



# Auditor's Report on Naturgy Energy Group, S.A.

**(Together with the annual accounts and directors' report of Naturgy Energy Group, S.A. for the year ended 31 December 2025)**

***(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)***



KPMG Auditores, S.L.  
Torre Cristal  
Paseo de la Castellana, 259C  
28046 Madrid

## **Independent Auditor's Report** **on the Annual Accounts**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

To the shareholders of Naturgy Energy Group, S.A.

### **REPORT ON THE ANNUAL ACCOUNTS**

#### **Opinion**

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We have audited the annual accounts of Naturgy Energy Group, S.A. (the "Company"), which comprise the balance sheet at 31 December 2025, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

#### **Basis for Opinion**

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We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

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



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## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Recoverable amount of non-current investments in Group companies and associates considering the dynamics of energy transition and climate change

See notes 3.3, 3.20 and 7 to the annual accounts

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>At 31 December 2025 the Company has recognised non-current investments in Group companies and associates amounting to Euros 27,775 million. The recoverable amount of these investments in Group companies and associates is determined, for those companies in which there is objective evidence of impairment, by applying valuation techniques which often require the exercising of judgement by the Directors and the use of assumptions and estimates, including those in relation to energy transition and the decarbonisation of the economy.</p> <p>In 2025 the Company has recognised in the income statement impairment and reversals of impairment of investments in Group companies and associates in an amount of Euros 64 million and Euros 94 million, respectively.</p> <p>Due to the significance of the investments and the uncertainty associated with these estimates, this has been considered a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>• Assessing the design and implementation of the key controls related to evaluating the existence of evidence of impairment and, where applicable, of estimating the recoverable amount.</li><li>• Assessing the existence of evidence of impairment, as well as the reasonableness of the methodology and assumptions used to estimate the recoverable amount, with the involvement of our valuation and sustainability specialists.</li><li>• Assessing whether the disclosures in the annual accounts meet the requirements of the financial reporting framework applicable to the Company.</li></ul>



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## **Other Information: Directors' Report**

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Other information solely comprises the 2025 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not encompass the directors' report. Our responsibility regarding the information contained in the directors' report is defined in the legislation regulating the audit of accounts, as follows:

- a) Determine, solely, whether the non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.
- b) Assess and report on the consistency of the rest of the information included in the directors' report with the annual accounts, based on knowledge of the entity obtained during the audit of the aforementioned annual accounts. Also, assess and report on whether the content and presentation of this part of the directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the directors' report is consistent with that disclosed in the annual accounts for 2025, and that the content and presentation of the report are in accordance with applicable legislation.

## **Directors' and Audit and Control Committee's Responsibilities for the Annual Accounts**

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The Directors are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Directors are responsible for assessing the Company'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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit and control committee is responsible for overseeing the preparation and presentation of the annual accounts.



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## **Auditor's Responsibilities for the Audit of the Annual Accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts 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 legislation regulating the audit of accounts 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 annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 Company'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 annual accounts 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with Naturgy Energy Group, S.A.'s audit and control committee 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.



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We also provide the entity's audit and control committee with a statement that we have complied with the ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, safeguarding measures adopted to eliminate or reduce the threat.

From the matters communicated to the audit and control committee of the entity, we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the key audit matters.

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

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **European Single Electronic Format**

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We have examined the digital file of Naturgy Energy Group, S.A. for 2025 in European Single Electronic Format (ESEF) comprising an XHTML file with the annual accounts for the aforementioned year, which will form part of the annual financial report.

The Directors of Naturgy Energy Group, S.A. are responsible for the presentation of the 2025 annual financial report in accordance with the format requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the "ESEF Regulation"). In this regard, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration by means of a reference thereto in the directors' report.

Our responsibility consists of examining the digital file prepared by the Company's Directors, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the annual accounts included in the aforementioned digital file fully corresponds to the annual accounts we have audited, and whether the annual accounts have been formatted, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital file examined fully corresponds to the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements of the ESEF Regulation.

### **Additional Report to the Audit and Control Committee**

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The opinion expressed in this report is consistent with our additional report to the Company's audit and control committee dated 18 February 2026.



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## **Contract Period**

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We were appointed as auditor by the shareholders at the ordinary general meeting on 2 April 2024 for a period of two years, from the year ended 31 December 2024.

Previously, we had been appointed for a period of three years, by consensus of the shareholders at their ordinary general meeting, and have been auditing the annual accounts since the year ended 31 December 2021.

KPMG Auditores, S.L.  
On the Spanish Official Register of  
Auditors ("ROAC") with No. S0702

*(Signed on original in Spanish)*

This report  
corresponds to  
stamp number  
01/26/00306 issued  
by the Spanish  
Institute of  
Registered Auditors  
(ICJCE)

On the Spanish Official Register of Auditors ("ROAC") with No. 20,435

Annual Report of  
Naturgy Energy Group, S.A.  
**2025**



## **Separate Annual Accounts**

Balance sheet.

Income statement.

Statements of recognised income and expense.

Statements of changes in equity.

Cash-flow statement.

Notes to the annual accounts.

This 2025 Annual Report is a translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.

**Naturgy Energy Group, S.A.****Balance sheet****(million euro)**

		<b>31.12.2025</b>	31.12.2024
<b>NON-CURRENT ASSETS</b>	<b>Note</b>	<b>28,040</b>	<b>29,008</b>
Intangible assets	5	27	25
Other intangible assets		27	25
Property, plant and equipment	6	87	93
Land and buildings		67	72
Other property, plant and equipment		20	21
Long-term investments in group companies and associates	7	27,775	28,655
Equity instruments		15,855	15,994
Loans to companies		11,920	12,661
Long-term investments	8-14	25	18
Equity instruments		3	4
Derivatives		18	11
Other financial assets		4	3
Other non-current assets	9-14	2	90
Derivatives		2	90
Deferred tax assets	17	124	127
<b>CURRENT ASSETS</b>		<b>3,453</b>	<b>4,798</b>
Trade and other receivables	9-14	185	413
Trade receivables for sales and services		—	4
Trade receivables, group companies and associates		28	36
Derivatives		128	280
Sundry receivables		—	74
Current tax assets		12	—
Other amounts receivable to Public Administrations		17	19
Short-term investments in group companies and associates	7	957	1,226
Loans to companies		957	1,224
Other financial assets		—	2
Short-term investments	8-14	9	21
Derivatives		8	19
Other financial assets		1	2
Short-term prepayments and accrued expenses		2	2
Cash and cash equivalents	10	2,300	3,136
Cash at banks and in hand		1,349	2,169
Other cash equivalents		951	967
<b>TOTAL ASSETS</b>		<b>31,493</b>	<b>33,806</b>

Notes 1 to 30 form an integral part of these annual accounts.

**Naturgy Energy Group, S.A.****Balance sheet****(million euro)**

	<b>Note</b>	<b>31.12.2025</b>	31.12.2024
<b>EQUITY</b>	11	<b>16,209</b>	<b>17,704</b>
<b>SHAREHOLDER'S EQUITY</b>		<b>16,193</b>	<b>17,684</b>
Capital		970	970
Share capital		970	970
Share premium		3,808	3,808
Reserves		10,358	10,362
Legal and statutory		300	300
Other reserves		10,058	10,062
Treasury shares		(1,132)	(6)
Profit for the year		1,321	1,057
Retained earnings		1,952	2,446
Interim dividend		(1,100)	(969)
Other equity instruments		16	16
<b>VALUE CHANGE ADJUSTMENTS</b>		<b>16</b>	<b>20</b>
Hedging operations		16	20
<b>NON-CURRENT LIABILITIES</b>		<b>10,984</b>	<b>11,202</b>
Long-term provisions	12	289	296
Long-term post-employment obligations		186	203
Other provisions		103	93
Long-term borrowings	13	5,804	5,349
Bank borrowings		5,803	5,342
Derivatives	14	—	6
Other financial liabilities		1	1
Amounts owing to group companies and associates falling due in more than one year	15	4,626	5,205
Deferred tax liabilities	17	263	263
Other liabilities	14-16	2	89
Derivatives		2	89
<b>CURRENT LIABILITIES</b>		<b>4,300</b>	<b>4,900</b>
Short-term borrowings	13-14	146	134
Bank borrowings		135	131
Finance lease payables		—	1
Derivatives		3	2
Other financial liabilities		8	—
Amounts owing to group companies and associates falling due in less than one year	15	3,899	4,268
Trade and other payables	16	254	497
Trade payables		77	56
Trade payables, Group companies and associates		8	77
Derivatives	14-16	128	280
Personnel (outstanding remuneration)		38	40
Current tax liabilities		—	42
Other amounts payable to Public Administrations		3	2
Short-term prepayments and accrued expenses		1	1
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>31,493</b>	<b>33,806</b>

Notes 1 to 30 form an integral part of these annual accounts.

**Naturgy Energy Group, S.A.****Income statement****(million euro)**

	<b>Note</b>	<b>2025</b>	2024
Revenue	18	1,843	1,468
Sales		1	9
Income from equity instruments of group companies and associates	7	1,390	950
Income from marketable securities and other financial instruments of Group companies and associates		452	509
Raw materials and consumables	19	(2)	(8)
Consumption of goods		(2)	(8)
Other operating income	22	114	119
Supplementary income and other operating income		114	119
Personnel expenses	20	(78)	(78)
Wages, salaries and related expenses		(61)	(64)
Social Security		(11)	(9)
Provisions		(6)	(5)
Other operating expenses	21	(206)	(134)
Services received		(205)	(145)
Taxes		(1)	(6)
Impairment losses and variation in trade provisions		—	17
Fixed asset depreciation/amortisation	5-6	(23)	(20)
Impairment and gain/(loss) on disposals of fixed assets		31	62
Gain/(loss) on disposals of tangible fixed assets	6	1	(2)
Impairment of and losses from equity instruments of group companies and associates	4-7	30	65
Gain/(loss) on disposals of equity interests in group companies and associates	7	—	(1)
<b>OPERATING PROFIT/(LOSS)</b>		<b>1,679</b>	<b>1,409</b>
Financial income		52	75
Negotiable securities and other financial instruments		52	75
- In third parties		52	75
Financial expenses		(405)	(421)
Borrowings from group companies and associates		(210)	(242)
Borrowings from third parties		(195)	(179)
Exchange differences		(4)	—
<b>Net financial income</b>	23	<b>(357)</b>	<b>(346)</b>
<b>PROFIT/(LOSS) BEFORE TAXES</b>		<b>1,322</b>	<b>1,063</b>
Income tax	17	(1)	(6)
<b>Profit for the year</b>		<b>1,321</b>	<b>1,057</b>
Basic and diluted earnings per share in euro		1.4	1.1

Notes 1 to 30 form an integral part of these annual accounts.

**Naturgy Energy Group, S.A.**  
**Statement of changes in equity**

<b>A) STATEMENT OF RECOGNISED INCOME AND EXPENSE</b>	<b>Note</b>	<b>(million euro)</b>	
		<b>2025</b>	<b>2024</b>
<b>PROFIT FOR THE YEAR</b>		<b>1,321</b>	<b>1,057</b>
<b>INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>		<b>101</b>	<b>8</b>
Cash flow hedges		12	5
Actuarial gains and losses	12	5	3
Other adjustments	7 & 11	85	2
Tax effect	17	(1)	(2)
<b>RELEASES TO INCOME STATEMENT</b>		<b>(13)</b>	<b>(27)</b>
Cash flow hedges		(17)	(36)
Tax effect	17	4	9
<b>TOTAL INCOME AND EXPENSE RECOGNISED IN EQUITY</b>		<b>1,409</b>	<b>1,038</b>

Notes 1 to 30 form an integral part of these annual accounts.

**Naturgy Energy Group, S.A.**  
**Statement of changes in equity**

**B) TOTAL STATEMENT OF CHANGES IN EQUITY**

(million euro)

	Share capital	Share premium	Reserves	Treasury shares	Profit or loss brought forward	Retained Earnings	Profit of the year	Interim dividend	Other instruments	Value changes adjustments	Total
<b>Balance at 1.1.2024</b>	<b>970</b>	<b>3,808</b>	<b>10,360</b>	<b>(6)</b>	<b>—</b>	<b>2,592</b>	<b>1,211</b>	<b>(969)</b>	<b>14</b>	<b>43</b>	<b>18,023</b>
Total recognised income and expense	—	—	2	—	—	—	1,057	—	2	(23)	<b>1,038</b>
Operations with shareholders or owners											—
- Dividend distribution	—	—	—	—	—	(388)	—	(969)	—	—	<b>(1,357)</b>
- Trading in treasury shares	—	—	—	—	—	—	—	—	—	—	—
Other changes in equity	—	—	—	—	—	242	(1,211)	969	—	—	—
<b>Balance at 31.12.2024</b>	<b>970</b>	<b>3,808</b>	<b>10,362</b>	<b>(6)</b>	<b>—</b>	<b>2,446</b>	<b>1,057</b>	<b>(969)</b>	<b>16</b>	<b>20</b>	<b>17,704</b>
Total recognised income and expense	—	—	(4)	—	—	—	1,321	—	96	(4)	<b>1,409</b>
Operations with shareholders or owners											—
- Dividend distribution	—	—	—	—	—	(582)	—	(1,100)	—	—	<b>(1,682)</b>
- Trading in treasury shares	—	—	—	(1,126)	—	—	—	—	(29)	—	<b>(1,155)</b>
Other changes in equity	—	—	—	—	—	88	(1,057)	969	(67)	—	<b>(67)</b>
<b>Balance at 31.12.2025</b>	<b>970</b>	<b>3,808</b>	<b>10,358</b>	<b>(1,132)</b>	<b>—</b>	<b>1,952</b>	<b>1,321</b>	<b>(1,100)</b>	<b>16</b>	<b>16</b>	<b>16,209</b>

Notes 1 to 30 form an integral part of these annual accounts.

