

Annual Report on remuneration of directors of listed companies **2025**

ISSUER IDENTIFICATION DATA

Date of end of reporting year: **31/12/2025**

CIF: **A-08015497**

Company name: **NATURGY ENERGY GROUP, S.A.**

Registered office: **Avenida de América 38 – 28008 MADRID**



A. Company's remuneration policy for the current financial year

A.1.1. Describe the Director Remuneration Policy in force that is applicable to the current year. To the extent that they are material, include disclosures relating to the Remuneration Policy approved by the General Meeting of Shareholders, provided that they are clear, specific and concrete.

Describe the specific decisions by the Board that apply to this year, relating to directors' remuneration for their functions as such and for executive functions, as provided in the contracts signed with the executive directors, and to the general remuneration policy approved by the General Meeting of Shareholders.

In any event, the following should be disclosed:

- a) Description of the company's procedures and the bodies involved in determining and approving the remuneration policy and its terms and conditions.**
- b) Indicate whether the company's Remuneration Policy was benchmarked against other companies and, if so, give details.**
- c) Disclose whether any external advisors were involved in this process and, if so, identify them.**
- d) Procedures contemplated in the current Director Remuneration Policy for applying temporary exceptions to the policy, conditions under which such exceptions may be used, and components that may be subject to exceptions under the policy.**

Article 9 of Naturgy's Articles of Association establishes that the remuneration policy for directors must be approved by the General Shareholders' Meeting in the manner and within the periods established by the regulations in force.

The current Remuneration Policy was approved at the Ordinary General Meeting on 25 March 2025 and applies from the date of its approval and for the following three financial years.

Prior to its approval, the Appointments, Remuneration and Corporate Governance Committee drafted the proposed remuneration policy, supported by a specific report, which was submitted for consideration by the Board of Directors, which proposed that the General Shareholders' Meeting adopt it.

The policy is a continuation of that approved by the General Shareholders' Meeting in 2022, with some specific amendments to the multi-year variable remuneration scheme for executive directors authorised by the 2019 Shareholders' Meeting. This policy sets out a remuneration scheme for directors, both executive and non-executive, that is aligned with the objectives of the strategic plans in force during the period of application of the policy, the interests of shareholders and other stakeholders, and the Company's long-term sustainability. It also incorporates all the necessary references to comply with the current wording of article 529 novodecies of

the Capital Companies Law with regard to i) its contribution to the business strategy and the interests and long-term sustainability of the company, (ii) an explicit reference to the proportion between the various remuneration components, (iii) details of how the remuneration and employment conditions of the company's employees were taken into account in setting the remuneration policy, and (iv) details of the decision-making process used to determine the policy. The Director Remuneration Policy is reviewed periodically by the Board of Directors on the basis of a report from the Appointments, Remuneration and Corporate Governance Committee in order to keep it in line with best practices in the relevant market and with the objectives set out in the Articles of Association.

In accordance with the current Policy, remuneration for non-executive functions consists of a fixed amount and may also include remuneration in shares or referenced to shares. The distribution of such remuneration, within the limit established from time to time in the Remuneration Policy, is made by the Board of Directors, and individuals' remuneration may differ depending on the responsibilities and functions assigned to each director in the Board and its Committees.

The Executive Chairman's remuneration for the performance of specifically executive or delegated functions consists of the following items:

- i) Fixed annual remuneration linked to the performance of executive duties and the level of responsibility, leadership and performance within the organisation.
- ii) Annual variable remuneration: 100% of the total annual fixed remuneration, multiplied by the degree to which the goals were actually achieved in the year. Part or all of the amount in cash may be replaced each year, by mutual agreement, with a contribution to a superannuation plan.
- iii) Multi-year variable remuneration linked to the achievement of objectives set out in the strategic plans in force during the period of application of the policy, and linked to the returns obtained by shareholders within the scope of the relevant plan.
- iv) Other benefits such as medical insurance, company car, life and disability insurance, limited gas and electricity subsidies, and group savings insurance.
- v) Additionally, the Board of Directors may establish other variable remuneration in the case of unique transactions, in terms of the related objectives and remuneration linked to their attainment.

The remuneration for executive and non-executive functions for 2026 was approved by the Board at a meeting on 17 February 2026 based on a report from the Appointments, Remuneration and Corporate Governance

Committee, which met on 10 February 2026 and was assisted by PeopleMatters to benchmark it against the remuneration at other undertakings and to evaluate the Executive Chairman's fixed remuneration and set it for 2026. The targets for the Executive Chairman's annual variable remuneration were also set at that meeting.

Article 10 of the current Remuneration Policy contemplates the possibility that the Board of Directors may approve and apply temporary exceptions to the policy based on a reasoned proposal by the Appointments, Remuneration and Corporate Governance Committee; such exceptions may be total or partial, although:

- i) Exceptions may be granted for the remuneration amounts and headings for non-executive functions, as well as for the components of the annual or multi-year variable remuneration for executive functions, which may lead to both upward and downward adjustments.
- ii) The maximum annual amount to be received by all the directors in a given financial year, as set out in Section 4 of the aforementioned Policy, may not be altered.
- iii) Exceptions will apply only from the time they are adopted by the Board of Directors until the next Shareholders' Meeting, which must be asked to approve the continuation of the exception.

During the current financial year, the Board of Directors did not approve any temporary exceptions

A.1.2. Proportion between variable remuneration and fixed remuneration (remuneration mix) and the criteria and objectives used to determine and ensure an appropriate balance between the fixed and variable components of remuneration. In particular, describe the steps taken by the company in relation to the remuneration system to reduce exposure to excessive risk and adjust it to the company's long-term objectives, values and interests, including references to any measures to guarantee that the company's long-term results are taken into account in the remuneration policy, the measures adopted in relation to those categories of employees whose work has a material impact on the company's risk profile, and any measures to avoid conflicts of interest.

Also disclose if the company has established a period for the accrual or vesting of certain variable remuneration items, whether in cash, shares or other financial instruments, any period of deferral of the payment of amounts or the delivery of accrued or vested financial instruments, any clause that reduces the unvested deferred remuneration or that obliges the director to refund remuneration already received, where such remuneration was based on figures that were later shown clearly to be inaccurate.

