents.
- Financing activities are activities that produce changes in the size and composition of the Group's own capital and loans taken out.

For the purposes of preparing the consolidated statements of cash flows, the "cash and cash equivalents" have been considered as cash and on-demand bank deposits, as well as those short-term, highly liquid investments, which are easily convertible into specific amounts of cash, subject to an insignificant risk of changes in their value.

t) Activities with an environmental impact

In general, environmental activities are those operations whose main objective is to prevent, reduce or repair damage caused to the environment. In this regard, investments arising from environmental activities are valued at acquisition cost and capitalised as an addition to fixed assets in the year in which they are incurred.

Expenses arising from business activities aiming to protect and improve the environment are expensed in the year in which they are incurred.

u) Earnings per share

For the purposes of IAS 33, basic earnings per share are calculated by dividing net profit for the period attributable to the Parent by the weighted average number of ordinary shares outstanding during the year, excluding the number of Parent shares held as treasury shares by Group companies. Diluted earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders, adjusted by the effect attributable to dilutive potential ordinary shares and by the weighted average number of ordinary shares outstanding during the year, adjusted by the weighted average number of ordinary shares that would be issued assuming the conversion of all the potential ordinary shares into ordinary shares of the Parent. For these purposes, it is considered that the shares are converted at the beginning of the year or at the date of issue of the potential ordinary shares, if the latter were issued during the year itself.

Since the scope of application of IAS 33 is the consolidated financial statements whose parent meets one of the following requirements:

- Its ordinary shares or potential ordinary shares are traded in a public market (a domestic or foreign stock exchange or over-the-counter market, including local and regional markets), or

- It files, or is in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any form of instrument in a public market.

At 31 December 2024 and 31 December 2023, the Parent's directors considered that basic earnings per share were the same as diluted earnings per share since none of the aforementioned circumstances arose.

v) Use of estimates

In preparing these 2024 and 2023 Group consolidated financial statements, estimates were made to quantify certain assets, liabilities, revenues, expenses and obligations recognised therein. These estimates relate essentially to the following:

- Impairment losses on certain assets (Notes 6, 7, 9, 10, 12, 13 and 14)
- The useful life of PP&E and intangible assets (see Notes 6 and 7)
- Goodwill measurement (Note 6)
- The recoverability of services rendered pending certification (Notes 3.q and 14)
- The recoverability of deferred tax assets (Note 22)
- The amount of certain provisions (Note 17)
- The assumptions used in the actuarial calculation of liabilities and commitments for post-employment compensation (Notes 17 and 23)
- The market value of derivatives (Note 21)

Although these estimates have been made based on the best information available at the date of preparing these consolidated financial statements on the events analysed, it is possible that events that may take place in the future may require them to be modified (upwards or downwards) in future years, which would be done prospectively, recognising the effects of the change in estimate in the corresponding future financial statements.

IFRS 7 "Financial instruments: information to be disclosed" requires that the fair value valuations of financial instruments, both assets and liabilities, be classified according to the relevance of the variables used in the valuation, establishing the following hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than prices quoted that are observable for the financial instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: data for the financial instrument that are not based on observable market data.

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

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4. CHANGES IN THE SCOPE OF CONSOLIDATION

In January 2024, Environmental Services acquired 55% of Resicorreia Gestao e Serviços de Ambiente, Lda. in Portugal in exchange for 9,819 thousand euros. At 31 December 2024, 3,049 thousand euros was disbursed, as recognised in the accompanying statement of cash flows under “Payments for investments”.

In May 2024, in the United States, FCC Environmental Services, Llc. acquired 100% of Gel Recycling Holdings, one of the biggest waste management companies in central Florida, for 35,477 thousand euros. As at 31 December 2024, 30,802 thousand euros was disbursed, as recognised in the accompanying statement of cash flows under “Payments for investments”.

In June 2024, the acquisition by Environmental Services of the subsidiary Urbaser's business in the United Kingdom was completed for 265,143 thousand euros. The business acquired has composting, material-recovery, energy-recovery and final-disposal facilities, as well as domestic recycling centres. It also provides municipal waste collection, recycling centre management and street cleaning services. The amount paid has been recorded in the accompanying cash flow statement under "Payments for investments".

The companies Beacon Waste Limited, Mercia Waste Management Ltd. and Severn Waste Limited, in which Environmental Services owned a 50% stake (Note 12), are now fully consolidated, as Urbaser owned the other 50%. This change of consolidation method has led to income of 17,111 thousand euros being recognised due to the recognition at fair value of the stake previously owned by the Group before the business combination and a loss of 3,198 thousand euros due to the allocation to income of value adjustments contributed by these companies when their consolidation method changed (Notes 12, 18 and 27.h).

In August 2024, the Environmental Services business acquired 100% of Europe Services Groupe in France, which provides municipal waste collection, street cleaning, professional cleaning and maintenance services for public and private customers, for the amount of 107,430 thousand euros. The amount paid has been recorded in the accompanying cash flow statement under "Payments for investments".

The composition of the balance sheets drawn up by the business combinations at 31 December 2024 is detailed below:

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2024	Urbaser Group	Gel Recycling Holdings	Resicorreia	Europe Services Groupe
Non-current assets	**687,906**	**42,408**	**8,732**	**116,859**
Intangible assets	283,104	8,162	6,906	112,029
Property, plant and equipment	60,039	34,235	1,826	4,623
Non-current financial assets	320,625	11	-	207
Deferred tax assets	24,138	-	-	-
Current assets	**152,247**	**1,480**	**4,377**	**31,966**
Inventories	4,748	-	10	152
Trade and other receivables	50,791	1,332	2,221	19,653
Other current financial assets	6,011	-	34	1,271
Other current assets	10,454	102	58	594
Cash and cash equivalents	80,243	46	2,054	10,296
Total assets	**840,153**	**43,888**	**13,109**	**148,825**
Equity	**300,822**	**35,477**	**9,819**	**107,430**
Non-current liabilities	**455,711**	**7,469**	**367**	**16,334**
Non-current provisions	42,971	-	-	994
Non-current financial liabilities	348,117	-	-	1,015
Deferred tax liabilities	64,580	7,469	367	14,325
Other non-current liabilities	43	-	-	-
Current liabilities	**83,620**	**942**	**2,923**	**25,061**
Current provisions	-	-	97	4,510
Current financial liabilities	29,920	-	4	-
Trade and other payables	53,700	942	2,822	20,551
Total equity and liabilities	**840,153**	**43,888**	**13,109**	**148,825**

As a result of the aforementioned business combinations, the fair value of the assets acquired was determined. The following table shows the amounts allocated to assets and liabilities to reflect their fair value on the takeover date, which are reflected in the previous table:

2024	Urbaser Group	Gel Recycling Holdings	Resicorreia	Europe Services Groupe
Intangible assets	98,323	634	-	57,300
Property, plant and equipment	-	27,030	1,493	-
Non-current financial assets	30,411	-	-	-
Total assignments to assets	**128,734**	**27,664**	**1,493**	**57,300**
Non-current liabilities (deferred tax liabilities)	**32,184**	**7,469**	**358**	**14,325**
Total assignments to liabilities	32,184	7,469	358	14,325
Total net assignments	**96,550**	**20,195**	**1,135**	**42,975**

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The reconciliation between the consideration transferred for the previous business combinations, the value of non-controlling interests recognised and the fair value of the net assets acquired are provided below:

2024	Urbaser Group	Gel Recycling Holdings	Resicorreia	Europe Services Groupe
Acquisition value	265,143	35,477	9,819	107,430
Fair value non-controlling interests acquired	(4)	-	-	-
Fair value previous interest	35,683	-	-	-
- Fair value of net assets	(237,517)	(28,006)	(2,913)	(52,748)
Goodwill/(Negative consolidation difference)	**63,305**	**7,471**	**6,906**	**54,682**

The previous business combinations have contributed the following ordinary income and profit/(loss) to the accompanying consolidated statement of profit and loss:

2024	Urbaser Group	Gel Recycling Holdings	Resicorreia	Europe Services Groupe
Net turnover	**123,710**	**12,233**	**6,996**	**44,082**
Other income	8,812	-	-	557
Operating profit/(loss)	**12,077**	**1,236**	**1,334**	**1,461**
Profit before tax from continuing operations	**11,209**	**1,174**	**1,332**	**(505)**
Profit/(loss) attributable to the Parent	**14,751**	**1,457**	**1,054**	**(713)**

Had these activities been consolidated since 1 January 2024, the revenue and profit/(loss) contributed would have been as follows:

2024	Urbaser Group	Gel Recycling Holdings	Resicorreia	Europe Services Groupe
Net turnover	**220,736**	**14,450**	**6,996**	**114,603**
Other income	15,480	1	-	550
Operating profit/(loss)	**23,085**	**(49)**	**1,334**	**5,710**
Profit before tax from continuing operations	**17,609**	**(825)**	**1,332**	**3,881**
Profit/(loss) attributable to the Parent	**21,424**	**(340)**	**1,054**	**1,379**

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These initial estimates were provisional and the Group has a period of one year from the control date to adjust them in line with subsequent more relevant and complete information that it has been able to obtain. In 2024, the business combinations relating to the companies Premier Waste Services, Llc., Houston Waste Services, Llc. and Houston Waste Solutions, Llc. made in previous years were adjusted, thus restating the figures for 2023 in accordance with prevailing regulations (Note 2.a).

In addition, changes in the scope of consolidation are shown in Annex IV.

5. DISTRIBUTION OF PROFIT/LOSS

The proposal for the distribution of results for fiscal year 2024 of the Parent Company that will be submitted for approval by its Shareholders' Meeting is as follows:

PROPOSED DISTRIBUTION OF PROFIT
(Amounts in thousands of euros)

Profit/(loss) for the year	**905**
Distribution:	
To the legal reserve	**-**
To voluntary reserves	**905**
To dividends	**-**
Total	**905**

6. INTANGIBLE FIXED ASSETS

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

	Cost	Accumulated amortisation	Impairment	Net
2024				
Concessions (Note 9)	790,650	(225,815)	(814)	564,021
Goodwill	1,133,873		(490,647)	643,226
Other intangible assets	256,717	(76,539)	(13,028)	167,150
	2,181,240	**(302,354)**	**(504,489)**	**1,374,397**

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	Cost	Accumulated amortisation	Impairment	Net Net
2023				
Concessions (Note 9)	558,823	(182,072)	(814)	375,937
Goodwill	970,030	-	(477,195)	492,835
Other intangible assets	111,501	(55,493)	(2,820)	53,188
	1,640,354	**(237,565)**	**(480,829)**	**921,960**

a) Concessions

The changes in this heading of the consolidated balance sheet in 2024 were as follows:

	Concessions	Depreciation Accumulated	Impairment	Net value
Balance at 31.12.23	**558,823**	**(182,072)**	**(814)**	**375,937**
Additions or allocations	65,518	(41,367)	-	24,151
Derecognitions, disposals or reductions	(545)	248	-	(297)
Conversion differences	13,364	(1,787)	-	11,577
Change in scope, transfers and other changes	153,490	(837)	-	152,653
Balance at 31.12.24	**790,650**	**(225,815)**	**(814)**	**564,021**

	Concessions	Depreciation Accumulated	Impairment	Net value
Balance at 31.12.22	**545,060**	**(157,153)**	**(590)**	**387,317**
Additions or allocations	11,048	(24,545)	(223)	(13,720)
Derecognitions, disposals or reductions	(198)	102	-	(96)
Translation differences	2,864	(547)	(1)	2,316
Change in scope, transfers and other changes	49	71	-	120
Balance at 31.12.23	**558,823**	**(182,072)**	**(814)**	**375,937**

This heading includes the intangible assets corresponding to the service concession arrangements (Note 9).

The most significant entries in 2024 relate, within the Environmental Services segment, to the ongoing projects being carried out by the companies FCC Medio Ambiente, S.A. for the amount of 42,551 thousand euros (7,075 thousand euros in 2023), Ecoparque Mancomunidad del Este, S.A. for an amount of 22,155 thousand euros (1,818 thousand euros in 2023) and by companies of the FCC CEE Group for an amount of 811 thousand euros (2,155 thousand in 2023).

In 2024, "Changes in scope, transfers and other movements" included the impact of the inclusion of the Environmental Services activity at the Urbaser Group and its subsidiaries in the United Kingdom into the scope, for the sum of 148,843 thousand euros (Note 4).

This line item also includes the recognition of commitments for future investments included in tariffs as an increase in the value of the intangible asset and with a balancing entry in provisions (Note 11).

There were no significant derecognitions in 2024 and 2023.

The additions and derecognitions that have led to a cash outflow or entry are recorded in the accompanying statement of cash flows as "Payments on investments" and "Proceeds due to divestments" of "Property, plant and equipment, intangible assets and real estate investments", respectively.

No interest was capitalised in 2024 (2023: no interest capitalised) and total capitalised interest amounted to 20,976 thousand euros (20,128 thousand euros at 31 December 2023).

b) Goodwill

The breakdown of goodwill in the accompanying consolidated balance sheet at 31 December 2024 and 2023 was as follows:

	2024	2023
FCC Environment Group (UK)	315,540	301,064
Urbaser UK Group	64,563	-
FCC Group - CEE	136,793	136,793
FCC Ambito, S.A.	23,311	23,311
Tratamientos y Recuperaciones Industriales, S.A.	869	869
Premier Waste Services, LLC	15,857	14,909
Houston Waste Services, LLC	2,423	2,278
Houston Waste Solutions, LLC	14,477	13,611
Gel Holdings LLC	7,804	-
Resicorreia Gestao Ser Amb LDA	6,906	-
EUR Serv Dechets SAS	11,184	-
EUR Serv Voire SAS	28,854	-
EUR Serv Propete SAS	10,851	-
EUR Serv MTCE SAS	3,794	-
	643,226	**492,835**

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The movements of goodwill in the accompanying consolidated balance sheet in 2024 were as follows:

Balance sheet as at 31.12.22		**506,667**
Conversion differences, change in consolidation scope and others:		
FCC Environment Group (UK)	6,070	
Premier Waste Services, LLC	(8,042)	
Houston Waste Solutions, LLC	(9,379)	
Houston Waste Services, LLC	(2,481)	
Other		(13,832)
Balance sheet as at 31.12.23		**492,835**
Conversion differences, change in consolidation scope and others:		
FCC Environment Group (UK)	14,476	
Urbaser UK Group	64,563	
Premier Waste Services, LLC	948	
Houston Waste Solutions, LLC	7,724	
Houston Waste Services, LLC	(6,713)	
Gel Holdings LLC	7,804	
Resicorreia Gestao Ser Amb LDA	6,906	
EUR Serv Dechets SAS	11,184	
EUR Serv Voire SAS	28,854	
EUR Serv Propete SAS	10,851	
EUR Serv MTCE SAS	3,794	150,391
Balance at 31.12.24		**643,226**

In 2024, the changes in this item of the consolidated balance sheet mainly corresponded to:

- the goodwill generated on the acquisitions of 100% of the shares in Eur Serv Voire SAS, for the sum of 28,854 thousand euros, Gel Recycling Inc., for the sum of 7,804 thousand euros, Eur SRV Propete SAS, for the sum of 10,851 thousand euros, Eur Serv Dechets SAS, for the sum of 11,184 thousand euros, Resicorreia – Gestão e Serviços de Ambiente, Lda., for the sum of 6,906 thousand euros, and Eur Serv MYCE SAS, for the sum of 3,794 thousand euros (Note 4).
- the goodwill generated in the acquisition of the Environmental Services business of the Urbaser Group in the United Kingdom for 64,563 thousand euros (Note 4).
- conversion differences included in changes to goodwill in 2024, amounting to 17,598 thousand euros.

In 2023, the change in this item was largely due to the effects of the pound sterling appreciating against the euro, with an increase in the associated goodwill of 6,070 thousand euros and reclassifications, more precisely those relating to the companies Premier Waste Services, Llc, Houston Waste Services, Llc and Houston Waste Solutions Llc (Note 2).

The impairment analysis policies applied by the Group to its goodwill are described in Note 3.b). In accordance with the methods used and in accordance with the estimates, projections and valuations

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available to the Group Management, there have been no indications that could entail additional losses of value to those shown in the table above.

The most significant aspects of the estimates made and the sensitivity analysis in the impairment tests of goodwill are as follows.

It should be noted that in the preparation of the following impairment tests, cash flows were estimated based on the best estimates of the Group's Management and that upward or downward changes in the key assumptions contemplated, both in the discount rate and in the operating margins, among other factors, may affect the recoverable amount of the cash generating unit considered.

FCC Environment Group (UK)

The FCC Group acquired 100% of the stake in the FCC Environment (UK) group in 2006 for an investment cost of 1,693,532 thousand.

From the moment of its acquisition, the Group considers the FCC Environment (UK) subgroup as a single cash generating unit (CGU), with the goodwill recorded in the balance sheet associated exclusively with such CGU.

The cash flows considered in the impairment test take into account the current status of the CGU, making the best estimates of future flows based on the mix of activities expected in the future. The relative weight of the different activities will vary as other waste treatment alternatives are promoted, mainly recycling and recovery, which is currently being carried out by the subgroup, offsetting the progressive abandonment of landfill activity.

The impairment test has been carried out using conservative and continuous projections based on historical performance in recent years and based on the foreseeable performance of the businesses. The main hypotheses used contemplate the historical trend of strengthening waste treatment/recovery and incineration activities in the face of a gradual decrease in landfill management activity. Revenue considered during the period reflect a decline in volume if landfill activity, partly offset by the strengthening of other related activities, while there are stable tonnages in relation to treatment activity, with performance in line with inflation, except for 2026 and 2027, when the Lostock complex is expected to online, where the recycling business has secured supply contracts and revenue increases of 11% are forecast for 2026 and 18.1% for 2027. The pre-tax discount rate used was 10.60% and a time horizon of 10 years has been employed for the estimates given the structural features of its business and the long useful life of its assets. A growth rate of 1% has been considered in the calculation of perpetual income, which represents 46,1% of the total recoverable value. The result of the test renders an excess of the recoverable value over the book value of the cash generating unit of 338,207 thousand euros, supporting an increase of more than 1,100 basis points in the discount rate without incurring impairment. A 10% decrease in the current value of cash flows would reduce the excess to 289,260 thousand euros. If a zero growth rate had been considered, the aforementioned excess would have decreased to 316,907 thousand euros.

Pursuant to Note 3.e) of these financial statements, the general criterion is not to consider perpetual income growth rates, but in the case of the FCC Environment (UK) subgroup, given the ongoing transformation in the mix of activities, it was considered that a growth rate of 1% more faithfully reflects the reality of the business within the framework of the change that is taking place in the United Kingdom in relation to the waste treatment activity (i.e. with a drop in waste management in landfills and an increase in alternative waste treatment activities that are expected to persist over an extended period of time.

In addition, given the slack shown in the impairment test and the fact that the main assets and liabilities of its business are referenced in the same currency (pound sterling), no impairment should be evident.

FCC Environment Group (CEE)

The FCC Group acquired 100% of the stake in the FCC Environment CEE group in 2006 for an investment cost of 226,829 thousand. From the moment of its acquisition, the Group considers the FCC Environment CEE subgroup as a single cash generating unit (CGU), with the goodwill recorded in the balance sheet associated exclusively with such CGU.

The Group operates in Central and Eastern Europe, with its headquarters located in Himberg (Austria). The countries in which it operates are: Austria, the Czech Republic, Slovakia, Poland, Romania, Serbia and Hungary. Its activity consists of the collection, transport and elimination of all types of waste, as well as auxiliary environmental services.

The cash flows considered in the impairment test take into account the current status of the CGU, making the best estimates of future flows based on growth opportunities in the markets in which it operates.

The forecasts used suggest higher growth in the first years on account of the expectation of new business opportunities, before stabilising as these markets are mostly mature with limited growth expectations. The main hypotheses used suggest higher growth in revenue, of approximately 7% to 12.3% in the first three years on account of the new business opportunities indicated above, before stabilising at around 3% in the years following the test. In turn, the gross operating margin stands at around 17,9% for the entire period under consideration, somewhat beneath this year's margin.

The pre-tax discount rate used was 11.70% and a growth rate of 0% was employed as part of the calculation of perpetual income, which accounts for 75.8% of the total recoverable value. The result of the test shows an excess in the recoverable value over the book value of the cash generating unit of 178,478 thousand euros. The test supports an increase in the discount rate of more than 250 basis points. A 10% decrease in the present value of cash flows would bring this excess down to 121,189 thousand euros.

Given the flexibility shown in the impairment test, the Group does not believe that there will be any impairment.

Urbaser UK Group

In 2024, the FCC Group acquired 100% of the shares in the subsidiary of the Urbaser Group in the United Kingdom, for an investment cost of 265,143 thousand euros.

From the moment of its acquisition, the Group considers the Urbaser subgroup as a single cash generating unit (CGU), with the goodwill recorded in the balance sheet associated exclusively with such CGU.

Operations include a wide range of activities including municipal and commercial waste collection, composting facilities, the recovery of materials and maintenance of the Gloucester and Dudley energy recovery plants. It also provides recycling centre management and street cleaning services. The CGU includes the Mercia business group, which mainly consists of an energy recovery plant.

The large part of the subgroup's cash flow is generated by the Gloucester and Mercia plants. Stable cash flows have been forecast , as a significant proportion are generated through long-term contracts. Although slight decreases in revenue are expected given the drop in the sales price of energy produced at the energy recovery facilities, compared to the high prices seen in previous years. We would highlight the 37.7% drop in 2029, when the contract for the Mercia plant mentioned above comes to an end. EBITDA ranges from 22.1% a present to a maximum of 29.2%, as contract optimisation measures are implemented and synergies with the rest of the sector's activity in the United Kingdom are felt.

The pre-tax discount rate used was 10.76% and a growth rate of 1% was employed as part of the calculation of perpetual income, which accounts for 34.1% of the total recoverable value. The result of the test shows an excess in the recoverable value over the book value of the cash generating unit of 163,515 thousand euros. A 10% decrease in the present value of cash flows would bring this excess down to 116,539 thousand euros.

Given the flexibility shown in the impairment test, the Group does not believe that there will be any impairment.

c) Other intangible assets

The changes in this heading of the consolidated balance sheet in 2024 were as follows:

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	Other intangible assets	Accumulated amortisation	Impairment	Net value
Balance at 31.12.23	**111,501**	**(55,493)**	**(2,820)**	**53,188**
Change in scope of consolidation	129,651	(1,300)	-	128,351
Additions or allocations	12,647	(20,718)	(10,221)	(18,292)
Derecognitions, disposals or reductions	(1,737)	1,645	-	(92)
Conversion differences	4,678	(675)	(6)	3,997
Transfers and other movements	(24)	3	19	(2)
Balance at 31.12.24	**256,716**	**(76,538)**	**(13,028)**	**167,150**

	Other intangible assets	Accumulated amortisation	Impairment	Net value
Balance at 31.12.22	**87,173**	**(45,925)**	**(2,704)**	**38,544**
Additions or allocations	8,255	(7,485)	(76)	694
Derecognitions, disposals or reductions	(1,816)	1,792	-	(24)
Conversion differences	318	(205)	(40)	73
Transfers and other movements	467	13,434	-	13,901
Balance sheet as at 31.12.23	**94,397**	**(38,389)**	**(2,820)**	**53,188**

"Changes in the scope of consolidation, transfers and other movements" in 2024 largely correspond to additions to the scope of intangible assets following the acquisition of the Urbaser Group and the companies of the Europe Group in France for the sum of 126,753 thousand euros (Note 4).

“Transfers and other movements” in 2023 included a total of 13,471 thousand euros from adjustments made to prior year business combinations in connection with the companies Premier Waste Services, Llc., Houston Waste Services, Llc. and Houston Waste Solutions, Llc. As reflected in the restated data for 2023 (Note 2).

This heading mainly includes:

- All amounts corresponding to the payment to public or private entities as fees for the awarding of contracts that are not classified as concessions, within the scope of IFRIC12 "Service concession agreements"
- All amounts recorded in the initial recognition of certain business combinations representative of concepts such as client portfolios and contracts in force at the time of purchase;
- Software applications.

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7. PROPERTY, PLANT AND EQUIPMENT

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

	Cost	Accumulated amortisation	Impairment	Net value
2024				
Land and buildings	**713,602**	**(245,106)**	**(11,424)**	**457,072**
Land and natural resources	144,465	(11,191)	(6,790)	126,484
Buildings for own use	569,137	(233,915)	(4,634)	330,588
Plant and other items of property, plant and equipment	**6,030,720**	**(3,568,480)**	**(662,918)**	**1,799,322**
Plant	3,193,552	(2,055,133)	(636,710)	501,709
Machinery and vehicles	2,227,967	(1,183,582)	(25,342)	1,019,043
Advances and PP&E under construction	59,552	-	-	59,552
Other PP&E	549,649	(329,765)	(866)	219,018
	6,744,322	**(3,813,586)**	**(674,342)**	**2,256,394**
2023				
Land and buildings	**608,138**	**(222,716)**	**(9,953)**	**375,469**
Land and natural resources	117,972	(9,641)	(5,576)	102,755
Buildings for own use	490,166	(213,075)	(4,377)	272,714
Plant and other items of property, plant and equipment	**5,480,982**	**(3,287,433)**	**(618,116)**	**1,575,433**
Plant	3,017,658	(1,917,594)	(596,444)	503,620
Machinery and vehicles	1,911,191	(1,071,356)	(20,882)	818,953
Advances and PP&E under construction	62,465	-	-	62,465
Other PP&E	489,668	(298,483)	(790)	190,395
	6,089,120	**(3,510,149)**	**(628,069)**	**1,950,902**

The movements in the various fixed and non-current assets headings in 2024 and 2023 were as follows:

	Land and natural resources	Buildings for own use	Land and buildings	Plant	Machinery and vehicles	Advances and PP&E under construction	Other PP&E	Plant and other items of property, plant and equipment	Accumulated amortisation	Impairment
Balance at 31.12.23	**117,972**	**490,166**	**608,138**	**3,017,658**	**1,911,191**	**62,465**	**489,668**	**5,480,982**	**(3,510,149)**	**(628,069)**
Additions or allocations	9,845	57,966	**67,811**	32,000	287,759	35,617	66,998	**422,374**	(311,015)	(20,392)
Derecognitions, disposals or reductions	(3,367)	(6,862)	**(10,229)**	(1,679)	(86,357)	(2,094)	(12,348)	**(102,478)**	88,652	3,630
Conversion differences	2,023	3,544	**5,567**	118,581	75,360	780	4,033	**198,754**	(75,452)	(29,500)
Change in scope, transfers and other changes	17,992	24,323	**42,315**	26,992	40,014	(37,216)	1,298	**31,088**	(5,622)	(11)
Balance at 31.12.24	**144,465**	**569,137**	**713,602**	**3,193,552**	**2,227,967**	**59,552**	**549,649**	**6,030,720**	**(3,813,586)**	**(674,342)**

	Land and natural resources	Buildings for own use	Land and buildings	Plant	Machinery and vehicles	Advances and PP&E under construction	Other PP&E	Plant and other items of property, plant and equipment	Accumulated amortisation	Impairment
Balance sheet as at 31.12.22	**107,512**	**456,023**	**563,535**	**2,926,733**	**1,692,714**	**45,139**	**451,359**	**5,115,945**	**(3,351,306)**	**(615,119)**
Additions or allocations	17,718	45,822	**63,540**	33,076	308,949	54,084	63,262	**459,371**	(271,963)	(8,815)
Derecognitions, disposals or reductions	(11,928)	(14,689)	**(26,617)**	(2,199)	(110,569)	(1,118)	(14,301)	**(128,187)**	134,399	7,624
Translation differences	1,089	1,575	**2,664**	52,028	764	821	(96)	**53,517**	(35,526)	(12,549)
Change in scope, transfers and other changes	3,581	1,435	**5,016**	15,138	12,215	(36,461)	(10,556)	**(19,664)**	14,247	790
Balance sheet as at 31.12.23	**117,972**	**490,166**	**608,138**	**3,024,776**	**1,904,073**	**62,465**	**489,668**	**5,480,982**	**(3,510,149)**	**(628,069)**

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Significant "Additions" in 2024 include investments made for the performance of the agreements for the Environmental Services activity, mainly at different companies that carry out their activity in the United States for a total of 136,628 thousand euros (59,771 thousand euros in 2023); at FCC Medioambiente, S.A. (Spain) for a total of 188,269 thousand euros (288,013 thousand euros in 2023); at companies operating in the United Kingdom for a total of 55,804 thousand euros (49,825 thousand euros in 2023); and at FCC Environment CEE (Central Europe) for a total of 78,535 thousand euros (80,078 thousand euros in 2023).

"Changes in the scope of consolidation, transfers and other movements" in year 2024 mainly reflect the additions to the scope of the property, plant and equipment of the Urbaser Group for the sum of 60,039 thousand euros and of Gel Recycling Holdings, as a result of the acquisition of the Urbaser Group, for the sum of 33,750 thousand euros (Note 4).

"Derecognitions, disposals or reductions" include disposals and derecognition of inventories corresponding to assets that, in general, are almost fully amortised due to having exhausted their useful life.

Inflows and outflows that have resulted in cash inflows or outflows are recorded in the accompanying cash flow statement as "Payments for investments" and "Proceeds from divestments" of "Property, plant and equipment, intangible assets and investment property", respectively.

No interest was capitalised in 2024 and 2023 and the total interest capitalised at source as at 31 December 2024 amounts to 2,720 thousand euros (2,932 thousand euros in 2023).

As at 31 December 2024, in property, plant and equipment, 804 thousand euros was charged as income from capital grants (2023: 897 thousand euros).

The Group companies take out the insurance policies they consider necessary to cover the possible risks to which their property, plant and equipment is subject. At year-end, the Parent estimates that there is no hedging deficit related to said risks.

Fully depreciated property, plant and equipment used in production due to being in a good state of use totalled a gross amount of 1,532,155 thousand euros at 31 December 2024 (1,326,353 thousand euros at 31 December 2023).

The property, plant and equipment net of depreciation on the accompanying consolidated balance sheet located outside the Spanish territory amount to 1,384,786 thousand euros at 31 December 2024 (1,138,905 thousand euros at 31 December 2023).

<u>Restrictions on title to assets</u>

Of the total property, plant and equipment on the consolidated balance sheet, at 31 December 2024, 561,784 thousand euros (531,744 thousand euros at 31 December 2023) are subject to ownership restrictions according to the following detail:

	Cost	Accumulated amortisation	Impairment	Net value
2024				
Buildings, plants and equipment	995,271	(505,321)	(5,447)	484,503
Other property, plant and equipment	184,576	(107,295)	-	77,281
	1,179,847	**(612,616)**	**(5,447)**	**561,784**
2023				
Buildings, plants and equipment	1,131,982	(659,380)	(4,274)	468,328
Other property, plant and equipment	164,006	(100,590)	-	63,416
	1,295,988	**(759,970)**	**(4,274)**	**531,744**

The restrictions on ownership of these assets originate from the lease agreements that are explained in Note 8 of this Report, as well as for those assets related to the exploitation of certain concession contracts to which IFRIC 12 does not apply. "Concession agreements" (Note 3.a).

Purchase commitments

As part of the performance of their activities, Group companies have formalised commitments to acquire property, plant and equipment, mainly machinery and vehicles following the renewal Environmental Services activity contracts, which as at 31 December 2024 amounted to 96,981 thousands euros (90,400 thousand euros at 31 December 2023).

	2024	2023
Buildings for own use	680	-
Plant	7,592	2,898
Machinery and vehicles	62,208	70,706
In-progress property, plant and equipment and advances	962	-
Other PP&E	25,539	16,796
	96,981	**90,400**

8. LEASES

In its position as lessee, the Group has signed lease contracts for different kinds of underlying assets, mainly machinery and technical facilities and constructions for its own use in all the activities that the Group develops.

In general, the leases signed by the Group do not include variable payments, there are only clauses for updating the rent in certain contracts, mainly based on inflation. In some cases, these agreements contain restrictions on use, the most common restrictions being those limiting the use of the underlying assets to geographical areas or to use as office or production premises. Lease contracts do not include significant residual value guarantee clauses.