**Naturgy Energy Group, S.A.****Cash flow statement****(million euro)**

	<b>Note</b>	<b>31.12.2025</b>	31.12.2024
<b>Profit for the year before tax</b>		<b>1,322</b>	<b>1,063</b>
<b>Adjustments to results</b>		<b>(1,501)</b>	<b>(1,163)</b>
Fixed asset depreciation/amortisation	5-6	23	20
Impairment adjustments	4-7	(30)	(82)
Change in provisions		(22)	8
Profit/(loss) on write-offs and disposals of fixed assets	5-6	(1)	2
Profit/(loss) on write-offs and disposals of financial instruments	7	—	1
Financial income		(1,894)	(1,534)
Financial expenses	23	405	421
Exchange differences	23	4	—
Other income and expenses		14	1
<b>Changes in working capital</b>		<b>34</b>	<b>(100)</b>
Debtors and other receivables		76	(31)
Other current assets		1	—
Creditors and other payables		(43)	(69)
<b>Other cash flows from operating activities</b>		<b>1,558</b>	<b>1,261</b>
Interest paid		(350)	(359)
Dividends received		1,473	950
Interest collected		464	525
Income tax collections/(payments)		(29)	145
<b>Cash flows from operating activities</b>		<b>1,413</b>	<b>1,061</b>
<b>Amounts paid on investments</b>		<b>(450)</b>	<b>(709)</b>
Group companies and associates		(439)	(692)
Intangible assets		(7)	(9)
Property, plant and equipment		(3)	(7)
Other financial assets		(1)	(1)
<b>Amounts collected from divestments</b>		<b>218</b>	<b>385</b>
Group companies and associates		212	379
Property, plant and equipment		1	5
Other financial assets		5	1
<b>Cash flows from investing activities</b>		<b>(232)</b>	<b>(324)</b>
<b>Collections and payments on equity instruments</b>		<b>(1,008)</b>	<b>—</b>
Cancellation of own equity instruments		(67)	—
Acquisition of own equity instruments		(2,332)	—
Disposal of own equity instruments		1,391	—
<b>Collections and payments from financial liability instruments</b>		<b>673</b>	<b>2,158</b>
Issuance		5,932	5,851
Bank borrowings		703	3,092
Payables to Group companies and associates		5,229	2,759
Other payables		—	—
Repayment/redemption of		(5,259)	(3,693)
Bank borrowings		(238)	(183)
Payables to Group companies and associates		(5,020)	(3,496)
Other payables		(1)	(14)
<b>Dividend payments</b>	<b>11</b>	<b>(1,682)</b>	<b>(1,357)</b>
<b>Cash flow from financing activities</b>		<b>(2,017)</b>	<b>801</b>
<b>NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS</b>		<b>(836)</b>	<b>1,538</b>
Cash and cash equivalents at the beginning of the year		3,136	1,598
Cash and cash equivalents at the year end		2,300	3,136

Notes 1 to 30 form an integral part of these annual accounts.

# Contents of the notes to the annual accounts for 2025

<b>Note 1.</b>	General information	<u>8</u>
<b>Note 2.</b>	Basis of presentation, comparability and accounting policies	<u>8</u>
<b>Note 3.</b>	Accounting policies	<u>9</u>
<b>Note 4.</b>	Impairment of assets	<u>30</u>
<b>Note 5.</b>	Intangible assets	<u>41</u>
<b>Note 6.</b>	Property, plant and equipment	<u>41</u>
<b>Note 7.</b>	Investments in Group companies and associates	<u>42</u>
<b>Note 8.</b>	Investments	<u>47</u>
<b>Note 9.</b>	Other non-current assets and Trade and other receivables	<u>49</u>
<b>Note 10.</b>	Cash and cash equivalents	<u>51</u>
<b>Note 11.</b>	Equity	<u>51</u>
<b>Note 12.</b>	Provisions	<u>60</u>
<b>Note 13.</b>	Financial liabilities	<u>63</u>
<b>Note 14.</b>	Risk management and derivative financial instruments	<u>67</u>
<b>Note 15.</b>	Payables to Group companies and associates	<u>72</u>
<b>Note 16.</b>	Other non-current liabilities and Trade and other payables	<u>74</u>
<b>Note 17.</b>	Tax situation	<u>76</u>
<b>Note 18.</b>	Revenue	<u>81</u>
<b>Note 19.</b>	Raw materials and consumables	<u>82</u>
<b>Note 20.</b>	Personnel expenses	<u>82</u>
<b>Note 21.</b>	Other operating expenses	<u>83</u>
<b>Note 22.</b>	Other operating income	<u>83</u>
<b>Note 23.</b>	Net financial income	<u>83</u>
<b>Note 24.</b>	Foreign currency transactions	<u>84</u>
<b>Note 25.</b>	Information on transactions with related parties	<u>84</u>
<b>Note 26.</b>	Information on members of the Board of Directors and Senior Management	<u>86</u>
<b>Note 27.</b>	Contingent liabilities and commitments	<u>88</u>
<b>Note 28.</b>	Auditors' fees	<u>89</u>
<b>Note 29.</b>	Environment	<u>89</u>
<b>Note 30.</b>	Events after the reporting date	<u>92</u>
<b>APPENDIX I.</b>	NATURGY TAX GROUP COMPANIES	<u>93</u>

# Notes to the annual accounts of Naturgy Energy Group, S.A. for 2025

## Note 1. General information

Naturgy Energy Group, S.A. ("the Company"), the parent company of the Naturgy group ("Naturgy"), was incorporated as a public limited company in 1843 and its registered office is at Avda. América 38, Madrid. On 27 June 2018, the shareholders, in general meeting, agreed to change the company's business name to Naturgy Energy Group, S.A., formerly Gas Natural SDG, S.A.

The company's corporate purposes, as per its articles of association, comprise the following activities:

- a. All types of activities related to gas, electricity and any other type of existing energy source, the production and sale of electrical, electro-mechanical and electronic equipment and components, planning and execution of construction projects, management of architectural projects, civil engineering works, utilities and gas and hydrocarbon distribution in general; management of communications, telecommunications, gas and hydrocarbon distribution networks in general, and maintenance of electrical and gas appliances; as well as business consulting, energy planning and energy use rationalisation services, research, development and exploitation of new technologies, communications, computer and industrial security systems; training and selection of human resources and real estate management and development.
- b. Acting as a holding company, incorporating companies or holding shares as a member or shareholder in other companies no matter what their corporate purpose or nature, by subscribing, acquiring or holding shares, participation units or any other securities deriving from the same, subject to compliance with the legal requirements in each case.

The Company's main ordinary activity is the administration and management of its shareholdings in subsidiaries. In addition, the Company has short-term gas procurement contracts.

The Company's shares are listed on the four Spanish stock exchanges and the continuous market and form part of the Ibex 35 stock index.

During 2025, Naturgy carried out significant operations within the framework of its 2025-2027 Strategic Plan, which aims to restore adequate levels of free float, promote the share's liquidity and strengthen its presence in international stock market indices. In this context, the Company made a voluntary tender offer to acquire 88 million own shares, which was executed in June 2025, followed by various orderly placements of own shares on the market. For full details of these transactions, see sections entitled "Tender offer" and "Placement of treasury shares" in Note 11.

## Note 2. Basis of presentation, comparability and accounting policies

### 2.1. Basis of presentation

The Company's annual accounts for 2024 were approved at the annual general meeting of shareholders on 25 March 2025.

The annual accounts for 2025, which were authorised by the Company's Board of Directors on 17 February 2026, will be submitted to the general shareholders' meeting for approval; they are expected to be approved without any changes.

The accompanying annual accounts are presented in accordance with current mercantile legislation and with the rules laid down in the National Chart of Accounts approved by Royal Decree 1514/2007 of 16 November and the amendments incorporated therein by Royal Decree 1159/2010 of 17 September, Royal Decree 602/2016 of 2 December, and Royal Decree 1/2021 of 12 January, as well as by the adoption of the Resolution of 10 February 2021 of the Spanish Institute of Accounting and Auditing which lays down rules for the recognition, valuation and preparation of the annual accounts for the recognition of income from sales of goods and services.

These annual accounts have been prepared based on the Company's accounting records in order to fairly present its equity and financial position as at 31 December 2025, as well as the Company's results, changes in equity and cash flows for the year then ended.

As at 31 December 2025, the Company's working capital was negative in the amount of Euros 847 million (Euros 102 million in 2024). In this respect, the Company's liquidity projections together with the amounts available under credit lines (Note 14) will ensure coverage of that amount.

The figures set out in these annual accounts are expressed in million euro, this being the Company's functional and presentation currency, unless otherwise stated.

## 2.2. Comparability

For comparative purposes, the annual accounts present, in addition to the figures for 2025 for each item in the balance sheet, income statement, statement of changes in equity, cash-flow statement and notes to the accounts, the figures corresponding to the previous year which formed part of the 2024 annual accounts.

## 2.3. Accounting principles and main measurement standards

The main accounting policies and valuation standards applied by the Company to prepare these annual accounts are the same as for the Company's annual accounts for the previous year, ended 31 December 2024.

The consolidated annual accounts of Naturgy for 2025 were prepared in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU), under Regulation (EU) 1606/2002 of the European Parliament and of the Council. The main figures disclosed in the consolidated annual accounts, which have been audited, are as follows:

Total assets	39,101
Equity attributed to the parent company	9,342
Non-controlling interests	2,031
Revenue	19,455
Profit after tax attributed to the parent company	2,023

## Note 3. Accounting policies

The main accounting principles applied by the Company to prepare these annual accounts are described below:

### 3.1 Intangible assets

Intangible assets are carried at acquisition price or production cost, or at fair value in the case of assets acquired through a business combination, less accumulated amortisation and any recognised impairment losses.

#### a. Goodwill

Goodwill represents the excess, at the acquisition date, of the cost of the business combination over the fair value of the net identifiable assets acquired. Consequently, goodwill is only recognised when it has been acquired for valuable consideration and relates to the future economic benefits from assets that could not be identified individually and recognised separately.

Goodwill is amortised over ten years using the straight-line method. Goodwill is tested annually to analyse possible impairment losses. It is recognised in the balance sheet at cost value less amortisation and any cumulative impairment adjustments.

Impairment of goodwill cannot be reversed.

#### **b. Computer software**

Costs associated directly with the production of computer software programmes that are likely to generate economic profit greater than the costs related to their production are recognised as intangible assets. The direct costs include the personnel costs of the employees involved in developing the programmes.

Computer software development costs recognised as assets are amortised on a straight-line basis over a period of five years as from the time the assets are ready to be brought into use.

#### **c. Other intangible assets**

Research expenditure is recognised in the income statement when incurred.

The Company has no intangible assets with an indefinite useful life.

### **3.2 Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment provision.

#### **a. Cost**

Property, plant and equipment are carried at acquisition price or production cost, or at the value attributed to the asset if it is acquired as part of a business combination.

Financial costs relating to financing for plant projects during the plant construction period to the date the asset is ready for use form part of property, plant and equipment.

Renewal, extension or improvement costs are capitalised as an increase in an asset's value only if they entail an increase in capacity, productivity or useful life. Major maintenance expenditures are capitalised and amortised over the estimated useful life of the asset (generally 2 to 6 years) while minor maintenance is expensed as incurred.

Own work capitalised under Property, plant and equipment relates to the direct cost of production.

Expenses arising from actions designed to protect and improve the environment are expensed in the year they are incurred.

When such costs entail additions to property, plant and equipment the purpose of which is to minimise the environmental impact and to protect and improve the environment, they are accounted for as an increase in the value of property, plant and equipment.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the Income statement.

#### **b. Depreciation**

Assets are depreciated on a straight-line basis over their useful lives or the concession term, if shorter. Estimated useful lives are as follows:

	<b>Estimated useful life years</b>
Buildings	33 – 50
Computer hardware	4
Vehicles	6
Other	3 – 20

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

When the carrying value of an asset is greater than its estimated recoverable amount or when it is no longer useful, its value is written down immediately to its recoverable amount (Note 3.3).

### 3.3 Impairment of assets

Assets are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. Additionally, investments in group companies, goodwill and intangible assets that are not in use are tested annually for impairment.

When the recoverable amount is less than the asset's carrying amount, an impairment loss is recognised in the income statement for the amount of the difference between the two. The recoverable amount is calculated at the higher of an asset's fair value less costs of sale and value in use calculated by applying the discounted cash flow method. In general the Company considers value in use as the recoverable amount, except for CGUs where fair value less costs to sell is considered to be a better estimate of the recoverable amount.

For the purposes of assessing impairment losses, assets are grouped together at the lowest level for which there are separately identifiable cash flows. Assets and goodwill are assigned to these cash-generating units (CGUs).

In the case of investments in group companies and associates, apart from those investments whose recoverable amount is determined on the basis of the investee's equity (Note 3.4) and which require impairment analysis, the recoverable value is calculated as the higher of the fair value of the investment in group companies and associates and their value in use. Value in use is determined as the present value of cash flows generated in their current condition, based on the best forward-looking information available for the coming years, extended as far as a ten-year period or by the remaining useful life for certain assets and concessions, on the basis of regulations and expected market evolution, drawing on available industry forecasts and past experience of price trends and production volumes.

The extension by the additional years to reach a period of ten years for the cash flow projections or by the remaining useful life of the assets and concessions is explained by the fact that in many cases long-term energy sale agreements have been concluded, long-term estimated price curves are available that are used in the Group's ordinary operations (for contracts, hedging, etc.), the electricity and gas supply business is influenced by long-term government policies and is based on stable customer relations, there are lengthy regulatory periods and, in the case of electricity and gas transport and distribution concessions, because the mechanism for calculating the new tariff that the relevant regulator will use at the beginning of the new regulatory period is foreseen.

Naturgy believes that its projections are reliable and that it can reliably predict additional cash flows beyond the initial projections.

The cash flows after the ten-year projected period are extrapolated using the growth rates estimated for each CGU or group of CGUs, and in no case exceed the average long-term growth rate for the business in which they operate. In all cases, they are lower than the growth rates for the period reflected in the available prospective information. In order to estimate future cash flows for the calculation of residual values, all maintenance investments are taken into account as well as any renovation investments needed to maintain the CGUs' production capacity.

In the case of cash flow projections for the impairment tests that present terminal values, the latter are calculated on the basis of a long-term growth rate aligned with the demand trend quantified by Naturgy using its energy models, in line with current expectations with regard to the transition to a low-carbon economy and considering the physical and transition risks associated with climate change.