The remuneration of the Executive Chairman, the only director receiving variable remuneration, is divided into three main components, each with a similar weighting:

- A fixed component that accrues in any event, so that it is not at risk.
- A variable component with a time horizon of one year, linked to pre-set, specific and quantifiable objectives that are aligned with Naturgy's interests and strategy, such as financials, health and safety issues, sustainability, environment and governance; since this is recurrent, it avoids

encouraging excessive risk-taking..

- A variable component with a long time horizon linked to the Company's Strategic Plan. Since it coincides in duration with the Strategic Plans, the long duration modulates risk-taking and fosters value creation over a longer-than-usual period. .

There is a reasonable balance between the variable components not only in terms of the time horizon, but also in terms of amount and objectives, as the annual variable remuneration tends towards operational objectives that consider the Company's immediate interests, while the multi-year variable remuneration mainly serves shareholders' long-term interests as it is linked to profitability or to the achievement of the objectives of the Strategic Plan.

The annual variable remuneration is only determined and paid once the Board of Directors has the Company's audited accounts and, therefore, it takes account of any qualifications in the external auditors' report that reduce earnings. The Board of Directors is free to disregard such qualifications if it disagrees with them.

Furthermore, both the annual variable remuneration and the multi-year variable remuneration are subject to a clawback clause during the 18 months following payment.

Regarding the measures envisaged to avoid conflicts of interest:

- i) Article 11 of the Regulations of the Board of Directors and its Committees establishes that all members of the Board of Directors of Naturgy, including the Executive Chairman, are bound by a duty of loyalty and, in particular, must:

- a) Refrain from participating in the debate and vote on resolutions or decisions in which they, or a related party, have a direct or indirect conflict of interest. The above obligation to abstain does not apply to resolutions or decisions that affect the director as such, including his/her appointment to or removal from the Board or other comparable positions.
- b) Adopt the necessary measures to avoid situations in which their direct or indirect interests may conflict with those of the Company and with their obligations towards the Company.
- ii) As a means of avoiding conflicts of interest, Naturgy's Director Remuneration Policy, approved on 25 March 2025 by the General Shareholders' Meeting, includes a provision that the Executive Chairman may not participate in the debates of the Appointments, Remuneration and Corporate Governance Committee that refer to matters that may affect his remuneration.
- iii) Section 4.1 of Naturgy's Code of Ethics establishes specific guidelines for action by employees, executives and directors of the Group under the heading of "Loyalty to the company and conflicts of interest".
- iv) The Conflict of Interest Policy, applicable to all Naturgy employees, which establishes the guidelines for action in the event of a conflict of interest, based on the principles of loyalty, abstention and transparency.

A.1.3. Amount and nature of fixed components that are to be accrued by directors during the year for their status as directors.

Directors' remuneration for performing non-executive functions consists of a fixed annual amount.

The amount of directors' remuneration in 2026 for their position as such (non-executive functions) approved by the Board of Directors at a meeting on 17 February 2026 following a report from the Appointments, Remuneration and Corporate Governance Committee is as follows:

For membership of the Board			For membership of Committees	
1,100,000	185,000	30,000	88,000	67,000
€/year	€/year	€/year	€/year	€/year
Chairman of the Board of Directors	Director	Lead independent director	Committee chairman	Committee member

A.1.4. Amount and nature of fixed components that are to be accrued during the year for the performance of senior management functions by executive directors.

At a meeting on 17 February 2026, the Board of Directors set the fixed component of the Executive Chairman's remuneration at €2,430,450 (total annual fixed remuneration), including the remuneration he receives for his membership of the Board of Naturgy Energy Group, S.A. This amount is, therefore, the sum of €1,100,000 for non-executive functions performed as Chairman of the Board of Directors and €1,330,450 as annual fixed remuneration for performing executive or delegated functions.

A.1.5. Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid on behalf of the director.

Describe any remuneration in kind

The Executive Chairman is the beneficiary of an insurance policy for situations of temporary disability (100% of the total gross annual fixed remuneration that he has been receiving, with a limit of 18 months). He is also the beneficiary of an insurance policy covering death and absolute permanent disability, or severe disability, in which Naturgy Energy Group, S.A. acts as the policyholder; the annual premium is determined on the basis of the Executive Chairman's age and the insured principal, and it is calculated determined and communicated by the insurance company. The insured amount payable in the event of the insured contingencies (death, absolute permanent disability or severe disability) is equivalent to 3.5 years' total gross annual fixed remuneration.

The Company has arranged and pays the overall premium of a civil liability insurance policy for directors and executives of Naturgy Energy Group, S.A. and the companies in its Group which, therefore, also covers all

the directors of Naturgy Energy Group, S.A., both executive and non-executive; the directors are insured against claims for liability arising from the performance of the functions inherent to their position. In particular, under the contract with the Executive Chairman, the Company is required to arrange a third-party liability insurance policy.

As the third-party liability insurance is arranged for the Group as a whole, it is not possible to calculate the part of it attributable to the directors as remuneration in kind.

The Executive Chairman's remuneration package also includes the following items, which are similar to those of the other senior executives: health insurance, death benefit insurance, permanent disability and savings insurance, company car and a limited amount of electricity and gas free of charge.

A.1.6. Amount and nature of variable components, differentiating between short and long term. Financial and non-financial parameters, including aspects related to society, the environment and climate change, selected to determine variable remuneration in the current year, describing the extent to which these parameters are related to performance, both of the director and of the company, and to the risk profile, and the methodology, necessary period and the techniques established to determine, at year-end, the degree of compliance with the parameters used in the design of the variable remuneration, with a detailed description of the criteria and factors applied in terms of the time required and methods for verifying that the performance or any other conditions to which the accrual and vesting of each component of variable remuneration was linked were actually fulfilled.

State the range, in monetary terms, of the variable components depending on the degree of attainment of the objectives and established parameters, and whether there is an absolute monetary cap.

Directors do not receive this type of remuneration for non-executive functions.

As for the Executive Chairman, the variable components of the remuneration system, based on his performance of executive or delegated functions, are as follows:

Annual variable remuneration

100% of the total annual fixed remuneration, multiplied by the degree to which the goals were actually achieved in the year.

