



PRESENTATION BY THE PRESIDENT

OF THE PORT AUTHORITY OF FERROL-SAN CIBRAO
(APFSC)

M. FRANCISCO BAREA PAZ

In 2023, we faced the materialization in figures of the change in the energy model of our economy.

For the case of the Port Authority of Ferrol-San Cibrao, this situation resulted in the loss of 7 million tons annually, and the consequent economic and social impact for the logistics and port sector that handles these goods.

In addition to an uncertain international context, in which the impact of the war in Ukraine has been compounded by the conflict situation in the Middle East and all that it implies for the supply chains and maritime transportation of goods, we are faced with two significant events in our hinterland:

- In the last 5 years, electricity generation in Spain from coal decreased from 14.13% in 2018 to 1.51% in 2023. This led to the cessation of activity at Endesa's thermal power plant in As Pontes and a loss of 4 million tons annually in freight traffic for the Port Authority of Ferrol-San Cibrao.
- The increase in energy costs, as well as changes in production in the aluminum market and its prices, have prompted a 50% decrease in activity at the Alcoa plant in San Cibrao and the consequent loss of around 3 million tons of traffic for our port.

Given this uncertain context, for which we still do not have elements clarifying the long-term energy model, nor the technological, legal, and financial tools to support it, we have strengthened our alliances with institutions and economic and social representatives in our closest area of influence to analyze scenarios, manage the near future, and emerge stronger from this situation by maximizing the opportunities presented.

Therefore, in 2023, we have launched the Faro de la Energía Verde project and begun to formalize commitments through concession agreements involving an investment of 52.6 million euros in our facilities for wind and solar energy production, as well as the construction of a marine wind assembly plant. In the 2023 investment plan approved by the board of Puertos del Estado, we have allocated funds reaching 18.25 million euros for adapting our facilities to these projects and others aimed at facilitating the use of renewable energy by ships and port facilities.

We continue to make good progress on the railway access to the Outer Port, with the foundation of the viaduct connecting the tunnel to the port facilities scheduled for completion in early 2024. Thus far, we have completed over 61% of the works for this crucial project for the future of our port.

We are aware of being one of the most relevant economic and social agents in our area of influence, and for that reason, we commit to engaging with citizens and responding to their expectations regarding the Port Authority.

In 2023, we launched the regulatory framework for sponsoring port-city activities, aimed at promoting sports, cultural, and educational activities in the municipalities within our service area.

Simultaneously, we are expanding the area designated for public use, with an investment of 5.9 million euros, making 8,660 m² available for public use.

After renovating our exhibition hall, we have provided space for numerous artists and associations to showcase their work and activities.

All of this has been possible thanks to having a team of prepared and motivated professionals.

I would like to conclude this annual report presentation by expressing my gratitude to the team at the Port Authority of Ferrol-San Cibrao, as well as to all other stakeholders and allies for their trust and support in achieving these accomplishments.