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The Group determines the duration of the agreements by estimating the length of time 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 amounts to 231,569 thousand euros at 31 December 2024 (173,079 thousand euros at 31 December 2023). Below is a detail of the carrying amount and the additions and amortisations during the year by classes of underlying asset:

	Cost	Accumulated amortisation	Net value	Additions and other changes	Changes in depreciation and amortisation
2024					
Land and buildings	**178,196**	**(58,278)**	**119,918**	**21,405**	**(17,573)**
Land and natural resources	48,958	(10,855)	**38,103**	9,183	(2,602)
Buildings for own use	129,238	(47,423)	**81,815**	12,222	(14,971)
Plant and other items of property, plant and equipment	**147,741**	**(54,090)**	**93,651**	**41,298**	**(16,301)**
Plant	1,027	-	**1,027**	-	(91)
Machinery and vehicles	131,766	(47,055)	**84,711**	40,143	(14,337)
Advances and PP&E under construction	-	(548)	**(548)**	-	-
Other PP&E	14,948	(6,487)	**8,461**	1,155	(1,873)
	325,937	**(112,368)**	**213,569**	**62,703**	**(33,874)**

	Cost	Accumulated amortisation	Net value	Additions and other changes	Changes in depreciation and amortisation
2023					
Land and buildings	**156,791**	**(45,830)**	**110,961**	**17,667**	**(17,357)**
Land and natural resources	39,775	(9,353)	**30,422**	(1,105)	(3,510)
Buildings for own use	117,016	(36,477)	**80,539**	18,772	(13,847)
Plant and other items of property, plant and equipment	**106,443**	**(44,325)**	**62,118**	**1,290**	**(10,974)**
Plant	1,027	(456)	**571**	-	(91)
Machinery and vehicles	91,623	(38,561)	**53,062**	2,951	(9,715)
Other PP&E	13,793	(5,308)	**8,485**	(1,661)	(1,168)
	263,234	**(90,155)**	**173,079**	**18,957**	**(28,331)**

The amount of liabilities recognised for leases amounts to 194,626 thousand euros (162,692 thousand euros in 2023, of which 52,850 thousand euros (42,088 thousand euros in 2023) are classified as current in the accompanying consolidated balance sheet, as they expire within the next twelve months (Note 18.d). Lease liabilities have generated an interest charge of 7,083 thousand euros (5,201 thousand euros in 2023). Lease payments made during the year amount to 49,073 thousand euros (52,890 thousand euros in 2023) and are

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recorded under the headings "Proceeds and payments from financial liabilities" and "Interest paid" of the attached consolidated statement of cash flows. The breakdown by contractual maturity of non-current lease liabilities is shown below:

	2026	2027	2028	2029	2030 and beyond	Total
2024						
Liabilities for non-current leases	43,551	24,237	21,146	15,395	79,212	**183,541**

Certain contracts are excluded from the application of the aforementioned IFRS 16, mainly either because they are low value assets or because their duration is less than twelve months (Note 3.f) and is recorded as an expense under the heading "Other operating income/(losses)" in the accompanying consolidated income statement, with the amount during the year being as follows:

	2024	2023
Low value assets	1,855	2,582
Leases with term less than 12 months	42,925	33,439
	44,780	**36,021**

9. SERVICE CONCESSION ARRANGEMENTS

This Note presents an overview of all the Group's investments in concession businesses, which are recognised in various headings under "Assets" in the accompanying consolidated balance sheet.

The following table presents the total amount of the assets held under service concession arrangements by the Group companies, which are recognised under "Intangible assets", "Non-current financial assets", "Other current financial assets" and "Investments accounted for using the equity method" (for both joint ventures and associates) in the accompanying consolidated balance sheet at 31 December 2024 and 2023.

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	Intangible assets (Note 6)	Financial assets (Note 12)	Loans to Consolidated Concessionaires Equity Method	Value of consolidated concessionaires - equity method	Total investment
2024					
Services	790,650	545,130	814	16,508	1,353,102
TOTAL	**790,650**	**545,130**	**814**	**16,508**	**1,353,102**
Depreciation	(225,815)	-	-	-	(225,815)
Impairment	(814)	-	-	-	(814)
	564,021	**545,130**	**814**	**16,508**	**1,126,473**
2023					
Services	558,823	211,652	813	16,475	787,763
TOTAL	**558,823**	**211,652**	**813**	**16,475**	**787,763**
Depreciation	(182,072)	-	-	-	(182,072)
Impairment	(814)	-	-	-	(814)
	375,937	**211,652**	**813**	**16,475**	**604,877**

The main change year on year in the "Environment" segment can mainly be attributed to the acquisition of the Urbaser subsidiary in the United Kingdom by Environmental Services (Note 4). As a direct result, intangible fixed and non-current assets and financial assets increased by 137,633 and 330,665 thousand euros, respectively. Other significant changes in intangible assets in 2024 related to projects in progress carried out by Ecoparque Mancomunidad del Este S.A. for a total of 22,155 thousand euros (1,818 thousand euros in 2023) and FCC Medio Ambiente, S.A., for a total of 44,551 thousand euros for the construction of the Valladolid waste treatment plant and the Las Calandrias – Jerez (Cadiz) plant (6,683 thousand euros in 2023).

Below are details of the main concessions included in the previous categories with their main characteristics:

	Book value at 31 December 2024			
	Intangible assets	**Financial assets**	**Granting entity**	**Collection mechanism**
Buckinghamshire plant (United Kingdom)	123,840	9,296	Buckinghamshire County Council	Fixed amount plus variable amount per ton
Gloucestershire plant	52,325	235,982	Gloucestershire County Council	Fixed amount plus variable amount per ton
Mercia plant (United Kingdom)	85,015	96,722	Herefordshire and Worcestershire County Council	Variable per ton with guaranteed minimum
Campello plant (Alicante, Spain)	40,053	-	Consorcio Plan Zonal XV de la Comunidad Valenciana	According to tonnes treated
Loeches Plant (Alcalá de Henares, Spain)	124,098	-	Mancomunidad del Este	According to tonnes treated
Edinburgh plant (United Kingdom)	20,049	88,234	City of Edinburgh and Midlothian Council	Variable per ton with guaranteed minimum
Granada plant (Granada, Spain)	26,386	-	Diputación provincial de Granada	According to tonnes treated
Houston plant	16,461	-	City of Houston	According to tonnes treated
Las Calandrias waste treatment plant (Jerez, Spain)	19,206	-	Ayuntamiento de Jerez de la Frontera	According to tonnes treated
Valladolid waste treatment plant (Spain)	28,714	-	Ayuntamiento de Valladolid	According to tonnes treated
RE3 plant (United Kingdom)	-	27,264	Councils de Reading, Bracknell Forest y Workingham	Fixed amount plus variable amount per ton
Gipuzkoa II plant	-	26,242	Consorcio de Residuos de Gipuzkoa	Variable per ton with guaranteed minimum
Manises plant (Valencia, Spain)	-	17,112	Entidad Metropolitana para el Tratamiento de Residuos	Fixed amount plus variable amount per ton
Wrexham I plant (United Kingdom)	-	16,787	Wrexham County Borough Council	Fixed amount plus variable amount per ton
Wrexham II plant (United Kingdom)	-	14,156	Wrexham County Borough Council	Fixed amount plus variable amount per ton
Giref plant (Ibiza, Spain)	1,545	13,220	Consell Insular de Ibiza-Formentera	According to tonnes treated
Other contracts	26,329	115		
Total	**564,021**	**545,130**		

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	Net book value as at 31 December 2023			
	Intangible assets	**Financial assets**	**Granting entity**	**Collection mechanism**
Buckinghamshire plant (United Kingdom)	123,764	8,960	Buckinghamshire County Council	Fixed amount plus variable amount per ton
Campello plant (Alicante, Spain)	45,072	-	Consorcio Plan Zonal XV de la Comunidad Valenciana	According to tonnes treated
Loeches Plant (Alcalá de Henares, Spain)	105,662	-	Mancomunidad del Este	According to tonnes treated
Edinburgh plant (United Kingdom)	20,118	86,838	City of Edinburgh and Midlothian Council	Variable per ton with guaranteed minimum
Granada plant (Granada, Spain)	28,047	-	Diputación provincial de Granada	According to tonnes treated
Houston plant	17,165	-	City of Houston	According to tonnes treated
RE3 plant (United Kingdom)	-	26,403	Councils de Reading, Bracknell Forest y Workingham	Fixed amount plus variable amount per ton
Gipuzkoa II plant	-	27,506	Consorcio de Residuos de Gipuzkoa	Variable per ton with guaranteed minimum
Manises plant (Valencia, Spain)	-	17,262	Entidad Metropolitana para el Tratamiento de Residuos	Fixed amount plus variable amount per ton
Wrexham I plant (United Kingdom)	-	16,388	Wrexham County Borough Council	Fixed amount plus variable amount per ton
Wrexham II plant (United Kingdom)	-	14,692	Wrexham County Borough Council	Fixed amount plus variable amount per ton
Giref plant (Ibiza, Spain)	1,357	13,477	Consell Insular de Ibiza-Formentera	According to tonnes treated
Other contracts	34,752	126		
Total	**375,937**	**211,652**		

The above table mainly includes contracts related to the construction, operation and maintenance of waste treatment facilities, both in Spain, the United Kingdom and the United States. The agreements incorporate price revision clauses based on various variables, such as inflation, energy costs or wage costs. For the classification of concessions as intangible or financial assets, the contracts have been analysed to determine which part of the agreement bears the demand risk. In those agreements in which billing is determined solely on the basis of the fixed charge and a variable amount depending on the tonnes treated, given that the latter is residual and the cost of construction services is substantially covered by the fixed charge, the entire concession has been considered as a financial asset, except in the case of the Buckinghamshire, Edinburgh, Gloucestershire and Mercia plants (both in the UK), in which the intangible component is significant and are therefore recorded as mixed models.

It should also be noted that in accordance with the concession contracts, the concessionaires in which the Group is an investee are obliged to acquire or build items of property, plant and equipment for an amount of 87,974 thousand euros (128,799 thousand euros in 2023).

10. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

This heading includes the value of investments in companies accounted for under the equity method, as well as non-current loans granted to them, as indicated in Note 2.b), which applies to both joint ventures and associates, the breakdown of which is as follows:

	2024	2023
Joint ventures	**24,240**	**48,289**
Investment value	24,240	48,289
Associates	**250,815**	**184,913**
Investment value	59,620	66,652
Loans	191,195	118,261
	275,055	**233,202**

a) Joint ventures

The breakdown of this caption by company is shown in Annexe II to these annual accounts, which lists the joint ventures.

The transactions for 2024 by items are as follows:

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

	Balance at 31.12.2023	Profit for the year (Note 26.g)	Distributed Dividends	Changes in the fair value of financial instruments allocated to reserves	Conversion differences and Other	Change in credits granted	Balance at 31.12.2024
Atlas Gestión Medioambiental, S.A.	6,559	1,703	(2,815)	-	-	(1,921)	3,526
Ebesa	5,534	3,754	(3,410)	-	-	-	5,878
Ingeniería Urbana,S.A. + UTEs	3,684	6	(69)	-	-	(2,522)	1,099
Mercia Waste Management,LTD	15,658	5,033	-	-	(20,691)	-	-
Tratam. Indust. De Reisduos Solidos, S.A.	483	213	(266)	-	-	-	430
Zabalgarbi,S.A.	13,100	(447)	(1,800)	186	-	-	11,039
Electrorecycling,S.A	2,047	387	-	-	-	-	2,434
Mediaciones Comerciales Ambientales, S.L.	943	1,194	(1,157)	-	-	-	980
Other	281	225	(115)	197	-	(1,734)	(1,146)
Total joint ventures	**48,289**	**12,068**	**(9,632)**	**383**	**(20,691)**	**(6,177)**	**24,240**

	Balance at 31.12.2022	Profit/(loss) for the year (Note 25.g)	Distributed dividends	Changes in the fair value of financial instruments allocated to reserves	Translation differences	Change in Loans granted and Others	Balance at 31.12.2023
Atlas Gestión Medioambiental, S.A.	7,548	1,719	(2,708)	-	-	-	6,559
Ebesa	8,398	3,242	(6,106)	-	-	-	5,534
Ingeniería Urbana,S.A. + UTEs	4,250	94	(660)	-	-	-	3,684
Mercia Waste Management,LTD	17,414	8,537	(10,644)	-	351	-	15,658
Reciclado de Componentes Electrónicos	-	(6)	-	-	-	(1,909)	-
Seurmasa	1,915	168	(666)	-	-	-	483
Tratam. Indust. De Reisduos Solidos, S.A.	981	711	(3,600)	-	-	-	13,100
Zabalgarbi,S.A.	15,989	305	-	-	-	-	2,047
Electrorecycling,S.A	1,742	1,157	(1,130)	-	-	-	943
Other	897	319	(32)	(23)	37	(1)	281
Total joint ventures	**59,134**	**16,246**	**(25,546)**	**(23)**	**388**	**(1,910)**	**48,289**

In 2024, "Conversion differences and other" included, for the FCC Environment (UK) Group, the write-off of Beacon Waste Limited, Mercia Waste Management Ltd. and Severn Waste Limited for the sum of 18,378 thousand euros, in which Environmental Services held a 50% stake, as they are now fully consolidated following the June 2024 acquisition of the subsidiary of Urbaser, which held the remaining 50% (Note 4).

The following are the key financial statement aggregates of the joint ventures in proportion to the percentage interest held in the joint ventures at 31 December 2024 and 2023.

	2024	2023
Non-current assets	31,997	120,673
Current assets	30,489	67,452
Non-current liabilities	16,796	106,486
Current liabilities	20,419	32,025
Profit/(loss)		
Revenue	57,134	133,254
Operating profit	9,727	26,028
Profit before tax	9,542	21,845
Profit/(loss) attributable to the Parent	7,035	16,252

The main activities carried out by joint ventures are associated with urban sanitation.

In relation to joint ventures with third parties outside the Environmental Services Group, it should be noted that guarantees have been provided for an amount of 19,850 thousand euros (13,349 thousand euros in 2023), mostly for public bodies and private clients to guarantee the successful execution of the contracts of the different Group activities. There are no relevant commitments or other significant contingent liabilities in relation to joint ventures.

In general, the joint ventures consolidated by the Group using the equity method take the legal form of public or private limited companies and, therefore, as joint ventures, the distribution of funds to their respective parent companies requires the agreement of the other jointly controlling shareholders in accordance with the mechanisms established by their corporate agreements.

b) Associates

The breakdown of this caption by company is shown in Annexe III to these annual accounts, which lists the associated companies.

The transactions for 2024 and 2023 by items are as follows:

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

	Balance at 31.12.2023	Profit for the year (Note 26.g)	Distributed Dividends	Changes in the fair value of financial instruments allocated to reserves	Conversion differences and Other	Change in credits granted	Balance at 31.12.2024
A.K.S.D. Városgazdálkodási Korlátolt Felelösségü Társaság	3,786	1,718	(740)	-	(331)	-	4,433
Betearte, S.A.	671	232	-	-	-	-	903
Gestión Integ. Resid. Solidos,S.A + UTEs	5,525	445	-	-	-	-	5,970
Killer GMBH & CO.KG	2,892	793	(571)	(19)	-	-	3,095
Mac Insular	4,315	1,262	(977)	-	-	-	4,600
Tirme,S.A.	4,882	5,719	(3,547)	-	-	-	7,054
Aprochim Getesarp Rymoil,S.A.	1,440	601	(386)	-	-	-	1,655
Huber Entsorgungsgesellschaft M.B.H. NFG.KG	686	214	(180)	-	-	-	720
Aragonesa de Tratam. Mediamb.XXI, S.A.	549	33	-	-	-	-	582
Lostock FCC Environment Group (UK)	158,828	11,124	-	-	(40,511)	90,774	220,215
Other	1,339	229	(401)	-	420	1	1,588
Total associates	**184,913**	**22,370**	**(6,802)**	**(19)**	**(40,422)**	**90,775**	**250,815**

	Balance at 31.12.2022	Profit/(loss) for the year (Note 25.g)	Distributed dividends	Changes in the fair value of financial instruments allocated to reserves	Acquisitions	Translation differences	Change in Loans granted and Others	Balance at 31.12.2023
A.K.S.D. Városgazdálkodási Korlátolt Felelösségü Társaság	3,421	840	(699)	-	-	224	-	3,786
Betearte, S.A.	1,845	258		-	-	-	(1,432)	671
Gestión Integ. Resid. Solidos,S.A + UTEs	5,341	184		-	-	-	-	5,525
Killer GMBH & CO.KG	2,601	1,134	(853)	10	-	-	-	2,892
Mac Insular	4,242	956	(883)	-	-	-	-	4,315
Tirme,S.A.	4,938	3,880	(3,936)	-	-	-	-	4,882
Aprochim Getesarp Rymoil,S.A.	1,348	542	(450)	-	-	-	-	1,440
Huber Entsorgungsgesellschaft M.B.H.NF	608	200	(122)	-	-	-	-	686
Aragonesa de Tratam. Mediamb.XXI, S.A.	606	(57)	-	-	-	-	-	549
Lostock- Grupo PFI	108,667	(1,971)	-	-	-	1,310	50,822	158,828
Other	2,136	77	(71)	-	-	3,224	(4,027)	1,339
Total associates	**135,753**	**6,043**	**(7,014)**	**10**	**-**	**4,758**	**45,363**	**184,913**

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In 2024, "Conversion differences and other movements" included, for the Lostock-FCC Environment Group (UK), impairment attributable to the delay and increase in the costs of the investment in the Lostock plant for the sum of 48,134 thousand euros (Note 25.g)

The assets, liabilities, turnover and profit/(loss) for 2024 and 2023 are presented below, in proportion to the shareholding in the capital of each associate.

	2024	2023
Non-current assets	382,047	259,877
Current assets	44,616	35,101
Non-current liabilities	226,680	164,671
Current liabilities	28,790	23,939
Profit/(loss)		
Revenue	35,396	39,378
Operating profit	26,163	6,784
Profit before tax	24,391	5,113
Profit/(loss) attributable to the Parent	22,108	3,769

11. JOINT AGREEMENTS. JOINTLY CONTROLLED OPERATIONS

As indicated in Note 2.b), section "Joint arrangements", the Group companies carry out part of their activity through participation in contracts that are operated jointly with other non-Group partners, mainly through joint ventures and other entities with similar characteristics, contracts that have been proportionately included in the accompanying financial statements.

The main aggregates of the jointly operated agreements included under the various headings of the accompanying consolidated balance sheet and consolidated income statement are presented below, in proportion to the interest held in them, at 31 December 2024 and 2023.

	2024	2023
Non-current assets	192,291	151,121
Current assets	257,415	239,355
Non-current liabilities	45,599	36,782
Current liabilities	380,721	336,297
Results		
Revenue	454,750	324,275
Operating Profit/(Loss)	26,749	20,009
Profit/(loss) for the year	22,420	16,612

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At year-end 2024, there were commitments to acquire property, plant and equipment amounting to 5,239 thousand euros (2023: 23,072 thousand euros), formalised directly under the joint management contracts, after applying the ownership interest held by the Group companies.

Contracts managed through temporary joint ventures, joint ventures and other entities with similar characteristics imply that shareholders must share the joint responsibility for the activity carried out.

In relation to contracts managed jointly with third parties outside the Group, it should be noted that guarantees have been provided for an amount of 106,074 thousand euros (92,552 thousand euros in 2023), mostly for public bodies and private clients to guarantee the successful execution of the municipal sanitation contracts.

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

There are no "Non-current financial assets" or "Other significant non-current financial assets" in default. The most significant items in the accompanying consolidated balance sheet of the aforementioned headings present the following breakdown:

a) Non-current financial assets

Non-current financial assets at 31 December 2024 and 2023 are distributed as shown below:

	Financial assets at amortised cost	Financial assets at fair value charged to reserves	Financial assets at fair value charged to profit and loss	Hedging derivatives	Total
2024					
Equity instruments	-	11,987	-	-	11,987
Derivatives	-	-	-	32,465	32,465
Collection rights concession arrangements	526,418	-	-	-	526,418
Other financial assets	24,668	-	-	-	24,668
	551,086	11,987	-	32,465	595,538

	Financial assets at amortised cost	Financial assets at fair value charged to reserves	Financial assets at fair value charged to profit and loss	Hedging derivatives	Total
2023					
Equity instruments	-	10,151	-	-	10,151
Derivatives	-	-	-	21,578	21,578
Collection rights concession arrangements	196,185	-	-	-	196,185
Other financial assets	17,746	-	-	-	17,746
	213,931	10,151	-	21,578	245,660

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Following the acquisition of the Urbaser subsidiary in the United Kingdom (Notes 4, 9 and 18) in June 2024, "Non-current financial assets" were added to the scope of consolidation for a total of 320,625 thousand euros (mainly under "Collection rights under concession agreements").

The most significant addition in 2024 is the valuation of hedging derivatives (Note 21) and, within equity instruments, the fair valuation of the stake in Vertederos de Residuos, S.A. for 11,883 thousand euros (9,147 thousand euros in 2023).

The breakdown of the “Equity instruments” heading at 31 December 2024 and 2023 is detailed below:

	% Effective ownership	Fair value
2024		
Participations equal to or greater than 5%:		
Vertederos de Residuos, S.A.	16.03%	11,883
Tratamientos Metálicos S.A.	16.03%	-
M Capital SA	11.18%	-
Tecnologia Eta Ikerketa Zentrua, S.L.	10.00%	36
Other		68
		11,987
2023		
Participations equal to or greater than 5%:		
Vertederos de Residuos, S.A.	16.03%	9,147
Resicorreia, Lda	--	900
Tratamientos Metálicos S.A.	16.03%	-
M Capital SA	11.18%	-
Tecnologia Eta Ikerketa Zentrua, S.L.	10.00%	36
Other		68
		10,151

The maturity/due dates for “Collection rights under concession agreements” and “Other financial assets” are as follows:

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	2025	2026	2027	2028	2029 and beyond	Total
2024						
Deposits and guarantees	895	140	49	427	6,254	7,765
Collection rights concession agreements (Note 9)	24,076	21,242	22,603	105,894	352,603	526,418
Non-commercial loans and other financial assets	1,215	36	61	40	23,316	24,668
	26,186	21,418	22,713	106,361	382,173	558,851

	2025	2026	2027	2028	2029 and beyond	Total
2023						
Deposits and guarantees	496	36	56	7	6,358	6,953
Collection rights concession agreements (Note 9)	10,203	7,775	10,438	12,157	155,612	196,185
Non-commercial loans and other financial assets	279	35	36	38	10,408	10,796
	10,978	7,846	10,530	12,202	172,378	213,934

Non-trade receivables mainly include amounts granted to public entities for 3,522 thousand euros in FCC Medio Ambiente S.A. (2,050 thousand euros in 2024) that accrue interest in accordance with market conditions. There were no events during the year that suggests uncertainty regarding the recovery of these loans.

The deposits and guarantees basically correspond to those established according to legal or contractual obligations and in relation to the activities of the Group companies, such as deposits for electrical supply connection work, real estate rentals, etc.

b) Other current financial assets

This heading of the accompanying consolidated balance sheet includes the financial deposits constituted by contractual guarantees, the collection rights derived from concessionary financial assets (Note 9) maturing within less than twelve months, current financial investments made for more than three months to meet certain specific treasury situations, credits granted to companies accounted for using the equity method and loans to current third parties.

The details of “Other Current Financial Assets” at 31 December 2024 and 2023 is as follows:

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	Financial assets at amortised cost	Total
2024		
Collection rights concession agreements (Note 9)	18,712	18,712
Deposits and guarantees	40,959	40,959
Other financial assets	32,487	32,487
	92,158	**92,158**
2023		
Collection rights concession agreements (Note 9)	15,467	15,467
Deposits and guarantees	39,135	39,135
Other financial assets	41,901	41,901
	96,503	**96,503**

Other financial assets mainly include current loans granted and other accounts receivable from FCC Group companies, joint ventures and associates in the amount of 16,718 thousand euros (12,949 thousand euros in 2023), current loans to third parties for 14,826 thousand euros (10,413 thousand euros in 2023) and deposits in credit institutions amounting to 867 thousand euros (18,494 thousand euros in 2023).

The average rate of return obtained by these items is in market returns according to the term of each investment.

13. INVENTORY

The composition of the stock balance net of impairments as of December 31, 2024 and 2023 was as follows:

2024	Gross value	Impairment	Net value
Raw materials and other supplies	88,273	(8,709)	79,564
Finished goods	2,029	-	2,029
Advances to suppliers and subcontractors	6,503	-	6,503
	96,805	**(8,709)**	**88,096**
2023	**Gross value**	**Impairment**	**Net value**
Raw materials and other supplies	85,167	(6,403)	78,764
Finished goods	1,702	-	1,702
Advances to suppliers and subcontractors	6,745	-	6,745
	93,614	**(6,403)**	**87,211**

The "Raw materials and other supplies" include facilities necessary for the execution of works pending incorporation, building materials and storage elements, spare parts, fuel and other materials necessary in the development of activities.

14. TRADE AND OTHER RECEIVABLES

a) Trade receivables for sales and services

This heading of the accompanying consolidated balance sheet includes the value of the production and services rendered pending collection, valued as indicated in Note 3.q), which provide the various Group activities and which are the basis of the operating profit.

The following is the breakdown of "Receivables external to the Group" at 31 December 2024 and 2023:

	2024	2023
Progress billings receivable and trade receivables for sales	750,324	683,575
Completed output pending certification	401,850	342,076
Warranty retainers	5,581	4,702
Production billed to group companies, associates and jointly controlled entities	7,716	4,704
Trade receivables for sales and services	1,165,471	1,035,057
Advances received for orders (Note 20)	(35,229)	(45,137)
Total trade receivables for sales and services	**1,130,242**	**989,920**

The total amount corresponds to the net balance of receivables, having considered the corrections for insolvency risk amounting to 27,888 thousand euros (19,806 thousand euros in 2023) and having deducted the advances received for orders listed under “Trade and other payables” on the liability side of the accompanying consolidated balance sheet. This item also includes the certified amounts of advances for various items, regardless of whether or not they have been paid.

Credits for commercial operations in arrears not provisioned at the Environmental Services Group amount to 205,604 thousand euros (247,268 thousand euros in 2023). They constitute the total assets in arrears in the Company, since there are no significant financial credits in arrears.

Balances are considered to be in default when their due date has passed and they have not been paid by the counterparty. However, it must be taken into account that given the varying characteristics of the different sectors in which the Environmental Services Group operates, although certain assets are in default, there is no risk of non-payment, since most of its clients are public bodies, in which only delays in collections can occur, generating the right to claim late-payment interest.

The item "Construction certificates receivable and trade receivables for sales" mainly includes services rendered that are billed for periods of more than one month, basically corresponding to the work carried out in the normal course of business, for the amount of the certificates issued to clients for services executed, worth 750,324 thousand euros (683,574 thousand euros in 2023), receivable at the consolidated balance sheet date. In general, there are no disputes in relation to the above.

The difference between the amount of progress recorded at the origin of each of the works and contracts in progress, valued according to the criteria set out in Note 3.q), and the amount certified to date from the consolidated financial statement is collected as "Completed output pending certification".

The "Completed output pending certification" heading includes the difference between the output recognised by the Company for each contract and the invoices sent to clients. This amount relates basically to the estimate of work carried out that has been invoiced monthly in arrears and price revisions under the terms of the various contracts pending approval, which the Company considers likely to be accepted in order to bill in due time, and for services rendered that have not yet been billed. The amount at year-end is 401,850 thousand euros (342,076 thousand euros in 2023), highlighting the contributions of FCC Medio Ambiente S.A.U. for estimates of work carried out that has been billed monthly in the amount of 143,142 thousand euros (111,112 thousand euros in 2023) and price reviews covered by the terms of the different contracts pending approval, which the Company considers likely to be accepted in order to invoice them, and the services provided that have not yet been invoiced, in the amount of 72,425 thousand euros (76,819 thousand euros in 2023).

The amount of the transfer of customer loans to financial institutions without the possibility of recourse against the Group companies in the event of default amounted to 5,267 thousand euros at year-end (6,793 thousand euros in 2023), all delivered by FCC Medio Ambiente S.A.U. The impact on cash flows of loan assignments is reflected in the "Changes in working capital" heading of the Statement of Cash Flows. This amount has been reduced from the "Progress billings receivable and trade receivables for sales".

b) Other receivables and current tax assets

The breakdown of the "Other receivables" at 31 December 2024 and 2023 was as follows:

	2024	2023
Public Administrations - VAT receivable (Note 22)	19,944	9,649
Public administrations - Other taxes payable (Note 22)	25,423	9,202
Other receivables	36,445	32,100
Advances and loans to staff	2,063	1,240
Current tax assets (Note 22)	3,337	7,086
Total other receivables	**87,212**	**59,277**

15. CASH AND CASH EQUIVALENTS

This heading includes the Group's cash flow, as well as bank deposits and taxes with an initial due date of three months or earlier. These balances were remunerated at market interest rates in both 2024 and 2023.

The breakdown by currency of the cash and cash equivalents position for 2024 and 2023 is as follows:

	2024	2023
Euro	215,643	167,599
United States dollar	51,793	3,949
Pound sterling	249,091	208,070
Czech koruna	10,171	9,799
Other European currencies	5,608	6,908
Total	**532,306**	**396,325**

In addition to Euro, the above table highlights the balance corresponding to Pounds Sterling, due to the magnitude of the services that the Group has provided in the United Kingdom in the corresponding year (Note 26).

Restrictions for drawing on the Group's cash holdings include the assets related to Project Finance worth 5.3 million euros in Spain (6 million euros in 2023), together with the development of activity of 6.5 million in Spain (75 million in 2023) and, for the development of its activity, 249 million euros in the United Kingdom (181 million euros in 2023).

16. EQUITY

The accompanying Statement of Changes in Total Equity at 31 December 2024 and 2023 shows the evolution of equity attributed to the shareholders of the Parent and non-controlling interests in the respective years.

I. Equity attributable to the Parent

a) Capital

On 6 November 2019, the public deed for the corporate restructuring was filed at the Barcelona Mercantile Registry (Note 1), thus formalising the capital increase by 9,939 shares each with a par value of 1 thousand euros and a share premium of 19.18 euros. The transaction therefore entailed a capital increase of 9,939 thousand euros and an increase in the share premium of 190,632 thousand euros.

As a consequence of the foregoing, the capital of FCC Servicios Medio Ambiente Holding, S.A. is represented by 10,000 ordinary shares, represented through book entries with a nominal value of 1,000 euros each.

All shares are fully subscribed and paid and carry the same rights.

In 2023, Fomento de Construcciones y Contratas, S.A. sold a 24.99% stake in the capital to CPP Investment Board Private Holding INC, owned by the Canada Pension Plan Investment Board ("CPP Investments"), leaving the shareholder structure distributed as follows:

Shareholder	No. of shares	% direct participation
FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.	7,501	75.01
CPP INVESTMENT BOARD PRIVATE HOLDINGS INC	2,499	24.99
	10,000	**100**

b) Accumulated earnings and other reserves

The composition of this heading of the accompanying consolidated balance sheet as at 31 December 2024 and 2023 is as follows:

	2024	2023
Reserves of the Parent	251,270	244,207
Consolidation reserves	838,115	651,431
	1,089,385	**895,638**

b.1) Reserves of the Parent

Corresponds to the series of reserves set up by FCC Servicios Medio Ambiente Holding, S.A., parent of the Group, mainly based on retained profits and capital gains and, where appropriate, in compliance with the different applicable legal provisions, as well as the capital repayment issue premium for the 2019 financial year.

Share premium

The Spanish Corporate Enterprises Act, as amended, expressly permits the use of the share premium account balance to increase capital and does not establish any specific restrictions as to its use for other purposes.

Legal reserve

In accordance with the Spanish Limited Liability Companies Law, as amended, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve cannot be distributed to shareholders except in the event of liquidation.

The legal reserve may be used to increase capital provided that the remaining reserve balance is greater than 10% of the increased capital.

Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

Voluntary reserves

Reserves for which there is no type of limitation or restriction on their availability, freely constituted through profits and capital gains of the Parent once the distribution of dividends has been applied and the provision to legal reserve or other unavailable reserves in accordance with the current legislation.

b.2) Consolidation reserves

This heading of the accompanying consolidated balance sheet includes the consolidated reserves generated in each of the areas of activity. Also, in accordance with IFRS 10 "Consolidated financial statements", those derived from changes in the shareholding of Group companies are included as long as control is maintained, for the difference between the amount of the purchase or additional sale and the book amount of the interest. Meanwhile, in accordance with IAS 19 "Employee benefits", this section includes the actuarial profit and loss of pension plans
and other social benefits. The breakdown of this item as at 31 December 2024 and 2023 is as follows:

	2024	2023
Spain-Portugal	570,656	452,740
United Kingdom	108,140	73,866
CEE	153,317	122,627
United States	6,002	2,198
	838,115	**651,431**

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c) Valuation adjustments

The composition of this heading of the accompanying consolidated balance sheet as at 31 December 2024 and 2023 is as follows:

	2024	2023
Changes in the fair value of financial instruments	24,639	15,508
Conversion differences	(86,260)	(125,530)
	(61,621)	**(110,022)**

c.1) Changes in the fair value of financial instruments:

Changes in the fair value of taxes of financial assets at fair value with changes in other comprehensive income (Note 12) and of cash flow hedging derivatives (Note 21) are included in this heading.

The breakdown of the adjustments due to a change in the fair value of the financial instruments as at 31 December 2024 and 2023 is as follows:

		2024		2023
Financial assets at fair value with changes in other comprehensive income		**10,816**		**9,532**
Vertederos de Residuos, S.A.	10,816		8,080	
Financial derivatives		**13,823**		**7,428**
Green Recovery Group	9,606		7,701	
WRG Group	3,785		(881)	
FCC Group - CEE	(706)		(342)	
Other	1,138		950	
		24,639		**15,508**

c.2) Conversion differences

The detail of the amounts included under this heading for each of the most significant companies at 31 December 2024 and 2023 is as follows:

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	2024	2023
United Kingdom	(115,730)	(137,105)
Central Europe	(1,120)	4,351
United States of America	30,590	7,148
	(86,260)	**(125,606)**

The change in the year is mainly due to the appreciation of the pound sterling and the dollar against the euro.

d) Earnings per share

The basic result per share is obtained as the quotient between the result attributed to the Parent and the weighted average number of ordinary shares outstanding during the year.

	2024	2023
Profit/(loss)		
Profit/(loss) attributed to the Parent	33,220	194,779
Outstanding shares		
Weighted average shares	10,000	10,000
Basic earnings per share	**3.32**	**19.48**

As at 31 December 2024 the Group has not issued any kind of instruments that can be converted to shares, so the diluted earnings per share coincide with the basic earnings per share.

II. Non-controlling interests

The balance of this heading in the accompanying consolidated balance sheet reflects the proportional part of the equity and the profit or loss for the year after tax of those companies in which the Group's non-controlling shareholders have ownership interests.

The breakdown of the balance of non-controlling interests of the main companies at the close of 2024 and 2023 is as follows:

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	Equity	Profit/(loss)	Total
2024			
ASA Group	6,477	3,181	9,658
ECODEAL - Gestao Integ.Resid.Indust.S.A.	3,725	3,088	6,813
Green Recovery Group	66,799	17,358	84,157
Recuperacion de Pedreres, S.L.	1,127	(87)	1,040
Integraciones Ambientales de Cantabria, S.A.	1,334	466	1,800
Valorizacion y Tratam.de Resid.Urbanos, S.A.	2,811	387	3,198
Other	7,205	3,011	10,216
	89,478	**27,404**	**116,882**

	Equity	Profit/(loss)	Total
2023			
ASA Group	5,617	2,839	8,456
ECODEAL - Gestao Integ.Resid.Indust.S.A.	3,624	2,281	5,905
Green Recovery Group	60,915	19,260	80,175
Recuperacion de Pedreres, S.L.	1,231	(99)	1,132
Gestion y Recuperaion de Terrenys, S.A.	(715)	501	(214)
Valorizacion y Tratam.de Resid.Urbanos, S.A.	2,652	287	2,939
Other	8,892	2,209	11,101
	82,216	**27,278**	**109,494**

17. NON-CURRENT AND CURRENT PROVISIONS

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

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	2024		2023	
Non-current		**624,379**		**561,787**
Liabilities for long-term employee benefits	11,227		9,799	
Dismantling, removal and restoration of fixed and non-current assets	111,031		111,330	
Environmental actions	328,023		299,390	
Contractual and legal guarantees and obligations	87,696		68,508	
Actions to improve or expand the capacity of concessions	77,435		71,826	
Other provisions	8,968		934	
Current		**83,987**		**4,992**
Other provisions	83,987		4,992	

The changes in the provisions heading in 2024 and 2023 were as follows:

	Non-current provisions	Current provisions
Balance at 31/12/2023	**561,787**	**4,992**
Asset withdrawal or dismantling expenses	8,365	-
Actions to improve or expand the capacity of concessions	3,293	-
Change of obligations for employee benefits for actuarial profits and losses	(3,712)	-
Endowments/(Reversals)	54,129	83,154
Applications (payments)	(93,118)	(4,215)
Financial Update	25,569	-
Change of scope, conversion differences and other movements	68,066	56
Balance at 31/12/2024	**624,379**	**83,987**

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	Non-current provisions	Current provisions
Balance at 31/12/2022	**544,159**	**5,004**
Asset withdrawal or dismantling expenses	11,259	-
Change of obligations for employee benefits for actuarial profits and losses	5,098	-
Endowments/(Reversals)	40,042	1,067
Applications (payments)	(57,901)	(1,088)
Financial Update	16,792	9
Change of scope, conversion differences and other movements	2,338	-
Balance at 31/12/2023	**561,787**	**4,992**

The item "Provisions/(reversals" includes provisions for environmental measures amounting to 21,796 thousand euros (15,356 thousand euros in 2023), as well as provisions for future replacement or major repairs at concessions amounting to 11,637 thousand euros (10,066 thousand euros in 2023), along with provisions for guarantees and contractual or legal obligations amounting to 28,155 thousand euros (15,158 thousand euros at December 2023).

Notably, in "Applications (payments)" payments of 31,096 thousand euros (2023: 29,048 thousand euros) were recognised for environmental actions, as well as 37,031 thousand euros (2,382 thousand euros at December 2023) as provisions for guarantees and contractual or legal obligations, mainly in relation to the Environment activity in the United Kingdom; along with 11,643 thousand euros (10,189 thousand euros in 2023) and for replacement and major repair work on concessions, respectively, which affects the heading "Other collections/(payments) from operating activities" in the consolidated statement of cash flows. Moreover, 546 thousand euros (2.520 thousand euros in 2023) and 12,762 thousand euros (12,220 thousand euros in 2023) were included for actions to improve or expand capacity in concessions, and provisions for the dismantling and removal of fixed and non-current assets, respectively. These amounts have an impact on the "Payments for investments of property, plant and equipment and intangible assets" heading of the Consolidated Statement of Cash Flows.

In 2024, a total of 42,971 euros was added to "Changes in the scope of consolidation, conversion differences and other movements" following the acquisition in June of the Urbaser subsidiary in the United Kingdom (Note 4), while the other movements in this item largely relate to the change in conversion differences during the year.

The change in current provisions is largely due to obligations arising from the classification of waste at the UK business.

The provisions shown in the accompanying consolidated balance sheet are considered to cover the liabilities that may arise in the course of the Group's various activities.

The schedule of expected payments at 31 December 2024, as a result of the obligations covered by non-current provisions, is as follows:

	Up to 5 years	Beyond 5 years	Total
Liabilities for long-term employee benefits	3,858	7,369	11,227
Dismantling, removal and restoration of fixed and non-current assets	58,996	52,035	111,031
Environmental actions	64,944	263,079	328,023
Contractual and legal guarantees and obligations	76,120	11,575	87,695
Actions to improve or expand the capacity of concessions	56,624	20,811	77,435
Other provisions for risks and expenses	6,757	2,211	8,968
	267,299	**357,080**	**624,379**

Liabilities for long-term employee benefits

The non-current provisions of the accompanying consolidated balance sheet include those that cover the commitments of the Group companies in matters of pensions and similar obligations, such as medical and life insurance (Note 23).

Dismantling, removal and restoration of fixed assets

The "Expenses for the withdrawal or dismantling of assets" item includes the counterpart of the highest asset value corresponding to the updated value of the expenses that will be incurred at the time the asset stops being used.

Actions to improve or expand the capacity in concessions

The "Actions to improve or expand the capacity of concessions" item includes both the counterpart of the highest value of fixed and non-current assets corresponding to the updated value of the actions on the infrastructure that the concessionaire will carry out during the concession period for improvements and capacity expansion, as well as the cost of future replacement actions or major repairs in concessions of the intangible model.

Environmental actions

The Environmental Services Group implements an environmental policy based not only on strict compliance with current legislation regarding environmental improvement and protection, but also on the establishment of preventive planning and an analysis and minimisation of the environmental impact of Group activities.

Management of the Servicios MA Group considers that the contingencies of Group companies relating to the protection and improvement of the environment at 31 December 2024, would not have a significant impact on the accompanying consolidated financial statements, which include provisions to cover the probable environmental risks that may arise.

Note 27 to this review of the consolidated financial statements, which is devoted to information on the environment, complements the foregoing in relation to environmental provisions.

Contractual and legal guarantees and obligations

This heading includes the provisions to cover the expenses arising from contractual and legal obligations of a non-environmental nature.

Other provisions for risks and expenses

This heading includes those items not included in the previous denominations, including certain provisions, which are discussed in greater detail in the following paragraphs.

Provisions for litigation cover the contingencies of the Environmental Services Group acting as defendants in certain proceedings in relation to the liability inherent to the business activities carried on by them. Any litigation, which may be significant in number according to estimates made on its final outcome, is not expected to have an impact on the Group's equity.

The consolidated financial statements include the provisions mentioned above to cover the probable risks relating to any of these lawsuits. In terms of the other disputes, the Group and its legal advisors do not believe there will be any future outflows of cash or prior to the issuance of the next report; therefore, no provisions have been set aside, as the Group believes that they represent contingent liabilities (Note 24).

18. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

The general policy of the Environmental Services Group is to provide all companies with the most adequate financing for the normal performance of their activities.

Whenever the financial operation so requires, and following a hedging criterion for economic and accounting purposes, the Group contracts interest rate risk hedging operations according to the type and structuring of each operation (Note 21).

In certain financings, and especially in structured financing without recourse, the funder includes a contractual clause stating that there must be some type of interest rate coverage, studying the best hedging instrument according to the profile of the cash flows presented by the project, as well as the debt repayment schedule.

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a) Non-current and current obligations and loans

The breakdown of the issues of current obligations and loans is as follows:

	Non-current	Current	Total
2024			
FCC Servicios Medio Ambiente Holding, S.A.	1,694,443	86,171	1,780,614
Green Recovery Group	112,478	8,425	120,903
	1,806,921	**94,596**	**1,901,517**

	Non-current	Current	Total
2023			
FCC Servicios Medio Ambiente Holding, S.A.	1,096,115	229,044	1,325,159
Green Recovery Group	114,755	7,486	122,241
	1,210,870	**236,530**	**1,447,400**

The details of the non-current and current obligations and loans formalised by the Group are detailed below:

- FCC Servicios Medioambiente Holding S.A. currently has three bonds, issued in different financial years:
  - on 4 June 2019, two simple bond issues were completed successfully. One for the nominal amount of 600 million euros paying annual interest of 0.815% and maturing in 2023; and the second for the nominal amount of 500 million euros, paying annual interest of 1.661% and maturing in 2026. The latter has the personal guarantee of FCC Medio Ambiente, S.A.U. and FCC Ámbito, S.A.U. At 31 December 2024, the 500 million euro bond was listed at 97.62%
  - The 600 million euro bond maturing on 4 December 2023 was repaid on that date, using the proceeds from the issue of another new bond, also for the nominal amount of 600 million euros, paying annual interest of 5.25% and maturing in October 2029. At 31 December 2024, this bond was listed at 107.68%

- on 8 October 2024, a new bond was issued for a nominal amount of 600 million euros, paying annual interest of 3.715% and maturing in 2031. The funds raised as part of this issue were used to repay bilateral financing drawn down on that date, as further described in section b) 2. of this note. At 31 December 2024, this bond was listed at 100.18%

Since their issuance, the three bonds have been admitted to trading in the unregulated market (Global Exchange Market) of the Irish Stock Exchange, with an investment grade rating from the Fitch rating agency. This rating was ratified on September 27, 2024, with a stable outlook (BBB), along with that of its issuer, the parent FCC Servicios Medio Ambiente Holding.

In addition, the bonds have been issued under the classification of Green Bonds in accordance with the GBP principles (Green Bonds Principles) which are reviewed and certified annually by independent entities (SPOs).

The accounting balance at 31 December 2024 shown for this item amounts to 1,705,714 thousand euros (1,102,309 thousand euros in 2023), including 11,272 thousand euros for accrued and unpaid interest (6,194 thousand euros in 2023).

Likewise, in July 2020 and renewed annually, FCC Servicios Medioambiente Holding SAU registered a commercial paper programme – Euro Commercial Paper Programme (ECP) – on the Irish stock market (Euronext Dublin) in the nominal amount of 400 million euros, which allows issuance with maturities of between 1 and 364 days from the date of issue, in order to meet the financial needs of the area.

At 31 December 2024 the outstanding nominal amount was 74,900 thousand euros distributed with an average maturity of 3.2 months (222,850 thousand euros at 31 December 2023).

- In June 2018, the Green Recovery Group issued debt for the nominal amount of 145,000 thousand pounds sterling was issued in the UK, in two institutional tranches, both structured through the issuance of Private Placement bonds.

  One of the tranches for 135,000 thousand pounds with a fixed rate of 3.98% and the other tranche for 10,000 thousand pounds with a fixed rate of 4.145%, both due on 17 June 2038. 6,210 thousand pounds were repaid in 2024.

  The guarantees of this issue are detailed in section b).3. of this note.

  The accounting balance at 31 December 2024 shown for this item amounted to 120,904 thousand euros (122,241 thousand euros in 2023). At 31 December 2024 and 2023, no accrued interest was recognised as it was paid on those dates.

b) Non-current and current payables to credit institutions

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

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	Non-current	Current	Total
2024			
Credits and loans	333,684	75,147	408,831
Debts with limited recourse for project financing	482,626	28,159	510,785
Green Recovery Group	119,062	7,561	126,623
FCC Environment Group (UK)	339,062	16,298	355,360
Other	24,502	4,300	28,802
	816,310	**103,306**	**919,616**

	Non-current	Current	Total
2023			
Credits and loans	118,552	98,255	216,807
Debts with limited recourse for project financing	182,655	15,402	198,057
Green Recovery Group	119,570	7,053	126,623
FCC Environment Group (UK)	35,252	5,214	40,466
Other	27,833	3,135	30,968
	301,207	**113,657**	**414,864**

The previous table shows two different debt groups:

1. Credits and loans

In June 2024, FCC Servicios Medio Ambiente Holding, S.A. signed two long-term loans for a total nominal amount of 250,000 thousand euros, the funds from which were used to purchase the Urbaser Group's business in the United Kingdom (Note 4).

Part of the funds from the bond issue performed in October 2024 were assigned to the voluntary early repayment of the nominal value of 100,000 thousand euros, leaving an outstanding nominal balance at the end of 2024 of 150,000 thousand euros.

At 31 December 2024, the balance covered by this item amounted to 149,987 thousand euros, which includes 400 thousand euros for accrued and unpaid interest.

In 2023, FCC Medio Ambiente S.A.U. signed two long-term bilateral loans for a total nominal amount of 150,000 thousand euros, both of which were undrawn as at 31 December 2023. In 2024, they were drawn down in full to finance the purchase of companies in the United Kingdom, and in

October a total of 50,000 thousand in principal was repaid early and voluntarily, using part of the proceeds obtained from the bond issue.

The outstanding nominal balance of this financing amounted to 100,000 thousand euros at 31 December 2024.

In addition, FCC Medio Ambiente S.A.U. had arranged credit facilities at 31 December 2024 for a nominal amount of 310,000 thousand euros, of which 50,920 thousand euros had been drawn down at 31 December 2024 (a nominal amount of 270,000 thousand euros, 132,363 thousand euros drawn down at 31 December 2023).

At 31 December 2024, FCC Medio Ambiente S.A.U. recognised 560 thousand euros of unpaid accrued interest (562 thousand euros at 31 December 2023).

The US subsidiary FCC Environmental Services LLC, to finance the expansion of its activity in America (Note 4), has two bilateral loans taken out for a total nominal amount of 96,250 thousand dollars (75,000 thousand dollars at 31 December 2023). These loans have partial repayments and a long-term final maturity between 2027 and 2029. At 31 December 2024, the balance shown for this item amounted to 92,646 thousand euros (67,874 thousand euros in 2023).

The FCC Environment CEE Group has arranged 17,678 thousand euros in credit facilities, of which 1,863 thousand euros had been drawn as at 31 December 2024 (1,840 thousand euros drawn from the 18,399 thousand euros arranged at 31 December 2023).

The FCC Environment (UK) Group currently has a revolving credit facility for a nominal amount of 30,000 thousand pounds sterling undrawn at 31 December 2024 and maturing in October 2025.

The rest of the debt in this section corresponds to debt at the FCC Environment CEE subgroup and other mainly national investees.

2. Debts with limited recourse for project financing.

Covering all financings that are only guaranteed by the project itself and by its cash generation capacity, which will bear the total payment of the debt servicing and which, under no circumstance, will be guaranteed by the Parent or any other company of the Environmental Services Group.

- FCC Medio Ambiente Reino Unido.

In 2018, FCC Energy Ltd, whose assets are the Eastcroft and Allington incinerators, issued the nominal amount of 207,361 thousand pounds sterling of debt. This debt has a 20-year term (final maturity on 17 June 2038) and three different tranches, two institutional for an initial total nominal amount of 145,000 thousand pounds sterling described in section a) of this note, and a commercial tranche for the nominal amount of 62,361 thousand pounds sterling. The interest rate of the commercial tranche is a variable rate hedged with an exchange of interest that makes it fixed plus an upward margin of up to 2.75% during the life of the project.

In total, the nominal amount of 2,667 thousand pounds were repaid from commercial tranche in 2024. At the end of 2024, the outstanding nominal debt of the commercial tranche to be repaid was 44,384 thousand pounds sterling.

The FCC Energy Ltd financing, being project finance, includes the standard guarantees for this type of financing, such as the pledge of the company's shares and the rest of its assets, which include the companies that operate the two waste incineration plants.

In October 2016, FCC (E&M) Ltd signed a 142 million pound contract to design, finance, build and operate the Millerhill Recycling and Energy Recovery Centre (RERC) in Midlothian, located on the outskirts of Edinburgh. The plant initially had two syndicated loans, a nominal 75,713 thousand pounds sterling loan maturing in August 2042 and a nominal 36,900 thousand pound loan maturing in May 2020. The margins on the loan maturing in 2042 range from 3% to 3.5%. Write-downs during 2024 amounting to a nominal 2,557 thousand pounds have been made. At the end of 2024 the outstanding nominal debt to be repaid is 62,447 thousand pounds sterling.

In June 2024, the FCC Servicios Medio Ambiente Group completed the purchase of the Urbaser business in the United Kingdom. The acquisition brought structured financing of Gloucestershire and the consolidation of Mercia, with FCC Medio Ambiente Reino Unido already holding 50% of the shares in the company that owns the plant (Note 4).

The Gloucestershire project involves the construction, operation and maintenance of a EfW plant in the county of Gloucestershire. This pant is now online and the outstanding nominal value of the debt used to finance its construction at 31 December 2024 stood at 147,000 thousand pounds.

This syndicated financing is structured into several tranches. The variable interest rate applicable to this financing is covered by an interest rate swap that converts it into a fixed rate plus a margin of between 2.4% and 4.0%. (Note 23).

This debt has a term of 22 years, with a final maturity in March 2042. Repayments were made during 2024 for a nominal amount of 4,300 thousand pounds.

The Mercia project includes the construction and operation of more than 25 facilities, including a EfW plant, a material separation plant, four transfer stations and 17 recycling depots. The debt is divided into two tranches, the final maturity of both being in 2029 and subject to a fixed rate of 6.31%.

At the end of 2024, the nominal debt yet to be amortised was 115,630 thousand pounds and during 2024, repayments were made for a nominal amount of 5,847 thousand pounds.

As a result of the foregoing, at 31 December 2024, of the total book value of the bank borrowings of FCC Medio Ambiente Reino Unido, S.L.U., a total of 178,522 thousand euros related to UBB Waste (Gloucester) Ltd., 139,452 thousand euros to Mercia Waste Management, Ltd., 52,107 thousand euros to FCC Energy Ltd. (52,679 thousand as at 31 December 2023) and 74,516 thousand euros to FCC E&M (Edinburgh), a subsidiary of FCC Environment Developments Ltd. (73,944 thousand euros

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at 31 December 2023). The rest of the debt with limited recourse for project financing, up to a total book value of 481,983 thousand euros, relates to debt of other companies that make up the FCC Group in the United Kingdom.

- **Rest of "Debts with limited recourse for project financing":**

This section highlights the debt contributed by Ute Sav Installation III (35% group) in the amount of 8,934 thousand euros at 31 December 2024 (9,863 thousand euros at 31 December 2023). The financing of the Ute Sav Installation III was signed on 25 October 2010 (amended on 30 November 2017) and matures in October 2028, with half-yearly repayments. The interest rate is referenced to Euribor plus a margin of 2.20%.

The debt contributed by Gipuzkoa Ingurumena Bi, S.A. is 19,868 thousand euros as at 31 December 2024 (21,108 thousand euros as at 31 December 2023). The financing for the construction and start-up of the concession was signed by the Company on 7 February 2019, maturing on 30 June 2035 and with half-yearly repayments. The interest rate is referenced to the six-month Euribor plus a margin of 2.25%.

This financing is associated with a mandatory interest rate hedge, as outlined in Note 21 of Derivative Financial Instruments.

As at 31 December 2024 there have been no breaches of financial ratios associated with project financing debts, and they are not expected to be defaulted during 2025.

The guarantees granted on these loans are real and are based on the financed assets that repay the debt with own flows, without additional guarantees granted by the Parent to pledge the shares in the vehicle companies that own the aforementioned financial assets that may have been granted.

The breakdown of the debts with credit institutions by currency and amounts available at 31 December 2024 and 2023 is as follows:

	Euros	Pounds sterling	United States dollar	Polish zloty	Total
2024					
Credits and loans	314,322	-	92,646	1,863	408,831
Debts with limited recourse for project financing	8,803	481,982	-	-	490,785
	323,125	**481,982**	**92,646**	**1,863**	**899,616**
2023					
Credits and loans	147,094	-	67,873	1,839	216,806
Debts with limited recourse for project financing	30,969	167,089	-	-	198,058
	178,063	**167,089**	**67,873**	**1,839**	**414,864**

Those arranged in pounds sterling correspond to the financing of assets of the FCC Environment UK Group in the United Kingdom, while those arranged in US dollars finance the assets of FCC Environmental Services, LLC. All other operations come from FCC Environment CEE, financed in Czech crowns in the Czech Republic; in Polish zloty in Poland and with regards to financing in other currencies it is also worth highlighting Serbian dinar in Serbia.

c) Other non-current financial liabilities

	2024	2023
Non-current		
Lease debt (Note 8)	176,016	126,169
Financial debts with Group companies (Note 29.e)	406,479	393,105
Third party financial debts outside the Group	26,998	16,814
Financial liabilities from derivatives (Note 21)	1,437	1,758
Other items	3,980	2,964
	614,910	**540,810**

The balance of financial debts with Group companies mainly includes two subordinated loans granted by Fomento de Construcciones y Contratas S.A. due to the corporate reorganisation and restructuring operations of the Services Group mentioned in Note 1, the first with a principal of 275,376 thousand euros, maturing at 15 years, without partial repayments and at a fixed interest rate of 2.5% per year, which will be capitalised. Any amount, whether interest or principal, to be collected by the lender will be subordinated to the full repayment of the bonds issued by the borrower. A second loan with a principal of 69,827 thousand euros for transactions with FCC Enviromental Services USA. It matures in 15 years, has no partial repayments and it has a fixed interest rate of 2.5% a year, which will be capitalised.

In “Third-party financial debts outside the group” the balance is mainly contributed by Green Recovery due to the long-term loan that its owners hold with the company FCC E&M (Edinburgh), contributing 12,692 thousand euros at 31 December 2024 (13,603 thousand euros at 31 December 2023).

"Derivative financial liabilities" mainly include financial derivatives for risk hedging, mainly interest rate swaps.

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d) Other current financial liabilities

	2024	2023
Current		
Lease debt (Note 8)	52,850	42,088
Third party financial debts outside the group	4,403	3,940
Suppliers of fixed assets and bills payable	43,431	54,069
Debts with Group companies	9,324	22,827
Tax effect debts, tax Group	7,752	4,775
Financial liabilities from derivatives (Note 21)	162	19
Deposits and guarantees received	1,761	1,988
Other items	4,637	297
	124,320	**130,003**

e) Schedule of expected due dates

The expected schedule of contract maturities, including both the payment of principal and interest, of the debts held with credit institutions and other non-current financial liabilities, excluding derivatives, for 2024 is as follows:

	2026	2027	2028	2029	2030 and beyond	Total
2024						
Bonds and other marketable securities	574,155	66,405	65,074	664,508	740,265	2,110,407
Non-current bank borrowings	149,704	248,965	45,446	165,389	325,111	934,615
Other financial liabilities	49,642	28,983	25,142	19,537	521,486	644,790
	773,501	**344,353**	**135,662**	**849,434**	**1,586,862**	**3,689,812**

Changes in financial liabilities that affect cash flows from financing activities

Below are details of the changes in non-current and current financial liabilities, differentiating those that affected cash flows from financing activities in the Statement of Cash Flows from the remaining changes:

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			Without an impact on cash flows				
	Balance at 01 January 2023	Cash flows from financing activities	Exchange differences	Change in fair value	Change in the perimeter and changes in consolidation method	Other changes	Balance at 31 December 2024
Non-current	**2,052,887**	**716,507**	**13,056**	**(2,327)**	**458,018**	**-**	**3,238,141**
Bonds and other marketable securities	1,210,870	597,425	5,518	-	(6,892)	-	1,806,921
Bank borrowings	301,207	200,504	18,098	-	296,501	-	816,310
Other financial liabilities	540,810	(81,422)	(10,560)	(2,327)	168,409	-	614,910
Current	**480,190**	**(231,207)**	**5,199**	**-**	**67,897**	**143**	**322,222**
Bonds and other marketable securities	236,530	(149,185)	360	-	6,891	-	94,596
Bank borrowings	113,657	(36,993)	574	-	26,068	-	103,306
Other financial liabilities	130,003	(45,029)	4,265	-	34,938	143	124,320

	Balance at 01 January 2022	Cash flows from financing activities	Exchange differences	Change in fair value	Change consolidation method	Other changes	Balance at 31 December 2023
Non-current	**1,418,164**	**672,851**	**(971)**	**479**	**-**	**(37,635)**	**2,052,888**
Debt instruments and other held-for-trading liabilities	617,575	597,340	2,453	-	-	(6,498)	1,210,870
Bank borrowings	275,193	39,017	907	-	-	(13,910)	301,207
Other financial liabilities	525,396	36,494	(4,331)	479	-	(17,228)	540,810
Current	**918,310**	**(473,911)**	**6,357**	**-**	**-**	**30,584**	**481,340**
Debt instruments and other held-for-trading liabilities	740,271	(510,372)	133	-	-	6,498	236,530
Bank borrowings	68,345	31,023	379	-	-	13,910	113,657
Other financial liabilities	109,694	4,288	5,845	-	-	10,176	130,003

In 2024, "Changes in the scope of consolidation and changes in the consolidation method" included 378,037 thousand euros contributed by the subsidiary of Urbaser in the United Kingdom following its acquisition by Environmental Services. This amount includes the contribution made by Beacon Waste Limited, Mercia Waste Management Ltd. and Severn Waste Limited, in which Environmental Services owned a 50% stake, are now fully consolidated, as Urbaser owned the other 50% (Notes 4 and 12).

19. OTHER NON-CURRENT LIABILITIES

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

	2024	2023
Other non-current liabilities	131,596	131,403
	131,596	**131,403**

This heading mainly includes performance obligations under the Buckinghamshire plant concession (Note 11) arising from the collection of the intangible component in accordance with the conditions set out in the agreement amounting to 112,148 thousand euros at 31 December 2024 (111,022 thousand euros at 31 December 2023).

The expected maturity schedule for this heading is as follows:

Up to 5 years	Between 5 -10 years	Beyond 10 years	Total
31,072	41,397	71,050	143,519
31,072	**41,397**	**71,050**	**143,519**

20. TRADE AND OTHER PAYABLES

The breakdown of the "Trade and other accounts payable" heading in the liability side of the balance sheet as at 31 December 2024 and 2023 is as follows:

	2024	2023
Suppliers	292,331	257,832
Current tax liabilities (Note 22)	14,094	5,738
Other payables to public administrations (Note 22)	195,248	151,757
Customer advances (Note 14)	35,229	45,137
Remuneration payable	80,813	64,090
Other payables	145,364	116,328
	763,079	**640,882**

With regard to the Spanish Institute of Accounting and Accounts Auditing (ICAC) Resolution of 29 January 2016, issued in compliance with the mandate of the Second Additional Provision of Law 31/2014, of 3 December, which amends the Third Additional Provision of Law 15/2010, of 5 July, establishing measures to combat late payment in commercial transactions, in 2023 the Group operated primarily in Spanish territory with public clients including the central government, regional government, local corporations and other public bodies, which settle their payment obligations in periods exceeding the statutory limit in Public Sector Contract legislation, and in Law 3/2004, of 29 December 2004, establishing measures to combat late payment in commercial transactions.

It should be noted that Article 228.5 of the current consolidated text of the Public Sector Contracts Law applies to works and supplies derived from contracts signed by the Group with various public administrations.

Due to these circumstances, and with the aim of adapting the Group's financial policy to reasonable levels of efficiency, the Group has been working throughout 2024 to reduce, as far as possible, the usual payment periods to suppliers of the sectors in which the Group operates.

The Group's payment policy to suppliers, indicated in the foregoing two paragraphs, hence finds support in: a) Payments to suppliers of contracts signed by the Group with Public Administrations in accordance with the requirements of article 228.5 of the TRLCSP and, b) Payments to remaining suppliers, in the Second Transitional Provision of Law 15/2010, as well as, where appropriate, in the provisions of Article 9 of Law 3/2004, which excludes the "postponement of payment for objective reasons" from being abusive, taking into consideration, in both cases a) and b), the usual payment period in the sectors of activity in which the Group operates.

The Group also acknowledges and pays suppliers, always by mutual agreement, any late-payment interest agreed in the contracts, providing negotiable payment methods accompanied by exchange procedures. Such agreements, aside from being expressly provided for, as mentioned, in the CTPSCL, are admissible under Directive 2011/7/EU, of 16 February, of the European Parliament and the Council.

In compliance with the aforementioned Resolution, a table is set out below with information on the average payment period to suppliers for companies located in Spain, for those commercial operations accrued from the date of entry into force of the aforementioned Law 31/2014, i.e. 24 December 2014:

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	2024	2023
	Days	Days
Average payment period to suppliers	49	59
Ratio of paid operations/transactions	47	58
Ratio of operations/transactions pending payment	66	67
	Amount	Amount
Total payments pending	59,114	59,760
Total payments made	665,243	629,037
Total payments made in a period less than the maximum established in the late-payment regulations	469,167	284,987
Ratio %	71%	45%
	Number	Number
Total number of invoices paid during the period	267,816	270,620
Number of invoices paid in a period less than the maximum established in the late-payment regulations	227,642	119,563
Ratio %	85%	44%

The Group continues to take action to reduce the average payment period, improving the payment conditions offered to its suppliers and taking action in relation to internal approval processes that may delay the payment of amounts due.

21. DERIVATIVES

In general, financial derivatives entered into by the Environmental Services Group receive the accounting treatment provided for in the regulations for accounting hedges set forth in Note 3.n) to these financial statements, that is, they are operations that hedge real positions.

The main financial risk hedged by the Environmental Services Group through derivative instruments relates to the fluctuations in floating interest rates to which Group company financing is tied.