The degree of attainment must be at least 75% in order to qualify, and it is capped at 150%.

Achieving 85% of the targets results in an attainment level of 75%, 100% results in an attainment level of 100%, and 120% results in an attainment level of 150%. Intermediate degrees of attainment are obtained by interpolation.

The Executive Chairman may elect to replace part or all of the annual variable remuneration with a contribution by the Company to an agreed superannuation plan.

The objectives and weightings are as follows:

- **Financial objectives, which account for 65%**
 - The 2026 EBITDA guidance released to the market at the beginning of 2026.. It weighs 40%.
 - After-tax profits. Weighted at 25%.
- **Qualitative objectives, which account for 15%**
 - Assessment of qualitative factors by the Board (contribution to business growth, transformation, teamwork, team development and succession)
- **ESG objectives, which account for 20% (5% per category)**
 - Health and safety
 - Environment
 - Group employee net promoter score (eNPS)
 - Presence of women in the management team

ii) Multi-year variable remuneration:

At a meeting on 18 February 2025, the Board of Directors approved a new multi-year variable remuneration system, called the Value-Creation Bonus, that is linked to the 2025-2027 Strategic Plan.

On 25 March 2025, the General Shareholders' Meeting authorised the implementation of this new multi-year variable remuneration system, which is structured as follows:

- The base figure is 125% of the total annual fixed remuneration in the final year, multiplied by the years or fraction thereof that elapse between 1 January 2025 and the conclusion date, and also multiplied by the degree of attainment.
- The degree of attainment must be at least 60% in order to qualify, and it is capped at 160%.
- A TSR of 7% results in 60% attainment, 10% in 100% attainment, and 1% in 160% attainment. Intermediate degrees of attainment are obtained by interpolation.
- The TSR is calculated as the gross return obtained by Naturgy shares , taking an entry price for the share equal to the settlement value of the ILP 2018-2025, dividends paid in the period and an exit price equivalent to the VWAP for the 90 calendar days immediately preceding the conclusion date.
- There is a clawback clause for the 18 months following payment of the incentive in the event of a material change in the financial statements that significantly affects the share price. There is also a system under which the incentive is forfeited in certain cases that are similar to those in previous multi-year remuneration schemes: the Executive Chairman will forfeit his entitlement in the event of voluntary resignation or of removal for serious and culpable breach, and will retain entitlement in the event of leaving the Company due to retirement, disability, death or termination for causes not attributable to him; however, where he retains entitlement, he may only collect the proportion of the final incentive that is commensurate with his period of tenure within the duration of the plan. In the event of withdrawal by mutual agreement, the terms of the agreement apply.
- The conclusion date is initially set to be 31 December 2027, but it may be brought forward.

- Based on a reasoned proposal from the Appointments, Remuneration and Corporate Governance Committee, the Board of Directors may adopt such decisions as it deems necessary to administer, interpret, remedy, elaborate upon or continue with the incentive scheme in the face of material changes in the circumstances surrounding the plan, having regard to the Company's interests and the plan's objectives.
- The Board of Directors may adopt such decisions as it deems necessary to keep the multi-year variable remuneration scheme in line with the strategic plan in force at any given time, and carry out such preparatory work as may be necessary before submitting to the General Shareholders' Meeting any amendments requiring its approval.

A.1.7. Main characteristics of long-term savings systems. Among other information, state the contingencies covered by the system, whether it is defined-contribution or defined-benefit, the annual contribution to be made to defined-contribution systems, the benefits that beneficiaries are entitled to under defined-benefit systems, the conditions under which directors' economic rights vest and their compatibility with any other type of payment or severance pay as a result of the director's early termination or removal, or deriving from termination of the contract between the company and the director, in accordance with its terms.

State if the accrual or vesting of any of the long-term savings plans is linked to achieving certain objectives or parameters related to the director's short- or long-term performance.

Describe the long-term saving systems

Directors do not receive this type of remuneration for non-executive functions.

Based on the executive or delegated functions that the Executive Chairman performs, he is entitled to the same benefits as are currently available to the members of the company's Management Committee, in the following terms:

Savings insurance: the Executive Chairman is entitled to receive a series of contributions that are instrumentalised through an insurance policy, governed by the rules established for this purpose. Each year, Naturgy Energy Group, S.A. contributes an amount equal to 20% of his total fixed remuneration to the aforementioned instrument. The contingencies covered by the policy are survival at a specific date, death, total permanent disability, absolute disability or severe disability. The savings insurance is not incompatible with a termination indemnity. No amount is payable under the policy in the following events:

- a) Voluntary resignation without giving the advance notice provided for in the contract or without prior agreement with the Board of Directors of the Company.

b) Serious and culpable breach of his professional obligations that results in significant harm to the Company's interests.

c) Where, at any time during the year following his termination as Executive Chairman for reasons other than the occurrence of the insured contingencies, he carries out activities that coincide directly with those of the Company.

Superannuation system linked to the annual variable remuneration: The Executive Chairman may elect to replace part or all of the annual variable remuneration with a contribution by the Company to an agreed superannuation plan. He chose this option for the annual variable remuneration for 2018 to 2025 (both inclusive). The contingencies covered are the same as those established for the previous instrument, and the Company may instrumentalise coverage of those contingencies by arranging one or more insurance policies that guarantee a minimum rate of return and a share in profits. Entitlement is forfeited in the same cases as set out for the previous instrument, with the exception of resignation without giving the required advance or without reaching agreement with the Board of Directors.

A.1.8. Any type of payment or indemnity for early termination or dismissal, or deriving from the termination of the contractual relationship between the company and the director in accordance with its terms, whether at the decision of the Company or the director, as well as any type of agreement, such as exclusivity, post-contractual non-competition, permanence or loyalty, which entitle the director to remuneration.

Directors who do not perform executive functions are not entitled to indemnity of this type.

In the case of directors who perform executive functions, article 6 of the Remuneration Policy provides that:

"an indemnity may be established for certain cases of termination of the contractual relationship equivalent to twice the sum of the following three amounts: (i) total annual fixed remuneration, (ii) annual variable remuneration and, (iii) in lieu of multi-year variable remuneration, a lump sum equivalent to 125% of the annual fixed remuneration. This indemnity is not payable in the event of serious, culpable breach of the Executive Director's professional obligations such as to seriously impair the Company's interests.