The parameters taken into account to determine the growth rates, which represent the long-term growth of each line of business, are in line with the long-term growth of the country, obtained from inflation estimates provided by several sources: analysts' consensus (Bloomberg), International Monetary Fund (IMF), Organisation for Economic Co-operation and Development (OECD), central banks and other government agencies, European Commission for the period 2025-2026, and Economist Intelligence Unit (EIU) for 2027 and thereafter.

The parameters taken into account for the composition of the discount rates before taxes are as follows:

- Risk-free rate: Based on the sovereign bond yield, bearing in mind country risk, currency and market of reference for the CGU, as well as surveys and other sources of information (Damodaran, EIU, etc.).
- Market risk premium: Premium based on surveys and other sources of information (Kroll, Damodaran, Pablo Fernández, etc.).
- Deleveraged Beta: Based on estimated betas for each CGU based on comparables (Bloomberg).
- Cost of interest-bearing debt: comprises the functional currency interest swap rate, with a term of 10 to 30 years, plus a spread for credit risk.
- Debt-equity ratio: Based on industry comparables.

An asset impairment loss, individually considered, is recognised in the income statement, reducing the carrying value of the asset to its recoverable amount. The asset's depreciation charges are adjusted in future periods in order to apportion the revised carrying amount of the asset, less any residual value, systematically over its remaining useful life.

An impairment loss is recognised for an asset if its recoverable amount is less than the carrying amount. The carrying amount of an asset is not reduced below the higher of its recoverable value and zero.

Impairment adjustments to values recognised in previous periods for investments in Group companies and associates may be reversed if and only if there is a change in the estimates used to determine their recoverable amount since the latest impairment loss was recognised. The carrying amount of an asset other than goodwill that was increased due to reversal of impairment losses may not exceed the carrying amount that would have obtained (net of depreciation and amortisation) if no impairment had been recognised for that asset in previous years.

### Impairment of financial assets carried at amortised cost

For financial assets carried at amortised cost, the impairment loss is the difference between the carrying amount of the financial asset and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. For financial assets at variable interest rates, the effective interest rate at the measurement date based on contractual terms is applied. Impairment losses and their reversal when the amount of such losses decreases for reasons related to a subsequent event are charged to results. The reversal of the loss is limited to the amortised cost of the assets had the impairment loss not been recognised.

## 3.4 Financial assets and liabilities

### Financial assets

The Company classifies its financial assets based on their valuation category which is determined on the basis of the business model and the characteristics of the contractual cash flows, and reclassifies financial assets when and only when it changes its business model for managing said assets.

Purchases and sales of investments are recognised on the trade date, which is the date on which the Company undertakes to purchase or sell the asset, classifying the acquisition under the following categories:

#### a. Financial assets at cost

This category includes equity investments in Group companies and associates, as well as investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument or cannot be reliably estimated.

They are measured at the lower of acquisition cost, which is the fair value of the consideration given plus directly attributable transaction costs, or fair value in the case of investments acquired through a business combination, and the recoverable value. The recoverable value is determined as the higher of fair value minus cost of sale and the current value of the cash flows generated by the investment. If there is no better evidence of recoverable value, recoverable value will be the equity of the investee company adjusted by any unrealised capital gains subsisting at the valuation date. The value adjustment and, where appropriate, its reversal, is recorded on the income statement in which it takes place.

#### b. Financial assets at amortised cost

These are non-derivative financial instruments held to collect contractual cash flows when those cash flows consist only of principal and interest payments. They include current assets, except for those maturing after twelve months as from the balance sheet date, which are classified as non-current assets.

They are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method. Interest income from these financial assets is included in financial income. Any gain or loss that arises when they are derecognised is recognised directly in results and any impairment losses are recorded as a separate item in the income statement for the year.

#### c. Financial assets at fair value through profit or loss

These are assets acquired for short-term sale. Derivatives form part of this category unless they are designated as hedges. These financial assets are stated, both initially and in later valuations, at their fair value, and the changes in their value are taken to the income statement for the year.

Equity instruments classified in this category are recognised at fair value and any gain or loss arising from changes in fair value, or the proceeds of their sale, are included in the income statement.

The fair values of listed investments are based on listed prices (Level 1). In the case of shareholdings in unlisted companies, fair value is determined using valuation techniques that include the use of recent transactions between willing and knowledgeable parties, references to other instruments that are substantially the same and the analysis of discounted future cash flows (Levels 2 and 3). If recent available information is insufficient to determine fair value, or if there are a range of possible fair value measurements and the cost value is the best estimate within that range, the investments are recorded at their acquisition cost reduced by any impairment losses.

#### d. Equity instruments at fair value through equity

These are equity instruments with respect to which the Company has made an irrevocable decision at the time of initial recognition to record them in this category. They are recognised at fair value and increases or decreases that arise from changes in fair value are recorded in Equity. However, impairment adjustments and dividends on such investments are recognised in results for the period. At the time of sale, gains or losses are reclassified to the income statement.

Fair value measurements are classified using a fair value hierarchy that reflects the relevance of the variables employed to perform the measurement. This hierarchy has three levels:

- Level 1: Valuations based on the quoted price of identical instruments in an official market. The fair value is based on quoted market prices at the balance sheet date.

- Level 2: Valuations based on variables that are observable for the asset or liability. The fair value of financial assets included in this category is determined using valuation techniques. These techniques maximise the use of available observable market data inputs and rely as little as possible on specific estimates made by the Company. If all significant inputs required to calculate the fair value are observable, the instrument is included in Level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.
- Level 3: Valuations based on variables that are not based on observable market information.

Financial assets are derecognised when the contractual rights to the asset's cash flows have expired or they have been transferred; in the latter case, the risks and rewards of ownership must have been substantially transferred. In asset assignments where the risks and rewards of ownership are retained, the financial assets are not derecognised and a liability is recognised in the same amount as the consideration received.

Receivables assignment agreements are treated as factoring without recourse provided that the risks and rewards inherent in ownership of the assigned financial assets are transferred.

The impairment of financial assets is based on their recoverable value. The Company recognises financial asset impairment at each reporting date.

## Financial liabilities

### a. Financial liabilities at amortised cost

Borrowings are initially recognised at fair value, net of any transaction costs incurred. Any difference between the amount received and the repayment value is recognised in the income statement during the period of repayment using the effective interest rate method.

In the event of contractual modifications to a liability at amortised cost that do not result in derecognition, the carrying amount of the financial liability will be adjusted by any transaction costs or fees incurred. From that date, the amortised cost of the financial liability will be determined by applying the effective interest rate that matches the carrying amount of the financial liability with the cash flows payable under the new conditions.

In a contractual modification of a liability, the terms are considered to be materially different if the present value of the discounted cash flows under the new terms, including any fees paid net of any fees received from the lender, and using the original effective interest rate as the discount rate, differs by at least 10% from the discounted present value of the cash flows remaining on the original financial liability. In this case, the original financial liability is derecognised and the new financial liability is recognised.

The difference between the carrying amount of a derecognised financial liability and the consideration paid is recognised in profit or loss.

Borrowings are classified as current liabilities unless they mature in more than twelve months as from the balance sheet date, or include tacit one-year renewal clauses that can be exercised by the Company.

In addition, trade and other current payables are financial liabilities that fall due in less than twelve months; they are initially recognised at fair value, do not accrue explicit interest, and are carried at their nominal value. Those maturing in more than twelve months are considered non-current payables.

### b. Financial liabilities at fair value through profit or loss

These are liabilities acquired for short-term sale. Derivatives form part of this category unless they are designated as hedges. These financial liabilities are stated both at inception and afterwards at their fair value, and the changes in this value are taken to the income statement for the year.

### 3.5 Financial derivatives and other financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the asset being hedged.

The Company aligns its accounting with its management of financial risk. Risk management objectives and the hedging strategy are reviewed periodically and a description is given of the risk management objective pursued.

In order for each hedging operation to be considered effective, the Company documents that the economic relationship between the hedging instrument and the hedged asset is aligned with its risk management objectives.

The market value of financial instruments is calculated using the following procedures:

- Derivatives listed on an official market are calculated on the basis of their year-end quotation (Level 1).
- Derivatives that are not traded on official markets are calculated on the basis of discounting cash flows based on year-end market conditions or, in the case of non-financial items, on the best estimate of the forward price curves of such items (Level 2 and 3).

The fair values are adjusted for the expected impact of observable counterparty credit risk in positive valuation scenarios and the impact of observable credit risk in negative valuation scenarios.

Derivatives embedded in other financial instruments or in other host contracts are recorded separately as derivatives only when their financial characteristics and inherent risks are not strictly related to the instruments in which they are embedded and the whole item is not being carried at fair value through profit or loss.

For accounting purposes, the operations are classified as follows:

#### 1. Derivatives eligible for hedge accounting

##### a. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the income statement together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

##### b. Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When options contracts are used to hedge forecast transactions, the Company only designates the intrinsic value of the options contract as the hedging instrument.

Amounts accumulated in equity are transferred to the income statement in the period in which the hedged item affects the gain or loss, as follows:

- The gain or loss relating to the effective portion of interest rate swaps is recognised in the financial expense at the same time as the interest expense in the hedged loans.
- When a hedging instrument covers a forecast transaction, the accumulated amounts remain in equity until the forecast transaction takes place. When the forecast transaction does not occur, the amount accumulated in equity is immediately reclassified to income for the period.

However, if this amount is a loss, and for an amount that is not expected to be recovered, it will be immediately reclassified in the income statement as a reclassification adjustment.

If the hedged item subsequently results in the recognition of an asset, the amount accumulated in equity will be recognised in the initial cost of the asset.

### c. Hedges of net foreign investments

The accounting treatment is similar to cash flow hedges. The variations in value of the effective part of the hedging instrument are carried in the balance sheet under “Value change adjustments”. The gain or loss from the non-effective part is recognised immediately under “Exchange differences” in the income statement. The accumulated amount of the valuation recorded under “Value change adjustments” is released to the income statement as the foreign investment that gave rise to it is sold.

## 2. Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

In addition, commodity derivatives not considered as hedges for accounting purposes are recorded in operating profit as they essentially constitute a hedge because of the match between the critical terms of the derivative and the hedged item.

## 3. Energy purchase and sale agreements

The Company enters into energy purchase and sale agreements in the ordinary course of its business. These agreements are executed and maintained in order to meet the needs of receipt or physical delivery of energy expected by the Company in accordance with regular energy purchase and sale estimates, which are monitored systematically and adjusted in all cases through physical delivery. Consequently, these agreements are for “own use” and therefore fall outside the scope of the standard on the valuation of financial instruments.

### 3.6 Non-current assets held for sale and discontinued operations

The Company classifies as assets held for sale those assets and related liabilities for which active measures have been initiated for their sale, which are available in their current conditions for sale, and which are very likely to be sold within the following twelve months.

Likewise, Naturgy classifies as assets held for distribution to shareholders all assets and related liabilities when it has a commitment to distribute the assets to shareholders. In this respect, the assets must be available in their current condition for distribution and the distribution must be highly probable, and therefore actions to complete the distribution must have been initiated and must be expected to be completed within one year from the date of classification.

These assets are stated at the lower of their carrying value and fair value minus the costs necessary for their sale and are not subject to depreciation from the date on which they are classified as non-current assets held for sale and for distribution to shareholders.

In the event of delays caused by events or circumstances beyond the Company's control and if there is sufficient evidence that the commitment to the plan to sell, or distribute to shareholders, non-current assets classified as held for sale is maintained, the classification is maintained even though the period to complete the sale is extended beyond one year.

### 3.7 Share capital and Reserves

Share capital is represented by ordinary shares.

Issuance costs of new shares or options, net of taxes, are deducted from equity as a reduction in reserves or the share premium account in the case of issuances with a share premium.

Dividends on ordinary shares are recognised as a deduction from equity in the period they are approved.

Acquisitions of treasury shares are recorded at acquisition cost, deducted from equity until disposal. Expenses of the acquisition of own shares are recognised directly as a deduction from equity as a reduction in reserves. Treasury shares are derecognised at the time of sale, when the risks and rewards associated with them are transferred. The gains and losses on disposals of treasury shares are recognised under "Reserves" in the balance sheet.

### 3.8 Share-based payments

Share-based payments settled in shares are valued on the basis of the fair value of the equity instruments granted on the grant date. In addition, the effects of changes that increase the fair value of share-based payment arrangements will be recognised.

As employees deliver services during the incentive vesting period, they are measured and recognised under "Personnel expenses" in the income statement with a balancing entry in "Other equity instruments" in the balance sheet.

The amounts recognised in equity are not subject to a subsequent reassessment due to trends in external market conditions.

### 3.9 Borrowings and equity instruments

Borrowings and equity instruments issued by the Company are classified based on the nature of the issue.

The Company treats all contracts that represent a residual share in net assets as equity instruments.

Equity instrument issuance costs are presented as a deduction in equity.

#### 3.10 Provisions for employee obligations

##### a. Post-employment pension obligations and similar

###### - Defined contribution plans

The Company, together with other Naturgy companies, is the promoter of a joint occupational pension plan, which is a defined contribution plan for retirement and a defined benefit plan for the so-called risk contingencies, which are insured.

Additionally, there is a defined contribution plan for a group of executives, for which the Company undertakes to make certain contributions to an insurance policy, guaranteeing for this group a yield of 125% of the CPI on the contributions made to the policy. All the risks have been transferred to the insurance company, since it even insures the guarantee referred to above.

The contributions made have been recognised under Personnel expenses in the income statement.

Additionally, some employees voluntarily contribute part of their remuneration to an insurance policy, at no cost to Naturgy.

###### - Defined benefit plans

For certain groups of employees there are commitments for defined benefit schemes in relation to the payment of supplements on retirement, death and disability pensions, in accordance with the benefits agreed by the entity, which have been externalised through single premium insurance policies under Royal Decree 1588/1999 of 15 October, which approved the Regulations on the arrangement of companies' pension commitments.