At 31 December 2023, the MA Services Group had arranged derivative hedging transactions at its fully consolidated companies for a total amount of 227,704 thousand euros (31 December 2022: 217,491 thousand euros) mainly in the form of interest rate swaps (IRS), where the Group companies pay fixed rates and receive floating rates.

Details of the hedges and their fair value for fully consolidated companies are shown below:

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Companies fully consolidated	Derived type	Hedging type	% hedge	Notional 31.12.24	Notional 31.12.23	Appreciation at 31.12.24	Valuation at 31.12.23	Due date
FCC Medio Ambiente S.A.U.	IRS	EF	57%	-	4,965	-	12	02/04/2024
	IRS	EF	22%	-	3,032	-	27	02/04/2024
	Option	EF	57%	-	4,965	-	-	02/04/2024
	IRS	EF	75%	12,596	-	203	-	23/07/2034
	IRS	EF	80%	4,619	-	55	-	23/07/2029
RE3 Ltd.	IRS	EF	82%	12,356	13,808	(156)	(199)	30/09/2029
FCC Energy Ltd.	IRS	EF	100%	8,568	8,668	1,307	979	17/06/2038
	IRS	EF	100%	53,548	54,156	8,160	6,104	17/06/2038
FCC Wrexham PFI Ltd.	IRS	EF	95%	13,902	14,978	(523)	(643)	30/09/2032
FCC Wrexham PFI (Phase II) Ltd.	IRS	EF	50%	5,570	5,855	344	238	30/09/2032
	IRS	EF	50%	5,570	5,855	346	238	30/09/2032
UBB Waste (Gloucestershire) Ltd	IRS	EF	25%	37,876	-	898	-	28/01/2042
	IRS	EF	4%	6,610	-	1,039	-	28/01/2042
	IRS	EF	21%	30,885	-	733	-	28/01/2042
	IRS	EF	4%	5,553	-	132	-	28/01/2042
	IRS	EF	4%	6,610	-	1,037	-	28/01/2042
	IRS	EF	25%	37,876	-	898	-	28/01/2042
FCC (E&M) Ltd.	IRS	EF	50%	37,994	37,722	8,243	6,139	06/05/2042
	IRS	EF	50%	37,994	37,722	8,064	6,007	06/05/2042
Gipuzkoa Ingurumena	IRS	EF	38%	7,549	8,031	499	645	30/06/2034
	IRS	EF	38%	7,549	8,031	508	673	30/06/2034
FCC ENVIRONMENT CEE GMBH	FX	EF	100%	23,332	19,916	(868)	(361)	29/06/2026
Total full consolidation				**356,557**	**227,704**	**30,920**	**19,859**	

The following table shows the maturities of the notional amount for the hedging operations entered into as at 31 December 2024 and broken down in the previous table:

	2025	2026	2027	2028	2029 and beyond
Companies fully consolidated	28,906	28,104	20,146	21,039	258,361

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As at 31 December 2024 and 2023 there are no hedging derivatives of companies consolidated under the equity method.

The following table details the financial derivatives that the fully consolidated companies have entered into for hedging purposes, but which cannot be considered as such for accounting purposes:

	Derived type	Hedging type	Notional 31.12.24	Notional 31.12.23	Valuation at 31.12.24	Valuation at 31.12.23	Due date
Companies fully consolidated							
FCC Environment CEE GmbH	FX	EF	23,332	19,916	(868)	(361)	29/06/2026
Total full consolidation			**23,332**	**19,916**	**(868)**	**(361)**	

Below are the maturities of the notional amount of those derivatives that do not meet the hedging conditions:

	Notional maturity				
	2025	2026	2027	2028	2029 and beyond
Companies fully consolidated	12,729	10,603	-	-	-

The following table provides a reconciliation of the change in the valuation of the derivatives, differentiating hedging from speculative and identifying those amounts that have been recorded in the accompanying consolidated income statement and those that have been recorded in "Other comprehensive income" of the consolidated statement of recognised income and expense:

	Balance at 1 January 2024	Profit/(loss) from valuation of reserves	Profit/(loss) from valuation of results	Transfers to the income statement	Inefficiency of the hedging	Other changes	Balance at 31 December 2024
2024							
Hedging	**19,859**	18,608	-	(7,356)	-	(193)	**30,918**
Speculative	-	-	-	-	-	-	-

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	Balance at 1 January 2023	Profit/(loss) from valuation of reserves	Profit/(loss) from valuation of results	Transfers to the income statement	Inefficiency of the hedging	Other changes	Balance at 31 December 2023
2023							
Hedging	**29,279**	(5,221)	-	(4,398)	-	199	**19,859**
Speculative	**99**	-	-	-	-	(99)	**-**

22. TAX MATTERS

This Note describes the headings in the accompanying 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 the corporation tax expense.

In accordance with file 18/89, the Parent of the Environmental Services Group is subject to the Corporate Income Tax consolidation regime, with all the companies that meet the requirements established by the tax legislation being integrated into said regime. In addition, part of the subsidiaries that carry out the Environmental Services in the United Kingdom and the CEE Group in Austria also pay taxes in their own consolidated tax group.

In relation to the years and taxes open for review, as a result of the criteria that the tax authorities may adopt in the interpretation of the tax regulations, the outcome of the inspections currently under way, or those that may be performed in the future for the years open for review, could generate contingent tax liabilities whose amount cannot currently be quantified objectively. However, Group management considers that the liabilities resulting from this situation would not have a significant effect on the Group’s equity.

In February 2025, the Spanish tax office issued corporate income tax assessments to the companies belonging to the tax group headed up by Fomento de Construcciones y Contratas, S.A., in respect of the years 2018 to 2020. These assessments reveal negative adjustments to the tax base amounting to 3,483 thousand euros, mainly affecting FCC Medio Ambiente S.A.U., and have been included in its tax estimates. As the assessments are essentially the result of adjustments and expenses considered to be non-deductible, the FCC, S.A. Tax Group will file appeals before the courts in respect of a significant portion of the adjustment made, as it considers it to be unlawful.

a) Deferred tax assets and liabilities

Deferred tax assets are mainly due to provisions provided, non-deductible financial expenses that will be tax deductible against the tax base of Corporate Income Tax in future years, deductions and tax bases pending application/offsetting, differences between accounting and tax depreciation and the losses of temporary joint ventures that will be included in the corporate tax base of the following tax year.

Specifically, the Environmental Services Group has recorded deferred tax assets corresponding to the negative tax losses pending application, considering that there are no doubts about their recoverability, for an amount of 22,499 thousand euros (25,128 thousand euros at 31 December 2022).

The Group Management has evaluated the recoverability of deferred tax assets by estimating future tax bases, concluding that there is no doubt surrounding their payment.

The estimates used to assess the recoverability of deferred tax assets are based on the estimate of future taxable bases, based on the year's consolidated accounting result before the estimated tax from continuing operations, to which the corresponding permanent and temporary differences that are expected to take place each year have been adjusted. During the period in which these financial statements were prepared, specifically on 20 February 2024, the ruling the Constitutional Court declaring Royal Decree-Law 3/2016 as partially unconstitutional was published in the Official State Gazette. In particular, the provisions introduced by these to limit the compensation of tax loss carryforwards and to limit the application of deductions for double taxation, as well as the reversal of portfolio tax impairments that took place between 2016 and 2020 were considered unconstitutional. As a result, and to the extent that, at the time of preparing these financial statements, there was no evidence of any law in the pipeline that would reintroduce these limits, with the Group management considering that, in the coming years, only the limits to the compensation of tax loss carryforwards indicated in the current regulations will be applicable, and equivalent to 70% of the tax base prior to compensation. Taking regulatory change into consideration and based on the profit projections made, it is estimated that the tax group headed by Fomento de Construcciones y Contratas, S.A. will be able to substantially absorb the negative taxable amounts and deductions recognised on the balance sheet within an estimated period of 6 years. Regarding the rest of the deferred assets, it is estimated that they may be recovered substantially over a period of 11 years. In the hypothetical case that the limits on the compensation of negative tax bases annulled by our constitutional court were reintroduced, the recoverability period for these tax credits would be extended to 11 years. Additionally, as a consequence of the above, an additional tax credit derived from negative tax bases is applied in the amount of 1,135 thousand euros.

The estimated accounting profit for the year for the tax group headed by Fomento de Construcciones y Contratas, S.A. is based on the planning prepared by the Group for the 2025-2027 period. Revenue growth has been projected at 3.7% for 2025, 1.6% for 2026 and 0.6% for 2027. The projected EBITDA is 10.4% for 2025, 11.4% for 2026 and 11.3%for 2027. In subsequent periods, natural growth in pre-tax profit has been projected at 2%.

The estimates used to assess the recoverability of deferred tax assets are based on the forecast of future taxable bases, based on the year's consolidated accounting result before the estimated tax from continuing operations, to which the corresponding permanent and temporary differences that are expected to take place each year have been adjusted.

The deferred tax liabilities recorded by the group mainly originate from:

- From the tax amortisation of leasing contracts and that of certain items of property, plant and equipment under accelerated tax amortisation plans, and from the unrestricted amortisation on the investments made, which allows them to be fully amortised as long as certain requirements are fulfilled.
- From the profits of temporary joint ventures that will be included in the tax base of the following year's corporate tax.

The Group, pursuant to IAS 12 "Corporation Tax", has offset the deferred tax assets and liabilities corresponding to the entities that, in line with the applicable tax legislation, have the legal right to offset these assets and liabilities, which will be settled at their net amount based on their schedule. At 31 December 2024, deferred tax assets and liabilities were offset in the amount of 31,986 thousand euros (24,942 thousand euros at 31 December 2023).

The following table shows the breakdown of the main deferred tax assets and liabilities prior to offset.

ASSETS	2024			2023		
	Tax Group Spain	Other	TOTAL	Tax Group Spain	Other	TOTAL
Provisions and impairments	10,346	23,938	34,284	9,008	26,814	35,822
Activated tax credit	18,173	13,789	31,962	17,476	3,889	21,365
Non-deductible financial expense	-	-	-	-	-	-
Profit/(loss) of Joint Ventures	3,024	269	3,293	2,664	125	2,789
Pension plans	643	223	866	693	1,073	1,766
Amortisation/depreciation differences	6,136	4,044	10,180	6,662	3,036	9,698
Offsetting under IAS 12	-	(44,711)	(44,711)	-	(24,942)	(24,942)
Other	3,123	15,724	18,397	2,711	9,831	12,542
Total	**41,445**	**12,826**	**54,271**	**39,214**	**19,826**	**59,040**

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The capitalised tax credit item includes tax losses and deductions that are considered to be recoverable.

LIABILITIES	2024			2023		
	Tax Group Spain	Other	TOTAL	Tax Group Spain	Other	TOTAL
Fair value assets from allocation of acquisition differences (IFRS 3)	3,297	102,820	106,117	3,323	54,452	57,775
Accelerated amortisation/depreciation	5,645	106,005	111,650	1,809	81,167	82,976
Profit/(loss) of Joint Ventures	8,951	143	9,094	7,395	-	7,395
Finance leases	2,088	131	2,219	3,103	-	3,103
Offsetting under IAS 12	-	(44,711)	(44,711)	-	(24,942)	(24,942)
Other	554	10,780	11,334	420	7,522	7,942
Total	**20,535**	**175,168**	**195,703**	**16,050**	**118,199**	**134,249**

Below are the expected maturity dates of deferred taxes:

	2025	2026	2027	2028	2029 and beyond	Total
Assets	15,660	8,492	8,583	4,664	16,872	**54,271**
Liabilities	29,261	18,765	18,189	17,025	112,463	**195,703**

The Group has tax credits corresponding to negative tax bases (NTBs), mainly abroad, which have not been activated in the financial statements on the basis of a prudent criterion, for the amount of 68,226 thousand euros from companies abroad. The estimated due date of the tax credits for non-activated NTBs is as follows:

Maturity time frame	Tax credits (in thousands of euros)
From 2025 to 2029	70
From 2030 to 2034	7,538
From 2035 onwards	60,618
No maturity	0
	68,226

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b) Public administrations

The breakdown at 31 December 2024 and 2023 of the current assets and liabilities included under the “Public administrations” heading is as follows:

Current assets

	2024	2023
Value Added Tax receivable (Note 14)	19,944	9,649
Social Security, receivable (Note 14)	6,654	6,021
Current tax (Note 14)	3,337	7,086
Other tax items (Note 14)	18,769	3,177
	48,704	**25,933**

Current liabilities

	2024	2023
Value Added Tax payable (Note 20)	44,623	40,816
Current tax (Note 20)	14,094	5,738
Social Security, receivables (Note 20)	43,262	36,248
Discharge tax (Note 20)	35,087	39,790
Other tax items (Note 20)	72,276	34,903
	209,342	**157,495**

c) Corporate tax expense

The corporate tax expense incurred in the year amounted to 60,779 thousand euros (72,181 thousand euros in 2023), as detailed in the accompanying consolidated income statement. Below is the reconciliation between expense and consolidated tax base:

	2024			2023		
Consolidated profit/(loss) for the period before taxes from continuing activities			**121,403**			**293,595**
	Additions	Reductions		Additions	Reductions	
Permanent differences	148,830	(21,326)	127,504	27,486	(40,943)	(13,457)
Adjusted consolidated accounting profit on continuing activities			**248,907**			**280,138**
Temporary differences						
-Arising in the year	65,086	(96,187)	(31,101)	49,248	(71,295)	(22,047)
-Arising in prior years	93,126	(40,134)	52,992	60,843	(46,979)	13,864
Profit/(loss) directly attributed to Equity						
Consolidated tax base of continuing activities (taxable profit)			**270,798**			**271,955**

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From the previous table, given the magnitude of the amounts, it should be noted that the tax base is the best estimate available at the date of preparing the accounts.

In 2024, permanent differences included, as an increase, an amount of 109,686 thousand euros in respect of provisions and impairment of landfills in the United Kingdom, following a reduction in the earnings of companies consolidated by the equity method of 217 thousand euros (2023: 22,289 thousand euros), while the remaining increases and decreases are mainly due to the UK treatments with depreciation and investment incentives.

In 2024, in temporary differences there was a notable increase of 37,833 thousand euros reflecting assets at fair value owing to the allocation of acquisition differences.

The final amount to be paid will be determined in the tax settlement that will be carried out in 2025, so the final settlement may vary as explained in Note 3.o) to these financial statements.

Below is the reconciliation of the expense for corporate income tax:

	2024	2023
Adjusted consolidated accounting profit on continuing activities	248,907	280,138
Corporate tax	59,418	64,997
Tax credits and tax relief	(1,047)	(1,450)
Adjustments for tax rate change	-	685
Inspection reports from previous years, Tax Group	3,483	-
Other adjustments	(1,075)	7,949
Corporate tax	**60,779**	**72,181**

The main components of the corporate tax, distinguishing between the current tax, i.e, tax corresponding to the current year and the deferred tax, the latter understood as the impact on profit/(loss) of the origination or reversal of temporary differences that affect the amount of deferred tax assets or liabilities recognised in the balance sheet, is as follows:

	2024	2023
Current tax	66,434	67,405
Deferred taxes	(5,655)	5,042
Adjustments for tax rate changes	-	685
Corporate tax	**60,779**	**73,132**

d) Financial years pending verification and inspection actions

The Group is open to inspection of all applicable taxes for the years for which the statute of limitations has not expired. From the criteria that the tax authorities may adopt in interpreting the tax rules, the results of current inspections or those that may be carried out in the future for the years open for inspection could give rise to contingent tax liabilities and the amount of which cannot be objectively measured at present. However, the company's directors believe that the resulting liabilities would not have a material effect on the company's equity.

In order to comply with the legal requirements regarding transfer prices, the Company has established the necessary procedures to justify them and it is considered that there are no significant risks from which contingent liabilities may arise.

23. PENSION PLANS AND SIMILAR OBLIGATIONS

The Spanish Group companies have not generally established any pension plans to supplement the social security pension plans. However, under the Consolidated Pension Plans and Pension Funds Law, in those specific cases in which similar obligations exist, the companies externalise pension and similar obligations to its employees.

Certain foreign companies belonging to the Group assumed the commitment of supplementing the retirement and other similar commitments of its employees through defined benefit plans. Independent actuarial experts measured the commitments accrued and, where appropriate, the assets used, through generally accepted actuarial methods and techniques included, where appropriate, in the accompanying consolidated balance sheet under the “Non-current provisions” heading within “Non-current employee benefit obligations”, in line with the criteria set forth by IFRSs (Note 17).

The main benefits referred to above are the benefits corresponding to the FCC Environment (UK) Group companies, established in the United Kingdom, which include the obligations resulting from the benefits assumed with their employees into the accompanying consolidated balance sheet at 31 December 2024, once the assets assigned to cover these benefits have been deducted. The actuarial value of the accrued obligations comes to 45,182 thousand euros (42,373 thousand euros at 31 December 2023), while the fair value of the affected assets stands at 50,757 thousand euros (44,261 thousand euros at 31 December 2023). The net difference represents an active balance of 5,575 thousand euros (1,888 thousand euros at 31 December 2023), recognised in the accompanying consolidated balance sheet under "Non-current financial assets". The "Staff expenses" heading of the accompanying consolidated income statement includes income of 110 thousand euros (cost of 83 thousand euros as at 31 December 2023) for the net difference between the cost of services and returns on assets affected by the plan. The average actuarial rate used was 5,55% (4,75% in 2023).

The year's movement of the obligations and assets associated with pension plans and similar obligations is detailed below:

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2024:

Actual performance of the current value of the obligation

	FCC Environment Group (UK)
Balances of obligations at the beginning of the year	**42.373**
Cost of services for the current year	124
Interest costs	2.060
Contributions of the participants	23
Actuarial profits/losses	631
Exchange differences	2.037
Benefits paid during the year	(2.066)
Cost of past services	-
Settlements	-
Balance obligations at end of year	**45.182**

Actual performance of the fair value of affected assets

	FCC Environment Group (UK)
Affected active balances at the beginning of the year	**44.261**
Expected return on assets	2.188
Actuarial profits/losses	2.828
Exchange differences	2.128
Contributions made by the employer	1.511
Contributions made by the participant	23
Benefits paid	(2.066)
Settlements	(116)
Balance of affected assets at the end of the year	**50.757**

Reconciliation of the actual performance of the obligation less the affected assets

	FCC Environment Group (UK)
Net balance obligations less affected assets at the end of the year	(5.575)

2023:

Actual performance of the current value of the obligation

	FCC Environment Group (UK)
Balances of obligations at the beginning of the year	**40,876**
Cost of services for the current year	112
Interest costs	2,019
Contributions of the participants	20
Actuarial profits/losses	350
Exchange differences	841
Benefits paid during the year	(1,845)
Cost of past services	-
Settlements	-
Balance obligations at end of year	**42,373**

Actual performance of the fair value of affected assets

	FCC Environment Group (UK)
Affected active balances at the beginning of the year	**45,678**
Expected return on assets	2,323
Actuarial profits/losses	(5,314)
Exchange differences	940
Contributions made by the employer	2,568
Contributions made by the participant	20
Benefits paid	(1,954)
Settlements	-
Balance of affected assets at the end of the year	**44,261**

Reconciliation of the actual performance of the obligation less the affected assets

	FCC Environment Group (UK)
Net balance obligations less affected assets at the end of the year	(1,888)

24. GUARANTEE COMMITMENTS TO THIRD PARTIES AND OTHER CONTINGENT LIABILITIES

At 31 December 2024, the Group had incurred contingent liabilities, mainly guarantees vis-à-vis third parties, mostly before public bodies and private clients, to secure the correct performance of the municipal sanitation contracts, in the amount of 1,298,203 thousand euros (1,133,249 thousand euros in 2023).

On 15 January 2015, the Competition Chamber of the National Markets and Competition Commission issued a decision on file S/0429/12, for an alleged violation of Article 1 of Law 15/2007 on the Defence of Competition. The aforementioned resolution affects several companies and associations in the waste sector, including companies belonging to the Group. The Group has filed an administrative appeal before the Spanish National Appellate Court. At the end of January 2018, the Judgments issued by the National Court were notified, upholding the contentious-administrative appeals filed by Gestión y Valorización Integral del Centro, S.L. and Betearte, S.A. Unipersonal, both companies owned by FCC Servicios Medioambiente Holding, S.A. Unipersonal, against the CNMC's ruling imposing several sanctions for alleged collusive practices. In both decisions, the argument put forward by these companies that no single, on-going breach existed was upheld. In April 2018, we were notified of the agreement initiating new legal proceedings for the same conduct investigated in the previous proceedings forming the scope of the upholding decision, commencing an 18-month examining period. In September 2019, an agreement was issued suspending the processing of the sanctioning file until the National Court ruled on the appeals presented by other sanctioned companies. On 22 March 2023, a ruling was handed down by the CNMC's Competition Chamber agreeing to archive the disciplinary case. The Chamber ruled that it was no longer appropriate to continue with the proceedings and that the case should be archived, for the purposes of all parties.

The Group is involved in other lawsuits and legal procedures aside from those already described that it considers will not generate significant cash outflows.

The shareholding of Group companies in jointly controlled operations managed through temporary joint ventures, participation accounts and other entities of similar legal characteristics means that participants must share joint and several liability with respect to the activity carried on (Note 11).

The company has not obtained any significant assets as a result of the guarantees enforced in its favour or released.

25. INCOME AND EXPENDITURE

a) Operating income

The Group records operating income under the "Net business turnover" heading, including interest income derived from the collection rights on the concessions financial model under IFRIC 12, in the amount of 27,848 thousand euros (11,754 thousand euros in 2023), except for work carried out on own fixed and non-current assets and other operating income.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

Note 26 "Information by activity segments" shows the contribution to the consolidated turnover.

The breakdown of the other operating income for 2024 and 2023 is as follows:

	2024	2023
Income from sundry services	41,650	34,711
Reimbursement from insurance compensation	1,068	2,129
Grants related to income	7,571	7,180
Provision surpluses	25,792	41,446
Other income	620	596
	76,701	**86,062**

"Income from sundry services" mainly includes additional services derived from provision of services not included in the main contracts and income derived from the provision of technical assistance to entities accounted for using the equity method. The "Other income" heading mainly includes income from leases when the Group acts as lessor in operating leases.

At year-end 2024, the Group had outstanding obligations to satisfy the provision of services in the Environmental Services segment worth 14,110,429 thousand euros, which it expects to reallocate as income in accordance with the following schedule:

	up to 1 year	2 to 5 years	beyond 5 years	Total
Environmental Services	2,197,317	5,779,719	6,133,393	**14,110,429**
	2,197,317	5,779,719	6,133,393	**14,110,429**

b) Supplies

The breakdown of the balance of supplies and other external expenses as at 31 December 2024 and 2023 is as follows:

	2024	2023
Subcontracting and work performed by other companies	645,581	545,580
Purchases and procurements	437,209	415,372
	1,082,790	**960,952**

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c) Staff costs

Below is a breakdown of staff expenses for 2024 and 2023:

	2024	2023
Wages and salaries	1,348,650	1,208,256
Social security contributions	400,570	364,844
Other staff costs	47,126	37,033
	1,796,346	**1,610,133**

The information regarding the number of employees at year-end and its distribution by functional level is as follows:

	2024 workforce			2023 workforce		
	Male	Female	Total result	Male	Female	Total result
DIRECTORS AND GRADUATES	163	40	203	142	36	178
TECHNICIANS AND GRADUATES	2,888	1,291	4,179	2,755	1,206	3,961
CLERICAL AND RELATED	259	862	1,121	238	770	1,008
REMAINING EMPLOYEES	33,954	10,775	44,729	30,245	9,039	39,284
Total result	**37,264**	**12,968**	**50,232**	**33,380**	**11,051**	**44,431**

The average number of employees by category is as follows:

	Average workforce – 2024	Average workforce – 2023
DIRECTORS AND GRADUATES	190	178
TECHNICIANS AND GRADUATES	4,040	3,961
CLERICAL AND RELATED	1,089	1,008
REMAINING EMPLOYEES	42,530	39,284
Total result	**47,849**	**44,431**

The number of employees with a disability equal to or greater than 33% was 1,612 of Spanish staff at 31 December 2024 (1,555 of Spanish staff in December 2023).

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d) Impairment and gains on disposals of fixed and non-current assets

The breakdown of the balance of the impairments and gains due to the disposal of fixed and non-current assets in 2024 and 2023 is as follows:

	2024	20232
Depreciation and amortisation of other property, plant and equipment and intangible assets (endowment) / reversal	(26,461)	(1,964)
Profit/(loss) from disposals of other tangible and intangible assets	1,040	3,522
	(25,421)	**1,558**

The amount of this heading is shown in the accompanying consolidated statement of cash flows under the heading "Other adjustments of profit/(loss) (net)".

e) Other gains/(losses)

The breakdown of other financial income/(expenses) in 2024 and 2023 is as follows:

	2024	2023
Provisions allocated	(87,856)	(7,417)
Other items	(2,648)	(893)
	(90,504)	**(8,310)**

In 2024, the allocation of current provisions for obligations arising from waste classification in the Environment activity in the United Kingdom is worth particular mention (Note 17).

f) Financial income and financial expenses

The breakdown of the financial income, according to the assets that generate said income, in 2024 and 2023 is as follows:

	2024	2023
Interests in equity instruments	-	7,104
Other financial income	26,673	21,354
	26,673	**28,458**

Income from holdings in equity instruments are dividends received from Vertederos de Residuos, S.A. (Effective ownership of 16.03%)

The heading "Other financial income" includes interests with associates for 9,647 thousand euros in 2024 (6,779 in 2023), the rest being mainly the repercussion of financial expenses agreed in relation to third-party loans.

The breakdown of financial expenses in 2024 and 2023 is as follows:

	2024	2023
Debt instruments and other held-for-trading liabilities	57,397	31,408
Credits and loans	33,830	19,411
Debts with limited recourse for project financing	19,586	9,659
Creditors from leases	7,380	5,725
Assignment of credits	137	270
Financial update of provisions and other liabilities	25,200	16,792
Other financial expenses	8,592	7,882
	152,122	**91,147**

The total amount of financial income and expenses impacts the accompanying statement of consolidated cash flows under the "Other adjustments to profit/(loss) (net)" and "Interest collection" and "Interest payments" headings at the time of collection or payment thereof.

g) Other financial profit/(loss)

The breakdown of other financial expenses in 2024 and 2023 is as follows:

	2024	2023
Change in fair value of current financial instruments	143	119
Exchange differences	(4,164)	351
Impairment and profits/losses on disposal of financial Instruments	(135)	152
	(4,156)	**622**

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The amount of this heading is shown in the accompanying consolidated statement of cash flows under the heading "Other adjustments of profit/(loss) (net)".

h) Profit/(loss) of entities valued using the equity method

The breakdown for this heading is as follows:

	2024		2023	
Profit/(loss) for the year (Note 10)		34,438		22,289
Joint ventures	12,068		16,246	
Associates	22,370		6,043	
Profit/(loss) on disposals and other		(34,221)		-
		217		**22,289**

In 2024, the line "Gains/(losses) on disposals and other" includes the following results recorded at the Services Group from operations in the United Kingdom:

- impairment due to the delay and increased costs of investment in the Lostock plant for the sum of 48,134 thousand euros (Note 12).
- gains of 17,111 thousand euros from the fair value of the interest previously held by the Group before the business combination of Beacon Waste Limited, Mercia Waste Management Ltd. and Severn Waste Limited, in which Environmental Services held a 50% stake and which are now fully consolidated following the acquisition of the subsidiary of Urbaser in the United Kingdom, which owned the remaining 50% (Notes 2 and 12).
- losses due to the allocation to profit/(loss) of the valuation adjustments contributed by the companies indicated above at the time of their change in consolidation method for the sum of 3,198 thousand euros (Notes 2, 12 and 18).

i) Profit attributable to non-controlling interests

At 31 December 2024, the profit attributed to non-controlling interests amounted to 27,404 thousand euros (26,635 thousand euros in 2023).

26. INFORMATION BY ACTIVITY SEGMENTS

a) Activity segments

The activity segments presented coincide with the business divisions, by region, as described in Note 1. The information for each segment, reflected in the tables presented below, has been prepared in line with the management criteria established internally by the Group's management, which are consistent with the accounting policies adopted to prepare and present the Group's consolidated financial statements.

As it is contributory information and the relationships between segments are minimal, there are no eliminations.

Income statement by segments

In particular, the information reflected in the following tables includes the information below as segment results in 2024 and 2023:

All operating income and expenses of subsidiaries and joint management contracts that correspond to the activities carried out by the segment.

- Interest income and expenses generated on the segment's assets and liabilities, dividends and profits and losses on the sale of the segment's financial investments.

- The share in the profits/(loss) of companies accounted for using the equity method.

- Corporation tax payable corresponding to the transactions carried out by each segment.

- The heading "Contribution to the profit/(loss) of the FCC Group" shows the contribution of each area to the equity attributed to Fomento de Construcciones y Contratas, S.A., sole shareholder of FCC Servicios Medio Ambiente Holding, S.A. until 31 October 2023; the current interest held is 75.01% (Note 16.a).