In addition, as consideration for a one-year post-contractual non-competition agreement, an indemnity equivalent to at most one year's total annual fixed remuneration may be established."

A.1.9. State the conditions that contracts for executive directors' senior management functions must fulfil. Among other aspects, give information on the term, limits to the amounts of indemnity, permanence clauses, notice periods and payments in lieu of notice, and any other clauses regarding hiring bonuses, as well as severance payments or golden handshakes for early cancellation or termination of the contractual relationship between the company and the executive director. Include, among others, any non-compete, exclusivity, permanence, loyalty, and post-contractual non-competition pacts or agreements, except where they have already been disclosed in the previous section.

The Executive Chairman's contract was approved by the Board of Directors on 6 February 2018, following a favourable report from the Appointments and Remuneration Committee. It was subsequently adapted on 31 October 2018 to include the new ILP long-term incentive scheme and other minor changes, and also on 30 December 2021 to include the modifications derived from the modification of the ILP. Following the review by the Board of Directors on 21 April 2024 of the remuneration scheme linked to the multi-year variable remuneration, as described in the 2025 annual remuneration report, it became necessary to amend the contract, which was done on 22 April 2024 and 25 June 2024. Subsequently, following the resolutions adopted by the 2025 General Meeting, described in section A.1.6, in connection with the Executive Chairman's long-term variable remuneration, it became to amend the contract again, and this was done on 10 April 2025 to include the new Bonus in place of the ILP Incentive.

The contract provides a six-month notice period for the Executive Chairman, except in the event of force majeure, an exclusivity agreement during the performance of his duties and a confidentiality agreement, in force both during the term of the contract and after its termination.

The Chairman's contract also establishes a severance payment in the event of termination or non-renewal as director in the amount of two years': (i) total annual fixed remuneration, (ii) annual variable remuneration, and (iii) the Value-Creation Bonus, in annual terms.

The payment will be forfeited in the event of serious and culpable breach of his professional obligations that results in significant harm to Naturgy's interests. In addition, as consideration for a one-year post-contractual non-competition agreement, an indemnity equivalent to at most one year's total annual fixed remuneration is established.

The Executive Chairman's contract provides for the termination of the contract and the payment of the indemnity in the event that he is terminated as an executive but continues as a non-executive Chairman. In that event, the indemnity provided for is identical to that in the preceding section, but reduced by half, i.e. by a single annuity.

If he steps down as Chairman but continues as Chief Executive Officer, the contract provides for a reduction in the remuneration.

A.1.10. The nature and estimated amount of any other supplementary remuneration accrued by directors in the year as consideration for services rendered other than those inherent to their position as directors.

Describe supplementary remuneration items

Not applicable

A.1.11. Other director remuneration items, such as advance payments, loans, guarantees, etc.

Describe the advances, loans, guarantees and any other remuneration granted

None of the directors has been granted any loans, advances or guarantees.

A.1.12. The nature and estimated amount of any other planned supplementary remuneration that is not disclosed in the preceding sections, whether paid by the institution or by another institution in the Group, which will be accrued by directors during the current year.

Not applicable

A.2. Describe any material change in the remuneration policy applicable in the current year resulting from:

- **A new policy or an amendment of the policy already approved by the General Shareholders' Meeting.**
- **Material changes in the specific calculations for the remuneration policy in force that were made by the Board for the current year, in comparison with those applied in the previous year.**
- **Any motions that are to be applicable in the current year that the Board has resolved to submit to the General Shareholders' Meeting to which this annual report is to be submitted.**

Not applicable

A.3. Identify the direct link to the document containing the current company remuneration policy, which must be available on the company's website.

<https://www.naturgy.com/en/shareholders-and-investors/corporate-governance/governance-bodies-and-rules/remunerations/>

A.4. Considering the data provided in Section B.4, describe the outcome of the consultative vote at the General Shareholders' Meeting on the previous year's annual report on remuneration.

The current remuneration policy was approved at the General Shareholders' Meeting on 15 March 2022 with more than 98% of votes in favour.

The Annual Report on Director Remuneration for 2024 was approved at the 2025 General Shareholders' Meeting by a large majority, as in previous years. As a result, it was not considered necessary to implement additional measures with regard to the Company's remuneration policy

B. Overall summary of how the remuneration policy was applied during the reporting year

B.1.1. Describe how the remuneration policy is applied and the individual remuneration set out in Section C of this report is determined. This information should include the role played by the Remuneration Committee, the decisions taken by the Board of Directors and the identity and the role of any external advisers engaged in the process of applying the remuneration policy in the reporting year.

The Board of Directors approved the directors' individual remuneration for non-executive functions in 2025 at a meeting on 18 February 2025; it maintained the fixed remuneration component for Chairmanship of the Board at €1,100,000, and setting the part for performing executive functions at €1,259.658. The 2025 targets for annual variable remuneration were set by the Board of Directors, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, at a meeting on 18 February 2025.

The Appointments, Remuneration and Corporate Governance Committee engaged consultancy firm PeopleMatters to benchmark the remuneration against other entities and to determine the Executive Chairman's remuneration.

Following a report by Appointments, Remuneration and Corporate Governance Committee, the Board of Directors recognised this short-term variable remuneration for 2025 at a meeting on 17 February 2026 at the same time as it authorised the 2025 financial statements, for which an unqualified auditors' report was issued.

B.1.2. Describe any departure during the year from the procedure established for applying the Remuneration Policy.

Not applicable.

B.1.3. Indicate whether any temporary exceptions were made to the Remuneration Policy and, if so, describe the exceptional circumstances that led to the application of these exceptions, the specific components of the Remuneration Policy that were affected and the reasons why the entity considers that those exceptions were necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Also quantify the impact that the application of these exceptions had on the remuneration of each director during the year.

Not applicable.

B.2. Detail the actions taken by the company in relation to the remuneration system and how they contributed to reducing exposure to excessive risk-taking and to adapting it to the company's long-term objectives, values and interests, including a reference to any measures that have been adopted to ensure that the company's long-term results were taken into consideration in setting the remuneration actually accrued and that a suitable balance was attained between the fixed and variable components of remuneration, any measures adopted in relation to those categories of staff whose work has a material impact on the company's risk profile and any measures that have been adopted to avoid conflicts of interest.