The liability recognised for the defined benefit pensions plans is the current value of the liability at the balance sheet date less the fair value of the plan-related assets. The defined benefit liability is calculated annually by independent actuaries using the projected unit credit method. The current value of the liability is determined discounting the estimated future cash flows at interest rates on bonds denominated in the currency in which the benefits will be paid and having similar maturities to those of the respective liabilities.

Actuarial losses and gains arising from changes in actuarial assumptions or from differences between assumptions and the actual situation are recognised in full in the period in which they arise, directly under Equity in Reserves.

Past-service costs due to amendment or reduction of a plan are recognised immediately in the income statement under “Personnel expenses”.

#### b. Other post-employment benefit obligations

The Company provides post-employment benefits to its retirees. Entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and completing a minimum service period. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that used for defined-benefit pension plans. Actuarial gains and losses arising from changes in actuarial assumptions, are charged or credited to Reserves.

#### c. Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises these benefits when it has demonstrably undertaken to terminate current workers’ employment in accordance with a detailed formal plan without any possibility of withdrawal, or to provide termination benefits. In the event that mutual agreement is required, a provision is only recorded in those situations in which the Company has decided to give its consent to voluntary redundancies once they have been requested by the employees.

### 3.11 Provisions

Provisions are recognised when the Company has a legal or implicit present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the best estimate of the present value of the amount required to settle the obligation at the balance sheet date.

When it is expected that part of the disbursement needed to settle the provision will be paid by a third party, the receipt is recognised as a separate asset, provided that its receipt is practically assured.

In contracts in which the obligations undertaken include unavoidable costs greater than the economic benefits expected to be received from them, the expenses and respective provisions are recognised in the amount of the current value of the existing difference. The unavoidable costs of the contract will reflect the lower net costs of terminating the contract, i.e. the lower of the cost of complying with the terms of the contract and the indemnity for non-compliance.

### 3.12 Leases

#### a. Finance leases

Leases of property, plant and equipment where the lessee substantially bears all the risks and rewards of ownership are classified as finance leases.

These leases are capitalised at the lease’s inception at the lower of the fair value of the leased property and the present value of the lease payments, including the purchase option. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The payment obligation derived from the lease, net of the finance cost, is recognised under liabilities in the balance sheet. The interest component of the finance cost is charged to the income statement over the lease period so as to obtain a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the asset’s useful life.

In cases of total or partial termination of the lease, Naturgy writes down the carrying amount of the right-of-use asset to reflect this circumstance, and recognises the loss or gain arising from this total or partial termination in profit or loss.

## b. Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are charged to the income statement on a straight-line basis over the lease term.

### 3.13 Financial liabilities for leases

On the lease commencement date, the Company recognises the lease liability for the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if this cannot be readily determined, the incremental borrowing rate.

The lease payments to be made will include fixed payments less any incentives, variables that depend on an index or a rate, and residual value guarantees expected to be incurred, the exercise price of a purchase option if that option is expected to be exercised, and penalty payments for terminating the lease if the lease term reflects that the lessee will exercise an option to terminate the lease.

Any other variable payments are excluded from the measurement of the lease liability and right-of-use asset.

Subsequently, the lease financial liability will be increased by the interest on the lease liability and reduced by the payments made. The liability will be remeasured if there are changes in the amounts payable and the term of the lease, and in cases of total or partial termination of the lease.

### 3.14 Corporate income tax

Income tax expense includes the deferred tax expense and the current tax expense, which is the amount payable (or refundable) on the tax profit for the year.

Naturgy includes the effect of uncertainty in tax treatment when determining taxable earnings, tax bases, unused tax losses, unused tax credits and tax rates.

Deferred taxes are recorded by applying, to temporary differences that arise between the taxable income on assets and liabilities and their respective accounting figures in the annual accounts, the tax rates that are expected to be in force when the assets and liabilities are realised. No deferred taxes are recognised for profits not distributed by subsidiaries when Naturgy can control the reversal of the temporary differences and it is likely that they will not reverse in the foreseeable future.

Deferred tax arising from direct charges or credits to equity accounts are also charged or credited to equity.

Deferred tax assets and tax credits are recorded only when there are no doubts as to their future recoverability through the future taxable profits that can be used to offset temporary differences and realise the tax credits.

If tax rates change, deferred tax assets and liabilities are re-measured. These amounts are charged or credited to losses or profits, or to reserves, depending on the account to which the original amount was charged or credited.

Where uncertainty exists regarding income tax treatments, Naturgy assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that it is unlikely that the tax authority will accept an uncertain tax treatment, the effect of the uncertainty on taxable profit (loss), tax bases, unused loss carryforwards or unused tax credits is reflected. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. In each case, Naturgy assesses whether to consider each uncertain tax treatment separately or in conjunction with one or more other uncertain tax treatments, depending on which approach is most likely to resolve the uncertainty.

### 3.15 Recognition of income and expense

#### a. General

Revenue derived from contracts with customers is recognised based on compliance with performance obligations with customers.

Revenue reflects the transfer of goods or services to customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for such goods or services.

Five steps are established for the recognition of revenue:

1. Identify the customer's contract(s).
2. Identify the performance obligations.
3. Determine the price of the transaction.
4. Allocate the transaction price to the performance obligations.
5. Recognise the revenue according to the fulfilment of each obligation.

Based on this recognition model, sales are recognised when products are delivered to the customer and have been accepted by the customer, even if they have not been invoiced, or if applicable, services are rendered, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Expenses are recognised on an accruals basis, immediately in the case of disbursements that are not going to generate future economic benefits or when the requirements for recording them as assets are not met.

Sales are stated net of tax and discounts.

#### b. Other income and expenses

The holding of shares in Group companies and associates is deemed to be the Company's main ordinary activity from which regular revenue is obtained. In accordance with the approach taken by the Spanish Institute of Accounting and Auditing ("ICAC") in connection with the calculation of revenue in holding companies (ruling request number 2 in ICAC Official Gazette number 79), dividends from Group companies and associates, and interest received on loans granted to Group companies and associates, are recognised as "Revenue". Additionally, the item "Impairment and results on disposal of equity instruments of Group companies and associates" is included in "Operating profit/(loss)".

Revenue from contracts is recognised as control over the committed goods or services is transferred to the customer.

Revenue from commitments (generally provisions of services) that are fulfilled over time is recognised based on the degree of progress towards full compliance with the contractual obligations.

When, at a given date, the degree of completion of the obligation cannot be reasonably measured, the revenue and related consideration are recognised only to the extent of the costs incurred up to that date.

Interest incomes and expenses are recognised using the effective interest method.

Dividend income is recognised when the right to collect the dividend is established. If the dividends are unequivocally derived from reserves generated prior to the acquisition, the value of the investment is adjusted.

### 3.16 Foreign currency transactions

Foreign currency transactions are translated to euro using the exchange rates in force at the transaction dates. Gains and losses resulting from the settlement of these transactions and translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currency are recognised in the income statement.

### 3.17 Transactions between related parties

In general, transactions between related parties are recorded initially at their fair value. If the agreed price differs from its fair value, the difference is recorded taking into account the economic reality of the operation. The later valuation is made in accordance with the provisions of the respective legislation.

Notwithstanding the above, in mergers, de-mergers or non-cash contributions of a business, the assets that make up the acquired business are valued at the amount at which they are recognised after the operation takes place in the group's consolidated annual accounts.

In these cases, the difference that could arise between the net value of the assets and liabilities of the acquired company, adjusted by the balance of the groupings of grants, donations and bequests received, or any value adjustments or capital or share premiums, as the case may be, issued by the acquiring company, is recorded under Reserves in the balance sheet.

### 3.18 Business combinations

Business combinations are recorded using the acquisition method. The cost of an acquisition is calculated using the fair value of the assets given, the equity instruments issued and the liabilities incurred or borne on the transaction date plus the costs directly attributable to the acquisition. The valuation process required in order to use the acquisition method is completed within the period of one year as from the acquisition date.

The identifiable assets acquired and the liabilities or contingent liabilities incurred or borne as a result of the transaction are initially stated at acquisition date fair value, provided that this can be reliably measured.

The surplus cost of the acquisition in relation to the fair value of the shareholding of the Company in the net identifiable assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised directly in the Income statement.

### 3.19 Cash-flow statement.

The cash flow statement has been prepared using the indirect method and contains the following expressions and their respective meanings:

- a. Operating activities: activities that constitute ordinary Company revenues, as well as other activities that cannot be classified as investing or financing.
- b. Investing activities: acquisition and disposal of non-current assets and other investments not included in cash and cash equivalents.
- c. Financing activities: activities that result in changes in the size and composition of the Company's equity and liabilities that are not operating activities.

### 3.20 Significant accounting estimates and assumptions, etc.

The preparation of annual accounts requires the use of estimates and judgments. The measurement standards that require a large number of estimates are set out below:

#### a. Impairment of investments in Group companies and associates (Note 3.3)

In accordance with applicable accounting regulations, the Company performs impairment tests on investments in Group companies and associates for which there is evidence of impairment. These impairment tests require an estimate of future business performance and the most appropriate discount rate in each case. The Company considers that the estimates made are appropriate and consistent with the current market environment.

Note 4 details the main assumptions used to determine the recoverable value of investments in Group companies and associates.

## b. Derivatives and other financial instruments (Note 3.5)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date:

- Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.
- The fair value of commodity price derivatives is determined using quoted forward price curves at the balance sheet date.
- The recoverable value of the investments in the equity of group and multi-group companies and associates is determined as the greater of their fair value less costs of sale and the current value of the cash flows from the investment.

For disclosure purposes, it is assumed that the carrying amount of trade and other receivables less expected impairment losses approximates to their fair value. The fair value of other financial liabilities for reporting purposes is calculated by discounting the future contractual cash flows at the current market interest rate to which Naturgy has access for similar financial instruments.

## c. Provisions for employee benefits (Note 3.10)

A number of assumptions must be used to calculate pension costs, other costs of post-retirement benefits and other post-retirement liabilities. The Company estimates at each year end the provision necessary to meet its pension commitments and similar obligations, in accordance with the advice from independent actuaries. The changes affecting such assumptions may result in the recording of different amounts and liabilities. The most significant assumptions for the measurement of pension or post-retirement benefit liabilities are energy consumption by beneficiaries during retirement, retirement age, inflation and the discount rate employed. Social security coverage assumptions are also essential to determine other post-retirement benefits. Future changes to these assumptions will have an impact on future pension costs and liabilities.

## d. Provisions (Note 3.11)

The Company makes an estimate of the amounts to be settled in the future, including amounts relating to contractual obligations, business contracts, outstanding litigation or other liabilities. These estimates are subject to the interpretation of current events and circumstances, projections of future events and estimates of their financial effects, as well as the outcome of negotiations associated with gas procurement contracts.

## e. Corporate income tax (Note 3.14)

The calculation of the income tax expense requires interpretations of tax legislation in the jurisdictions in which the Company operates. The decision as to whether the tax authority will accept a given uncertain tax treatment and the expected outcome of outstanding litigation requires material estimates and judgements to be made. The Company evaluates the recoverability of the deferred income tax assets based on estimates of future taxable income. Deferred tax liabilities are recognised based on estimates of the net assets that will not be tax deductible in the future.

## f. Climate change and the energy transition

Naturgy aims to remain a key player in the energy transition towards a circular economy model and progressive decarbonisation, by reducing its carbon footprint and negative environmental impacts and integrating biodiversity into its business strategy. To this end, it takes account of technological progress and international frameworks and agreements, as well as their implementation in energy policies and applicable environmental regulations in each of the geographical areas where it operates.

In line with this objective, Naturgy has a Climate Transition Plan (CTP) detailing the paths for reducing greenhouse gas (GHG) emissions and the intermediate targets required under applicable regulations, which provide an understanding of the mitigation efforts undertaken by the company.

Naturgy's GHG emission reduction targets for 2030 are as follows:

- Reduction of Scope 1 and 2 emissions by 36% with respect to 2022 (the baseline of the CTP), in line with the 1.5°C global warming reduction pathway.
- Reduction of Scope 3 emissions in Spain by 22% with respect to 2022. This target is aligned with the "Well Below 2 Degrees" (WB2D) reduction pathway. If emissions from the other countries are considered, the Scope 3 reduction is expected to be 8%, also with respect to 2022.

All these targets include 100% of emissions and all greenhouse gases (GHG).

In 2025, the reduction with respect to 2022 was 12% for Scope 1 and 2 emissions and 15% for total Scope 3 emissions. Compared to 2024, the decrease was influenced by the increase in production by combined cycle gas plants as required to guarantee security of supply, especially in Spain as generation was stepped up as a result of the country-wide blackout on 28 April 2025.

To achieve the objectives set out in the CTP, Naturgy will continue to promote and lead a business model and investment plan fully aligned with the energy trilemma: security of supply, accessibility and affordability of energy, and mitigation of environmental impact.

Naturgy's Strategic Plan 2025-2027 envisages continuing to invest in the energy transition, principally in to renewable generation, electricity grids and renewable gases. It also plans to continue developing energy solutions that promote efficiency at a competitive cost for customers.

The CTP's main lines of action, as set out in the Strategic Plan 2025-2027, are based on an integrated electricity and gas business model that promotes the decarbonisation of energy through technological neutrality and at the lowest possible cost for consumers, specifically:

- Promoting renewable electricity generation using solar and wind together with the necessary growth of electricity grids, and back-up capacity using natural gas combined cycle plants.
- Developing renewable gases as a lever for the decarbonisation of natural gas through biomethane produced from organic waste and, in the medium/long term, green hydrogen generated from surplus renewable electricity. This promotes decarbonisation at the lowest possible cost to the consumer and drives the circular economy through the use of waste or surplus.
- Offering eco-efficient, carbon-neutral products and services at competitive prices to our customers.
- Increasing electrification of final demand in applications where it is most efficient.

Naturgy's CTP will contribute to the future objective of transforming the energy mix contemplated in the National Energy and Climate Plan (NECP) 2023-2030, approved by the Spanish Cabinet on 24 September 2024, which is also aligned with the objective of climate neutrality in the European Union (EU) by 2050. For the other countries where Naturgy operates, the published national plans and the GHG reduction pathways set out by the International Energy Agency in the "Net Zero Roadmap" scenario are taken into account.