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2024	**Total Group**	**Spain/Portugal**	**United Kingdom**	**CEE**	**United States of America**	**France**
Net business turnover	4,346,132	2,340,005	923,627	654,416	384,002	44,082
External clients	*4,346,132*	*2,340,005*	*923,627*	*654,416*	*384,002*	*44,082*
Other income	109,907	70,173	22,873	12,363	3,941	557
External clients	*109,907*	*70,173*	*22,873*	*12,363*	*3,941*	*557*
Operating expenses	(3,725,336)	(2,046,963)	(769,491)	(544,240)	(327,819)	(36,822)
Depreciation of fixed and non-current assets and allocation of grants for non-financial and other assets	(373,100)	(170,296)	(97,654)	(53,255)	(44,667)	(7,228)
Other operating income/(losses)	(115,125)	(8,878)	(106,973)	564	163	0
Operating profit/(loss)	**242,479**	**184,041**	**(27,619)**	**69,849**	**15,620**	**588**
Percentage of revenue	*5.58%*	*7.86%*	*(2.99%)*	*10.67%*	*4.07%*	*1.33%*
Financial income	26,673	1,686	20,695	4,291	0	1
Financial expenses	(152,122)	(56,701)	(73,005)	(5,556)	(14,893)	(1,966)
Other financial profit/(loss)	4,156	(27)	4,109	(198)	272	0
Profit/(loss) of companies accounted for using the equity method	218	15,327	(18,063)	2,954	0	0
Profit/(loss) before tax from continuing operations	**121,403**	**144,326**	**(93,883)**	**71,340**	**998**	**(1,377)**
Corporation tax	(60,779)	(32,197)	(16,433)	(13,618)	1,453	17
Profit/(loss) for the business year from continuing operations	**60,624**	**112,129**	**(110,317)**	**57,722**	**2,451**	**(1,361)**
Consolidated profit/(loss) for the business year	**60,624**	**112,129**	**(110,317)**	**57,722**	**2,451**	**(1,361)**
Non-controlling interests	27,404	6,748	17,475	3,181	0	0
Profit/(loss) attributable to the Parent Company	**33,220**	**105,381**	**(127,792)**	**54,541**	**2,451**	**(1,361)**
Contribution to the profit/(loss) of the FCC Group	**24,918**	**97,079**	**(127,792)**	**54,541**	**2,451**	**(1,361)**

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2023	**Total Group**	**Spain/Portugal**	**United Kingdom**	**CEE**	**United States of America**
Net business turnover	3,852,994	2,115,958	778,736	606,985	351,315
External clients	*3,852,994*	*2,115,958*	*778,736*	*606,985*	*351,315*
Other income	132,745	84,613	28,048	13,680	6,404
External clients	*132,745*	*84,613*	*28,048*	*13,680*	*6,404*
Operating expenses	(3,338,527)	(1,885,997)	(631,817)	(511,409)	(309,304)
Amortisation of fixed assets and allocation of grants for non-financial and other assets	(303,218)	(145,067)	(74,588)	(48,335)	(35,227)
Other operating income/(losses)	(5,855)	(8,522)	1,638	1,069	(41)
Operating profit/(loss)	**338,139**	**160,986**	**102,015**	**61,991**	**13,147**
Percentage of revenue	*8.78%*	*7.61%*	*13.10%*	*10.21%*	*3.74%*
Financial income	28,458	9,888	15,203	3,366	-
Financial expenses	(91,147)	(29,990)	(45,698)	(5,960)	(9,500)
Other financial profit/(loss)	(622)	(23)	(229)	(225)	(145)
Profit/(loss) of companies accounted for using the equity method	22,289	13,485	6,538	2,266	-
Profit/(loss) before tax from continuing operations	**297,117**	**154,347**	**77,829**	**61,439**	**3,502**
Corporate tax	(73,132)	(27,350)	(31,288)	(14,494)	-
Profit/(loss) for the year from continuing operations	**223,985**	**126,998**	**46,541**	**46,944**	**3,502**
Consolidated profit/(loss) for the period	**223,985**	**126,998**	**46,541**	**46,944**	**3,502**
Non-controlling interests	27,278	4,992	19,448	2,839	-
Profit/(loss) attributable to the Parent	**196,707**	**122,006**	**27,093**	**44,106**	**3,502**
Contribution to the profit/(loss) of the FCC Group	**186,737**	**113,435**	**28,534**	**42,065**	**2,703**

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Balance by segments:

2024	Total Group	Spain/Portugal	United Kingdom	CEE	United States of America	France
ASSETS						
Non-current assets	**4,566,601**	**1,378,315**	**2,038,100**	**535,526**	**483,655**	**131,004**
Intangible assets	1,374,397	311,778	731,233	145,042	78,842	107,501
Property, plant and equipment	2,256,394	890,786	568,000	370,111	404,284	23,214
Investments accounted for using the equity method	275,055	45,333	220,920	8,802	0	0
Non-current financial assets	595,539	76,465	517,169	1,123	529	253
Deferred tax assets	54,270	43,008	779	10,447	(0)	36
Non-current trade receivables	10,946	10,946				
Current assets	**1,989,345**	**1,089,392**	**477,122**	**168,357**	**210,767**	**43,708**
Inventories	88,096	48,049	27,541	12,157	198	150
Trade and other receivables	1,276,786	817,320	184,935	103,722	148,896	21,913
Other current financial assets	92,158	29,568	15,555	34,074	9,879	3,082
Cash and cash equivalents	532,306	194,455	249,091	18,405	51,793	18,562
Total assets	**6,555,946**	**2,467,707**	**2,515,222**	**703,883**	**694,423**	**174,712**
LIABILITIES						
Equity	**1,187,866**	**987,127**	**(44,770)**	**215,691**	**31,178**	**(1,361)**
Non-current liabilities	**4,193,670**	**947,542**	**2,187,801**	**349,051**	**564,420**	**144,855**
Grants	3,851	650	0	2,995	205	0
Non-current provisions	624,379	148,621	350,720	119,316	0	5,721
Non-current financial liabilities	3,238,142	2,463,344	655,830	31,135	77,239	10,593
Deferred tax liabilities	195,703	21,742	144,275	4,289	12,295	13,103
Other non-current liabilities	131,595	409	131,186	0	0	0
Internal relations	(0)	(1,687,224)	905,790	191,316	474,681	115,438
Current liabilities	**1,174,410**	**533,037**	**372,191**	**139,140**	**98,824**	**31,217**
Current provisions	83,987	4,511	79,476	0	0	0
Current financial liabilities	322,222	202,587	48,519	23,938	41,750	5,427
Trade and other payables	768,202	325,939	244,196	115,202	57,075	25,790
Total liabilities	**6,555,946**	**2,467,707**	**2,515,222**	**703,883**	**694,423**	**174,712**

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2023	Total Group	Spain/Portugal	United Kingdom	CEE	United States of America
ASSETS					
Non-current assets	**3,422,319**	**1,249,111**	**1,331,541**	**510,762**	**330,905**
Intangible assets	926,629	251,954	455,196	144,471	75,008
Property, plant and equipment	1,944,257	820,214	521,554	347,080	255,409
Investments accounted for using the equity method	233,202	48,940	176,503	7,759	-
Non-current financial assets	245,660	74,801	169,608	764	487
Deferred tax assets	59,039	39,670	8,681	10,688	-
Non-current trade receivables	13,532	13,532	-	-	-
Current assets	**1,690,535**	**1,019,234**	**377,266**	**168,295**	**125,740**
Inventories	87,211	53,908	20,536	10,566	2,201
Trade and other receivables	1,110,495	781,463	121,385	97,795	109,852
Other current financial assets	96,503	22,147	27,274	37,345	9,737
Cash and cash equivalents	396,325	161,716	208,070	22,589	3,950
Total assets	**5,112,853**	**2,268,344**	**1,708,807**	**679,057**	**456,645**
LIABILITIES					
Equity	**1,102,481**	**858,998**	**50,696**	**179,198**	**13,589**
Non-current liabilities	**2,879,179**	**696,599**	**1,460,356**	**369,649**	**352,575**
Grants	4,285	706	-	3,305	274
Non-current provisions	561,787	133,260	308,606	119,896	24
Non-current financial liabilities	2,052,888	1,635,246	316,637	28,476	72,528
Deferred tax liabilities	128,817	16,657	108,091	4,069	-
Other non-current liabilities	131,402	953	130,449	-	-
Internal relations	-	(1,090,224)	596,571	213,902	279,751
Current liabilities	**1,131,194**	**712,748**	**197,755**	**130,210**	**90,481**
Current provisions	4,992	4,962	-	-	30
Current financial liabilities	480,191	410,358	24,671	21,518	23,644
Trade and other payables	646,011	297,428	173,084	108,692	66,807
Total liabilities	**5,112,853**	**2,268,344**	**1,708,807**	**679,057**	**456,645**

Cash flows by segment:

	Total Group	Spain/Portugal	United Kingdom	CEE	United States of America	France
2024						
Operating activities	649,854	349,928	171,354	93,526	24,895	10,151
Investment activities	(928,382)	(283,453)	(321,162)	(68,327)	(152,262)	(103,178)
Financing activities	405,054	(34,542)	184,977	(31,928)	174,958	111,590
Other cash flows	9,456	806	5,852	2,544	254	-
Cash flows for the business year	**135,982**	**32,739**	**41,021**	**(4,185)**	**47,844**	**18,562**
2023						
Operating activities	400,129	215,101	93,211	77,052	14,765	-
Investment activities	(529,901)	(303,399)	(88,640)	(76,589)	(61,273)	-
Financing activities	66,365	105,098	(26,975)	(15,322)	3,565	-
Other cash flows	2,391	849	4,012	146	(2,616)	-
Cash flows for the business year	**(61,016)**	**17,649**	**(18,391)**	**(14,713)**	**(45,561)**	**-**

b) Personnel

The average number of people employed at the close of in 2024 and 2023 by business segment is as follows:

	2024	2023
Spain/Portugal	37,873	36,566
France	2,207	-
United Kingdom	4,184	2,254
EEC	4,483	4,479
United States of America	1,485	1,132
	50,232	**44,431**

27. ENVIRONMENTAL INFORMATION

The Corporate Responsibility Master Plan contains the environmental policy, enhancing the socially responsible commitment as part of the strategy of the FCC Group, which is highly involved in environmental services.

The FCC Group carries out its activities on the basis of business commitment and responsibility, compliance with applicable legal requirements, respect for the relationship with its stakeholders and its ambition to generate wealth and social well-being.

Aware of the importance of preserving the Environment and the responsible use of available resources, and in line with the vocation of service through activities with a clear environmental approach, the Group promotes throughout the organisation the following principles on which the contribution to sustainable development is based:

Continuous improvement

Promote environmental excellence by establishing objectives for the continuous improvement of performance, minimising the negative impacts of the Environmental Services Group's processes, products and services, and enhancing the positive impacts.

Monitoring and control

Establish environmental indicator management systems for the operational control of processes, which provide the necessary knowledge for the monitoring, evaluation, decision-making and communication of the Environmental Services Group's environmental performance and compliance with the commitments undertaken.

Climate change and pollution prevention

Lead the fight against climate change through the implementation of processes with lower greenhouse gas emissions, and by promoting energy efficiency and renewable energies.

Prevent pollution and protecting the natural environment through the responsible management and consumption of natural resources and by minimising the impact of emissions, discharges and waste generated and managed by the Environmental Services Group's activities.

Observation of the environment and innovation

Identify the risks and opportunities of activities in the face of the changing landscape of the environment in order, among other goals, to promote innovation and the application of new technologies, as well as the generation of synergies between the various activities of the Environmental Services Group.

Life cycle of products and services

Enhance environmental considerations in business planning, procurement of materials and equipment, and relations with suppliers and contractors.

The necessary participation of all parties

Promote the knowledge and application of environmental principles among employees and other stakeholders.

Share experience in the most excellent practices with the different agents in order to promote alternative solutions to those currently in place, which contribute to the achievement of a sustainable environment.

This Environmental Policy is materialised through the implementation of quality management and environmental management systems, as well as follow-up audits, which accredit the FCC Group's performance in this area. Regarding the management of environmental risks, the Group has implemented environmental management systems certified under the ISO 14001 standards, which focus on:

a) Compliance with applicable regulations and the achievement of environmental objectives that exceed external requirements.
b) The reduction of environmental impacts through proper planning.
c) The continuous analysis of risks and possible improvements.

The basic tool to prevent this risk is the environmental plan that each operational unit must prepare and which consists of:

a) The identification of environmental aspects and applicable legislation.
b) Impact evaluation criteria.
c) The measures to be taken.
d) A system for measuring the objectives achieved.

The very nature of the activity of the Environmental Services Area is aimed at the protection and conservation of the environment, not only through productive activity: (waste collection, road cleaning, operation and control of landfills, sewer cleaning, treatment and disposal of industrial waste, etc.), but also for the development of this activity through the use of production techniques and systems aimed at reducing environmental impact even more meticulously than required by the regulations on these matters.

The development of the production activity of the Environmental Services Area requires the use of buildings, technical installations and specialised machinery that are efficient in protecting and conserving the environment. At 31 December 2024, the acquisition cost of the productive fixed and non-current assets, net of depreciation, of the Environmental Services Area amounted to 3,630,791 thousand euros (2,870,886 thousand euros at 31 December 2023). Environmental provisions, mainly for landfill sealing and closing costs, amount to 516,489 thousand euros (482,546 thousand euros as of 31 December 2023).

Nor is it considered that there are no significant contingencies related to the protection and improvement of the environment as at 31 December 2024 that may have a significant impact on the accompanying financial statements.

28. FINANCIAL RISK MANAGEMENT POLICIES

The concept of financial risk refers to the changes in the financial instruments arranged by the Group as a result of political, market and other factors and the repercussion thereof on the consolidated financial statements.

The risk management philosophy of the Environmental Services Group, as per the FCC Group's philosophy, is consistent with the business strategy, seeking at all times maximum efficiency and solvency, for which strict criteria for control and management of financial risks are established, consisting of identifying, measuring, analyzing and controlling the risks incurred by the Group's operations, with the risk policy correctly integrated into its organisation:

a) Capital risk

In line with the guidelines set by its majority shareholder, the Environmental Services Group manages its capital to ensure that the Group companies will be able to continue to operate as profitable businesses while maximising shareholder returns through an optimum debt-to-equity ratio.

The fundamental basis that the Group considers as capital is found in the Equity of the balance sheet, which, for the purposes of its management and follow-up, excludes both the "Changes in the fair value of financial instruments" items and the "Conversion differences" item.

The first of these headings is disregarded for management purposes as it is considered as part of interest rate management, since it is the result of the assessment of instruments that transform floating-rate debt into fixed-rate debt. Translation differences, meanwhile, are managed within exchange rate risk.

Given the sector in which it operates, the Group is not subject to external capital requirements, although this does not prevent the frequent monitoring of equity to guarantee a financial structure based on compliance with the prevailing regulations of the countries in which it operates, also analysing the capital structure of each of the subsidiaries to enable an adequate distribution between debt and capital.

In July 2020, FCC Servicios Medioambiente Holding S.A.U. registered, and has since renewed annually, a commercial paper programme - Euro Commercial Paper Programme (ECP) - on the Irish stock market, with a total value of 400 million euros; in October 2023, it has refinanced a total of 600 million euros through a new bond.

In 2024, new financing facilities were also renewed and taken out in the form of lines of credit and bilateral loans.

These operations have helped to continue to shore up the financial solvency process and the continuation of the policy of diversifying funding sources. These measures have contributed to achieving a much more robust and efficient capital structure, with suitable volumes, terms and financing costs adapted to the nature of the different business areas.

The Economic-Finance Division, as responsible for financial risk management, regularly reviews the debt-equity ratios and compliance with financing covenants, together with the capital structure of the subsidiaries.

The FCC Group is exposed to currency exchange risk

A noteworthy consequence of the Environmental Services Group's positioning in international markets is the exposure resulting from net positions in foreign currencies against the euro or in one foreign currency against another when the investment and financing of an activity cannot be arranged in the same currency.

Although the benchmark currency in which the Group mainly operates is the euro, the Group also holds financial assets and liabilities accounted for in currencies other than the euro. Exchange rate risk is primarily located in borrowings denominated in foreign currencies, investments in international markets and payments received in currencies other than the euro.

As shown in the following table, this risk is mitigated by 86,60% of the Group's net debt being denominated in euros at 31 December 2024:

	CONSOLIDATED (thousands of euros)				
	Euro	Dollar	Pound	Rest of Europe non-euro	TOTAL
Gross debt	2,544,384	101,542	628,153	1,863	3,275,942
Financial assets	(246,437)	(61,673)	(264,646)	(49,820)	(622,575)
Total consolidated net indebtedness	**2,297,947**	**39,869**	**363,507**	**(47,957)**	**2,653,366**
% Net Debt of the total	86.60%	1.50%	13.70%	(1.81%)	100.00%

Note 15 of these Annual Accounts breaks down the details of Treasury and Equivalents by currency. In this detail we see how 39.58% is denominated in euros (42.3% as of December 31 2023).

The Group's general policy is to mitigate the adverse effect that exposure to the different foreign currencies could have on its financial statements as much as possible, with regard to both transactional and purely equity-related movements. The Group therefore manages the effect that foreign currency risk can have on the balance sheet and the income statement.

Below is a summarised table of the sensitivity to changes in the exchange rate in the main currencies in which the Group operates:

	+ 10% pound sterling and dollar	
	Profit and Loss	Equity
Pound sterling	(6,496)	73,852
US dollar	369	28,036
Total	**(6,127)**	**101,888**

	-10% pounds sterling and dollar	
	Profit and Loss	**Equity**
Pound sterling	6,496	(73,852)
US dollar	(369)	(28,036)
Total	**6,127**	**(101,888)**

The impact on sterling is mainly due to the translation of the net assets corresponding to the investment held in the FCC Environment (UK) and Green Recovery subgroups.

b) The Environmental Services Group is exposed to interest rate risk

The Group is exposed to interest rate fluctuations due to the fact that the Group's financial policy aims to ensure that its current financial assets and debt are partially tied to variable interest rates. The benchmark interest rate for the Group's debt arranged with credit entities in euros is mainly the Euribor.

Any increase in interest rates could give rise to an increase in the Group's financing costs associated with its borrowings at variable interest rates, and could also increase the cost of refinancing the borrowings and the issue of new debt.

In order to ensure a position that is in the best interests of the Group, an interest rate risk management policy is actively implemented, with on-going monitoring of markets and assuming different positions depending primarily on the asset financed.

In addition, within the framework of the policy for managing this risk carried out by the Group, fixed-rate debt issuance operations have been carried out in capital markets together with interest rate hedges and fixed-rate financing, reaching 87.2% of the Group's total gross debt at the end of the year, including the hedging for Structured Project Financing.

The following table shows a breakdown of the gross debt of the FCC Group as well as the hedged debt, either because it is a fixed rate debt or through derivatives:

	Environmental Services
Total Gross External Debt	2,877,417
Fixed-rate headings and financing at 31.12.24	(2,350,024)
Total variable rate debt	**527,393**
Ratio: Variable rate debt / Gross External Debt at 31.12.24	**18.3%**

The table below summarises the effect on the Group's income statement of the changes in the interest rate curve with respect to gross debt, excluding fixed rate debt associated with hedging arrangements:

	+25 bp	+50 bp	+100 bp
Impact on profit or loss	(1,318)	(2,637)	(5,274)

c) Solvency risk

At 31 December 2024, the net financial indebtedness of the Environmental Services Group contained in the accompanying balance sheet amounted to 2,651,477 thousand euros as shown in the following table:

	2024	2023
Bank borrowings	926,567	428,411
Debt instruments and other loans	1,901,518	1,447,400
Other interest-bearing financial debt	447,856	436,661
Current financial assets	(92,158)	(96,502)
Treasury and cash equivalents	(532,306)	(396,325)
Net interest-bearing debt	**2,651,477**	**1,819,645**
Net debts with limited recourse	(2,396,439)	(1,637,621)
Net indebtedness with recourse	**255,038**	**182,024**

d) The Environmental Services Group is exposed to liquidity risk

The Group carries out its operations in industrial sectors that require a high level of financing, and has so far obtained adequate financing to carry out its operations. However, the Group cannot guarantee that these circumstances relating to obtaining financing will continue in the future.

The ability of the Environmental Services Group to obtain financing depends on many factors, many of which are beyond their control, such as general economic conditions, the availability of funds in financial institutions, the depth and availability of the capital markets and the monetary policy of the markets in which they operate. Adverse effects in debt and capital markets may hinder or prevent adequate financing being available to perform the Group’s activities.

Historically, the Group has always been able to renew its loan arrangements, and it expects to continue doing so in the coming twelve months. However, FCC Group’s ability to renew its financing depends on various factors, many of which are beyond the Group's control, such as general economic conditions, the availability of funds for loans from private investors and financial institutions, and the monetary policy of the markets in which it operates. Negative conditions in debt markets could hinder or prevent Group’s capacity to renew its financing. Therefore, the Group cannot guarantee its ability to renew credit agreements and bond issues under economically attractive terms. The inability to renew said financing or to secure it under acceptable terms could have a negative impact on the Group's liquidity and its ability to meet the working capital needs.

To adequately manage this risk, the Group performs exhaustive monitoring of the repayment dates of all credit facilities of each Group company, in order to conclude all renewals in the best market conditions sufficiently in advance, analysing the suitability of the funding and studying alternatives if the conditions are unfavourable on a case-by-case basis. The Group is also present in several markets, which facilitates obtaining credit facilities and mitigating liquidity risk.

At 31 December 2024, the Group had the following repayment schedule for gross debt, which will amount to 219,920 thousand euros in 2025:

2025	2026	2027	2028 and beyond	TOTAL
219,920	726,696	317,183	2,437,413	3,701,212

A significant part of the gross financial debt, totalling 2,396,439 thousand euros, is with limited recourse only, notably bond and commercial paper issues totalling 1,901,518 thousand euros at 31 December 2024.

At 31 December 2024, the Group had working capital of 814,935 thousand euros (559,341 thousand euros at 31 December 2023).

In order to manage liquidity risk, as at 31 December 2024, the Group has undrawn bilateral financing lines in the amount of 266,895 thousand euros, undrawn commercial paper facilities in the amount of 266,895 thousand euros, a treasury balance of 413,446 thousand euros, in addition to the following current financial assets and treasury equivalents, whose maturities are shown below:

Thousands of euros	Amount	1-3 months	3-6 months	6-9 months	9-12 months
Other current financial assets	92,158	12,857	4,653	4,589	70,059

Thousands of euros	Amount	1-3 months	3-6 months	6-9 months
Cash equivalents	118,860	92,707	-	26,153

The directors and management of the Parent Company are constantly monitoring the development of the current situation and the effects it may have on the credit market, and consider that the situation as at 31 December 2024 ensures that the Group will be able to meet its current on-balance sheet obligations at 31 December 2024 with solvency and ensure the continuity of its operations.

e) Concentration risk

The risk arising from the concentration of lending transactions with common characteristics is distributed as follows:

- Funding sources: In order to diversify this risk, the Group works with a large number of national and international financial institutions and capital markets to obtain financing.
- Markets/geography (domestic, foreign): The Group operates in a wide variety of national and international markets, with the debt mainly concentrated in euros and the rest in various international markets, with different currencies.
- Products: The Group uses various financial products: loans, credit facilities, obligations, syndicated loans, assignments and discounting, etc.
- Currency: The Group is financed through many different currencies according to the country of the investment.

The Group's strategic planning process identifies the objectives to be attained in each of the areas of activity, based on the improvements to be implemented, the market opportunities and the level of risk deemed acceptable. This process serves as a base for preparing operating plans that specify the goals to be reached each year.

To mitigate the market risks inherent in each business line, the Group maintains a diversified position between businesses related to the provision of environmental and other services. In terms of geographic diversification, in 2024 the share of foreign activity was 47.3% of total sales.

f) Credit risk

The provision of services or the acceptance of client engagements, whose financial solvency was not guaranteed at the acceptance date, situations not known or unable to be assessed by the Group and unforeseen circumstances arising during the provision of the service or the execution of the engagement that could affect the client's financial position could generate a payment risk with respect to the amounts owed.

The Group request commercial reports and assess the financial solvency of clients before doing business and perform on-going monitoring, and have put in place a procedure to be adopted in the event of insolvency. In the case of public clients, the Group has a policy of not accepting files that do not have an assigned budget and financial approval. Offers that exceed a specific payment period must be authorised by the Finance Division. Likewise, on-going monitoring is performed of debt delinquency in various management committees.

The maximum level of exposure to credit risk has been calculated, with the breakdown of the amount as at 31 December 2024 as shown in the following table:

Financial credits granted	92,158
Trade and other receivables (Note 14)	1,252,683
Cash and cash equivalents (Note 15)	532,306
Guarantees granted (Note 24)	1,298,203
TOTAL	**3,175,350**

In general, the Group does not have collateral guarantees or improvements to reduce credit risk or for financial credits or accounts receivable from operations. There are also offsetting mechanisms in certain contracts, mostly concessions affecting IFRIC 12 in activities, Environmental Services, making it possible to guarantee the recovery of loans granted to finance early initial fees or investment plans.

In terms of credit quality, the Group applies its best criteria to impair financial assets that are expected to incur credit losses throughout their life (Note 3.h). The Group regularly analyses changes in the public ratings of the entities to which it is exposed.

g) Risk hedging financial derivatives

In general, the financial derivatives contracted by the Services Group are treated for accounting purposes in accordance with the accounting hedging regulations set out in these financial statements. The main financial risk hedged by the FCC Group through derivative instruments relates to the fluctuations in floating interest rates to which Group company financing is pegged. The financial derivatives are measured by experts on the subject using generally accepted methods and techniques. These experts were independent from the Group and the entities financing it.

Sensitivity analyses are carried out periodically with the objective of observing the effect of a possible change in interest rates on the Group's accounts.

In this way, a simulation has been carried out proposing four scenarios of the Euro basic interest rate curve that average around 2.16% in the medium/long term as of December 31, 2024, assuming an increase and reduction of 50 bp and 100 bp.

The amounts in thousands of euros obtained in relation to derivatives outstanding at year-end with an impact on equity (Note 22), after applying, where applicable, the percentage of ownership interest, are shown below.

	Hedging derivatives			
	- 100 bp	-50 bp	+50 bp	+100bp
Impact on Equity:				
Full consolidation	(16,920)	(8,231)	7,800	15,194

h) Climate change risks

The Group's activities may be impacted by adverse weather conditions, such as floods or other natural disasters, and in some cases by decreases in temperature that may make it difficult, or even impossible in extreme cases, to carry out its activities, such as in the case of severe frost in the construction activity.

The Group takes all appropriate measures to adapt to the effects of climate change and to mitigate its possible effects on its business and fixed assets, as shown by the environmental provisions set aside for this purpose (Note 17).

The Group is committed to the decarbonisation of the activities it carries out, for which it uses the most efficient technologies in the fight against climate change and, due to the very nature of some of the activities it carries out, it promotes the circular economy. In order to achieve these objectives, the Group implements specific policies in its activities.

The very nature of Environmental Services aims to protect and conserve the environment and contribute to the circular economy by treating waste as resources, through its reuse and energy recovery. Likewise, it uses technologies and equipment to optimise water consumption, promoting a rational use and the use of water from alternative sources, such as the use of rainwater. As for policies aimed at optimising energy consumption, Spain has an Energy Management System certified in accordance with the ISO 50001 standard and projects for the use of landfill gas to generate electricity and hot water.

Due to all of the above and taking into account the limited impact, the measures taken to guarantee the assets and liquidity gaps, the Group prepared the financial statements as per the principle of a going concern, since the continuity of the Group is not in doubt.

29. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

a) Operations between Group companies or entities

There are numerous transactions between Group companies that are part of their routine business and that, in any case, are eliminated in the process of preparing the consolidated financial statements.

The revenue shown in the accompanying consolidated income statement includes 8,882 thousand euros (6,036 thousand euros in 2023) from Group company billings to associates and joint ventures.

Purchases made from associates and joint ventures amounting to 5,395 thousand euros (4,749 thousand euros in 2023) are also included in the Group's consolidated financial statements.

b) Balances between Group companies or entities

The balances and transactions with Environmental Services Group companies, joint ventures and associates are as follows (in thousands of euros):

a) Customer and trade receivables from Group companies, joint ventures and associates

Customer and trade receivables from Group companies, joint ventures and associates	2024	2023
FCC, S.A.	1,085	1,338
TIRME, S.A.	2,411	2,968
ARAGONESA DE GESTION DE RESIDUOS, S.A.	673	920
EMPR.MIXTA M.A.RINCON DE LA VICTORIA, SA	-	390
EBESA	1,155	309
FCC CONSTRUCCION, S.A.	3,503	287
ATLAS GESTION MEDIOAMBIENTAL, S.A.	423	670
GESTION Y VALOR INT.CENTRO, S.L.	288	344
OTHER	3,765	2,997
Total	**13,303**	**10,223**

b) Suppliers and payables to Environmental Services Group companies, joint ventures and associates

Suppliers and payables Group companies, joint ventures and associates	2024	2023
FCC, S.A.	6,102	2,870
FCC CONSTRUCCION, S.A.	200	372
ARAGONESA DE GESTION DE RESIDUOS, S.A.	593	830
ASESORIA FINANCIERA Y DE GESTION, S.A.	170	317
INGENIERÍA URBANA, S.A.+ UTE	625	2,565
OTHER	1,112	870
Total	**8,802**	**7,824**

c) Non-current loans to Environmental Services Group companies

Loans and other financial assets of group companies, joint ventures and associates	2024	2023
FCC AQUALIA	2	2
FCC REAL ESTATE UK	4,189	3,997
LOSTOCK SUSTAINABLE ENERGY	191,194	118,261
OTHER	1	1
Total	**195,386**	**122,261**

d) Current loans to Environmental Services Group companies

Loans and other financial assets of group companies, joint ventures and associates	2024	2023
FCC, S.A.	11,131	9,136
GESTION Y VALOR INT.CENTRO, S.L.	2,375	2,770
PILAGEST, S.L.	404	403
ARAGONESA DE TRATAM. MEDIAMB. XXI, S.A.	6	2
TIRME, S.A.	2,156	-
PALACIO EXPOSICIONES Y CONGRESOS DE GRANADA S.A.	506	506
Total	**16,718**	**12,949**

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

e) Non-current borrowings with Environmental Services Group companies

Other financial liabilities of group companies, joint ventures and associates	2024	2023
FCC, S.A.	392,879	380,905
TIRME, S.A.	10,000	10,000
MAC INSULAR, S.L.	3,600	2,200
Total	**406,479**	**393,105**

f) Current borrowings with Environmental Services Group companies

Other financial liabilities of group companies, joint ventures and associates	2024	2023
FCC, S.A.	17,046	28,746
INGENIERÍA URBANA, S.A.+ UTE	9	32
GESTION Y VALOR INT.CENTRO, S.L.	84	152
ATLAS GESTION MEDIOAMBIENTAL, S.A.	1,000	1,000
OTHER	22	59
Total	**18,161**	**29,989**

g) Revenue

Revenue	2024	2023
EBESA	3,438	928
FCC, S.A.	178	155
ARAGONESA DE GESTION DE RESIDUOS, S.A.	3,554	3,164
FEDEMES, S.L.	1,761	1,731
REALIA PATRIMONIO, S.L.U	652	674
FCC CONSTRUCCION, S.A.	8,770	255
OTHER	4,159	4,013
Total	**22,512**	**10,920**

h) Purchases and other supplies

Purchases and supplies	2024	2023
CEMENTOS PORTLAND VALDERRIVAS, S.A.	156	225
ARIDOS DE MELO, S.L.	315	236
FCC CONSTRUCCION, S.A.	65	77
OTHER	155	94
Total	**691**	**632**

i) Subcontracted work

Subcontracted work	2024	2023
FCC CONSTRUCCION, S.A.	7	6
ARAGONESA DE GESTION DE RESIDUOS, S.A.	3,123	2,786
ATLAS GESTION MEDIOAMBIENTAL, S.A.	1,058	913
GESTION Y VALOR INT.CENTRO, S.L.	764	638
OTHER	510	525
Total	**5,462**	**4,868**

j) Other operating expenses

Other operating expenses	2024	2023
FCC, S.A.	38,414	36,074
FEDEMES, S.L.	3,642	3,508
FCC CONSTRUCCION, S.A.	373	457
OTHER	144	193
Total	**42,573**	**40,232**

k) Financial income

Financial income	2024	2023
LOSTOCK SUSTAINABLE ENERGY	9,647	6,629
GESTION Y VALOR INT.CENTRO, S.L.	172	150
Total	**9,819**	**6,779**

l) Finance cost

Financial expenses	2024	2023
FCC, S.A.	9,492	9,263
TIRME, S.A.	38	101
OTHER	35	17
Total	**9,565**	**9,381**

c) Transactions with directors of the Parent and senior executives of the Group

In 2024, a total of 311 thousand euros accrued in per diems in favour of the Board of Directors of FCC Servicios Medio Ambiente Holding, S.A. (82 thousand euros in 2023).

The composition of the board, comprising six men and two women, is as follows:

Director	Position
Alejandro Aboumrad Gonzalez	President
Batiste Thomas Degaris Ogier	Director
Gerardo Kuri Kaufmann	Director
Iñigo Sanz Pérez	Director
Natasa Kovacevic	Director
Pablo Colio Abril	Director
Samantha Ricciardi	Director
María de los Ángeles Santamaría Martín	Director

The management team of the FCC Services Group is made up of five executives, three of whom are men and two of whom are women. Their combined remuneration for 2024 came to 1,106 thousand euros (in 2023 the team comprised seven men and two women, whose overall remuneration amounted to 3,241 thousand euros).

There are no advances, loans or other guarantees granted to the Board of Directors, nor are there any pension or life insurance obligations to former or current members of the Board of Directors.

Details of Board members who hold posts at companies in which Fomento de Construcciones y Contratas, S.A., Parent of Environmental Services Group, has a direct or indirect ownership interest, are as follows:

Name or corporate name of the director	Company name of the Group entity	Position
GERARDO KURI KAUFMANN	FOMENTO DE CONSTRUCCIONES Y CONTRATAS SA	DIRECTOR
	FCC AQUALIA, S.A.	DIRECTOR
	FCC SERVICIOS MEDIO AMBIENTE HOLDING, S.A.	DIRECTOR
ALEJANDRO ABOUMRAD GONZÁLEZ	FOMENTO DE CONSTRUCCIONES Y CONTRATAS SA	VICE PRESIDENT
	FCC AQUALIA, S.A.	PRESIDENT
	FCC SERVICIOS MEDIO AMBIENTE HOLDING, S.A.	PRESIDENT
PABLO COLIO ABRIL	FOMENTO DE CONSTRUCCIONES Y CONTRATAS SA	CHIEF EXECUTIVE OFFICER
	FCC CONSTRUCCIÓN, S.A.	PRESIDENT
	FCC SERVICIOS MEDIO AMBIENTE HOLDING, S.A.	DIRECTOR
	FCC AQUALIA, S.A.	DIRECTOR
IÑIGO SANZ PEREZ	FCC SERVICIOS MEDIO AMBIENTE HOLDING, S.A.	DIRECTOR
	FCC ENVIRONMENT (UK) LIMITED	DIRECTOR
	FCC ENVIRONMENT PORTUGAL, S.A.	PRESIDENT
	FCC ENVIRONMENTAL SERVICES FLORIDA, LLC	DIRECTOR
	FCC ENVIRONMENTAL SERVICES NEBRASKA, LLC	PRESIDENT
	FCC ENVIRONMENTAL SERVICES TEXAS, LLC	DIRECTOR
	FCC ENVIRONMENTAL SERVICES, LLC (USA)	DIRECTOR
	FCC MEDIO AMBIENTE REINO UNIDO, S.L. UNIPERSONAL	PRESIDENT
	FCC MEDIO AMBIENTE SA UNIPERSONAL	PRESIDENT
	INTERNATIONAL SERVICES INC SA UNIPERSONAL	PRESIDENT
	SERVICIOS ESPECIALES DE LIMPIEZA SA	PRESIDENT

d) Mechanisms established to detect, determine and resolve possible conflicts of interest between the Parent Company and/or its Group and its directors, executives or significant shareholders.