With regard to remuneration for non-executive functions, the establishment of a fixed remuneration for all directors is considered to be an effective way of reducing exposure to excessive risk-taking and to incorporate a long-term vision.

The remuneration of the Executive Chairman is divided into three main components, each with a similar weighting:

- A fixed component that accrues in any case, so that it is not at risk.

- A variable component with a one-year time horizon, linked to specific measurable business objectives which, since it is recurrent, avoids encouraging excessive risk-taking. This is reinforced by the fact that it is evaluated after the financial statements have been audited and authorised.
- A long-term variable component aligned with the duration of the Company's Strategic Plan, helping to moderate risk-taking.

There is a reasonable balance between the variable components not only in terms of the time horizon, but also in terms of amount and objectives, as the annual variable remuneration tends towards operational objectives focused on the Company's performance, while the multi-year variable remuneration mainly serves the Company's long-term interests as it is linked to the achievement of the objectives of the Strategic Plan.

The Executive Chairman's annual variable remuneration was determined after the Board of Directors had the audited financial statements of the

Company and taking into account the external auditors' report.

In addition, annual and multi-year variable remuneration has a clawback system in force for the 18 months following payment.

See section A.1.2. of this report for information on measures adopted to avoid conflicts of interest.

B.3. Detail how the remuneration that accrued and vested in the year meets the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term sustainable performance.

Also, disclose the relationship between the directors' remuneration and the company's results or other performance metrics, both short- and long-term, detailing how any variations in the company's performance resulted in changes in director remuneration, including remuneration that was deferred, and how the latter contributes to the company's short- and long-term results.

The total remuneration accrued during 2025 does not exceed the maximum amount established in the Remuneration Policy approved by the Shareholders' Meeting on 5 March 2022 and subsequently in the new remuneration policy approved at the General Shareholders' Meeting on 25 March 2025, which is applicable from the date it was approved and for the following three financial years.

The amount of the Executive Chairman's annual variable remuneration is related to the Company's 2025 earnings, as it is linked to the Company's main

indicators as detailed in section B.7 and was determined once the audited financial statements were made available to the Board.

The multi-year incentive for the Executive Chairman, approved by the General Shareholders' Meeting in March 2019 and amended by the General Shareholders' Meeting in March 2022 and on 25 March 2025, aligns his remuneration with long-term value creation due to the way it is structured, as described in the previous sections.

B.4. Describe the outcome of the consultative vote at the General Shareholders' Meeting on the annual remuneration report for the previous year, indicating the number of votes cast against, if any:

	Number	% of total
Votes cast	881,069,721	90.9 %
	Number	% of votes cast
Votes against	14,272,130	1.61 %
Votes in favour	866,637,421	98.36 %
Abstentions	160,170	0.01 %

B.5. Describe how the fixed components of remuneration that were accrued and vested during the year by the directors in their capacity as such were determined, the proportion allocated to each director, and any changes with respect to the previous year:

After keeping the directors' remuneration for their position as such unchanged for seven years, in 2025 the Board of Directors resolved to update the amounts for membership of the Board, and for chairing and membership of committees, while keeping the remuneration for Board Chairman and Lead Director unchanged.

The remuneration of the members of the Board of Directors for non-executive functions was:

For membership of the Board			For membership of Committees	
1,100,000	180,000	30,000	85,000	65,000
€/year	€/year	€/year	€/year	€/year
Chairman of the Board of Directors	Director	Lead independent director	Committee chairman	Committee member

B.6. Describe how the salaries earned and vested by each of the executive directors in the reporting year for performing executive functions were determined, and how they changed with respect to the previous year.

The Executive Chairman's remuneration for the performance of executive or delegated functions consists of the following items:

- Fixed annual remuneration, including remuneration for membership of any governing body of any company of the Naturgy group other than the parent company: €1,259,658.
- Annual variable remuneration, calculated by applying, to an amount equivalent to the total annual fixed remuneration, a percentage depending on the degree of attainment of the metrics; the resulting amount was €2,597,985. The aforementioned amount was settled as a voluntary contribution to the superannuation plan of which the Executive Chairman is a beneficiary, as established by contract.
- With regard to multi-year variable remuneration, in accordance with the resolution adopted by the Board of Directors at a meeting on 22 April 2024 and ratified by the General Shareholders' Meeting on 25

March 2025, the Executive Chairman is no longer entitled to a share in the profits arising from liquidation of the ILP vehicle; instead, he was granted a multi-year remuneration scheme linked to the achievement of the objectives established in the current Strategic Plan. At that General Meeting, it was also resolved to authorise the Board of Directors to settle in advance the long-term variable remuneration scheme linked to the 2021 Strategic Plan, and this was executed by decision of the Board at a meeting on 8 April 2025. At that meeting, it was resolved to amend the Executive Chairman's contract to include the new multi-year remuneration scheme for 2025-2027, known as the Value-Creation Bonus, as described in section A.1.6.

Other benefits, equivalent to those offered generally to the Company's senior management (medical insurance, company car, life and disability insurance, limited gas and electricity subsidies, savings insurance), as well as the obligation for the Company to arrange third-party liability insurance at its own expense.

B.7. Describe and detail the variable components of the remuneration systems accrued and vested in the reporting year.

In particular:

- a) Identify each of the remuneration plans that determined the various types of variable remuneration accrued by each of the directors in the reporting year, including information on their scope, approval date, implementation date, vesting conditions, accrual and validity periods, the criteria used to assess performance and how this affected the establishment of the variable amount that accrued, as well as the measurement criteria that were applied and the period that must elapse in order to be in a position to suitably measure all the established conditions and criteria, and describe in detail the criteria and factors applied in terms of the time required and methods for verifying that the performance conditions or any other type of conditions to which the accrual and vesting of each component of variable remuneration was linked were actually fulfilled.**
- b) In the case of stock options and other financial instruments, the general characteristics of each plan should contain information on the conditions required both to achieve unconditional ownership (vesting) and to exercise such options or financial instruments, including the strike price and exercise period.**
- c) Name and category (executive, proprietary external, independent external and other external) of each of the directors who are beneficiaries of remuneration systems or plans that include variable remuneration.**
- d) Disclose any accrual, vesting or deferral periods that were applied to the payment of vested amounts and/or any lock-up/non-disposal periods for shares or other financial instruments.**

Describe the short-term variable components of the remuneration systems.