Information on the CTP, the Group's decarbonisation strategy and the GHG emission reduction targets are set out in section "E-1 Climate change" of the Group's 2025 Non-Financial Disclosures and Sustainability Report, which is prepared in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), which Naturgy has accepted and which it has been adopting progressively since they were published in 2017. At the end of 2023, the TCFD announced that it was disbanding as a working group, and the International Sustainability Standards Board (ISSB) has taken over the TCFD's oversight responsibilities as of 2024.

On 26 February 2025, the European Commission presented the Omnibus I package, aimed at simplifying the regulatory framework applicable to sustainability reporting. During the year, various regulations related to this package were approved, and they were taken into account in the preparation of this report, but they did not result in substantial changes. At present, the Corporate Sustainability Reporting Directive (CSRD), approved in 2022 and still pending transposition in Spain, as well as the European Sustainability Reporting Standards (ESRS) approved by Delegated Regulation (EU) 2023/2772, remain virtually unchanged in terms of content. In this context, Naturgy follows the CNMV recommendation issued on 19 November 2025, in coordination with the ICAC, and produces its sustainability report in accordance with the current ESRS and Law 11/2018 on non-financial reporting and diversity. This ensures that the information disclosed is comparable and consistent with that of other issuers in the European Union.

In addition, the requirements of Royal Decree 214/2025 of 18 March, which establishes a carbon footprint register and the obligation to calculate and publish greenhouse gas emission reduction plans for certain organisations in Spain, have been taken into account.

These annual accounts have been prepared taking into account the decarbonisation commitments undertaken by Naturgy, in addition to the risks and uncertainties related to climate change and the decarbonisation of the economy.

The main estimates and accounting judgements made by Naturgy's management and directors when preparing the 2025 annual accounts related to the expected effects of climate change and the energy transition are described below.

### **1. Recoverability of non-financial assets**

As detailed in Note 3.3, the cash flow projections used in the impairment tests for investments in Group companies and associates are based on the best available forward-looking information and reflect existing investment plans aimed at maintaining the operating capacity of the investees' CGUs. Those projections are in line with Naturgy's strategy and consider the range of economic conditions that might exist in the foreseeable future in relation to climate change and the energy transition. The projections also take into account the expected impact on wholesale and retail electricity market prices resulting from the entry into operation of new renewable generation facilities and developments in gas, oil and emission allowance prices, as well as expected demand.

In Spain, Naturgy's thermal electricity generation facilities continue to be regulated by Directive 2003/87/EC, which establishes the European Union Emissions Trading Scheme (EU ETS). This Directive has undergone multiple revisions, including the reform approved in 2023 through Directives (EU) 2023/958 and 2023/959, to strengthen climate ambition within Phase IV (2021–2030). These amendments align the system with the objectives of the Fit for 55 package, in line with the Paris Agreement, setting a 62% reduction in emissions by 2030 compared to 2005 for sectors covered by the EU ETS, thus contributing to the EU's overall target of reducing net emissions by at least 55% compared to 1990 by the same date. Furthermore, as at 1 January 2024, the scope of the EU ETS has been extended to include emissions from maritime transport activities, applicable to ships whose port of loading and/or unloading is located in EU/EEA countries, which is being phased in until 2027.

Naturgy carries out comprehensive portfolio management for the acquisition of emission allowances equivalent to the verified emissions of its combined cycle and cogeneration facilities and its maritime shipping activity. To this end, Naturgy actively participates in both the primary market, through auctions, and the secondary market. These emissions relate mainly to the combined cycle gas plants in Spain and, to a lesser extent, to LNG used by the company's ships, and represented 91.1% of Naturgy's direct (scope 1) emissions in Spain in 2025.

In Mexico, the impairment tests on the combined cycle plants assume the receipt of emission allowances equivalent to the tonnes of CO<sub>2</sub> emitted. Under the current trial emissions trading system, which runs until 2026, it is assumed that emission allowances granted free of charge will cover the emissions projected on the basis of production forecasts. Although the criteria for the allocation of allowances free of charge and the emissions reduction pathway that will be required have not yet been defined for 2027 and subsequent years, it is expected that the emissions generated will be covered by the free allocation and, when this is not sufficient or the free allocation is discontinued, that CO<sub>2</sub> costs will be passed through into selling prices as an additional operating cost, similar to the case in the European market.

As at 31 December 2025, cogeneration facilities represent only a small proportion of Naturgy's generation portfolio, accounting for approximately 0.3% of installed capacity and a net carrying amount of Euros 22 million.

The CO<sub>2</sub> prices considered in the impairment test are detailed in Note 4.

In the case of cash flow projections for the impairment tests that present terminal values, the latter are calculated on the basis of a long-term growth rate aligned with the demand trend quantified by Naturgy using its energy models, in line with current expectations with regard to the transition to a low-carbon economy and considering the physical and transition risks associated with climate change.

Projections of hydroelectric, wind and solar electricity output from Naturgy's renewable assets are based on projected underlying weather conditions (temperature, precipitation, wind speed and insolation).

Decommissioning costs for combined cycle and renewable generation plants are estimated in line with the long-term target.

As required by accounting standards, the cash flows estimated for the value in use of each CGU take into account assets' current status and, therefore, do not include future investments due to technological changes or any strategic investments envisaged in the energy transition for which no assets currently exist.

The rates used to discount cash flows take into account all relevant factors affecting the perception of risk, including those associated with the energy transition and physical risks due to climate change. The cost of capital considered in each of the rates used implicitly incorporates market expectations about access to and costs of funding, provided that these risks are material for the industry and the specific context of the asset.

As indicated in Note 4, the update of the impairment test for non-financial assets did not result in additional impairments being recognised in the year as a result of the recoverable amount of the CGUs being found to be less than the net carrying amount.

Naturgy will continue to update its operational plans and pricing outlook to take account of changes in the economic environment and the pace of the energy transition.

## **2. The Company's main assets subject to climate change and energy transition risk**

Holdings in Group companies and associates that may be most affected by climate change and energy transition risk are as follows:

### **Naturgy Generación Térmica, S.L.U.**

Following the closure of all Naturgy's coal-fired power plants in the first half of 2020, the group has not generated any electricity from coal. These facilities are fully depreciated/provisioned as at 31 December 2025. During the year, progress continued to be made in dismantling the plants; the decommissioning certificates for two plants are still pending and are expected to be issued in the first half of 2026.

In Spain, Naturgy is a joint owner of the Almaraz and Trillo nuclear power plants, alongside other electric utilities.

Naturgy relies on the Decommissioning Protocol agreed in 2019 with Enresa, Spain's national radioactive waste company, which establishes a schedule for the progressive closure of all nuclear power plants, in line with the energy transition to renewable sources and the decarbonisation target for 2050. The part of this protocol covering up to 2030 is also part of the NECP. As at 31 December 2025, there has been no official decision by the Spanish government regarding a possible review or extension of the timetable for the closure of nuclear power plants.

As at 31 December 2025, this holding has a carrying value of Euros 13 million.

#### Naturgy Ciclos Combinados, S.L.U.

The group's combined cycle gas turbine plants in Spain represent the most eco-efficient generation technology available at present to provide the necessary back-up for renewable energies and enable their widespread implementation while also guaranteeing security of supply, both of which are key factors for the energy transition.

In Spain, it is important to note that all the installed capacity of these plants is included in the NECP approved recently for 2023-2030, which is aligned with the European objective of achieving climate neutrality by 2050. These facilities are a fundamental element in ensuring the growth of renewable energies in the national electricity system, as they provide back-up to maintain the electricity supply in the event of a lack of wind, sun or water. Accordingly, in December 2024 the Ministry for Ecological Transition and the Demographic Challenge released for public consultation a Draft Ministerial Order proposing the creation of a capacity market in the Spanish mainland electricity system. As at 31 December 2025, this project has still not been approved.

As at 31 December 2025, this holding has a carrying value of Euros 762 million.

A fluctuation in energy prices which is lower than envisaged in the assumptions used by Naturgy and indicated in Note 4 could have an impact on the recoverability of the carrying value of these assets recognised in the balance sheet as at 31 December 2025.

#### Naturgy Generación, S.L.U.

The recoverable value of these assets could be affected by a larger than expected hypothetical future reduction in water availability due to climate change, particularly in run-of-river plants. The assumptions used in the impairment test on this holding includes developments in water availability and their impact on river flows and, therefore, on production.

As at 31 December 2025, this holding, which includes the hydroelectric generation assets in Spain, had a carrying value of Euros 1,027 million.

#### Naturgy Renovables, S.L.U.

As at 31 December 2025, this holding has a carrying value of Euros 2,041 million. The main perceived risk for these assets is a potential negative future trend in solar and wind resources, which are the key variables in the performance of this line of business. There may also be reductions in the remuneration arrangements for renewable energies and lower prices in marginal wholesale markets due to an increase in renewable production with low variable costs. The impairment tests for 2025 did not consider any changes in the operation of the wholesale market that have not yet been approved, but did consider forecasts for solar and wind resources.

#### Shareholdings in electricity and gas distribution

As at 31 December 2025, the interests in Holding de Negocios Gas and Holding Negocios de Electricidad relating to gas and electricity distribution in Spain had a carrying value of Euros 4,475 million and Euros 3,653 million, respectively. In addition, the interests in gas and electricity distribution in Latin America relating to Naturgy Distribución Latinoamérica and Naturgy Inversiones Internacionales have a carrying value of Euros 557 million and Euros 850 million, respectively.

These regulated assets are essential to ensuring a reliable supply and enabling the transition to renewable generation sources, while demonstrating high resilience in the face of technical and climate challenges. Increases in temperature and a higher frequency of extreme weather events could lead to increased technical losses, deterioration in service quality levels, higher operating and maintenance costs and higher annual investments, although we understand that those volumes should be included in the multi-year tariff reviews for these regulated businesses. The investment and response plans already in place, accumulated experience and network design (meshing and undergrounding of lines) should mitigate these effects. A potential massive development of distributed generation would be partially offset by the increasing electrification of the economy (e.g. electric cars) and investments in smart grids.

Naturgy's planning for the coming years envisages the coexistence in Spain of natural gas demand with demand for biomethane, to be distributed through the group's current infrastructures. It is estimated that the adaptation of existing networks for biomethane transportation will not require significant investments. Hydrogen distribution is still under consideration and the level of investment will foreseeably depend on the percentage of blending which, together with the relevant regulations, will determine the viability of using the current infrastructure. It is estimated based on analyses that for low percentages it will not be necessary to make significant investments to adapt the current network.

For gas transport and distribution assets in Argentina, Brazil, Chile, and Mexico, the same strategy applied to Spain is planned, although with a slower implementation and always in accordance with the energy policies of each country.

### Shareholdings in supply companies

The Company has holdings in Gas Natural Comercializadora, S.A. (net carrying amount: Euros 515 million), Naturgy Iberia, S.A. (net carrying amount: Euros 494 million), Comercializadora Regulada de Gas & Power, S.A. (net carrying amount: Euros 81 million) and Naturgy Clientes, S.A. (net carrying amount: Euros 4 million). The impact of climate change and the energy transition on the supply business is considered to be minor, as the lower demand for natural gas could be offset by expected higher growth resulting from the electrification of the economy and the supply of renewable gases.

In terms of transition risks, the Company's current positioning, resulting from its investment focus on renewables and grids, places it in a favourable situation for facing these risks. Naturgy considers that the opportunities arising from the decarbonisation of the global economy (growth in renewables, investment in integrating smart grids, electrification of demand, biomethane, and green hydrogen, among others) outweigh the risks.

### 3. Recoverability of deferred tax assets

Sufficient taxable profits are expected to be generated within the planning period to ensure the recovery of the deferred tax assets recognised for accounting purposes as at 31 December 2025. The estimate of the recoverability of these assets has been made using the same judgements and assumptions as those used to calculate the recoverable amount of investments in Group companies.

### 4. Regulation

The Paris Agreement has had a major impact on the development of new climate policies and the adoption of new regulations. Specifically, the EU has approved various regulations in this area, having adopted a binding target of climate neutrality by 2050 in the European Climate Law of 2021, under the umbrella of the European Green Deal of 2019, which constitutes the EU's new growth strategy. Spain has also issued regulations in this area, notably the Climate Change and Energy Transition Law 7/2021; consequently, the regulations in this area are constantly in flux and might have negative effects or offer opportunities for the Group's activities.

In relation to the other countries where Naturgy operates, the company complies with energy policy and regulations on climate change, although the EU regulation is by far the most advanced.

### 5. Dividend distribution

Climate change risks are not expected to affect the Company's capacity to pay dividends to shareholders due to strong cash generation and existing reserves.

In the case of regulated lines of business, a scenario in which the conditions for maintaining the current rate of investment continue to exist is compatible with the levels of dividend payments observed to date. However, in the case of deregulated lines of business, their future capacity to pay dividends is difficult to foresee due to unknown risks and uncertainties that might cause actual results, performance or events to differ substantially from those envisaged in the Group's projections.

## 6. Physical risks

Naturgy recognises the need for constant analysis to provide an exhaustive assessment of the climate resilience of all its assets, while continuing to monitor this issue to ensure that its operations are safe and that the Group's facilities can continue to operate in extreme weather conditions. In this regard, Naturgy continuously assesses the physical risks affecting each asset.

The design and construction of Naturgy's assets serve to mitigate physical risks, whether or not related to climate change, and the associated costs are included in the initial recognition of these assets. In addition, the company adopts measures to adapt to the physical risks of climate change, in line with the European Taxonomy, to reduce vulnerability and strengthen the resilience of its existing facilities.

In recent years, there have been no weather events with significant repercussions on operations or major financial losses, apart from:

- In October 2024, a storm produced extreme rainfall and significant flooding in the Valencia region of Spain, particularly affecting gas distribution networks, which were the most exposed assets.
- During much of the summer of 2025, a record wave of forest fires ravaged areas of Galicia, León and Zamora where Naturgy has electricity networks and renewable generation facilities. This made it necessary to cut supplies on a preventive basis, isolate sections of the grid and reconfigure the grid in real time to maintain the supply. It was also necessary to de-energise facilities, sectorise assets and block key equipment, including hydroelectric power plants in Lugo and wind farms in León and Zamora, to ensure safety and prevent the fires from spreading.