FCC Group has established specific mechanisms to detect, determine and resolve any possible conflicts of interest between the Group companies and their directors, executives and significant shareholders, as indicated in article 20 and thereafter of the Rules and Regulations of the Board of Directors.

30. FEES PAID TO AUDITORS

Fees for audit services accrued in 2024 and 2023, relating to audit and other verification services, as well as other professional services, provided to the different Group companies and joint management that comprise the Environmental Services Group, by the main auditor and other auditors participating in the audit of the different Group companies, and by entities related thereto, both in Spain and abroad, are shown in the following table:

	2024			2023		
	Principal auditor	Other auditors	Total	Principal auditor	Other auditors	Total
Audit services	2,504	171	2,675	1,779	87	1,866
Other assurance services	204	360	564	179	11	190
Total audit and related services	**2,708**	**531**	**3,239**	**1,958**	**98**	**2,056**
Tax advisory services	-	536	536	-	514	514
Other services	-	329	329	-	239	239
Total professional services	**-**	**865**	**865**	**-**	**753**	**753**
	2,708	**1,396**	**4,104**	**1,958**	**851**	**2,809**

31. EVENTS AFTER THE REPORTING CLOSE

Subsequent to the reporting date of these consolidated financial statements, in February 2025, the Spanish tax authorities issued corporate income tax assessments to the companies in the tax group headed up by Fomento de Construcciones y Contratas, S.A., in respect of the years 2018 to 2020. These assessments reveal negative adjustments to the tax base amounting to 3,483 thousand euros, mainly affecting FCC Medio Ambiente S.A.U., and have been included in its tax estimates.

In addition to this event, as at the date of preparation of these financial statements, no matters of a nature that could modify them or be the subject of additional information to that included in them had been disclosed.

32. EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

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

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

ANNEX I

FULLY CONSOLIDATED SUBSIDIARIES

Company	Address/Registered office	Effective ownership (%)	Auditor
Alfonso Benítez, S.A.	Federico Salmón, 13 – Madrid	100.00	Ernst & Young
Armigesa, S.A.	Plaza de la Constitución s/n – Armilla (Granada)	51.00	Moore
Azincourt Investment, S.L.	Federico Salmón, 13 – Madrid	100.00	
Corporación Inmobiliaria Ibérica, S.A.	Federico Salmón, 13 – Madrid	100.00	
Ecoactiva de Medio Ambiente, S.A.	Ctra. Puebla Albortón a Zaragoza Km. 25– Zaragoza	60.00	Vaciero Auditores
Ecodeal-Gestao Integral de Residuos Industriais, S.A.	Portugal	53.62	Ernst & Young
Ecogenesis Societe Anonime Rendering of Cleansing and Waste Management Services	Greece	51.00	
Ecoparque Mancomunidad del Este, S.A.	Federico Salmón, 13 – Madrid	100.00	Ernst & Young
Egypt Environmental Services, S.A.E..	Egypt	3.00	Ernst & Young
Empresa Comarcal de Serveis Mediambientals del Baix Penedés – ECOBP, S.L.	Plaça del Centre, 5 – El Vendrell (Tarragona)	66.60	Capital Auditors
Energyloop, S.A.	Av. Camino de Santiago, 40 – Madrid	55.00	Ernst & Young
Enviropower Investments Limited	United Kingdom	100.00	
Eur Services Dechets SAS	France	100.00	Fidsud Audit SAS
Eur Services Maintenance SAS	France	100.00	Fidsud Audit SAS
Eur Services Proprete SAS	France	100.00	Fidsud Audit SAS
Eur Services Voire SAS	France	100.00	Fidsud Audit SAS
FCC Ámbito, S.A. Unipersonal	Federico Salmón, 13 – Madrid	100.00	Ernst & Young
FCC Environment Portugal, S.A.	Portugal	100.00	Ernst & Young
FCC Environment Services (UK) Limited	United Kingdom	100.00	Ernst & Young
FCC Environmental Services California Llc.	United States	100.00	Ernst & Young
FCC Environmental Services Florida Llc.	United States	100.00	Ernst & Young
FCC Environmental Services Minnesota Llc.	United States	100.00	Ernst & Young
FCC Environmental Services Nebraska Llc.	United States	100.00	Ernst & Young
FCC Environmental Services North Carolina Llc.	United States	100.00	Ernst & Young
FCC Environmental Services Texas Llc.	United States	100.00	Ernst & Young
FCC Environmental Services (USA) Llc.	United States	100.00	Ernst & Young
FCC Environnement France	France	100.00	Fidsud Audit SAS
FCC Equal CEE, S.L.	Federico Salmón, 13 – Madrid	100.00	
FCC Equal CEE Andalucía, S.L.	Av. Molière, 36 – Málaga	100.00	Aranda & Hinojosa
FCC Equal CEE Baleares, S.L.U.	Camino Fondo, 27 – Palma (Balearic Islands)	100.00	

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ANNEX I/2

Company	Address/Registered office	Effective ownership (%)	Auditor
FCC Equal CEE Canarias, S.L.U.	Ctra. Guanarteme a Tamaraceite, Km. 5,1 - Las Palmas de G.C.	100.00	
FCC Equal CEE C. Valenciana, S.L.	Riu Magre, 6 P.I. Patada del Cid – Quart de Poblet (Valencia)	100.00	
FCC Equal CEE Melilla, S.L.U.	Actor Tallaví, 20 – Melilla	100.00	
FCC Equal CEE Murcia, S.L.	Luis Pasteur, 8 – Cartagena (Murcia)	100.00	
FCC Medio Ambiente, S.A.	Federico Salmón, 13 – Madrid	100.00	Ernst & Young
FCC Medio Ambiente Reino Unido, S.L.U.	Av. Camino de Santiago, 40 – Madrid	100.00	Ernst & Young
FCC Medioambiente Internacional, S.L.U.	Av. Camino de Santiago, 40 – Madrid	100.00	
Gamasur Campo de Gibraltar, S.L.	Antigua Ctra. de Jimena de la Frontera, s/n – Los Barrios (Cádiz)	100.00	
Gandia Serveis Urbans, S.A.	Llanterners, 6 – Gandia (Valencia)	95.00	Vaciero Auditores
Gel Holdings Llc.	United States	100.00	Ernst & Young
Geneus Canarias, S.L.	Electricista, 2 U.I. de Salinetas – Telde (Las Palmas)	100.00	
Gestió i Recuperació de Terrenys, S.A. Unipersonal	Balmes, 36 Entresuelo – Barcelona	80.00	Vaciero Auditores
Gipuzkoa Ingurumena BI, S.A.	Polígono Industrial Zubiondo Par A.5 – Hernani (Gipuzkoa)	92.00	Ernst & Young
Golrib, Soluções de Valorização de Residuos Lda.	Portugal	55.00	Ernst & Young
FCC Group - CEE			
Agadax s.r.o.	Czech Republic	100.00	
ASMJ s.r.o.	Czech Republic	51.00	
FCC Abfall Service Betriebs GmbH	Austria	100.00	
FCC Austria Abfall Service AG	Austria	100.00	Ernst & Young
FCC BEC s.r.o.	Czech Republic	100.00	Ernst & Young
FCC Bratislava s.r.o.	Slovakia	100.00	
FCC Centrum Nonprofit Kft.	Hungary	100.00	Ernst & Young
FCC Ceska Republika s.r.o.	Czech Republic	100.00	Ernst & Young
FCC Ceské Budêjovice s.r.o.	Czech Republic	75.00	Ernst & Young
FCC Dacice s.r.o.	Czech Republic	60.00	Ernst & Young
FCC EKO d.o.o.	Serbia	100.00	Ernst & Young
FCC EKO Polska sp. z.o.o.	Poland	100.00	Ernst & Young
FCC Entsorga Entsorgungs GmbH & Co. Nfg KG	Austria	100.00	
FCC Environment CEE GmbH	Austria	100.00	Ernst & Young
FCC Environment Romania S.R.L.	Romania	100.00	Ernst & Young
FCC Freistadt Abfall Service GmbH	Austria	100.00	
FCC Halbenrain Abfall Service GmbH & Co. Nfg KG	Austria	100.00	

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ANNEX I/3

Company	Address/Registered office	Effective ownership (%)	Auditor
FCC Hódmezővásárhely Köztisztasági Kft	Hungary	61.83	Ernst & Young
FCC Industrieviertel Abfall Service GmbH & Co. Nfg KG	Austria	100.00	
FCC Inerta Engineering & Consulting GmbH	Austria	100.00	
FCC Kikinda d.o.o.	Serbia	80.00	Ernst & Young
FCC Liberec s.r.o.	Czech Republic	55.00	Ernst & Young
FCC Litovel s.r.o.	Czech Republic	49.00	
FCC Lubliniec sp. z.o.o.	Poland	61.97	
FCC Magyarország Kft	Hungary	100.00	Ernst & Young
FCC Mostviertel Abfall Service GmbH	Austria	100.00	Ernst & Young
FCC Neratovice s.r.o.	Czech Republic	100.00	
FCC Neunkirchen Abfall Service GmbH	Austria	100.00	
FCC Podhale Sp.z.o.o.	Poland	100.00	Ernst & Young
FCC Pro Eko sp. z.o.o.	Poland	100.00	
FCC Prostejov s.r.o.	Czech Republic	75.00	Ernst & Young
FCC Regios AS	Czech Republic	99.99	Ernst & Young
FCC Slovensko s.r.o.	Slovakia	100.00	Ernst & Young
FCC Tarnobrzeg.sp. z.o.o.	Poland	59.72	Ernst & Young
FCC Textil2Use GmbH	Austria	100.00	
FCC Trnava s.r.o.	Slovakia	50.00	Ernst & Young
FCC Únanov s.r.o.	Czech Republic	66.00	
FCC Vrbak d.o.o.	Serbia	51.00	
FCC Wiener Neustadt Abfall Service GmbH	Austria	100.00	
FCC Zabcice s.r.o.	Czech Republic	80.00	Ernst & Young
FCC Zabovresky s.r.o.	Czech Republic	89.00	
FCC Zisterdorf Abfall Service GmbH	Austria	100.00	Ernst & Young
FCC Znojmo s.r.o.	Czech Republic	49.66	Ernst & Young
FCC Zohor.s.r.o.	Slovakia	85.00	Ernst & Young
FCC Śląsk Sp. z o.o.	Poland	80.00	Ernst & Young
Limek Plus spol., s.r.o.	Czech Republic	100.00	
Obsed a.s.	Czech Republic	100.00	
Quail spol. s.r.o.	Czech Republic	100.00	Ernst & Young
Siewierskie Przedsiebiorstwo Gospodarki Komunalnej sp. z.o.o.	Poland	60.00	

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ANNEX I/4

Company	Address/Registered office	Effective ownership (%)	Auditor
Grupo FCC Environment			
3C Holding Limited	United Kingdom	100.00	Ernst & Young
3C Waste Limited	United Kingdom	100.00	Ernst & Young
Allington O & M Services Limited	United Kingdom	100.00	Ernst & Young
Allington Waste Company Limited	United Kingdom	100.00	Ernst & Young
Anti-Waste (Restoration) Limited	United Kingdom	100.00	Ernst & Young
Anti-Waste Limited	United Kingdom	100.00	Ernst & Young
Arnold Waste Disposal Limited	United Kingdom	100.00	Ernst & Young
BDR Property Limited	United Kingdom	80.02	Ernst & Young
BDR Waste Disposal Limited	United Kingdom	100.00	Ernst & Young
Beacon Waste Limited	United Kingdom	100.00	Ernst & Young
Biowise Limited	United Kingdom	100.00	Ernst & Young
Crossco (1370) Limited	United Kingdom	100.00	Ernst & Young
Crossco (1371) Limited	United Kingdom	100.00	Ernst & Young
Darrington Quarries Limited	United Kingdom	100.00	Ernst & Young
Derbyshire Waste Limited	United Kingdom	100.00	Ernst & Young
East Waste Limited	United Kingdom	100.00	Ernst & Young
FCC Environment (Berkshire) Ltd.	United Kingdom	100.00	Ernst & Young
FCC Environment (UK) Limited	United Kingdom	100.00	Ernst & Young
FCC Environment Limited	United Kingdom	100.00	Ernst & Young
FCC Environment Lostock Ltd.	United Kingdom	100.00	
FCC Lostock Holdings Limited	United Kingdom	100.00	Ernst & Young
FCC Recycling (UK) Limited	United Kingdom	100.00	Ernst & Young
FCC Waste Services (UK) Limited	United Kingdom	100.00	Ernst & Young
FCC Wrexham PFI Holdings Limited	United Kingdom	100.00	Ernst & Young
FCC Wrexham PFI Limited	United Kingdom	100.00	Ernst & Young
FCC Wrexham PFI (Phase II Holding) Ltd.	United Kingdom	100.00	Ernst & Young
FCC Wrexham PFI (Phase II) Ltd.	United Kingdom	100.00	Ernst & Young
Finstop Limited	United Kingdom	100.00	
Focsa Services (UK) Limited	United Kingdom	100.00	
Hykeham O&M Services Limited	United Kingdom	100.00	Ernst & Young
Integrated Waste Management Limited	United Kingdom	100.00	Ernst & Young
J&B Bio Limited	United Kingdom	100.00	Ernst & Young
J&B Recycling Limited	United Kingdom	100.00	Ernst & Young
Landfill Management Limited	United Kingdom	100.00	Ernst & Young

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ANEXO I/5

Company	Address/Registered office	Effective ownership (%)	Auditor
Lincwaste Limited	United Kingdom	100.00	Ernst & Young
Mercia Waste Management Ltd.	United Kingdom	100.00	Ernst & Young
Norfolk Waste Limited	United Kingdom	100.00	Ernst & Young
Pennine Waste Management Limited	United Kingdom	100.00	Ernst & Young
RE3 Holding Limited	United Kingdom	100.00	Ernst & Young
RE3 Limited	United Kingdom	100.00	Ernst & Young
Severn Waste Services Limited	United Kingdom	100.00	Ernst & Young
T Shooter Limited	United Kingdom	100.00	Ernst & Young
UBB Waste (Essex) Limited	United Kingdom	70.00	Ernst & Young
UBB Waste (Gloucestershire) Holdings Ltd.	United Kingdom	100.00	Ernst & Young
UBB Waste (Gloucestershire) Intermediate Ltd.	United Kingdom	100.00	Ernst & Young
UBB Waste (Gloucestershire) Ltd.	United Kingdom	100.00	Ernst & Young
Urbaser Environmental Limited	United Kingdom	100.00	Ernst & Young
Urbaser Investments Limited	United Kingdom	100.00	Ernst & Young
Urbaser Limited	United Kingdom	100.00	Ernst & Young
Waste Recovery Limited	United Kingdom	100.00	
Waste Recycling Group (Central) Limited	United Kingdom	100.00	Ernst & Young
Waste Recycling Group (Scotland) Limited	United Kingdom	100.00	Ernst & Young
Waste Recycling Group (UK) Limited	United Kingdom	100.00	Ernst & Young
Waste Recycling Group (Yorkshire) Limited	United Kingdom	100.00	Ernst & Young
Wastenotts O & M Services Limited	United Kingdom	100.00	Ernst & Young
Wastewise Holding Limited	United Kingdom	100.00	Ernst & Young
Wastewise Limited	United Kingdom	100.00	Ernst & Young
Wastewise (UK) Limited	United Kingdom	100.00	Ernst & Young
Welbeck Waste Management Limited	United Kingdom	100.00	Ernst & Young
WRG (Midlands) Limited	United Kingdom	100.00	Ernst & Young
WRG (Northern) Limited	United Kingdom	100.00	Ernst & Young
WRG Environmental Limited	United Kingdom	100.00	Ernst & Young
WRG Adquisitions 2 Limited	United Kingdom	100.00	Ernst & Young
WRG Waste Services Limited	United Kingdom	100.00	
FCC Group - PFI Holdings			
FCC PFI Holdings Limited	United Kingdom	100.00	Ernst & Young

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ANNEX I/6

Company	Address/Registered office	Effective ownership (%)	Auditor
Green Recovery Group			
Allington Energy Networks Ltd.	United Kingdom	51.00	
FCC Buckinghamshire Holdings Limited	United Kingdom	51.00	Ernst & Young
FCC Buckinghamshire Limited	United Kingdom	51.00	Ernst & Young
FCC Buckinghamshire (Support Services) Ltd.	United Kingdom	51.00	
FCC Energy Holdings Ltd.	United Kingdom	51.00	Ernst & Young
FCC Energy Limited	United Kingdom	51.00	Ernst & Young
FCC Environmental Developments Ltd.	United Kingdom	51.00	Ernst & Young
FCC Environment (Lincolnshire) Ltd.	United Kingdom	51.00	Ernst & Young
FCC (E&M) Holdings Ltd.	United Kingdom	51.00	Ernst & Young
FCC (E&M) Ltd.	United Kingdom	51.00	Ernst & Young
Green Energy Finance Solutions Ltd.	United Kingdom	51.00	Ernst & Young
Green Recovery Projects Ltd.	United Kingdom	51.00	Ernst & Young
Kent Energy Limited	United Kingdom	51.00	Ernst & Young
Kent Enviropower Limited	United Kingdom	51.00	Ernst & Young
Wastenotts (Reclamation) Limited	United Kingdom	51.00	Ernst & Young
Houston Waste Services, LLC	United States	100.00	Ernst & Young
Houston Waste Solutions, LLC	United States	100.00	Ernst & Young
Industrial de Reciclaje de RAEES, S.L.	Ctra. National 611, Km. 61 - Osorno (Palencia)	100.00	
Integraciones Ambientales de Cantabria, S.A.	Monte de Carceña Cr CA-924 Pk 3,280 – Castañeda (Cantabria)	90.00	Ernst & Young
International Services Inc., S.A. Unipersonal	Av. Camino de Santiago, 40 – Madrid	100.00	
Jaime Franquesa, S.A.	P.I. Zona Franca Sector B calle D 49 – Barcelona	100.00	
Jaume Oro, S.L.	Av. del Bosc, s/n P.I. Hostal Nou – Bellpuig (Lleida)	100.00	
Limpieza e Higiene de Cartagena, S.A.	Luis Pasteur, 8 – Cartagena (Murcia)	90.00	Ernst & Young
Limpiezas Urbanas de Mallorca, S.A.	Ctra. Santa Margalida-Can Picafort – Santa Margalida (Balearic Islands)	100.00	Ernst & Young
Premier Waste Services, LLC.	United States	100.00	
Reciclado de Componentes Electrónicos, S.A.	El Matorral (Parque Actividades Medioambientales) – Aznalcóllar (Sevilla)	50.00	Ernst & Young
Recuperació de Pedreres, S.L.	Balmes, 36 Entresuelo – Barcelona	80.00	
Resicorreia Gestao Ser Amb Lda	Portugal	55.00	Ernst & Young
Serveis Municipals de Neteja de Girona, S.A.	Pl. del Vi, 1 - Gerona	75.00	Cataudit Auditors Associats
Servicio de Recogida y Gestión de Residuos Sólidos Urbanos del Consorcio Vega Sierra Elvira, S.A.	Antonio Huertas Remigio, 9 – Maracena	60.00	Capital Auditors
Servicios Especiales de Limpieza, S.A.	Federico Salmón, 13 – Madrid	100.00	Ernst & Young
Sistemas y Vehículos de Alta Tecnología, S.A.	Federico Salmón, 13 – Madrid	100.00	Ernst & Young

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ANNEX I/7

Company	Address/Registered office	Effective ownership (%)	Auditor
Societat Municipal Medioambiental d'Igualada, S.L.	Pl. de l'Ajuntament, 1 – Igualada (Barcelona)	65.91	Vaciero Auditores
Telford & Wrekin Services Limited	United Kingdom	100.00	Ernst & Young
Tratamientos y Recuperaciones Industriales, S.A.	Balmes, 36 Entresuelo – Barcelona	75.00	Capital Auditors
Valoración y Tratamiento de Residuos Urbanos, S.A.	Riu Magre, 6 – P.I. Patada del Cid – Quart de Poblet (Valencia)	80.00	Capital Auditors
Valorización y Tratamiento de Residuos, S.A.	Alameda de Mazarredo, 15-4º A – Bilbao (Biscay)	100.00	Vaciero Auditores

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ANNEX II

COMPANIES JOINTLY CONTROLLED WITH THIRD PARTIES OUTSIDE THE GROUP (CONSOLIDATED USING THE EQUITY METHOD)

Company	Address/Registered office	Carrying amount of the backlog		Effective ownership (%)	Auditor
		2024	2023		
Atlas Gestión Medioambiental, S.A.	Av. Barcelona, 109. P.5 – Sant Joan Despí (Barcelona)	3,526	6,559	50.00	Ernst & Young
Ecoparc del Besós, S.A.	Rambla Cataluña, 91-93 – Barcelona	5,878	5,534	49.00	Castellà Auditors Consultors S.L.P.
Ecoserveis Urbans de Figueres, S.L.	Av. de les Alegries, s/n – Lloret de Mar (Girona)	294	168	50.00	
Electrorecycling, S.A.	Ctra. BV – 1224 Km. 6,750 – El Pont de Vilomara i Rocafort (Barcelona)	2,434	2,047	33.33	Audinfor
Empresa Mixta de Limpieza de la Villa de Torrox, S.A.	Plaza de la Constitución, 1 – Torrox (Málaga)	298	342	50.00	
Empresa Mixta de Medio Ambiente de Rincón de la Victoria, S.A.	Av. Zorreras, 8 – Rincón de la Victoria (Málaga)	434	246	50.00	
Fisersa Ecoserveis, S.A.	Alemanya, 5 – Figueres (Girona)	204	204	36.36	Auditoria i Control Auditors S.L.P.
Gestión y Valorización Integral del Centro, S.L.	De la Tecnología, 2. P.I. Los Olivos – Getafe (Madrid)	716	576	50.00	Capital Auditors and Consultants, S.L.
Grupo FCC Environment (UK)		—	17,393		
Beacon Waste Limited (2023)	United Kingdom	—	—	50.00	Ernst & Young
Mercia Waste Management Ltd. (2023)	United Kingdom	—	—	50.00	Ernst & Young
Severn Waste Services Limited (2023)	United Kingdom	—	—	50.00	Ernst & Young
Ingenieria Urbana, S.A.	Calle l esquina calle 3, P.I. Pla de la Vallonga – Alicante	1,099	3,684	35.00	Baker & Tilly
Mediaciones Comerciales Ambientales, S.L.	Av. Barcelona, 109. P.5 – Sant Joan Despí (Barcelona)	980	943	50.00	
Palacio de Exposiciones y Congresos de Granada, S.A.	Paseo del Violón, s/n – Granada	-3,282	-3,199	50.00	Hispanobelga Economistas Auditores, S.L.P.
Pilagest, S.L.	Ctra. BV – 1224 Km. 6,750 – El Pont de Vilomara i Rocafort (Barcelona)	208	209	50.00	
Tratamiento Industrial de Residuos Sólidos, S.A.	Rambla Cataluña, 91 – Barcelona	431	483	33.33	Castellà Auditors Consultors, S.L.P.
Zabalgarbi, S.A.	Camino Artigabidea, 10 – Bilbao (Biscay)	11,039	13,100	30.00	KPMG
TOTAL VALUE OF CONSOLIDATED COMPANIES USING THE EQUITY METHOD (JOINT VENTURES)		**24,240**	**48,289**		

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ANNEX III

ASSOCIATES CONSOLIDATED USING THE EQUITY METHOD

Company	Address/Registered office	Carrying amount of the backlog		Effective ownership (%)	Auditor
		2024	2023		
Aprochim Getesarp Rymoil, S.A.	P.I. Logrezana s/n– Carreño (Asturias)	1,653	1,439	32.17	Menéndez Auditores
Aragonesa de Gestión de Residuos, S.A.	Paseo María Agustín, 36 – Zaragoza	60	39	12.00	CGM Auditores, S.L.y Villalba, Envid y Cia. Auditores, S.L.P.
Aragonesa de Tratamientos Medioambientales XXI, S.A.	Ctra. Castellón Km. 58 – Zaragoza	582	549	33.00	
Betearte, S.A.U.	Cr. BI – 3342 pk 38 Alto de Areitio – Mallabia (Biscay)	902	671	33.33	
Gestión Integral de Residuos Sólidos, S.A.	Serrans, 12 – 14 Ent. 1 – Valencia	5,971	5,526	49.00	Grupo de Auditores Públicos, S.A.
Giref Generación Renovable, S.L.	Pedro Lafayo, 6 - Eivissa / Ibiza (Balearic Islands)	1	1	20.00	
Grupo FCC CEE		8,802	7,759		
A.K.S.D. Városgazdálkodási Korlátolt FT	Hungary	—	—	25.50	
ASTV s.r.o.	Czech Republic	—	—	49.00	
FCC + NHSZ Környezetvédelmi HKft	Hungary	—	—	50.00	Interauditor
FCC Hlohovec s.r.o.	Slovakia	—	—	50.00	
Huber Abfallservice Verwaltungs GmbH	Austria	—	—	49.00	
Huber Entsorgungs GmbH Nfg KG	Austria	—	—	49.00	
Killer GmbH	Austria	—	—	50.00	
Killer GmbH & Co KG	Austria	—	—	50.00	Rittmann
Recopap s.r.o.	Slovakia	—	—	50.00	
Tev-Akva Kft.	Hungary	—	—	8.67	Lázár Enikő
Grupo FCC Environment (UK)		29,725	40,849		
CI III Lostock EFW Limited.	United Kingdom	—	—	40.00	Deloitte
Lostock Sustainable Energy	United Kingdom	—	—	40.00	Deloitte
Lostock Power Limited	United Kingdom	—	—	40.00	Deloitte
Grupo Tirme		11,924	9,819		
Circulare, S.L.U.	Cr. de Sóller Km. 8.2 – Palma de Mallorca (Balearic islands)	—	—	20.00	
MAC Insular, S.L.	P.I. Ses Veles, (Cl. Romaní), 2 – Bunyola (Balearic islands)	—	—	14.00	Deloitte
MAC Insular II, S.L.	Cr. de Sóller Km. 8.2 – Palma de Mallorca (Balearic islands)	—	—	15.00	
Tirme, S.A.	Ctra. Soller Km. 8,2 Camino de Son Reus – Palma de Mallorca (Balearic islands)	—	—	20.00	Deloitte
TOTAL VALUE OF CONSOLIDATED COMPANIES USING THE EQUITY METHOD (ASSOCIATED COMPANIES)		**59,620**	**66,652**		

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ANNEX IV

CHANGES IN THE SCOPE OF CONSOLIDATION

ADDITIONS	Address/Registered office
FULL CONSOLIDATION	
Beacon Waste Limited	United Kingdom
Biowise Limited	United Kingdom
Crossco (1370) Limited	United Kingdom
Crossco (1371) Limited	United Kingdom
Eur Services Dechets SAS	France
Eur Services Maintenance SAS	France
Eur Services Proprete SAS	France
Eur Services Voire SAS	France
FCC Environmental Services Minnesota Llc.	United States
FCC Environmental Services North Carolina Llc.	United States
FCC Equal CEE Melilla, S.L.U.	Actor Tallaví, 20 – Melilla
Gel Holdings Llc.	United States
J&B Bio Limited	United Kingdom
J&B Recycling Limited	United Kingdom
Limek Plus spol., s.r.o.	Czech Republic
Mercia Waste Management Ltd.	United Kingdom
Resicorreia Gestao Ser Amb Lda	Portugal
Severn Waste Services Limited	United Kingdom
UBB Waste (Essex) Limited	United Kingdom
UBB Waste (Gloucestershire) Holdings Ltd.	United Kingdom
UBB Waste (Gloucestershire) Intermediate Ltd.	United Kingdom
UBB Waste (Gloucestershire) Ltd.	United Kingdom
Urbaser Environmental Limited	United Kingdom
Urbaser Investments Limited	United Kingdom
Urbaser Limited	United Kingdom
Wastewise Holding Limited	United Kingdom
Wastewise Limited	United Kingdom
Wastewise (UK) Limited	United Kingdom

DERECOGNITIONS	Address/Registered office
FULL CONSOLIDATION	
FCC HP s.r.o.	Czech Republic

DERECOGNITIONS	Address/Registered office
JOINT VENTURES	
Beacon Waste Limited	United Kingdom
Mercia Waste Management Ltd.	United Kingdom
Severn Waste Services Limited	United Kingdom

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ANNEX V

TEMPORARY JOINT VENTURES, ECONOMIC INTEREST GROUPS AND OTHER ENTERPRISES

	Percentage of integration at 31 December 2024
UBB ESSEX CONSTRUCTION JV	70
UBB GLOUCESTER CONSTRUCTION JV	50
UTE 2024 ALUMBRADO GRANADA	50
UTE A CORUÑA LIMPIEZA	70
UTE AGARBI BI	60
UTE AGARBI INTERIORES	60
UTE AIZMENDI	60
UTE ALCANTARILLADO ALCOY	50
UTE ALCANTARILLADO BURGOS	60
UTE ALCANTARILLADO MELILLA	50
UTE ALUMBRADO ARGANDA	50
UTE ALUMBRADO GELVES	50
UTE ALUMBRADO GRANADA	50
UTE ALUMBRADO LEPE	50
UTE ALUMBRADO LUGO	25
UTE ALUMBRADO MONT - ROIG DEL CAMP	50
UTE ALUMBRADO ÚBEDA	50
UTE AMPLIACIÓN VERTEDERO PINTO	50
UTE ARAZURI 2020	50
UTE ARCOS	51
UTE ARCOS LIMPIEZA VIARIA	51
UTE ARTIGAS	60
UTE ARTIGAS II	60
UTE ARUCAS II	70
UTE BAIX EBRE-MONTSIÀ	60
UTE BILKETA 2017	60
UTE BIO ERAIKIGARBI	60
UTE BIO GARBIKETA	60
UTE BIOCOMPOST DE ALAVA	50
UTE BIZKAIAKO HONDARTZAK	50
UTE BIZKAIKO HONDARTZAK 2021	50
UTE BOADILLA	50
UTE CABRERA DE MAR	50
UTE CANA PUTXA	20
UTE CARMA	50
UTE CASTELLANA - PO	50
UTE CENTRO AMBIENTAL PAMPLONA	50
UTE CLAUSURA GARRAF	50
UTE CMG2 KUDEAKETA	92
UTE CMG2 LANAK	92
UTE COMPLEJO AMBIENTAL COPERO	33
UTE COMPOSTAJE MCP	50
UTE CONTENEDORES LAS PALMAS	30
UTE CTR VALLADOLID	80
UTE CTR.DE L'ALT EMPORDA	45
UTE CTR-VALLES	20
UTE CÚA	50
UTE DEPENDENCIAS ELCHE	80
UTE DONOSTIAKO GARBIKETA	70
UTE DOS AGUAS	35
UTE EASO GARBIA	60
UTE EBRE-FLIX	47
UTE ECOGONDOMAR	70
UTE ECOMILLA BICIPARK	60
UTE ECOPARC 3 BCN	50
UTE ECOPARQUE CÁCERES	50
UTE ECO-TRI	50
UTE ECOURENSE	50
UTE EFIC. ENERG. PTO ROSARIO	60
UTE ELCHE	50
UTE ENERGÍA SOLAR ONDA	25
UTE ENLLUMENAT SABADELL	50