The indicators and weightings established by the Board of Directors based on a report from the Appointments and Remuneration Committee were used to calculate the Executive Chairman's annual variable remuneration for year 2025, which was settled as a contribution to the superannuation plan of which the Executive Chairman is a beneficiary, in accordance with the provisions of the contract. Specifically, in 2025, the following parameters were considered when determining the degree of fulfilment of the objectives:

- Financial objectives, which account for 55%
 - Ordinary EBITDA
- Qualitative objectives, which account for 15%
 - Assessment of qualitative factors by the Board (contribution to business growth, transformation, teamwork)
- ESG objectives, which account for 20%
 - Health and safety
 - Gender diversity
 - Environment
 - Group employee net promoter score (eNPS)

The calculation is based on 100% of the total annual fixed remuneration and multiplied by the degree of achievement of objectives effectively reached in (for a degree of achievement of 100%, 100% of the annual fixed remuneration is received). Achievement is capped at 150%. This remuneration is not paid if the degree of achievement is less than 85%.

The Executive Chairman's annual variable remuneration is determined by the Board of Directors based on a report by the Appointments, Remuneration and Corporate Governance Committee.

The methodology for determining the degree of achievement of the financial/quantitative objectives consists of a comparison between the budget approved by the Board of Directors for the year and the final result for the year once the financial statements have been authorised by the Board of Directors, with certain adjustments being applied depending on the objective in question. These adjustments are generally applied to all Naturgy group personnel included in the management-by-objectives system.

The degree of achievement of the qualitative elements of variable remuneration is determined by the Appointments and Remuneration Committee, taking into account the work performed by the Chairman during the year.

ESG objectives are assessed by comparing the indicators budgeted at the beginning of the year with the actual numbers attained at the end of the year.

Therefore, the amount of the annual variable remuneration for 2025, which was settled as a

contribution to the superannuation plan whose beneficiary is the Executive Chairman, as provided in his contract, is €2,597,985, having achieved a remuneration percentage of 110,1%,

Describe the short-term variable components of the remuneration systems.

The Executive Chairman's long-term variable remuneration system was amended in April 2024: he ceased to be entitled to share in the profits from liquidation of the ILP vehicle, and this was disclosed by means of a regulatory disclosure dated 22 April, with registration number 28134, which disclosed that:

“In the context of the Privileged Information communications sent by Criteria Caixa, S.A., and TAQA, on 16 and 17 April 2024 respectively, about conversations which could result in a tender offer for the shares of Naturgy Energy Group, S.A.:

The Executive Chairman, in order to be able to act with complete independence and neutrality in any potential offer, and thus continue defending the Company's and all shareholders' interests, avoiding any possible conflict of interest linked to the result of any potential offer, has proposed to the Appointments, Remuneration and Corporate Governance Committee to return his remuneration scheme to the initial model stipulated in his February 2018 contract, and in the Remuneration Policy as approved by the June 2018 AGM.”

Consequently, the multi-year variable remuneration system was amended in 2024 as follows:

- Take 125% of the total annual fixed remuneration as the basis. Multiply by 7 (years) if the scheme ends in 2024 or 8 if it ends in 2025, and by the degree of achievement of objectives.
- The company recognizes that the Executive President is entitled to continue accruing multi-year variable remuneration from 1 January following the date of conclusion of the existing scheme.
- The degree of achievement is capped at 150% and must be at least 80% to give entitlement to the remuneration, as in the case of the annual variable remuneration; the

percentage attained is determined by the Board of Directors.

- The results to be assessed for quantitative metrics, linked to the Company's Strategic Plan, are those accumulated up to 31 December of the year prior to the year of settlement.
- The achievement metrics to be evaluated and their weighting will be as follows:
 - Quantitative, in accordance with the criteria established by the Board of Directors: 80%
 - Qualitative, to be assessed freely by the Board following a proposal by the Appointments and Remuneration Committee: 20%
- The settlement date will be the same as the settlement of the ILP vehicle, and the amount to be settled will be reduced by the amount received as compensation for the extension of the ILP in March 2022.
- The clawback and forfeiture rules are maintained and a clause is added under which the maximum amount to be received under this scheme may not exceed the amount that would have been received if the employee had continued under the ILP 2018-2025 Plan.

On 25 March 2025, the General Shareholders' Meeting agreed to ratify the resolution adopted by Board of Directors on 22 April 2024. At that General Meeting, it was also resolved to expressly *authorise the Board of Directors to settle in advance the long-term variable remuneration scheme linked to the 2021-2025 Strategic Plan in accordance with the decision under agenda item 7, and this was done by resolution of the Board at a meeting on 8 April 2025. assess the overall performance of the*

Chief Executive Officer during the 7-year term of the incentive (2018-2024) at 112%

multi-year remuneration scheme for 2025-2027, known as the Value Creation Bonus, as described in section A.1.6.

At that meeting, it was also resolved to amend the Executive Chairman's contract to include the new

B.8. Indicate whether any accrued variable components were reduced or clawed back after deferral of unvested amounts (in the former case) or vesting and payment (in the latter case) on the basis of data which were subsequently shown to be manifestly inaccurate. Describe the amounts reduced or clawed back through the application of the malus or clawback clauses, why they were implemented, and the years to which they refer.

Not applicable

B.9. Describe the main characteristics of the long-term savings systems where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivorship benefits that are funded, totally or partially, by the Company, whether internally or externally, indicating the type of plan, whether it is defined-contribution or defined-benefit, the contingencies it covers, the conditions for the economic rights to vest for directors, and their compatibility with any type of severance pay for early termination or termination of the contractual relationship between the company and the director.

Directors do not receive this type of remuneration for non-executive functions.

The Executive Chairman is entitled to the benefits that are available to the company's executives. These benefits are described in section A.1.5 (long-term savings schemes).