In both cases, there were no significant consequences for operations and no physical damage to the Group's assets in those areas, which highlights the facilities' resilience and the effectiveness of the measures to mitigate and adapt to physical climate risks. As a result, these events did not lead to any reassessment of physical risks in the Group's asset impairment tests. Additionally, they did not result in changes in relation to climate change adaptation policy or the assessment of risks associated with extreme rainfall, flooding or fires.

In the long term, Naturgy's business portfolio is expected to evolve with the energy transition, considering at all times the energy trilemma: security of supply, accessibility and affordability of energy, and mitigation of environmental impact. Decision-making on the future business portfolio will be guided by the pace of the company's progress as it moves towards meeting the emission reduction targets. Setting the energy system on the path to net zero emissions will require unprecedented, coordinated action between energy suppliers, consumers and, above all, governments.

## g. Geopolitical risks and uncertainties

During 2025, the geopolitical environment continued to be a significant source of uncertainty, with potential impacts on global energy markets and the Group's activity. In particular, the following aspects stand out:

The armed conflict between Ukraine and Russia, which began in February 2022, continues with no clear signs of resolution in the short term, maintaining tension in international energy markets and volatility in commodity prices. However, gas prices have remained relatively stable in recent months, aided by high storage levels, diversification of supply sources and moderate demand.

On 23 October 2025, the Council of the European Union adopted the 19th package of sanctions against Russia, which includes a ban, effective from 1 January 2027, on the purchase, import or transfer, directly or indirectly, of LNG originating in or exported from Russia under contracts with a duration of more than one year signed before 17 June 2025 (short-term contracts are prohibited from April 2026); its validity was extended on 22 December until 31 July 2026.

At the same time, in December 2025, the Council of the European Union and the Parliament reached an agreement to approve a Regulation banning imports of Russian natural gas, both by pipeline and in the form of liquefied natural gas (LNG). This regulation provides for the prohibition on imports into the European Union to come into force from 1 January 2027 for long-term LNG contracts entered into before 17 June 2025 and not subsequently amended, and from 30 September 2027 for gas pipeline contracts, with a transitional regime for existing contracts and prior authorisation requirements to ensure compliance.

The European Commission has stated that this ban constitutes a case of force majeure for the companies that are party to such long-term contracts, meaning that breach of the commitment to take the gas will not generate liability for the buyer.

As part of its procurement portfolio, Naturgy has a long-term contract to procure LNG of Russian origin that was concluded in 2013 with Yamal LNG and includes take-or-pay clauses for 38 TWh per year through 2041. Since the beginning of the conflict, Naturgy has taken delivery of the volumes strictly established in the contract. In 2025, this contract accounted for 16% of Naturgy's overall procurements (16% in 2024).

Except as noted above, Naturgy does not have any other long-term contracts susceptible to being affected by the sanctions that have been approved, nor does it hold any interest in companies operating in Russia or Belarus or have investments in these countries, nor does it have cash balances or equivalent liquid assets that are restricted as a result of those measures and sanctions.

In addition, the global geopolitical context has been affected by growing trade tensions, which have led to persistent volatility in energy and commodity prices, as well as disruptions in supply chains and changes in international trade patterns. These factors may generate additional risks in terms of operating costs, the availability of equipment and materials, and project completion times. To mitigate these effects, the Group maintains diversified contracts with multiple suppliers and geographical areas, performs strategic inventory management and flexible project planning, uses contracts with contingency clauses, continuously assesses logistical risks, and works with operators to secure alternative routes, as well as having contingency plans to ensure business continuity.

Throughout 2025, tensions in the Middle East remained high as a result of the terrorist attack in October 2023 and the subsequent military escalation. In June 2025, the parties announced a ceasefire that allowed for the release of hostages and prisoners, as well as the partial opening of humanitarian corridors. However, as at 31 December 2025, the situation remains unstable: although the ceasefire agreement remains in force, isolated incidents of violence persist, as does a climate of tension that keeps the geopolitical risk premium high. Although current estimates indicate that this conflict will not have a significant impact on global energy supplies, the Group continues to monitor the situation closely.

On 31 August 2025, the contract for operation and maintenance services at the Ramat Gavriel and Alan Tavor combined cycle gas plants in Israel, which Naturgy had been providing since 2019 through its subsidiaries Spanish Israeli Operation and Maintenance Company Ltd., was terminated. As in 2024, this company reported a gross operating profit of less than Euros 1 million in 2025.

During the early days of January 2026, the United States launched a military intervention in Venezuela, which included bombing in the north of the country and the capture of the country's President. Although these events caused political turmoil and protests in the region, a preliminary analysis has not identified any significant risks or effects on Naturgy's activities, given that the Group does not operate any infrastructure or have any exposure in that country.

As this situation is constantly evolving and it is difficult to predict the extent or duration of the conflict, Naturgy constantly monitors the relevant macroeconomic and business variables in order to obtain the best estimate of potential impacts in real time, also taking into account recommendations by national and international supervisory bodies on the matter.

## Note 4. Impairment of assets

In the impairment test on investments in Group companies and associates, the recoverable amount is determined based on the cash flows of the CGUs to which they belong (Note 3.3).

As at 31 December 2025, the cash generating units (CGUs) are the same as those at 31 December 2024, as follows:

### – Networks

- **Gas networks Spain:** This is a single CGU as the development, operation and maintenance of the gas distribution network is managed jointly.
- **Electricity networks Spain:** This makes up a single CGU since the network comprises a group of interrelated assets the development, operation and maintenance of which is managed jointly.
- **Networks Latin America:** A CGU is understood to exist for each business and country in which there are operations since the businesses are subject to different regulatory frameworks. It includes the regulated gas distribution business in Argentina, Brazil, Chile and Mexico, and the regulated electricity distribution business in Argentina and Panama.

### – Energy Markets

- **LNG and Markets and Procurement:** A single CGU is considered to exist as the sale of liquefied natural gas and maritime transport are both managed on a global scale, as are procurement and other gas infrastructures, and sales to large energy-intensive consumers.
- **Gas pipelines:** Includes the CGU that manages the Medgaz pipeline.
- **Thermal generation Spain:** A single CGU is considered to exist for thermal power generation in Spain (nuclear and combined cycle).
- **Thermal generation Latin America:** A thermal power generation CGU is understood to exist in each country in which there are operations (Mexico, Dominican Republic and Puerto Rico) since the businesses are subject to different regulatory frameworks and are managed independently.
- **Renewable Generation Spain:** One CGU is considered for renewable electricity generation (wind, mini-hydro, solar and cogeneration) and another CGU for hydroelectric power generation.
- **Renewable Generation United States:** The assets in the country whose cash flows can be separately identified are considered to be CGUs.
- **Renewable Generation Latin America:** A renewable power generation CGU is understood to exist in each country in which there are operations (Brazil, Costa Rica, Mexico, Panama and Chile) since the businesses are subject to different regulatory frameworks and are managed independently.
- **Renewable Generation Australia:** The assets in the country whose cash flows can be separately identified are considered to be CGUs.
- **Renewable Gases:** This is treated as a CGU that manages renewable gas projects.
- **Supply:** The commercial management of natural gas, electricity and services is carried out on a comprehensive basis, maximising the value of the portfolio by focusing on customers and with high potential for growth in services and solutions, for which there is a single CGU.

## Information on impairment tests performed

Naturgy analyses the value of non-financial assets to determine any impairment losses when there are indications that their carrying amount may not be recoverable, and it performs annual impairment tests for goodwill and intangible assets that have indefinite lives or are not available for use.

Naturgy assessed the recoverable value of the CGUs based on the 2025-2027 Strategic Plan and the changes in the energy situation and the regulations since the Plan was approved by the Board of Directors on 18 February 2025; the Plan envisages continuing to invest in the energy transition, allocating the main investments to renewable generation, electricity grids and renewable gases.

The time-frame of the projections has been extended to a period of ten years or the remaining useful life for certain assets and concessions. When estimating cash flows, various potential future scenarios have also been considered if they provide more meaningful information for representing expected economic conditions.

Impairment tests focused particularly on identifying and assessing geopolitical risks and uncertainties, as well as risks arising from climate change and the energy transition, due to their potential impact on asset recoverability. Both aspects are discussed in detail in Notes 3.20.g (Geopolitical risks and uncertainties) and 3.20.f (Climate change and energy transition), which should be consulted for further information.

### – Geopolitical risks and uncertainties

Estimated cash flows consider the effects of developments in international energy markets, price volatility, regulation and trade restrictions, as well as the perception of country and sector risk, which particularly affect discount rates and growth assumptions. Moreover, trends in significant economic parameters, such as inflation and interest rates in each country where the Group operates, were taken into account.

### – Climate change and energy transition risk:

The impairment tests reflect Naturgy's strategic positioning in the energy transition and decarbonisation, considering the objectives of the Climate Transition Plan and international commitments. Physical and transition risks, CO<sub>2</sub> price pathways, regulatory and technological developments, and potential effects on asset useful lives and recoverable values were taken into account.

It should be noted that the Consolidated Sustainability Report and Non-Financial Information Statement presents some theoretical temperature scenarios requested by the ESRS in relation to climate risks and their effects on long-term climate change in 2030, 2040 and 2050, with the sole aim of demonstrating the effects on the Group's performance in such circumstances and conditions in the years indicated. In any case, the scenario that coincides with the Group's vision is the one considered for the preparation of impairment tests, which includes all the issues detailed in note 3.20.f Climate change and energy transition.

In particular, the assumptions regarding the price trend used in the projections are in line with the energy transition, and the projected cash flows take into account greenhouse gas emission reduction targets as well as the impacts of climate change on the recoverability of non-financial assets.

## Information on recognised impairments (Note 7)

As at 31 December 2025, net revenue was recognised for the reversal of impairment of holdings in Group companies and associates amounting to Euros 30 million (Euros 65 million as at 31 December 2024 as revenue from impairment reversal) under the heading "Impairment of and losses from equity instruments of Group companies and associates" in the income statement, detailed below:

	<b>31.12.2025</b>	31.12.2024
Naturgy Generación, S.L.U.	76	93
General de Edificios y Solares, S.L.	5	1
Naturgy Nuevas Energías, S.L.U.	5	—
Petroleum, Oil & Gas España, S.A.	5	(18)
Naturgy Commodities Trading, S.L.	2	(10)
Lignitos de Meirama, S.A.	1	1
Naturgy Informática, S.A.U. (*)	—	(3)
Naturgy Engineering, S.L.	—	1
Naturgy Finance Iberia, S.A.U.	(2)	—
Naturgy Participaciones, S.A.U.	(5)	—
Naturgy Innovahub, S.L.U.	(7)	—
Comercializadora Regulada, Gas&Power, S.A.	(50)	—
<b>Total</b>	<b>30</b>	<b>65</b>

(\*) Liquidated in 2024.

#### – Naturgy Generación, S.L.U.:

The reversal of the impairment charge for this holding, which relates to the Hydroelectric power generation Spain CGU, amounts to Euros 76 million (reversal of impairment in the amount of Euros 93 million as at 31 December 2024).

The assumptions and projections affecting the hydroelectric power generation CGU are based on the best forward-looking information available to date.

The assumed price series is as follows:

	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>
Pool price €/MWh (*)	63.8	56.2	55.1	68.2	73.4	74.9	81.4	83.0	85.0	84.9

(\*) Estimated amounts as of the date of the test

The most sensitive aspects that are included in the estimate of the recoverable amount determined according to the value in use and applying the methodology detailed in Note 3.3 are the following:

- Electricity generated. For the hydroelectric power generation CGU, developments in water availability and their impact on river flows and, therefore on production, are taken into account.
- Electricity price. Market electricity prices were calculated using models that cross expected demand with supply forecasts, taking into account the foreseeable trend in generating capacity in Spain, based on industry forecasts, the trend in the energy situation on the basis of futures curves, and analysts' forecasts. The estimates also include the impact of existing contracts with the Group's supply companies.
- Operating and maintenance costs. Estimated from historical costs of the managed fleet and existing contracts.
- Investments. The investments required to keep the facilities in working order are taken into account.
- The following factors are also considered:
  - The projected flows include an estimate of the costs of the 7% tax on the value of electricity production and the unit values for financing the energy subsidy ("bono social").
  - The existing sales contracts with the group's supply companies.
  - The regulations governing water in hydroelectric reservoirs.

Accumulated impairment as at 31 December 2025 relating to the holding in Naturgy Generación S.L.U. amounts to Euros 1,939 million (Euros 2,015 million as at 31 December 2024).

– **General de Edificios y Solares, S.L.:**

Impairment was reversed as at 31 December 2025 in the amount of Euros5 million (Euros5 million as at 31 December 2024).

– **Naturgy Nuevas Energías, S.L.U.:**

The reversal of the impairment charge for this holding, which relates to the Renewable Gases CGU, amounts to Euros 5 million and, consequently, no accumulated impairment was recognised as at 31 December 2025 (Euros 5 million as at 31 December 2024).

The 2025-2027 Strategic Plan envisages significant investments in renewable gas projects to launch initiatives related to renewable gases, focusing particularly on biomethane.

Naturgy currently operates three biomethane production plants, with a total installed capacity of 4.1 MW and total output of 7.1 GWh in 2025. In addition, through strategic alliances, Naturgy is developing a broad portfolio of projects throughout the country that are currently at different stages of development.

The impairment test includes the annual production projections for the various operational plants and projects under development, together with forecasts for the sale price of biomethane, the cost of biogas and waste, and the estimated operating and maintenance costs. Additionally, for projects in the development phase, different probabilities of success were applied which were determined on the basis of each project's degree of maturity and the progress made in obtaining the necessary permits and authorisations.

– **Petroleum Oil&Gas España, S.A.:**

Impairment was reversed in the amount of Euros 5 million. The accumulated impairment as at 31 December 2024 relating to the holding in Petroleum Oil&Gas España, S.A. amounts to Euros 89 million (Euros 94 million in 2024).