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

ANNEX V/2

	Percentage of integration at 31 December 2024
UTE ENVASES LIGEROS MALAGA	50
UTE EPELEKO KONPOSTA	60
UTE EPREMASA PROVINCIAL	55
UTE ES VEDRA	25
UTE ETXEBARRI	60
UTE F.S.S.	99
UTE FCC PERICA I	60
UTE FCC PERICA II	60
UTE FCC SA/CONTENUR SL - PARQUES INFANTILES LP	50
UTE FCC-ERS LOS PALACIOS-VILLAFRANCA	50
UTE FCC-MCC SANTIAGO DEL TEIDE	80
UTE FCC-SUFI MAJADAHONDA	50
UTE FORM ECOPARC 3 BCN	50
UTE FUENTES DE CÁDIZ	50
UTE FUENTES LAS PALMAS	25
UTE FUERTEVENTURA LOTE 2	50
UTE GESTIÓ INTEGRAL DE RUNES DEL PAPIOL	40
UTE GESTIÓN INSTALACIÓN III	35
UTE GIPUZKOAKO HONDARTZAK 2020	60
UTE GIPUZKOAKO HONDARTZAK 2022	60
UTE GIPUZKOAKO KONPOSTA	60
UTE GIPUZKOAKO PORTUAK 2019	40
UTE GIPUZKOAKO PORTUAK 2023	40
UTE GIREF	20
UTE GOIERRI BILKETA	60
UTE GOIERRI GARBIA	60
UTE INDUSTRIALES LEA ARTIBAI	60
UTE INTERIORES BILBAO	80
UTE INTERIORES BILBAO II	70
UTE JARDINERAS 2019	60
UTE JARDINERAS 2024	60
UTE JARDINES BOADILLA	70
UTE JARDINES PTO DEL ROSARIO	78
UTE JARDINES UJI	50
UTE JEREZ	80
UTE JJ GAIKETA SANMARKO	63
UTE JUNDIZ II	51
UTE KIMAKETAK LAU	50
UTE LA LLOMA DEL BIRLET	80
UTE LAGUNAS II	33
UTE LAS CALDAS GOLF	50
UTE LEGIO VII	50
UTE LEKEITIOKO MANTENIMENDUA	60
UTE LEZO GARBIKETA 2018	55
UTE LIMPIEZA Y RSU LEZO	55
UTE LITORAL ILLES BALEARS	50
UTE LOGROÑO LIMPIO	50
UTE LUZE VIGO	20
UTE LV COSLADA	50
UTE LV LOTE IV	65
UTE LV RIBERA	90
UTE LV RSU MUSKIZ	60
UTE LV RSU VITORIA-GASTEIZ	60
UTE LV ZUMAIA	60
UTE LV ZUMARRAGA	60
UTE MANT. EDIF. DIP. VALENCIA	28
UTE MANT. EDIFICIOS VALENCIA	28
UTE MANT. INSTALACIONES L9	50
UTE MANTENIMENT LOT 12	75
UTE MANTENIMIENTO MANISES	50
UTE MEJORAS PARQUE SAN ISIDRO	99
UTE MELILLA	50
UTE MODIFICACION PLANTA LAS DEHESAS	50
UTE NETEJA I RECOLLIDA ANGLÈS	50
UTE NETEJA PINTADES BARCELONA	84.20
UTE NETIAL	66.66
UTE NEUMÁTICA CASCO ANTIGUO	65
UTE NIVARIA	34

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 1 and 32). In the event of a discrepancy, the Spanish-language version prevails

ANNEX V/3

	Percentage of integration at 31 December 2024
UTE OBRA CUB. CAPAT. CATARROJA	28
UTE ONDA EXPLOTACION	33
UTE ORGÁNICA MCP CAPARROSO	50
UTE PÁJARA	70
UTE PAMPLONA	80
UTE PAP LA CELLERA	50
UTE PARLA	50
UTE PLAN RESIDUOS	48
UTE PLANTA MATERIA ORGÁNICA	40
UTE PLANTA RSI TUDELA	60
UTE PLANTA TRATAM. VALLADOLID	90
UTE PONIENTE ALMERIENSE	50
UTE PORTMANY	50
UTE PTMR	50
UTE PTO ROSARIO JARDINES DOS	90
UTE RBU VILLA - REAL	47
UTE RBU. ELS PORTS	50
UTE REC. NEUM. VALDESPARTERA	49
UTE RECOLLIDA SEGRIÀ	60
UTE REG CORNELLÀ	60
UTE REHAB. PARQUE LA GAVIA	45
UTE RELIMA	80
UTE REUTILIZA	70
UTE RSU BILBAO II	60
UTE RSU CHIPIONA	50
UTE RSU DONOSTI	70
UTE RSU INCA	80
UTE RSU LV MUSKIZ	60
UTE RSU LV S. BME TIRAJANA	50
UTE RSU MÁLAGA	50
UTE RSU SESTAO	60
UTE RSU TOLOSALDEA	60
UTE RSU Y LV COLMENAR VIEJO	50
UTE RSU Y LV PALENCIA	50
UTE RSU Y LV TORREJÓN DE ARDOZ	60
UTE S.U. BENICASSIM	35
UTE S.U. OROPESA DEL MAR	35
UTE S.U. BILBAO	60
UTE SAN MIGUEL-ANAKA	50
UTE SANEAMIENTO EMASA	50
UTE SANEAMIENTO VITORIAGASTEIZ	60
UTE SANEJAMENT CELLERA DE TER	50
UTE SANEJAMENT GIRONA	70
UTE SANEJAMENT GRANOLLERS	80
UTE SAV-FCC TRATAMIENTOS	35
UTE SELEC. UROLA KOSTA II 2017	60
UTE SELECTIVA LAS PALMAS	55
UTE SELECTIVA SAN MARCOS II	63
UTE SELECTIVA SANLUCAR	50
UTE SELECTIVA UROLA KOSTA	60
UTE SELL. VERT. GARDELEGUI	50
UTE SESTAO GARBIKETA	60
UTE SEVILLA AREAS TERRITORIALES	50
UTE STO. URBANO CASTELLÓN	65
UTE SU ALICANTE	33.34
UTE TOLOSAKO GARBIKETA	40
UTE TOLOSAKO GARBIKETA 2020	40
UTE TOLOSAKO GARBIKETA 2024	40
UTE TOLOSALDEA RSU 2018	60
UTE TOLOSALDEA RSU 2023	60
UTE TRANSP. Y ELIM. RSU	33
UTE TRANSPORTE RSU	33
UTE TXORIERRI RSU 2023	60
UTE URIBE KOSTA	60
UTE UROLA ERDIA	60
UTE UROLA KOSTA 2023	60
UTE URRETXU GARBI 2023	60
UTE URRETXU GARBIKETA	60

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ANNEX V/4

	Percentage of integration at 31 December 2024
UTE VERTEDERO AIZMENDI 2024	70
UTE VERTEDERO GARDELEGUI III	70
UTE VERTRESA	10
UTE VILOMARA II	33
UTE ZAMORA LIMPIA	30
UTE ZARAGOZA ALCANTARILLADO	50
UTE ZARAGOZA DELICIAS	51
UTE ZARAUTZ GARBIA	60
UTE ZUMARRAGA GARBIA	60
UTE ZZVV SANTA CRUZ TENERIFE	50

**FCC SERVICIOS MEDIO AMBIENTE HOLDING S.A.
AND SUBSIDIARIES (CONSOLIDATED GROUP)**

Management Report 2024

1. BUSINESS MODEL AND STRATEGY

FCC Servicios Medio Ambiente Holding is one of the leading European groups that specialises in environment-related services, with a presence in more than 12 countries worldwide and above 47% of its turnover generated in international markets, mainly the United Kingdom, Central Europe and the United States.

Its activity focuses on the protection and protection of the environment, not only for the same production activity: waste collection, road cleaning, operation and control of landfills, sewer cleaning, treatment and disposal of industrial waste, etc.), but also for the development of this activity through the use of production techniques and systems aimed at reducing environmental impact even more meticulously than required by the limits established in the regulations on these matters.

The development of the production activity requires the use of buildings, technical installations and specialised machinery that are efficient in protecting and conserving the environment

In general, there is a broad commitment to climate change, as shown not only in the development of new technologies, but also the issuance of green bonds to finance the acquisition of assets to enable the growth of our business.

2. MARKET SITUATION, TRENDS AND BUSINESS RESULTS

2.1 Atlantic Market: Spain / Portugal / France

Notable services provided by FCC Medio Ambiente Holding on the Atlantic platform include waste collection and street cleaning activities, accounting for 49% of its revenues. It is followed in order of importance by waste treatment and disposal (33% of turnover), and to a lesser extent by cleaning and maintenance of buildings, parks and gardens and maintenance and upkeep of sewers. More than 83% of the activity is carried out with public clients.

The FCC Servicios Medio Ambiente Holding Group has a strong presence in Spain, having maintained a leading position in the provision of urban environmental services for over 110 years.

In Spain, the Group provides environmental services in more than 3,700 municipalities and organisations in all the Autonomous Communities, serving a population of more than 33 million inhabitants.

The Environmental Services Area also specialises in the end-to-end management of industrial and commercial waste, recovery of by-products and soil decontamination, through the FCC Ámbito brand, which encompasses a group of companies with an extensive network of management and recovery facilities. This enables proper waste management, ensuring the protection of the environment and people's health.

Strategically, in Spain, as has been the case for years, actions will focus on maintaining competitiveness and a leading position, combining know-how and the development of innovative technologies, offering respectful, inclusive and sustainable services (combating climate change and reducing the carbon footprint). Efforts shall also be made to harness potential opportunities offered by stricter regulations and new services (smart cities), the ultimate objective of which is to replace the straight-line production model with a circular model that reincludes residual materials into the production process, given the high level of technical knowledge that the company has and the development of new machinery and innovative processes, with a presence, either as leaders or collaborators, in a large number of R&D+i projects.

In Portugal, there are various business opportunities relating to the treatment and disposal of industrial waste, as well as projects focusing on soil decontamination.

The acquisition of the operating subsidiaries of Europe Services Groupe (ESG) in France was completed in August 2024, in exchange for 107.4 million euros. This entity operates several lines of business, including waste collection and street cleaning, in two of the most populous regions of the country (Ille-de-France and Rhône-Alpes).

Strategic actions in France will focus on growing the core activities of waste collection and street cleaning, while also tapping any opportunities that arise in relation to waste treatment.

2.2 International market

Moreover, international business is mainly conducted in the United Kingdom, Central Europe and the United States. For years, the Group has held a leading position in the United Kingdom and Central European markets in the integrated management of municipal solid wastes, as well as in the provision of a wide range of environmental services. The various services provided in this sector include treatment and recycling, disposal, waste collection and the generation of renewable energy, with a growing weight and gradual reduction of disposal in controlled landfills.

In the United Kingdom, the entire municipal waste management chain is operated, with a particular emphasis on the recycling and recovery process, including thermal recovery, of products and by-products, subject to maximum environmental sustainability criteria. It has upwards of 200 waste management facilities across the country and more than 215 MW of installed renewable electrical power.

The acquisition of the Urbaser group's business in the United Kingdom was completed in June. The enterprise value (including debt and equity) amounted to 398 million pounds sterling. The business acquired mainly undertakes recycling and waste treatment activities.

In Central and Eastern Europe, the Group provides services in seven countries (Austria, Czech Republic, Slovakia, Poland, Hungary, Romania and Serbia) to a total population of 5.4 million inhabitants, 1,700 municipalities and close to 52,000 private clients. The range of services provided and the geographical dispersion is very diverse and balanced, including municipal and industrial collection, mechanical and biological treatment, incineration, landfill, street cleaning, snow collection, recycling, building cleaning, soil decontamination work, etc. This broad diversification ensures great business stability in a market with major barriers to entry and the possibility of providing an integrated service to many clients.

Internationally, there has been strong growth in the United States, where sales growth was up to 9.4% year on year in 2024. Notably, FCC is already among the top 15 companies operating within the sector in the United States, and expects to make it into the Top 10 in the next two years. FCC Environmental Services already serves around 11.6 million citizens, is the largest recycler in Texas, and has an important presence in Florida in cities as important as Orlando, Tampa, Palm Beach, Daytona Beach, Lakeland and Wellington as well as significant operations in both the Midwest and the West Coast.

In May 2024, FCC Environmental Services, the subsidiary of the environmental area operating in the United States, acquired Gel Recycling Holdings, one of the largest management companies for recyclable materials in central Florida. This acquisition also included the addition of three recycling facilities for construction and demolition debris.

In 2024, the company was already operating out of the states of Florida, Texas, California, Nebraska, Minnesota and North Carolina, having secured numerous contracts, including the renewal of the Houston (TX) and Polk County (FL) Biosolids contracts and the awarding of new waste collection services in Sarasota County and Clay County (both in Florida), Saint Paul (Minnesota) and Buncombe County (North Carolina), among others.

The inclusion of new technologies will make it possible for the company to consolidate itself in the recycling and waste recovery markets in Europe and position itself as a key player in the circular economy, with a change in the business model in the Czech Republic, Slovakia and Poland towards further treatment and development of energy recovery technology using waste (incineration and fuel generation) given that the legal situation (prohibition of landfills or taxes on landfills) has already been defined and this transition is essential to maintaining the competitiveness and market share. Another essential strategic objective is the increase in the quality and quantity of reusable raw materials to meet the EU's ambitious targets (Circular Economy) by investing in selective collection and automatic sorting facilities.

As for the United States, in the coming years, the company will continue to consolidate its presence through growth in residential contracts and the strengthening of commercial collection operations. FCC has also begun to develop mechanical-biological treatment plans, in line with new regulations that are beginning to make it mandatory in some states to minimise landfill disposal. The group's significant experience at European and international level will bring considerable development in this business for FCC, which has a clearly differentiating experience in this technology compared to its usual competitors in the country.

2.3 Business result

KEY FIGURES			
(million euros)	**Dec. 24**	**Dec. 23**	**Chg. (%)**
Revenue	4,346.13	3,852.99	12.80%
Gross Operating Profit (EBITDA)	730.70	647.21	12.90%
EBITDA margin	*16.81%*	*16.80%*	0.09%
Net operating profit (EBIT)	242.48	334.62	-27.54%
EBIT margin	*5.58%*	*8.68%*	-35.76%
Profit attributable to the Parent	33.22	194.13	-82.89%
	Dec. 24	**Dec. 23**	**Chg. (%)**
Equity	1,187.87	1,099.03	8.08%
Net financial debt	2,651.47	1,819.65	45.71%
Portfolio	14,110.40	13,328.40	5.87%

The Services Group's revenues were up 12.8% year on year to reach 4,346 million euros, largely due to the higher contribution made by new contracts in Spain and the United States, together with the contracts added in France following the acquisition of ESG's operating subsidiaries and the UK Urbaser contracts in the United Kingdom.

EBITDA was up 12.90% to 730.7 million euros, driven by the growth in revenues, as explained earlier, together with the contribution made by the acquisitions made during the period. With this in mind, the operating margin remained at similar levels to the previous year.

EBIT fell by 27.5% year on year to 242.5 million euros, thanks to the trend in the various components of EBITDA, as just mentioned, and the inclusion of an increase in the allocation of depreciation, amortisation and provisions in the United Kingdom.

At year-the, the backlog climbed to 14,110.40 million euros, notably including contracts in Spain (the renewal of the municipal solid waste, street cleaning and sewerage contract in Hospitalet, the renewal and modernisation of the street cleaning service in San Sebastián, the new waste collection, street cleaning and clean point management contract in Benalmádena) and also internationally, mainly due to new contracts secured in the United States, including those awarded in Sarasota County and Clay County (both in Florida), Saint Paul (Minnesota) and Buncombe County (North Carolina). Further highlights included the acquisitions made in the United Kingdom, France and the United States.

Breakdown of revenue by geographical area

(million euros)	**Dec. 24**	**(%)**	**Dec. 23**	**(%)**
Spain/Portugal/France	2,384.10	54.9%	2,116.0	48.7%
United Kingdom	923.6	21.3%	778.7	17.9%
Central Europe	654.4	15.1%	607.0	14.0%
United States	384.0	8.8%	351.3	8.1%
Total	**4,346.1**	**100%**	**3,853.0**	**100%**

By geographical area, revenues in Spain/Portugal/France were up 12.7% year on year to 2,384.1 million euros, on account of the high volumes of contracts for street cleaning and collection activities, combined with the increase in volume of operations performed in other types of services and, to a lesser extent, the incorporation in August 2024 of the French group.

In the United Kingdom, revenues were up 18.6% to 923.6 million euros, largely due to the entry into consolidation of the UK Urbaser subgroup in June, which mitigated the reduction due to payment of the landfill tax and, to a lesser extent, a lower contribution from recovery activity, offset partially by increased recycling activity.

In Central Europe, revenues were up 7.8% to reach 654.4 million euros, following a strong performance across virtually all countries in which the Services Group operates.

Lastly, revenue in the United States increased by 9.4% to reach 384 million euros, due to the contribution made by the RBU new waste collection and treatment contracts, mainly in Florida and California.

2.4 Business performance.

Described below is the outlook for 2025 in relation to the main areas of activity that make up the Services Group.

In the countries where it operates, the sector is undergoing a major process of transformation, due to the environmental requirements of each country deriving from the European Directives (new opportunities based on the ambitious targets set by the European Union in relation to the circular economy and climate change). The new services will focus on energy efficiency, urban mobility and smart cities.

Spain/Portugal/France

In Spain, moderate growth is expected based on the implementation of new contracts, going to all tenders that may be attractive due to their strategy and/or profitability.

With regard to the waste collection and street cleaning activity, it is expected to maintain the current rate of contract renewal above 90% and the rate of new contracts at around 20%, with growth in activity based on obligation to apply current legislation on waste in municipalities with smaller populations.

In relation to waste treatment, the opportunities that may be generated by the new Waste Master Plans of the different regional governments will be harnessed.

In relation to industrial waste activity, the aim is to diversify into other types of processing in addition to those currently being developed and expand the portfolio of services to large clients.

In Portugal, business opportunities related to processing industrial waste and the disposal of municipal waste is worth particular mention.

In France, further growth is expected in relation to waste collection and street cleaning activities, along with opportunities for waste treatment.

Consideration shall be given to any growth opportunities (including inorganic growth), especially if they can add value to the Group.

Rest of Europe

In the United Kingdom, at a macroeconomic level, as in other Western economies, moderate growth is expected in 2025. Inflation (CPI), more persistent than expected, and after the unusual levels reached in 2022, finally appears to have dipped below 2.7% at the end of 2024, in the hope that it will retreat further to ultimately reach the 2% target. Consequently, the markets are expecting the sterling interest rate, which reached 4.75% in November 2024, to see further cuts over the coming months.

On the environmental side, the Government's targets are generally consistent with those of the EU circular economy, with expectations for 2025 of recycling at 65% and a maximum of 10% of landfill disposals. The Environmental Act 2021 covers key aspects of environmental policy such as Extended Producer Responsibility (EPR), the Deposit Return Scheme (DRS) or recoverable packaging payments (single-use beverage containers), and there will be some delay in the implementation of the principle of consistency across collection systems, as a result of both political and economic factors. Regarding fiscal measures, the "Plastic Tax" was established in 2022 for packaging with less than 30% recycled content, and an emissions tax has been announced for 2028, which would affect the sector. Within this scenario of uncertainty caused by this delay, FCC continues to pursue its policy of offering a wide range of waste treatment and recycling services, both at municipal and commercial and industrial levels.

In Central Europe, the mid-term strategy is inexorably undergoing a change in the business model in the Czech Republic, Poland and Slovakia towards further treatment and development of energy recovery technology using waste (incineration and fuel generation) given that the legal situation (prohibition of landfills or taxes on landfills) has already been defined and this transition is essential to maintaining the competitiveness and market share. Another essential strategic objective is the increase in the quality and quantity of reusable raw materials to meet the ambitious objectives of the European Union (Circular Economy) through investment in selective collection and automatic sorting facilities.

In Central and Eastern Europe, moderate GDP growth is expected for 2024 with inflation now retreating, after running rampant in 2023 in the seven countries of the region, due to the exponential rise in energy prices, among other reasons. In any case, inflation should retreat further throughout 2025, moving closer to the central banks' targets, although it will remain a critical issue as it will imply lower consumption and therefore less waste in the market. For this reason, greater emphasis will be placed on increasing energy efficiency in treatment processes, cost reduction and rapid adjustment of rates with clients. Meanwhile, electricity and gas prices are expected to remain at lower levels than seen during late 2022 and much of 2023, due to the ongoing war in Ukraine. This situation will constrain margins at the Zistersdorf incinerator, although it will also reduce operating costs at the various treatment plants.

Recycling prices are expected to remain stable or very slightly higher than those observed in 2024; greater importance given of treatment due to legislative changes in several countries where FCC has already made (or has begun to make) the necessary investments to be able to undertake them; and an increase in rates in practically all commercial activities thanks to contractual flexibility (short duration for industrial clients) or to the price clauses included in municipal contracts (normally also of short duration so prices can also be easily negotiated).

United States

FCC is already among the Top 15 companies in the sector in the United States, with expectations of being in the Top 10 in the next 2 years. FCC Environmental Services already serves more than 11,6 million Americans, it is the largest recycler in Texas, boasts a very important presence in the main cities and counties of Florida as well as significant operations in both the Mid-West and the West coast of the country. Growth continues to be exponential, and the company will employ more than 2,000 people in 2025.

In the United States, several contracts initiated in 2023 were consolidated in 2024, including FCC's two largest (one in California and the other in Florida), and various waste collection contracts were initiated during the year, including those secured in Clay, St. Johns and Polk counties in Florida, or in the city of Saint Paul in Minnesota. Overall, sales and gross operating profit grew strongly in the United States throughout 2024, climbing 9.4% and 27.50% respectively. Numerous contracts were also won or renewed during the period, including roll-overs of the Houston (TX) and Polk County (FL) biosolids contracts, and the awarding of new waste collection services, such as those won in Sarasota County and Clay County (both in Florida), Saint Paul (Minnesota) and Buncombe County (North Carolina).

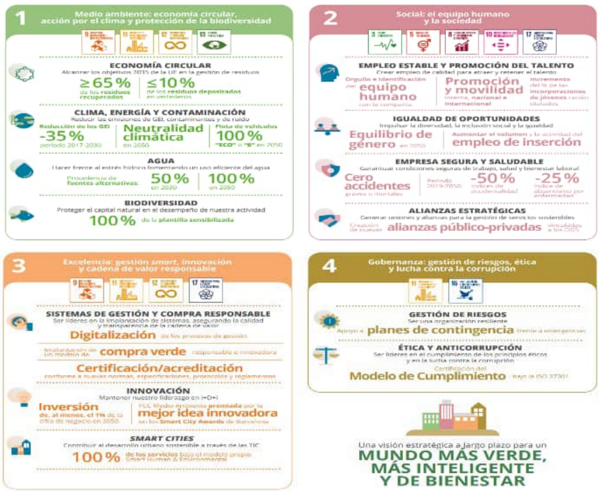
FCC Environmental Services is consolidating its mechanical-biological treatment plants in the United States, in line with new regulations that are beginning to make it mandatory to minimise waste sent for landfill disposal in some states. The group's significant experience at European and international level will bring considerable development in this business for FCC, which has a clearly differentiating experience in this technology compared to its usual competitors in the country.

3. SUSTAINABILITY

3.1. Strategy

Sustainability is a key concern for FCC Servicios Medio Ambiente. Since 1911, we have been running our business with sustainability firmly in mind, thus guaranteeing compliance with our commitments to quality of service, environmental protection, safe working conditions, energy efficiency and absolute respect for prevailing laws, standards and regulations.

In 2024, progress was made in fulfilling the public commitments set out in the Net-Zero Strategy of FCC Environment UK and our FCC Environment IBERIA Strategy 2050. Key figures are as follows:



Meanwhile, FCC Environment CEE and FCC Environmental Services USA continue to make progress towards sustainability in the most critical areas for the company, such as climate change, efficient waste management and the innovation and development of new solutions.

FCC Servicios Medio Ambiente Holding's first sustainability statement was published in 2024 with the primary aim of disclosing its commitment and the transparency of its environmental, social and governance (ESG) performance. This first Sustainability Statement, aligned with the Sustainable Development Goals (SDGs), sets out the consolidated figures for all the geographic platforms where the holding company operates, thus laying the groundwork for the incorporation of the new European ESRS (EU Sustainability Reporting Standards) into the company's sustainability reporting strategy. It also presents, for the first time, the results of the transversal projects the Group has been undertaking, including its analysis of climate change risks and opportunities and the double materiality assessment.

3.2. Highlights in sustainability

FCC Medio Ambiente

- FCC Medio Ambiente has renewed its pledge to combat climate change for another year by successfully renewing the “Calculo-Reduzco-Compenso” (Calculate, Reduce, Offset) seal of the Ministry for Ecological Transition and the Demographic Challenge, having achieved a 2.34% reduction in its average emission intensity over the 2021–2023 period compared with the previous three-year period. FCC Medio Ambiente Ámbito also earned the double “Calculo-Compenso” seal. The company has been taking part in this initiative since 2013 without interruption.

- FCC Medio Ambiente carried out the Hellín carbon sink project, after securing the necessary funding. The project, devised and promoted by Hellín Town Council (Albacete), consists of planting a 4.14-hectare forest on municipal land formerly occupied by the landfill site. The ultimate aim of this forest is to offset CO2 emissions.

- FCC Medio Ambiente was a winner at the World Smart City awards, in the Energy and Urban Environment category, for its “H2 fuel cell chassis for urban services” project, which involves the development of a hydrogen-powered waste collection vehicle in partnership with the Irizar group and other companies and organisations in the technology sector.

- FCC Ámbito is aiming to lead the way in the recycling of components from renewable electricity production facilities. Notably, the EnergyLOOP project was launched in 2024 alongside Iberdrola, with the aim of placing in operation the first plan view for recycling wind turbine blades, thus championing the circular economy. In tandem with this, the first plant for the end-to-end recycling of photovoltaic panels was unveiled in Zaragoza.

FCC Environment UK

- Our Energy Recovery and Landfill divisions in Lincolnshire were awarded the Sword of Honour, the British Health and Safety Council’s highest standard when it comes to occupational risk prevention. Our Eastcroft energy recovery facility was also awarded the Globe of Honour for its efforts in managing environmental and sustainability concerns.

- Two electric waste collection vehicles joined the UK fleet of FCC Environment. These two 26-tonne rear-loading garbage collectors will be used for waste collection in Herefordshire (UK).

FCC Environment CEE

- FCC Environment CEE continues to reduce the greenhouse gas emissions generated by the services it provides. In 2024, a total of five electric trucks were purchased to join the existing fleet. Moreover, 30 charging stations were installed for trucks and company cars, and solar panels and batteries were installed to store the surplus electricity generated, with the aim of recharging the electric vehicles in services and ultimately operating with zero emissions.

- Investments were made to improve operational and energy efficiency at several facilities. Highlights here included the extension and renovation of the Arad landfill in Romania, which will lead to further improvements in the operation that will increase the useful life of the facility until 2038; and the replacement of existing machinery for more efficient technology at the facilities of Gyal in Hungary, Nové Mesto in Slovakia or Zabrze in Poland.

- In the Czech Republic, hydrotreated vegetable oil (HVO) began to be used for the local company's garbage collection trucks. The aim of this measure is to analyse the feasibility of providing service with this fuel, which reduces direct greenhouse gas emissions by 90% when compared with diesel.

FCC Environmental Services USA

- Waste collection in the city of Saint Paul (Minnesota) was added to the activities carried out by FCC Environmental Services USA, after walking away with the contract for the service. This new contract will entail more than 25 million dollars of investment in an ECO fleet comprising upwards of 30 CNG-powered trucks and electric service support vehicles.

3.3. Sustainable financing

In 2024, FCC Servicios Medio Ambiente successfully placed a third green bond worth 600 million euros, as part of the Sustainable Financing Framework updated in 2023, which earned the favourable opinion of global classification society Det Norske Veritas (DNV). The Framework follows the Green Bond and Green Loan Principles of the International Capital Market Association (ICMA) and the Loan Market Association (LMA), as it encompasses both types of financing products.

The main aim of this issue is to finance major investments that will enable the development of sustainable environmental activities, notably including pollution prevention and control, clean transportation and the circular economy.

This bond comes on top of the two previous ones: the first, issued in 2019, worth 1.1 billion euros and divided into two tranches, one maturing in 2023 and another of 500 million maturing in 2029; and the second, issued in 2023, maturing in 2029, and worth 600 million euros, to refinance the first tranche of the 1.1 billion bond.

4. INNOVATION AND TECHNOLOGY – OTHER PROJECTS COMPLETED:

With a view to becoming a leader in innovation, FCC Servicios Medio Ambiente is continually and actively searching for innovative technologies that entail a transformation of the company and the services provided, in order to develop more efficient management models that allow them to adapt to the new realities.

Innovation plays a key role in the group's continued growth and sustainability. In 2024, the following projects were started or continued in relation to innovation and technological development.

4.1. Research and development milestones in 2024

In the field of waste treatment, circular economy and biorefineries

During 2024, development of the projects started in previous years has continued.

- **ECLOSION** provides new technological tools in the renewable energy sector.
- **MINETHIC** aims to investigate new sources of strategic raw materials.
- **LIFE ZEROLANDFILLING** addresses the environmental and economic concern of steadily increasing waste generation by demonstrating, for the first time, the cost-effectiveness and sustainability of an innovative, cutting-edge and integrated management system as a solution to treat and recover non-recyclable municipal solid waste that ends up in landfill.
- **LUCRA** aims to use municipal solid waste and wood waste from EU countries as raw inputs for the large-scale production of high-performance bio-based chemicals that will be in high demand among industrial end-users.
- **LIFE ABATE** is a solution for the reduction of gaseous emissions from waste treatment processes, seeking the reduction of volatile organic compounds, odours, energy requirements (savings on natural gas and electricity) and operating costs.
- **BIOPROLIGNO** aims to develop new experiences in relation to lignocellulosic waste pyrolysis in order to generate three state-of-the-art bioproducts: biochar, bio-bitumen and wood vinegar for road infrastructure maintenance (wood vinegar as a herbicide and bio-bitumen for pavement repair) and green area maintenance (wood vinegar and biochar as organic amendment).
- **BIOMET** aims to develop and optimise the next generation of biotech for the pre-treatment and biomethanisation of biogas into biomethane from both landfill and digesters. An initial map of the various biogas compositions of FCC Medio Ambiente's plants in Spain will be drawn up at the outset.
- **RSU4HOM** was created with the aim of minimising the environmental impact generated by the landfilling of **slag obtained from the incineration of municipal solid waste (MSW)**. To succeed, the aim is to recover this waste and integrate it as aggregates for the manufacture of various construction products (including concrete, mortar and prefabricated concrete).
- **ECO2D4.0**. The main objective of this project is to explore new applications for waste management in the Basque Country, especially where there are limited options for recovery, such as ferrosite, incineration slag and foundry sands, although milling waste (RCD) and black slag are also included.
- **PV4INK** aims to develop technologies for the recovery of silver contained in photovoltaic panels and its conversion into nanoparticles that can be used directly in the conductive ink industry for electronic applications.

In addition, two other projects have been started:

1. UNITED CIRCLES project: "**Networked industrial-urban symbiosis value chain demonstrators for biomaterials, C&DW, circular water loops & WWTPs, driven by Hubs 4 Circularity**"

Project in which 46 partners from 14 different countries and one international agency have joined forces to bring the cycles of three value chains of urban-industrial symbiosis full circle: organic waste, urban waste water and construction and demolition wastes.

The main aim of United Circles is to make faster progress towards a fully decarbonised future, where waste and water cycles come full circle. The aim is to demonstrate the transformation of waste into new recycled products within three hubs of urban-industrial symbiosis:

In Turkey, more precisely in the Ankara region: construction and demolition waste (CDW) will be turned into new buildings through 3D printing with a low environmental impact.

In Italy, in the Veneto region: used cooking oil and other organic waste will be transformed into new, fully biodegradable bioplastic products in order to replace fossil-based plastics.

In España, in Salamanca to be precise: energy and resource recovery is sought from organic waste, wastewater and sewage sludge and cellulose recovered from a sewage treatment plant.