B.10. Describe any termination indemnities or other payments arising from early dismissal or early resignation, or from termination of the contract, in its own terms, that were accrued and/or received by directors during the reporting year.

Not applicable

B.11. Indicate whether there were any significant changes in the contracts of persons performing senior management functions, such as executive directors, and, in the event, describe them. Additionally, describe the main conditions of new contracts signed with executive directors during the year, unless already described in Section A.1.

Not applicable

B.12. Describe any additional remuneration paid to directors for services rendered other than those inherent to their position as directors.

Not applicable

B.13. Describe any remuneration deriving from granting advances, loans or guarantees, indicating the interest rate, the main features and any amounts that were repaid, as well as any collateral obligations assumed on their behalf.

Not applicable

B.14. Detail any remuneration in kind earned by the directors in the year, briefly indicating the nature of the various salary components.

Contributions to prudential instruments for the Executive Chairman amounted to €472 thousand in 2025. Additionally, he earned variable remuneration in 2025 in the amount of 2,597,985, which will be settled as a voluntary contribution to the superannuation plan of which the Chairman is a beneficiary. Death benefit and disability insurance premiums paid in the year amounted to €86 thousand. The limited electricity and gas subsidy, company vehicle, and health care insurance together amounted to €32 thousand in that year.

B.15. Describe any remuneration accrued by directors in the form of payments settled by the listed company with third parties where the director renders services, where such payments are intended to compensate the director's services to the company.

Not applicable

B.16. Describe and detail any items of remuneration accrued under any other remuneration heading not already disclosed above, regardless of their nature or the group company that made the payment, including any remuneration, in any form, that qualifies as a related-party transaction or, in particular, where it has a material impact on the true and fair view of the total remuneration accrued by the Director; it is necessary to describe the amount paid or pending payment, the nature of the consideration received, and any reasons why it was decided that it did not qualify as remuneration for the director's position as such or as consideration for executive functions, and whether or not it was considered appropriate to report it under amounts accrued under the heading of "Other items" in section C.

Not applicable

C. Itemised individual remuneration accrued by each director

Name	Type	Accrual period
Mr. Ramón Adell Ramón	Proprietary	From 01/01/2025 to 31/12/2025
Mr. Enrique Alcántara García-Irazoqui	Proprietary	From 01/01/2025 to 29/04/2025
Mr. Jaime Siles Fernández Palacios	Proprietary	From 01/01/2025 to 31/12/2025
Ms. Helena Herrero Starkie	Independent	From 01/01/2025 to 31/12/2025
Ms. Lucy Chadwick	Proprietary	From 01/01/2025 to 31/12/2025
Mr. Rajaram Rao	Proprietary	From 01/01/2025 to 31/12/2025
Ms. Isabel Estapé Tous	Proprietary	From 01/01/2025 to 31/12/2025
Mr. José Antonio Torre De Silva López de Letona	Proprietary	From 01/01/2025 to 31/12/2025
Mr. Claudi Santiago Ponsa	Independent	From 01/01/2025 to 31/12/2025
Mr. Pedro Sainz de Baranda Riva	Independent	From 01/01/2025 to 31/12/2025
Mr. Francisco Reynés Massanet	Executive	From 01/01/2025 to 31/12/2025
Rioja S.à.r.l.	Proprietary	From 01/01/2025 to 25/03/2025
Mr. Javier de Jaime Guijarro	Proprietary	From 25/03/2025 to 31/12/2025
Mr. Nicolás Villén Jiménez	Proprietary	From 25/03/2025 to 31/12/2025
Ms. Marta Martínez Alonso	Proprietary	From 25/03/2025 to 31/12/2025
Ms. Isabel Gabarró Miquel	Proprietary	From 25/03/2025 to 31/12/2025
Mr. Martin Catchpole	Proprietary	From 25/03/2025 to 31/12/2025

C.1. 5 Complete the following tables on the individual remuneration accrued during the year by each of the directors (including remuneration for carrying out executive functions).
a) Remuneration from the reporting company:
i) Remuneration in cash (thousand euro)

Name	Fixed remuneration	Per diems	Remuneration for belonging to Board committees	Wages	Short-term variable remuneration	Long-term variable remuneration	Indemnity	Other items	Total year Y	Year Y-1 total
Mr. Francisco Reynés Massanet	1,100		0	1260	0	2,763	0	118	5,241 (*)	5170 (*)
Ms. Helena Herrero Starkie	210		150	—	0	0	—	—	360	315
Mr. Ramón Adell Ramón	180		65	0	0	0	0	0	245	219
Mr. Enrique Alcántara-García Irazoqui	60		22	0	0	0	0	0	82	219
Ms. Isabel Estapé Tous	180		65	0	0	0	0	0	245	219
Ms. María Isabel Gabarró Miquel	138		43	0	0	0	0	0	182	
Ms. Lucy Chadwick	180		65	0	0	0	0	0	245	219
Mr. Rajaram Rao	180		65	0	0	0	0	0	245	219
Mr. Martin Catchpole	138		0	0	0	0	0	0	138	
Mr. Claudi Santiago Ponsa	180		150	0	0	0	0	0	330	285
Mr. Pedro Sainz de Baranda Riva	180		150	0	0	0	0	0	330	285
Mr. Jaime Siles Fernández-Palacios	180		65	0	0	0	0	0	245	219
Mr. Nicolás Villén Jiménez	138		0	0	0	0	0	0	138	
Rioja Acquisition, S.à r.l.	42		15	0	0	0	0	0	57	219
Mr. Javier de Jaime Guijarro	138		50	0	0	0	0	0	188	
Mr. José Antonio Torre De Silva López de Letona	180		65	0	0	0	0	0	245	219
Ms. Marta Martínez Alonso	138		0	0	0	0	0	0	138	
TOTAL	3544		970	1260	0	2,763	0	118	8655	7807

(*) Does not include the amount of annual variable remuneration accrued in the year that, as established by contract, is settled as a contribution to superannuation plans.