– **Naturgy Commodities Trading, S.A.:**

Impairment of the holding in Naturgy Commodities Trading, S.A. was reversed in 2025 in the amount of Euros 2 million. The accumulated impairment as at 31 December 2025 amounts to Euros 29 million (Euros 31 million in 2024).

– **Lignitos de Meirama, S.A.:**

Impairment was reversed in the amount of Euros1 million. The accumulated impairment as at 31 December 2025 amounts to Euros 28 million (Euros 29 million in 2024).

Impairments were also recognised for the following holdings in 2025:

– **Comercializadora Regulada Gas & Power, S.A.:**

Impairment in the amount of Euros 50 million was recognised due to the tariff providing insufficient remuneration for the regulated gas and electricity sales by this supply company. The accumulated impairment as at 31 December 2025 is Euros 50 million (zero as at 31 December 2024).

– **Naturgy Innovahub, S.LU.:**

Impairment in the amount of Euros 6 million was recognised, resulting in total impairment of the holding amounting to Euros 7 million as at 31 December 2025. Additionally, because of the losses generated during the year, a provision for future risks and expenses was recognised in the amount of Euros 1 million under "Long-term provisions" on the liabilities side of the balance sheet.

– **Naturgy Participaciones, S.A.U.:**

Impairment was recognised in the amount of Euros 5 million. The accumulated impairment as at 31 December 2025 is Euros 5 million (zero as at 31 December 2024).

– **Naturgy Finance Iberia, S.A.U.:**

Impairment was recognised in the amount of Euros 2 million. The accumulated impairment as at 31 December 2025 amounts to Euros 2 million (zero in 2024).

### Information on other impairment tests performed:

As regards the other interests in Group companies and associates as at 31 December 2025 and 2024, the recoverable amounts, calculated according to the methodology described in Note 3.3, were higher than the carrying amounts of the holdings in Group companies recognised in these annual accounts.

The most sensitive aspects of the impairment tests updated as at 31 December 2025 are as follows:

#### **Electricity Networks Spain:**

- Remuneration. Amount and growth of remuneration. In relation to the regulatory framework, the future cash flows of these business lines were reviewed taking into account the publications by the regulator with regard to the remuneration methodology for the regulated electricity distribution activity.

On 22 December 2025, the CNMC approved the following circulars, which come into force on 1 January 2026 and will apply to the 2026-2031 regulatory period:

- Circular 8/2025, establishing the methodology for calculating electricity distribution remuneration in Spain for the 2026-2031 regulatory period. The methodology incorporates measures aimed at increasing efficiency, improving quality, reducing losses and promoting electrification. Investment limits are aligned with those set by the government, remunerating audited investments up to 0.13% of GDP.
- Circular 9/2025, amending the methodology established in Circular 2/2019 for calculating the financial remuneration rate for regulated electricity transmission and distribution activities, as well as the regasification, transportation and distribution of natural gas. It also set the financial remuneration rate applicable to electricity transmission, system operation and distribution activities for the period 2026-2031 at 6.58%, an increase of 100 basis points on the previous.
- Operating and maintenance costs. Estimated on the basis of the historical cost of the network managed.
- Investments. Considering the investments required to keep the network in working order and guarantee supply quality, as well as the digitalisation of electricity networks and the estimated investment in line with industry requirements.

**Latin American networks:** for the Network CGUs in Brazil, Chile, Argentina and Mexico and Electricity Network CGUs in Argentina and Panama:

- Variations in tariffs. Valuation of rates in each country, based on existing regulatory conditions and both current and expected rate reviews, taking into account the experience gained from previous rate reviews in each country.

The main considerations are described below:

- Gas networks in Brazil. On 1 January 2025, the new tariffs for CEG and CEG RIO came into effect, with adjustments in line with the annual inflation index of IGP-M (+6.33%) in accordance with the deliberations of 23 December 2024. Following the agreement reached in connection with the 4th Integrated Tariff Review (RTI) in 2024, negotiations resumed for the 5th RTI (period 2023-2027), which is currently in the phase of analysing the remuneration rate and asset base. With regard to the San Paulo Sul concession, the five-year review scheduled for May 2025 was postponed by the regulator in April 2025 and had not been concluded as at 31 December 2025.
- Gas Networks Argentina: As a continuation of the tariff review process for the period 2025-2029, which began in August 2024, ENARGAS published Resolutions 263/2025 and 264/2025 in April 2025, approving the Five-Year Tariff Review (2025-2029) and the tariff schedules for Naturgy BAN, S.A. and Naturgy NOA, S.A. These resolutions entail tariff increases of 14.92% for Naturgy BAN, S.A. and 2.57% for Naturgy NOA, S.A., applicable in 31 monthly instalments starting on 1 May 2025. Following the publication of resolutions determining monthly tariff adjustments in the first half of the year in accordance with the indices established by Enargas in the Five-Year Tariff Review (RQT), resolutions were approved on a monthly basis during the second half of the year to update the tariff tables in accordance with the formula defined in the RQT.

In the case of the projections for Gas Distribution Argentina, despite the approval of the Tariff Review, different scenarios have been considered, basically involving monthly adjustments for inflation, given that the economic environment may influence these adjustments.

- Cost of raw materials and consumables. Estimated using predictive models developed on the basis of knowledge of the energy markets in each country, considering also the regulations for distributors in each country.
- Operating and maintenance costs. Estimated on the basis of the historical cost of the network managed.
- Investments. Taking into account the necessary investments to maintain the network in good working order and ensure supply quality and safety.

#### Thermal generation Spain:

The assumptions and projections for this CGU consider the possible impacts of the energy transition and the increased use of renewable energy sources, although they contemplate the need for all the installed capacity of the combined cycle units within the horizon of the projections (2034), as envisaged in the NECP 2023-2030.

In the case of nuclear power plants, Naturgy considers the Decommissioning Protocol signed in 2019 with Enresa, Spain's national radioactive waste company, which establishes a schedule for the progressive closure of all nuclear power plants in line with the energy transition to renewable sources and the decarbonisation objective for 2050; their output up to the point of decommissioning is considered in the impairment test.

The assumptions taken into consideration are the following:

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Pool price €/MWh (*)	63.8	56.2	55.1	68.2	73.4	74.9	81.4	83.0	85.0	84.9
Brent (USD/bbl) (*)	69.2	61.9	62.2	69.0	70.0	70.0	89.4	90.5	91.6	93.6
Gas Henry Hub (USD/MMBtu) (*)	3.5	4.2	4.0	3.6	3.6	3.6	4.3	4.3	4.4	5.2
PVB (€/MWh) (*)	37.0	25.8	24.6	26.5	26.5	26.5	27.7	28.9	28.7	30.3
CO <sub>2</sub> €/t (*)	73.8	83.2	85.6	77.4	89.1	93.1	98.4	103.7	126.2	136.7

(\*) estimated amounts at the date of the test.

The most sensitive aspects that are included in the estimate of the recoverable amount determined according to the value in use and applying the methodology detailed in Note 3.3 are as follows:

- Electricity generated. Long-term demand trends were estimated using analyst projections, considering also the existing contracts with Naturgy's supply companies. Market share was estimated on the basis of Naturgy's market share in each technology and the expected trend in each technology's share of the total market, in line with the expected future evolution of the generation mix, maintaining the projected decline in thermal output, offset by the creation of a capacity market within the Spanish mainland electricity system that remunerates firm capacity (currently in the process of being established). In the short term, following the blackout in the Spanish mainland electricity system on 28 April 2025, consideration has been given to the role that combined cycles are playing in ensuring security of supply.
- Electricity price. Market electricity prices were calculated using models that cross expected demand with supply forecasts, taking into account the foreseeable evolution of generation capacity in Spain, based on sector forecasts, the development of the energy scenario on the basis of futures curves, and analysts' forecasts. The estimates also include the impact of existing contracts with the Group's supply companies.
- Fuel costs. Estimated on the basis of market prices.
- Operating and maintenance costs. These costs have been estimated on the basis of the historical costs of managed facilities and the business plans of the nuclear power plants.

The following factors are also considered:

- The Electricity Market Reform Regulation and Directive presented by the Commission on 14 March 2023, which envisage, among other matters, fostering forward contracts, PPAs and contracts for differences for new investments in generating capacity, making capacity mechanisms permanent, providing greater system flexibility using demand-side management and storage, as well as measures to be adopted by member states in the event of a crisis, and greater protection for end consumers.
- The extension of existing PPAs with the group's supply companies to cover nuclear generation facilities.
- The cost of the 7% tax on the value of electricity production, which was reinstated gradually during 2024, and the unit values for financing of the energy subsidy ("bono social").
- The approval of Royal Decree 589/2024 for nuclear generation facilities, which increases the amount payable to ENRESA as a consequence of the construction of decentralised temporary storage facilities (ATD).

To date, Naturgy has elected not to perform temporary closures of the ten combined cycle plants that were authorised following the Supreme Court ruling in 2023 and, therefore, this was not considered in the 2025 impairment test update.

#### **Thermal generation Latin America:**

For thermal electricity generation CGUs in Mexico and the Dominican Republic:

- Thermal generation in Mexico is carried out over most of the plants' useful lives under PPAs based on stable business models that are not at risk of fluctuation on the basis of market variables. In the Dominican Republic and Mexico, upon termination of the contracts, energy prices are set based on the market and are estimated on the basis of developments in the country's energy situation, including the foreseeable evolution of the generating fleet, taking account of expected supply and demand, and production costs.
- Operating and maintenance costs. Estimated from historical costs of the managed fleet.
- When updating the recoverable value of the combined cycle plants in Mexico, the relevant assumptions included the increase in permits for developing renewable energy installations, which will affect the market price used in the projections on the finalisation of the long-term contracts for energy sales to the Federal Electricity Commission (CFE).

- The delivery of emission allowances equivalent to the tonnes of CO<sub>2</sub> emitted. Until 2026, the allocation of allowances free of charge, as provided in the draft Emission Trading System Rules, is assumed to cover emissions projected on the basis of production projections.

From 2027 onwards, although the criteria for the allocation of allowances free of charge and the necessary emissions reduction pathway have not yet been defined, it is expected that the emissions generated will be covered by the free allocation and, when this is not sufficient or the free allocation is discontinued, CO<sub>2</sub> costs are expected to be passed through into selling prices as an additional operating cost, similar to the case in the European market.

In the case of the Puerto Rico Generation CGU:

- The main estimates considered in the generated flows relate to the contract with Puerto Rico Electric Power Authority (PREPA), which will remain in force until the end of 2032.

### **Renewable Generation Spain:**

The assumptions and projections affecting the renewable power generation CGU are based on the best forward-looking information available to date.

In the case of Renewable Generation Spain, fair value less selling costs is considered to be the best estimate of the recoverable amount and, therefore, the valuation includes the necessary flows that market players would take into account when assessing the value of the CGU based on the present value method. Fair value was determined on the basis of external sources of information and the company's estimate is, therefore, a level 3 estimate.

The assumptions regarding pool price trends in the Renewable Electricity Generation CGU are the same as those considered in the Thermal Generation Spain CGU.

The most sensitive matters included in the impairment test are as follows:

- Electricity generated: projections of hours of operation of each plant consistent with their historical output, and predictions based on historical records of similar plants were used when there were no historical data. In addition, the increase in output due to plans to hybridise and repower existing facilities has been taken into account.
- Electricity price. Market electricity prices were calculated using models that cross expected demand with supply forecasts, taking into account the foreseeable evolution of generation capacity in Spain, based on sector forecasts, the development of the energy scenario on the basis of futures curves, and analysts' forecasts. The estimates also include the impact of existing contracts with the Group's supply companies.
- Remuneration.
  - For facilities in the renewable generation CGU that are entitled to specific remuneration, the remuneration has been estimated on the basis of the regulated revenue period. Specifically, Order TED/741/2023 was considered, which updated the remuneration parameters for standard facilities that are applicable to certain facilities that generate electricity from renewable sources, cogeneration and waste, for the purposes of their application to the 2023-2025 regulatory semi-period. The order updating the remuneration parameters applicable in the 2026-2031 regulatory period was published on 27 January 2026.
  - In the specific case of cogeneration facilities, the methodology for updating the remuneration for the operation of electricity generation facilities whose operating costs depend essentially on the price of fuel is considered.
- Operating and maintenance costs. Estimated from historical costs of the managed fleet and existing contracts.

- Investments. The investments necessary to keep the facilities in working order are considered; in the case of Renewable Electricity Generation, they are included in the cash flows of new projects available for development, repowering, storage and hybridisations, as well as the value of the generation capacity of new renewable generation projects.

The following factors are also considered:

- The projected flows include an estimate of the costs of the 7% tax on the value of electricity production and the unit values for financing the energy subsidy ("bono social").
- Existing sales contracts with the Group's supply companies.

#### **Renewable Generation United States:**

Since 2021, the company has been managing a portfolio of projects based on solar technology and storage systems that it acquired in that year and continues to hold.

At 2025 year-end, two solar farms are in operation: 7V Solar Ranch (302 MW) and Grimes (262 MW). The Mark Center (124.5 MW) plant is expected to become operational next year.

The arrival of the new administration in January 2025 led to significant legislative changes in the first part of the year, aimed at protecting local manufacturing industry and relaxing the country's commitments to fight climate change. In this context, the impact of these measures on projects under construction and in development was reviewed. No material impact is expected in the case of Mark Center, except for additional costs arising from components not purchased from local suppliers. To mitigate this effect, acquisitions have been planned according to the established tariff exemption windows.

At the same time, a programme has been approved for the sale of projects in the development pipeline. The regulatory environment continues to show a high level of uncertainty, shaped by the introduction of new tariffs and restrictions on non-local suppliers; these factors particularly affect projects in the development phase.

As part of the management and divestment process, a comprehensive analysis of the portfolio in 2025 led to the recognition of impairment on certain assets due to difficulties in interconnecting projects and obtaining permits<sup>1</sup>. At the same time, impairment that had been recognised in previous years was reversed due to improved price expectations.

#### **Renewable Generation Latin America:**

Includes the Brazil, Costa Rica, Mexico, Panama and Chile electricity generation CGUs.