In this project, FCC Environment is looking to valorise the waste streams in order to recover nutrients and energy vectors. To make this happen, it plans to apply various recovery processes, including the biological methanation of various biogas streams for conversion into biomethane, improved anaerobic digestion of reject streams to maximise biogas production at its waste treatment centres, and the use of innovative technologies such as hydrothermal liquefaction (HTL) to obtain high-value products. The project is being funded by the European Union under the Horizon Europe programme, for a total of 25,360,000 euros. It began in November 2024 and will run for 48 months.

2. PROSPER project: **"Promoting Innovation for sustainable sorting and recycling of dedicated bio-based plastics**"

The PROSPER project, in which FCC Medio Ambiente is taking part, aims to lead the transition towards circularity in the bio-based plastics market.

The project brings together the various agents involved in the bio-based plastics value chain: from large producers of plastic packaging to waste management companies, from technology centres to companies developing sorting technologies, with the aim of laying the foundations towards a [sic]

PROSPER sets out to improve the recycling and management of bio-based plastics through policy development, analysis of applicable fees and quantification of recycling rates for these materials. It will also demonstrate the technical progress made in recycling on an industrial scale and assess the market potential for these plastic products, considering their environmental impact and more appropriate business models. FCC Environment will take part in the project by assessing the technical feasibility of separating bio-based plastics at waste treatment centres. It will also analyse the practicality and effectiveness of waste sorting at source by citizens.

In the field of emissions reduction and energy efficiency

FCC Servicios Medio Ambiente has one of the most modern and sustainable vehicle fleets in the world. There is a huge variety of eco-friendly vehicles operating in the various geographies where services are provided. Additionally, there are research projects to reduce emissions from machinery and facilities, such as studies for the use of heat from waste recovery plants in the United Kingdom or R&D+i projects in Spain.

In 2024, the sustainable vehicles already operating in previous years were maintained and eco-friendly vehicles were added to the fleet:

In Spain:

- H2 Truck, heavy vehicle with hybrid fuel technology powered by hydrogen intended for urban service. In 2024, this project won the World Smart City awards in the Energy and Urban Environment category.
- Electric rear-loading compactor collector with a double-compartment body capable of working in electric mode and self-recharging with a CNG engine.
- 100% electric tank for irrigation and flushing with new generation lithium-ion batteries.
- Street cleaning cart with electric assistance.
- Visual inspection and recognition vehicles featuring artificial intelligence to detect waste placed outside containers.

In Central and Eastern Europe:

- 100% electric medium-sized cab collector with 100% recyclable batteries operating in Austria.
- Five new electric garbage collection vehicles in Austria.
- Vehicles running on HVO for waste collection in the Czech Republic.
- New CNG-powered garbage truck in Poland.

In the United Kingdom:

- Collection collectors powered by HVO (Hydrotreated Vegetable Oil), fuel from the recycling of used oils.
- Fully electric rear-loading waste collectors.

In the United States:

- CNG-powered waste collection vehicles.
- Fully electric service support vehicles (pick-ups, vans, etc.).

5. ETHICS AND INTEGRITY

5.1. Our principles and values.

The FCC Code of Ethics and Conduct establishes the guidelines of conduct that guide the actions and behaviour of our professionals in ethical, social and environmental matters. It is aimed at encouraging everyone working for and collaborating with FCC Servicios Medio Ambiente to follow the guidelines for behaviour with the highest possible levels of thoroughness, showing the commitment to observe the laws, regulations, contract terms and conditions, and ethical procedures and principles.

It includes issues related, among others, to corruption and bribery, in addition to addressing issues such as human rights, the development of human capital, safety and health in the work environment, and respect for the environment. It applies to all countries in which it operates and affects the workers, management team, partners, suppliers and contractors who collaborate with FCC Servicios Medio Ambiente.

In addition, the Code of Ethics and Conduct promotes the company's corporate culture. To this end, it has been designed to unify and strengthen its identity, culture and guidelines for conduct.

Our Code of Ethics and Conduct is the practical implementation of the values shared by FCC Servicios Medio Ambiente, strengthening a culture of compliance and supporting the creation of long-term value.

Honestidad y Respeto	Rigor y Profesionalidad	Lealtad y Compromiso
Respetamos la legalidad y los valores éticos.	Rigor en el control, la fiabilidad y la transparencia.	Nuestros clientes están en el centro.
Tolerancia cero ante prácticas de soborno y la corrupción.	Protegemos la reputación y la imagen del Grupo.	La salud y seguridad de las personas son principales.
Actuamos contra el blanqueo de capitales y la financiación de actividades terroristas.	Usamos de forma eficiente y segura los medios y los activos de la compañía.	Promovemos la diversidad y el trato justo.
Protegemos la libre competencia y las buenas prácticas de mercado.	Vigilamos la propiedad y la confidencialidad de los datos y la información.	Estamos comprometidos con nuestro entorno.
Nos comportamos de forma ética en el mercado de valores.		Nos relacionamos de forma transparente con la comunidad.
Evitamos los conflictos de interés.		Extendemos el compromiso a nuestros socios en el negocio.

5.2. Compliance model

All FCC Group compliance policies have been approved by the Board of Directors of FCC Servicios Medio Ambiente.

In 2024, highlights in this realm included the updating of various policies and internal regulation of the compliance model, largely due to the transposition in Spain of *Directive (EU) 2019/1937 on the protection of persons reporting breaches of Union law*, across the different jurisdictions.

Further, the FCC Servicios Medio Ambiente compliance model was approved and implemented at all companies wholly owned by FCC. Throughout 2024, significant progress was made in approving a compliance model at subsidiaries and JVs.

The compliance risk assessments have been reviewed and updated, identifying the main risks and evaluating the probability and impact, to finally obtain a matrix of risks and controls that are self-assessed semiannually by the people responsible for implementing and carrying out those controls. These self-assessments make it possible to determine the level of execution of said controls.

From the third line of defence, the Internal Audit Department carried out a review of the compliance model, where the proper development and progress of the compliance management system at FCC Servicios Medio Ambiente was verified.

5.3. Training and awareness

The corporate training tool has been consolidated for the launch of online training, to reach all the jurisdictions where FCC Servicios Medio Ambiente operates and has made it possible to provide training on ethics and the fight against corruption to employees with computer access.

In addition, specific in-person training has continued on relevant topics regarding corruption, anti-competition practices, code of ethics and compliance model in different countries.

Throughout 2024, FCC pressed ahead with its communication plan on the Code of Ethics and Conduct and its main principles, targeting people with and without access to a computer.

5.4. Due diligence with third parties regarding Compliance

Regarding due diligence of third parties in matters of compliance, 2024 has brought a more in-depth analysis of partners and relevant third parties to learn their alignments with the principles and values of FCC Servicios Medio Ambiente, respecting the principle of proportionality and basing the analysis on a risk-based approach. Depending on the risk levels, mitigation measures have been applied.

5.5. Whistleblowing channel.

FCC Servicios Medio Ambiente makes a communication channel available to all people to report matters or activities that may involve irregularities, illegal acts or non-compliance with any FCC regulations and/or policies.

The established system guarantees the anonymity of the whistleblower and considers the principle of non-retaliation, in accordance with current legislation.

As at 31 December 2024, 122 communications have been received in the Whistleblowing Channel, of which 59 have been considered applicable. As for topics, 48% of the relevant notifications received have been employment-related, with notifications also received on other topics such as fraud or conflict of interest.

Notifications classified as high or medium risk are analysed in detail and, where appropriate, an investigation is opened to clarify the facts, the appropriate measures are taken and, if necessary, they are addressed through an action plan for improving internal control.

6. SAFETY, HEALTH AND WELL-BEING

6.1. Health and safety.

FCC Servicios Medio Ambiente is aware that the safety, health and well-being of workers is a fundamental asset for the competitiveness of the company and the correct development of each worker. The principles of operation are based on guaranteeing safe work environments with the permanent objective of avoiding any damage to the health of workers, in line with the guidelines of the FCC group's Code of Ethics and Conduct.

All the geographical platforms that make up FCC Servicios Medio Ambiente comply with the applicable legislation in each case and, in many cases, the approved occupational hazard prevention systems are stricter than the local legislation itself.

In Spain, all companies operating for FCC Medio Ambiente have a Joint Prevention Service that covers the three technical disciplines across the country: Safety at the Workplace, Industrial Hygiene and Ergonomics and Applied Psychosociology, as well as the Occupational Medicine specialisation in the provinces offering the medical services of FCC Medio Ambiente.

FCC Medio Ambiente permanently improves its activities, guaranteeing an effective rendering of services to our customers, taking into account safety and the promotion of the health of its workers, both at and out of the workplace.

The achievement of health and safety objectives and the improvement of the frequency, severity and absenteeism rates require the establishment of priorities associated with training on risk prevention, reinforcing the monitoring and permanent effort to raise awareness and mobilise all collaborators. To this end, FCC Medio Ambiente continues its training plan in occupational hazard prevention, deploying devices of proven effectiveness. It also relies on analysis tools for a better identification of the key aspects in the improvements that we must continue to implement in terms of safety and health.

In the United Kingdom, there is an occupational hazard prevention system recognised for its outstanding performance by the British Safety Council. ISO 45001 certification is available in all the activities carried out by FCC Environment UK. Annually, training and awareness campaigns are carried out for workers, as well as both internal and external audits to guarantee compliance with standards regarding occupational risk prevention. In 2024, FCC Environment UK was awarded the British Safety Council's prestigious Sword of Honour Award for the fourth time, which recognises companies that achieve excellence in health, safety and environmental management.

In Central and Eastern Europe, FCC Environment CEE guarantees the health and safety of its workers by complying with the requirements and applicable laws for the services it provides in all the countries in which it operates. It has ISO 45001 certification, which guarantees a robust management system that is also externally audited. Likewise, a management tool has been developed through which all accidents are monitored and investigated, possible applicable risks are recorded and evaluated, and continuous improvement objectives are established. Additionally, training is provided annually to all workers and subcontractors, if necessary.

In the United States, FCC Environmental Services has developed safety manuals and internal procedures that ensure its workers operate safely and efficiently. The occupational risk prevention management system is based on the guidelines of the organizations that supervise the company's operations such as the Department of Transportation (DOT) and the Occupational Safety and Health Administration (OSHA). These agencies provide requirements and guidelines to protect employees and ensure proper operation of facilities and fleet.

6.2. Healthy company.

The safety, health and well-being of our workers are vital for them and their families, as well as for the productivity, competitiveness and sustainability of our organisation. Therefore, this must translate into effective integration of its management processes across all levels and areas of the company.

To ensure FCC Servicios Medio Ambiente is a healthy company, it has proposed the following general principles:

- Ensure that the company has a healthy work environment and a focus on well-being that guarantees the health of our workers.
- Voluntary promotion of health out of the office, according to the epidemiological characteristics of the population.

Achieve a safety standard that goes beyond the mere fulfilment of legal requirements in relation to occupational hazard prevention.

7. HUMAN RESOURCES

1. People

FCC Servicios Medio Ambiente's main strategic lines are:

- Championing the company's ethical framework and shared culture.
- Boosting the talent of its human team.
- Improving the health and well-being of its employees.
- Fostering a diverse work environment, with equal opportunities and conditions for all.
- Promoting dialogue with stakeholders.

People are a priority for FCC Servicios Medio Ambiente.

A human, professional, qualified, responsible and inclusive team where the values of respect, honesty, transparency, diversity and meritocracy take centre stage.

2. Attracting and retaining talent.

FCC Servicios Medio Ambiente is committed to talent and fosters the professional development of its employees through training, which improves the efficiency of the organisation and contributes to the attraction and retention of the best professionals.

2.1 Our team in facts and figures.

We are a leading international group when it comes to citizen services. From the outset, and through our activity, we have contributed to the improvement and development of the cities in which we operate.

We are the area of the FCC Group that has been providing environmental services for more than a century, with a permanent commitment to technological innovation to improving the well-being of citizens and making cities increasingly sustainable.

At present, our mission is to improve people's quality of life through the efficient and sustainable design, implementation and management of environmental services, with which our company responds to these challenges.

A company with more than 50,000 employees working in nearly 5,000 different municipalities across 12 countries.

Geographic grouping		
Atlantic		**40,080**
	Spain	37,393
	Portugal	480
	France	2,207
CEE		**4,483**
	Austria	786
	Slovakia	421
	Hungary	184
	Poland	617
	Czech Republic	2,237
	Romania	126
	Serbia	112
United States		**1,485**
UNITED KINGDOM		**4,184**
TOTAL		**50,232**

2.2 Identification and promotion of talent. Skill management model.

FCC Servicios Medio Ambiente bases its management model on skill-based criteria, within the integrated management of Human Resources. Management by skills is presented as a great framework for action that encompasses the main processes and policies of personnel management:

- Selection: we identify ideal job profiles to achieve a better match between person and job.

- Training and development: allows us to identify training needs, whether individual or group, thus enabling us to develop and hone the skills needed to successfully fulfil the duties of the required position.

- Career and succession plans: identifying the skills of the most talented employees will help take decisions in new processes.

- Remuneration policy: as in the case of skills, this is a good framework of reference to set the variable salary, based on performance, taking into account the results obtained from a performance appraisal and according to objective and measurable criteria.

2.3 Selecting the best professionals.

A new selection and recruitment model is implemented and consolidated, in line with the latest technologies, in order to meet the objective of recruiting and retaining the best professionals.

To achieve this, a process manager allows you to control the before, during and after of all the selection processes from a single platform.

We also offer end-to-end recruitment solutions to find and hire the best talent, with key benefits including:

<u>LinkedIn Hiring Enterprise</u>

1. Access to an extensive network of talent: access to more than 1 billion professionals on LinkedIn.

2. Advanced recruitment tools: These include LinkedIn Recruiter, with features such as automatic candidate matching, advanced filtering and recommendations based on experience and location.

3. Collaboration and analysis: enables collaboration between teams and provides analytical tools to improve recruitment efficiency.

4. Promotion of job openings: LinkedIn Job Slots is used to promote open roles and manage suitable candidates.

5. Career pages: helps to attract quality candidates by showcasing the company's culture and values.

LinkedIn Talent Insights

1. Real-time data: provides up-to-date data on the labour market, companies and candidates, allowing for informed decisions to be made.

2. Detailed reports: offering company reports and employer brand analysis, along with information on talent supply and demand.

3. Skills analysis: helps to identify skills gaps and plan recruitment and retention strategies accordingly.

4. Comparison with the market: allows the company's workforce to be compared with the competition and the wider market.

5. Recruitment optimisation: allows the company to draw up effective candidate lists and enhances employer branding by providing detailed data on occupational groups.

Predictive Index

We rely on the Predictive Index tool to optimise recruitment processes and maximise employee performance. The key aspects are as follows:

1. Behavioural and cognitive assessments: The PI relies on a combination of assessments to understand an employee's strengths, motivations and work preferences.

2. Data-driven decisions: helps organisations make informed decisions on recruitment, team dynamics and leadership development.

3. Talent optimisation: useful in aligning talent strategy with business strategy for optimal results.

Benefits

1. Improved recruitment helps the organisation pinpoint candidates who are a better fit for specific roles and the company's culture.

2. Developing high performing teams: provides information on individual and team dynamics, which helps to build more effective and efficient teams.

3. Reduced turnover: by improving the match between employee and position, turnover is reduced and talent retention is increased.

4. Increased productivity: employee engagement and productivity can be increased by achieving a better understanding of employee needs and motivations.

This process is complemented by assessment instruments that provide us with objective solutions in the following critical processes:

1. Job profiles
2. Selection and incorporation of talent
3. Identification of the potential and development of talent

In 2024, more than 700 processes were managed, along with more than 250,000 applications.

The main sources of applications have been:

- Corporate website 85,432
- Internal mobility 146.
- Job postings portals (InfoJobs, LinkedIn Enterprise Program, Incorpora, Inserta). 177,344.

Moreover, FCC Servicios Medio Ambiente has signed collaboration agreements with the main schools and universities for the early incorporation of talent into the company, both through university internships and through the employment of graduates fresh out of university.

Training and development.

Training is a strategic pillar for FCC Servicios Medio Ambiente, the main objective of which is the training and permanent updating of the competencies (knowledge, abilities and skills) of the organisation's human resources.

Our training and development plans are as follows:

- Ongoing: covering key technical, cross-cutting and experience skills.
- To motivate and generate opportunities: internal promotion and mobility.
- We use different methods and tools: on-site and online.

Our purpose is to train people to make them fully capable of carrying out their work, while also update and refreshing those skills or knowledge that are required throughout their professional life.
Here are some of the objectives set out in our training strategy:

- Creating more qualified employees by fostering their professional and personal development, both in technical and/or specific skills and in transversal (cross-cutting) skills.

- Adapting workers to new processes, in response to technological innovation and new ways of working.

- Helping to improve the quality and efficiency of the services provided.

- Fostering and stimulating internal and external communication.
- Improving quality of life at work.
- Embracing new technologies.
- Improving skills and building stronger profiles and stronger performance.
- Personal and professional development of our employees.
- Helping to improve the working environment and build employee engagement.
- Adapting to legal requirements and collective bargaining agreements, especially those concerning the safety of our staff (prevention of risks at work).

¿Cómo lo hacemos?

¿Qué ofrecemos?

Plan de formación	Con los requisitos normativos y acciones formativas, dirigidas al perfil del puesto, objetivos de negocio y carrera profesional de nuestros trabajadores.
Formación permanente e innovadora	Los equipos de trabajo son cada vez más complejos y ésto implica un continuo reciclaje para una "puesta al día" sobre las innovaciones que se vayan produciendo.
Diferentes modalidades	Existen 3 modalidades de impartición de las acciones formativas: Presencial, E-learning y Mixta (presencial + e-learning).
Herramienta de gestión	Contamos con una herramienta con diferentes módulos, asociada a cada acción formativa, para la gestión de todo lo relativo a la formación en cualquier etapa.

We deliver more than 340,541.89 hours of training courses every year, with 3,800 training actions to more than 101,102 participants.

Of this training, 39.05% has been e-learning while the remaining 60.95% has been face-to-face. This project stands out because of the digital library, by virtue of which digital content specific to the area has been created (continuing in subsequent exercises) without any additional cost. A total of 77 digital products in 2024.

A specific training portal has been created for the area, as well as digital tools to ensure the most efficient management of the various training plans.

When it comes to employee development, we are committed to professional promotion as a mechanism to ensure the professional development of our workforce. We treat know-how as one of our most prized assets. We therefore promote professional promotion as a means of pursuing an outstanding professional career within the company, while ensuring that we have qualified and motivated staff to provide our services under conditions of operational excellence.

For us, professional development is closely linked to growth, learning, training, engagement and talent retention, so that we can develop the skills of our employees and make them more employable and competitive. This allows us to always have outstanding talent, with the skills and capabilities needed to achieve operational excellence when carrying out their duties.

The Career Plan features a training itinerary for each post, which sets out the specific training needs for the job, and which is explicitly included in the Training Plan.

FCC Environment also displays an unwavering commitment to the professional and personal development of its employees. More precisely, training actions are carried out to improve interpersonal, social, communication and leadership skills, which employees can also apply in their life outside the company.

These personal and professional development actions include further measures to promote a healthy work-life balance and shared responsibility for the improvement of society, as key elements in achieving a genuinely egalitarian, diverse and inclusive working environment.

This allows us to foster employee engagement, creating a lasting bond of self-identification with the core values and principles that steer and guide our corporate culture.

2.4 Specific programmes.

The Cultural Change area features six programmes with their corresponding objectives:

1. Tools for promoting Active Transformation (HITA).
   - Strengthening the sense of belonging and commitment.
   - Improving and updating leadership skills.
   - Addressing cultural change and organisational transformation.
   - Improving leadership and communication skills.
   - Developing and motivating people and teams.
   - Strengthening controls through group and team coaching.
2. Communication and leadership programme in local offices.
   - Providing tools and skills to the staff at local offices.
   - Developing communication and conflict management skills.
   - Strengthening the sense of belonging and commitment.
   - Improving and updating leadership and teamwork skills.
3. Training programme for heads of department.
   - Adapting to the current political and social situation.
   - Adapting to the new community model.
   - Unique comprehensive culture.
   - New way of managing people, while observing the principles of focus on results and profitability at all times.
4. Cultural change programme for subcontractors.
   - Socio-cultural change
   - Adaptation to the new social model.
   - Cleaning professional empowerment
5. Development interviews, talent detection and improvement of the work environment.
   - Assessments of personal and professional profiles, responsibilities and performance levels, in order to establish specific development plans.
6. "Youth Business Unit" Young Talent programme. This initiative focuses on developing young talent within the company.
   a. Loyalty-building among high potential talent.
   b. Skills training / skills in leadership, project management, cultural transformation, effective work teams.
   c. Driving the transformation towards a sustainable culture within the company.
   d. Implementing new agile working methodologies and enhancing diversity and inclusion.

3. Equal opportunities, insertion and diversity.

In line with the Code of Ethics and Conduct, FCC Servicios Medio Ambiente advocates respect for diversity and inclusion, rejecting discrimination for any reason.

3.1 Gender equality.

For many years now, FCC Servicios Medio Ambiente has been working extensively to instil ethical principles and values, as well as to implement programmes, internal procedures and positive measures to create a working atmosphere that enhances respect amongst employed people, equal opportunities for men and women and the integration of diversity, which imply a growing assumption of sustainability and CSR commitments.

FCC Servicios Medio Ambiente has a firm commitment to equal opportunities, promotion, respect for diversity and the eradication of any type of discrimination or harassment.

These transversal values are reflected in three transcendental documents:

Equal opportunities and diversity policy of FCC Servicios Medio Ambiente.

Code of ethics and conduct, with the express commitment to implement policies aimed at equal opportunities.

Workplace and sexual harassment prevention protocol.

For this reason, we are committed to creating a culture based on inclusion that seeks, respects and values differences. We are aware that a workforce built from diversity helps us achieve our business objectives if we take advantage of each person's talent and potential and new perspectives that enrich and challenge existing points of view. This is how innovative work methods rise, helping to increase efficiency and improving the quality of our services.

Moreover, equal opportunities go hand-in-hand with diversity, constituting an inalienable principle of action for the company, which means equal treatment for everyone and access to the same opportunities regardless of differences, as well as respect and inclusion of any person regardless of their condition and social group.

Under this principle, we implement and maintain work practices to ensure that no employee or potential candidate receives discriminatory treatment based on age or disability, sex, sexual orientation or condition, origin, marital status, social status, race, nationality or ethnic origin, language, religion or convictions, political ideas, adherence or not to trade unions and their agreements, or for any other unjustified reason and unrelated to professional skills, knowledge and performance.

Likewise, an environment will be fostered in which all people can carry out their work without fear of humiliation, harassment, intimidation, physical or verbal aggression. The procedures are monitored and reviewed to ensure that no discrimination, whether direct or indirect, goes unpunished. To this end, internal mechanisms have been established to guarantee that any complaint is thoroughly investigated and, as a consequence, the appropriate measures are adopted, according to the results of the investigation.

Our commitment to equal opportunities, the promotion and respect of diversity and the eradication of all types of discrimination or harassment, is a corporate value and a call for action by each and every one of the company's employees, in the common effort to maintain an optimal work environment that fosters creativity, efficiency, sustainability and productivity and improves decision-making.

Within FCC Environment, the following equality plans remained in force in 2024 through agreements signed with the main trade union organisations:

- I Equality Plan of the FCC Medio Ambiente S.A. Group and subsidiaries
- I Equality Plan for FCC Ámbito and affiliated companies

In addition, both group plans have been registered with the labour authorities, after successfully completing the necessary legality analysis.

FCC Servicios Medio Ambiente currently holds the equality badge (DIE) from the Ministry of Health, Social Services and Equality. This is a seal of excellence and recognition for equal opportunity policies and the implementation of measures. It has also signed an agreement with the Ministry to increase the number of women in management positions, and the group's equality plans have the corresponding monitoring bodies to ensure that all agreed measures are carried out. This is being undertaken alongside work-life balance; another of the points addressed by the company and for which it is currently performing a diagnosis to establish measures to improve the work-life balance of its employees.

Our commitment against gender violence is another of the points that the company is making every effort to fulfil. It is a standpoint that champions zero tolerance and the social and professional integration of victims. The company maintains its collaboration with the network "Companies for a Society Free of Gender Violence" and also partners various foundations to promote the employability and labour insertion of women affected by this scourge.

3.2 Diversity.

Diversity management is one the bedrocks of a modern society, and entails the recognition that the workplaces, markets and society in which we operate are all made up of people: men and women, from different nations, of different cultures, ethnic groups, history, generations, abilities and capacities that make each person unique in that conjunction of profiles.

Furthermore, FCC Servicios Medio Ambiente has signed and renewed its commitment to the Spanish Diversity Charter for the 2019–2025 period. The Diversity Charter is an initiative of the Directorate of Justice of the European Commission for the development of its non-discrimination policies. The Diversity Foundation, sponsored by the Alares Foundation, is the only entity responsible for giving this stamp in Spain, which responds to a voluntary commitment code to support and promulgate the principles of the inclusion of diversity and non-discrimination at the workplace.

As a signatory, the company has made a commitment to comply with a decalogue of principles and to communicate its commitment to these values:

- Promote the achievement of the correct work-life balance .
- Raise awareness on the principles of equal opportunities and respect for diversity within the company's values.
- Build a diverse workforce.
- Effectively promote integration with no labour discrimination.
- Implement diversity management across its management policies. The application of these values is ensured by on-going dialogue with social partners. This dialogue translates into reaching important milestones in the field of diversity and equality, such as the development of female employment in sectors with poor representation, specific training for women to occupy leadership positions, the integration of people with disabilities, and recruitment of those from marginal groups and/or at risk of social exclusion.

3.3 Different abilities.

At FCC Servicios Medio Ambiente, we champion aptitude and talent. We recognise disability as just one element, one which reflects the wealth and diversity of people, acting through our commitment to inclusion with full equality of opportunities. We have more than 1,621 people with some form of disability.

<u>Our abilities model is based on:</u>

- Technical expertise.
- Key experience.
- Skills and/or qualifications for the position.

FCC Servicios Medio Ambiente has a clear commitment to the integration of people with disabilities into the workplace, as a key element for social integration and personal growth. With the aim of promoting equal opportunities and eliminating any kind of discrimination and harassment, the company

takes on various commitments that bring it even closer to the goal of eradicating any type of segregation.

As a result of our collaboration with different partner entities in the insertion of groups at risk of exclusion, the environmental services area inserted more than 193 people in 2024, bringing together people with disabilities, women victims of gender violence, people at risk of social exclusion and other vulnerable groups.

Despite the adverse effects of the COVID-19 pandemic, the hiring levels of this vulnerable group have remained in a range of (+ -) 0.5% since 2018, the year in which there was a qualitative leap, as shown in the following picture:

2018	2019	2020	2021	2022	2023	2024
372	363	357	300	332	413	227

3.4 Incorpora Project.

FCC Servicios Medio Ambiente and Obra Social "la Caixa" maintain a collaboration agreement to promote the employability of people at risk of social exclusion through the Incorpora programme, promoted by the aforementioned financial institution, which aims to increase the hiring of vulnerable groups, as well as to provide information, training and advice to companies involved in this action.

Within the framework of this agreement, FCC Servicios Medio Ambiente undertakes to manage the hiring people at risk of exclusion through Incorpora. Through the programme, the company will announce which professional profiles need to be covered; this information will be shared with other social entities that also pertain to the programme and who will draw up a short list of candidates.

This programme boasts a network of 459 social entities, grouped territorially into 22 Incorpora groups managed in coordination. Networking is key to both efficiency and effectiveness by responding to the needs of companies and people.

3.5 FCC Equal.

One of the most outstanding projects related to the professional integration of people with disabilities is FCC EQUAL Special Employment Centre (CEE for its acronym in Spanish), spearheaded by FCC Servicios Medio Ambiente. FCC EQUAL is a Employment Centre for Disabled Workers operating in the Community of Madrid, the Valencian Community, Castilla y León, the Balearic Islands, Extremadura, the Canary Islands and Andalusia, where 600 severely disabled people are already working, significantly increasing the number of employees compared to previous years. Through the comprehensive management of these Special Employment Centres (CEEs), tasks

related to business activities and the provision of auxiliary services for people with disabilities are carried out.

In addition to the Group's own internal work, FCC Servicios Medio Ambiente supports and works with specialised entities, organisations and foundations whose corporate purpose is the social and professional integration of people with disabilities, as well as improving their health and safety conditions. Thus, the aim is not only to offer job opportunities to people with disabilities, but also to provide them with skills, qualifications and competencies for their professional development within the company.

3.6 Commitment to the victims of the war in Ukraine.

As an unavoidable derivative of FCC Servicios Medio Ambiente's commitment to social sustainability, during 2023 and 2022 a series of actions have been carried out to support people affected by the war unleashed in Ukraine.

These actions fall into two distinct categories: focused on refugees and focused on war-affected people in Ukraine itself..

With regard to the former, in collaboration with the Spanish commission for refugee aid and with the agreement of the main trade union organisations represented in the company, a campaign was launched in May to reserve jobs for refugees in Spain as summer holiday substitutes, which was implemented in more than thirty localities creating 106 jobs.

This campaign was then replicated in November with another 146 jobs in 23 locations where the Company operates.

The other line of action was launched in December 2022, in collaboration with the humanitarian organisation ES PER TU, consisting of a campaign to collect aid material (mainly warm clothes, food and medicines) among the Company's employees and with the substantial support of the Company by providing the logistics and international transport of the material, as well as a large part of the almost twelve tonnes distributed among affected families on the ground.

3.7 Refugee recruitment campaign

In response to the difficulties faced by refugees in finding employment, a total of 18 refugees from various countries (Afghanistan, Syria, Somalia, Ukraine, Peru, Senegal and Russia) were recruited for the temporary leaf collection campaign. This initiative, in partnership with the Ministry of Inclusion, Social Security and Migration, ran from November 2024 to February 2025.

The campaign also happened to generate job opportunities for people at risk of social exclusion, who, thanks to their dedication and resilience, may be considered for future campaigns.

4. Commitment to social dialogue.

4.1 Our people.

FCC Servicios Medio Ambiente understands that social dialogue and direct contact with its workers, their legal representatives, unions and other social agents are required to create a bond with its employees, with the purpose of encouraging new agreements to be signed, through collective bargaining, and that the different processes with a collective character are carried out with transparency, constituting monitoring committees and providing employees and employee representatives with all the necessary information.

The Labour Relations area is responsible for monitoring collective procedures, collective bargaining and social dialogue (which is the main tool to identify the needs of different stakeholders), while also defining the general criteria for action, monitoring and coordination of gender equality plans and distinctive aspects and of diversity and disability management.

Collective bargaining is mainly channelled through sector agreements (state and provincial agreements). It also participates via different business associations in the negotiation of different sector collective agreements, within the different areas and activities of FCC Servicios Medio Ambiente, as well as collective agreements associated with contractors and work centres.

4.2 Citizen participation.

FCC Servicios Medio Ambiente contributes to the creation of social value. Our activities must understand and connect with the real needs of citizens better, while driving changes that promote cleaner, smarter and more inclusive development. To do so, we try to maintain a constant dialogue that helps us know the different expectations of all stakeholders at all times.

We work to maximise the positive impact of FCC activities in the communities, with the promotion among citizens of actions that improve the development of cleaner cities and in dialogue with administrations to understand and respond to the current and future needs of urban centres.

We develop our actions under the principle of precaution, previously establishing systems that allow us to assess and mitigate the impacts that our activities may have on people or the environment.

8. OTHER INFORMATION

Regarding the Company's exposure to financial risks, this is detailed in the attached review in Note 28.

With regard to own equity operations, the Company has not purchased any of its own shares, nor does it intend to do so in the future.

As described in Note 19 to the Financial Statements, in Spain, the Group has surpassed the maximum average period of payment to suppliers; measures have been established to adjust said maximum period, such as:

- Review of internal procedures in relation to the payment process (reception of invoices and internal approval processes).
- Optimisation of working capital management, reducing average collection and payment times.
- To study and, where appropriate, implement electronic billing processes.

Any events that may have occurred since 31 December 2024 are detailed in Note 31 of the attached review.

The Group is included in the consolidated Statement of Non-Financial Information that is part of the Consolidated Management Report of Fomento de Construcciones y Contratas S.A. and Subsidiaries, which is filed in the Barcelona Mercantile Register.