The long-term incentive program was settled in fiscal year 2025. The Annual General Meeting of Shareholders on March 25, 2025, resolved to settle this incentive with the Executive Chairman, which the Board carried out at its meeting on April 8. This settlement, taking into account the advance payment and prorated over the 7-year duration of the plan (2018-2024), amounts to €2,762,539 annually. The table reflects the principle that multi-year compensation must be prorated based on the number of years it covers.

iii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Not applicable

iii) Long-term savings systems

	Remuneration from vesting of rights within savings systems (*)
Francisco Reynés Massanet	3,070

(*) Includes the amount of accrued annual variable remuneration to be settled in year Y as a contribution to superannuation plans, as established in the contract.

Name	Contribution by the company in the year (thousand euro)				Total accumulated funds (thousand euros) (*)			
	Saving plans with vested economic rights		Saving plans with unvested economic rights		Year Y		Year Y-1	
	Year Y	Year Y-1	Year Y	Year Y-1	Plans with vested economic rights	Plans with unvested economic rights	Plans with vested economic rights	Plans with unvested economic rights
Francisco Reynés Massanet		0	3,070	2,977		22,803		19,627

(*) Includes the amount of accrued annual variable remuneration for the year that was settled as a contribution to superannuation plans, as established in the contract.

iv) Details of other items

Name	Item	Remuneration amount
Francisco Reynés Massanet	Life insurance and other bonds	118

b) Remuneration for directors of the listed company for membership of subsidiaries' boards of directors:

i) Remuneration in cash (thousand euro)

Not applicable

iii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Not applicable

iii) Long-term savings systems

Not applicable

iv) Details of other items

Not applicable

c) Summary of remuneration (thousand euro):

This should include a summary of the amounts corresponding to all the remuneration items included in this report that have accrued to the director, in thousand euro.

Name	Remuneration accrued in the Company				Remuneration accrued in group companies					
	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	Year total - Company	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	Year total - Group
Mr. Francisco Reynés Massanet	5,241		3,070	118	8,429					
Ms. Helena Herrero Starkie	360				360					
Mr. Ramón Adell Ramón	245				245					
Mr. Enrique Alcántara-García Irazoqui	82				82					
Ms. Isabel Estapé Tous	245				245					
Ms. María Isabel Gabarró Miquel	182				182					
Ms. Lucy Chadwick	245				245					
Mr. Rajaram Rao	245				245					
Mr. Martin Catchpole	138				138					
Mr. Claudi Santiago Ponsa	330				330					
Mr. Pedro Sainz de Baranda Riva	330				330					
Mr. Jaime Siles Fernández-Palacios	245				245					
Mr. Nicolás Villén Jiménez	138				138					
Rioja Acquisition, S.à.r.l.	57				57					
Mr. Javier de Jaime Guijarro	188				188					
Mr. José Antonio Torre De Silva López de Letona	245				245					
Ms. Marta Martínez Alonso	138				138					
TOTAL	8,654		3,070	118	11,842					

Erratum: Table C.1.c of the IARC, included as an Annex in Naturgy's consolidated financial statements, erroneously includes the figure of €150k in the section on remuneration for other items of the Chief Executive. The correct figure is €118k. (The other figures affected by this error in tables C.1.c and C.2 have also been corrected).

C.2. Describe the changes over the last five years in the amount and percentage change in the remuneration accrued by each of the persons who were directors of the listed company during the year, in the company's consolidated earnings and in the average remuneration on a full-time equivalent basis of the employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and change per year (%)								
	Year Y	% change Y/Y-1	Year Y-1	% change Y-1/Y-2	Year T-2	% change Y-2/Y-3	Year Y-3	% change Y-3/Y-4	Year Y-4
Executive director									
Francisco Reynés Massanet	8,429	3.4%	8,147	-1.0%	8,232	-4.5%	8,619	3.3%	8,345
External directors									
Ms. Helena Herrero Starkie	360	14.3%	315	0.0%	315	1.0%	312	9.5%	285
Mr. Ramón Adell Ramón	245	11.9%	219	0.0%	219	-4.4%	229	-27.3%	315
Mr. Enrique Alcántara-García Irazoqui	82	-62.7%	219	0.0%	219	0.0%	219	57.6%	139
Ms. Isabel Estapé Tous	245	11.9%	219	0.0%	219	-2.2%	224	-14.8%	263
Ms. María Isabel Gabarró Miquel	182								
Ms. Lucy Chadwick	245	11.9%	219	0.0%	219	-2.2%	224	-14.8%	263
Mr. Rajaram Rao	245	11.9%	219	0.0%	219	0.0%	219	0.0%	219
Mr. Martin Catchpole	138								
Mr. Claudi Santiago Ponsa	330	15.8%	285	0.0%	285	0.7%	283	7.6%	263
Mr. Pedro Sainz de Baranda Riva	330	15.8%	285	0.0%	285	0.7%	283	7.6%	263
Mr. Jaime Siles Fernández-Palacios	245	11.9%	219	0.0%	219	12.9%	194	0.0%	
Mr. Nicolás Villén Jiménez	138								
Rioja Acquisition, S.à r.l., Mr. Javier de Jaime Guijarro	57	-74.1%	219	0.0%	219	0.0%	219	0.0%	219
Mr. Javier de Jaime Guijarro	188								
Mr. José Antonio Torre De Silva López de Letona	245	47.6%	166	0.0%	166				
Ms. Marta Martínez Alonso	138								
Company consolidated earnings	2,023	6.4%	1,901	-4.3%	1,986	20.4%	1,649	35.8%	1,214
Average employee remuneration	71,953	5.8%	68,034	3.4%	65,784	6.9%	61,548	5.6%	58,281

Comments:

Note:

Average employee remuneration is for the group, expressed in euro. Does not include employer social security costs.

The 2025 figures are estimates, pending the final closure and settlement of 2025 variable remuneration for the employees included in this scheme.

D. Other information of interest

If there are any material aspects relating to directors' remuneration that could not be disclosed in other sections of this report but that are necessary to provide a more comprehensive and fully reasoned picture of the remuneration structure and practices for the company's directors, describe them briefly.

Since the official form for the Annual Report on Director Remuneration does not allow numbers to be entered with decimals, the actual figures vary slightly from the stated figures in some cases.

This annual report on the remuneration of directors was approved by the company's Board of Directors on 17 February 2026.

Indicate whether any board members voted against the approval of this report or abstained.

Yes

No