The most sensitive matters included in the impairment test are as follows:

- Electricity price: Renewable electricity generation in Latin America is managed under energy sale-purchase contracts through stable business models which are not subject to fluctuation risks on the basis of market variables.
- Operating and maintenance costs. Estimated on the basis of historical costs and on the basis of best forecasts when no historical data are available.
- Since Renewables Chile returned to the short-term market based on authorisation by the National Electricity Coordinator in June 2023, the company has been operating normally in the market and fulfilling its PPAs with the distribution companies.

Nevertheless, limitations in transmission networks and the different composition of the generation mix between the nodes where the Group injects energy and those where it has assumed its sales commitments with distributors.

This situation makes it difficult to meet its obligations to creditors, which is why steps have been taken to sell the Cabo Leones and San Pedro projects.

In this situation, the assumptions made in the impairment test for 2024 are maintained and no scenarios are envisaged that could lead to a significant increase in the impairment already recognised for this company's assets.

#### Renewable Generation Australia:

- Over most of the plants' useful life, electricity output is sold under PPAs based on stable business models that are not at risk of fluctuation on the basis of market variables. Upon termination of the contracts, energy prices are set based on the market and are estimated on the basis of developments in the country's energy situation, including the foreseeable evolution of the generating fleet and taking into account expected supply and demand, and production costs.
- Operating and maintenance costs. Estimated on the basis of historical costs and on the basis of best forecasts when no historical data are available.

#### Supply:

- Supply margin. Forecasts concerning trends in customer numbers and demand were used, considering unit margins of the contracts in place and estimates of these figures in contract renewals.
- The projected flows include:
  - The unit values for financing the energy subsidy (“bono social”).
  - The ban on cutting off gas and electricity supplies to vulnerable customers is maintained until 31 December 2026.

#### Discount rates and growth rates used

The pre-tax discount rates and the growth rates considered for 2025 and 2024, calculated as indicated in Note 3.19, are as follows:

Discount rate	2025	2024
<b>Networks</b>		
Electricity Networks Spain	6.8 %	6.8 %
Gas and Electricity Networks Latin America	10.9% - 22.1%	10.3% - 22.1%
Gas Networks Argentina (1)	16.6 %	22.1 %
<b>Energy Markets</b>		
Thermal Generation Spain	8.2 %	8.5 %
Thermal Generation Latin America	9.8% - 13.1%	9.5%-12.9%
Renewable Generation Spain	6.9%	7.0 %
Hydroelectric Generation Spain	7.2 %	7.3 %
Latin America Renewables	11.3% - 18.2%	10.9%-18.1%
Australia Renewables	9.2 %	9.1 %
USA Renewables	7.7 %	7.4 %
Renewable Gases	7.8 % - 8.6 %	8.4 %
Supply	7.1 %	7.6 %

(1) Rate determined in USD

<b>Growth rate</b>	<b>2025</b>	<b>2024</b>
<b>Networks</b>		
Electricity Networks Spain	2.0 %	2.0 %
Gas and Electricity Networks Latin America	2% - 6.5%	1.6%-7.9%
Gas Networks Argentina	6.5 %	7.9 %
<b>Energy Markets</b>		
Thermal Generation Spain	2.0 %	1.9 %
Thermal Generation Latin America	2.7 %	1.8 %
Renewable Generation Spain	2.0 %	1.9 %
Hydroelectric Generation Spain	2.0 %	1.9 %
Latin America Renewables	2.7%- 3.6%	1.8% - 2.9%
Australia Renewables	2.1 %	2.5 %
USA Renewables	2.7 %	1.8 %
Renewable Gases	2.0%	1.9 %
Supply	(0.04)%	(0.1)%

## Sensitivity analysis

A sensitivity analysis has been carried out for holdings in Group companies, where their carrying amount coincides with the results of the impairment tests described above. The variations in the key assumptions, taken separately, and the impact on the recoverable value for each of the holdings in group companies were considered for the following companies:

**Naturgy Generación, S.L.U.:** the result of the sensitivity analysis is as follows:

- an increase in the discount rate of 50 basis points would not entail any impairment.
- a decrease in the growth rate of 50 basis points would not entail any impairment.
- a 5% decrease in electricity output would not entail any impairment.
- a €1/MWh decrease in the average electricity price over the remaining life of the facility would entail a Euros 12 million reduction in the CGU's fair value but would not give rise to impairment.

For the other holdings in group companies, in 2025 the Company carried out a sensitivity analysis on the unfavourable variations which, drawing on historical experience, could reasonably impact the aforementioned sensitive aspects on the basis of which the recoverable amounts were determined. Specifically, the most significant sensitivity analyses performed were as follows:

	<b>Increase</b>	<b>Decrease</b>
Discount rate	50 basis points.	—
Growth rate	—	50 basis points.
Electricity generated	—	5%
Electricity price	—	5%
Fuel procurement costs	5%	—
Tariff/remuneration performance	—	5%
Operating and maintenance costs	5%	—
Investments	5%	—

These sensitivity analyses, performed separately for each basic assumption, would not affect the conclusions drawn to the effect that the recoverable amount exceeds the carrying amount for each of those group companies. Furthermore, considering historical trends in the main energy variables and remuneration models, no changes were observed that, even if replicated in the future, might lead to additional impairment.

## Note 5. Intangible assets

This heading breaks down as follows:

	Patents, licences, trademarks and other	Computer software	Subtotal	Goodwill	Total
Cost	1	1	2	815	817
Accumulated amortisation	(1)	—	(1)	(815)	(816)
<b>Carrying value as at 1.1.2024</b>	<b>—</b>	<b>1</b>	<b>1</b>	<b>—</b>	<b>1</b>
Investment	—	32	32	—	<b>32</b>
Depreciation charge	—	(8)	(8)	—	(8)
<b>Carrying value as at 31.12.2024</b>	<b>—</b>	<b>25</b>	<b>25</b>	<b>—</b>	<b>25</b>
Cost	1	33	34	815	849
Accumulated amortisation	(1)	(8)	(9)	(815)	(824)
<b>Carrying value as at 1.1.2025</b>	<b>—</b>	<b>25</b>	<b>25</b>	<b>—</b>	<b>25</b>
Investment	—	13	13	—	<b>13</b>
Depreciation charge	—	(11)	(11)	—	(11)
<b>Carrying value as at 31.12.2025</b>	<b>—</b>	<b>27</b>	<b>27</b>	<b>—</b>	<b>27</b>
Cost	1	41	42	815	857
Accumulated amortisation	(1)	(14)	(15)	(815)	(830)
<b>Carrying value as at 31.12.2025</b>	<b>—</b>	<b>27</b>	<b>27</b>	<b>—</b>	<b>27</b>

Goodwill derived from the vertical merger of Unión Fenosa, S.A. completed in 2009 and was attributable to the benefits and synergies arising from the integration with Naturgy. It has been fully amortised since 2019.

The Company invested Euros 13 million in computer applications in 2025. In 2024, prior to the liquidation of Naturgy Informática, S.A.U. (Notes 4 & 7), the Company acquired its assets, consisting of software licenses and computer hardware. The net value of these software applications amounts to Euros 23 million.

Fully amortised software licences in the amount of Euros 5 million were derecognised in 2025 (zero in 2024).

## Note 6. Property, plant and equipment

The amounts and changes in the property, plant and equipment accounts in 2025 and 2024 are shown below:

	Land and buildings	Other property, plant and equipment	Total
Cost	162	26	188
Accumulated amortisation	(78)	(13)	(91)
<b>Carrying value as at 1.1.2024</b>	<b>84</b>	<b>13</b>	<b>97</b>
Investment	1	12	13
Divestment	(5)	—	(5)
Depreciation charge	(8)	(4)	(12)
<b>Carrying value as at 31.12.2024</b>	<b>72</b>	<b>21</b>	<b>93</b>
Cost	152	36	188
Accumulated amortisation	(80)	(15)	(95)
<b>Carrying value as at 1.1.2025</b>	<b>72</b>	<b>21</b>	<b>93</b>
Investment	3	3	6
Depreciation charge	(8)	(4)	(12)
<b>Carrying value as at 31.12.2025</b>	<b>67</b>	<b>20</b>	<b>87</b>
Cost	152	38	190
Accumulated amortisation	(85)	(18)	(103)
<b>Carrying value as at 31.12.2025</b>	<b>67</b>	<b>20</b>	<b>87</b>

Other property, plant and equipment include the hardware acquired from Naturgy Informática, S.A.U. in 2024 in the amount of Euros 8 million (Notes 4 & 7).

Also, during 2024, the Company sold the Sabadell Museum building for Euros 3 million, recognising a loss of Euros 2 million under "Gain/(loss) on disposals of tangible fixed assets".

During 2025, fully depreciated assets totalling Euros 4 million were derecognised, of which Euros 3 million related to buildings and Euros 1 million to property, plant and equipment (Euros 5 million as at 31 December 2024, of which Euros 4 million related to buildings and Euros 1 million to other property, plant and equipment).

Property, plant and equipment includes fully depreciated assets in use as at 31 December 2025 amounting to Euros 28 million, of which Euros 16 million relate to buildings (Euros 24 million in 2024, of which Euros 14 million related to buildings).

It is Company policy to arrange insurance where deemed necessary to cover risks that could affect its property, plant and equipment.

As at 31 December 2025 and 2024, the Company had no investment commitments.

## Note 7. Investments in Group companies and associates

The classification of investments in Group companies and associates by category as at 31 December 2025 and 2024 is as follows:

31.12.2025	Financial assets at cost	Financial assets at amortised cost	Total
Equity instruments	15,855	—	15,855
Loans	—	11,920	11,920
<b>Non-current</b>	<b>15,855</b>	<b>11,920</b>	<b>27,775</b>
Loans	—	957	957
Other financial assets	—	—	—
<b>Current</b>	<b>—</b>	<b>957</b>	<b>957</b>
<b>TOTAL</b>	<b>15,855</b>	<b>12,877</b>	<b>28,732</b>

31.12.2024	Financial assets at cost	Financial assets at amortised cost	Total
Equity instruments	15,994	—	15,994
Loans	—	12,661	12,661
<b>Non-current</b>	<b>15,994</b>	<b>12,661</b>	<b>28,655</b>
Loans	—	1,224	1,224
Other financial assets	—	2	2
<b>Current</b>	<b>—</b>	<b>1,226</b>	<b>1,226</b>
<b>TOTAL</b>	<b>15,994</b>	<b>13,887</b>	<b>29,881</b>

Movements during the year in non-current investments in group companies and associates are as follows:

	Holdings in group companies	Loans to group companies	Holdings in associates	Total
<b>Balance at 01.01.2024</b>	<b>15,878</b>	<b>13,997</b>	<b>4</b>	<b>29,879</b>
Additions	48	340	—	388
Divestments	(1)	(37)	—	(38)
Reclassification	—	(1,639)	—	(1,639)
Charge/reversal provisions	65	—	—	65
<b>Balance at 31.12.2024</b>	<b>15,990</b>	<b>12,661</b>	<b>4</b>	<b>28,655</b>
Additions	15	117	—	132
Divestments	(184)	(38)	—	(222)
Reclassification	—	(820)	—	(820)
Charge/reversal provisions	30	—	—	30
<b>Balance as at 31.12.2025</b>	<b>15,851</b>	<b>11,920</b>	<b>4</b>	<b>27,775</b>

The main corporate transactions carried out by the Company were as follows:

## 2025

- Cash contribution of Euros 4 million to offset losses of the company Naturgy Innovahub, S.L.U.
- Cash contribution of Euros 10 million to offset losses of the company Comercializadora Regulada, Gas&Power, S.A.
- The distribution of dividends by Naturgy Generación, S.L.U. in the amount of Euros 83 million was recognised as a decrease in the carrying amount of that company.
- Part of the dividend payment by Naturgy Engineering, S.L. in the amount of Euros 1 million was recognised as a decrease in the carrying amount of that company.
- Acquisition of 170 shares in Naturgy Iberia, S.A. from group company La Propagadora del Gas, S.A. for an amount of Euros 0.1 million, as a result of which the Company became the sole shareholder of that company.
- Within the framework of the early expiration of the long-term variable incentive plan (ILP) approved by the Board of Directors on 18 February 2025 (Note 11), Euros 100 million of the share premium of Naturgy Participaciones, S.A.U. was distributed together with the surplus generated since the acquisition of shares of Naturgy Energy Group, S.A., in the amount of Euros 95 million. The distribution of the share premium was recognised as a decrease in the carrying amount of the holding in this company, and the surplus distributed was recognised under Other equity instruments with a balancing entry in the account payable for the purchase of the shares on 14 May 2025 (Note 11).

## 2024

- Acquisition of one share in the company Naturgy Informática, S.A. with the result that it became that company's sole shareholder, and subsequent liquidation of that company. The holding was derecognised for an amount of Euros 1 million.

Also, prior to the liquidation of Naturgy Informática, S.A.U., in April 2024 the Company acquired its assets, mainly software licenses and computer hardware. This acquisition was offset by the Company against intercompany loans granted to Naturgy Informática, S.A.U. prior to the transaction date, for a net amount of Euros 37 million.

- Cash contribution of Euros 1 million to offset losses of the company Naturgy Innovahub, S.L.U.
- Cash contribution of Euros 22 million to offset losses incurred by Naturgy Nuevas Energías, S.L.U.

- Cash contribution of Euros 17 million to offset losses incurred by Petroleum Oil&Gas España, S.A.
- Cash contribution of Euros 8 million to offset losses incurred by Naturgy Commodities Trading,S.A.

The cumulative provision for the impairment of holdings in Group companies and associates totals Euros 2,154 million as at 31 December 2025 (Euros 2,185 million as at 31 December 2024), relating basically to the following companies (Note 4):

	2025	2024	Variation
Naturgy Generación, S.L.U.	1,939	2,015	(76)
Petroleum, Oil & Gas España, S.A.	89	94	(5)
Comercializadora Regulada, Gas & Power, S.A.	50	—	50
Naturgy Commodities Trading, S.A.	29	31	(2)
Lignitos de Meirama, S.A.	28	29	(1)
Naturgy Innovahub, S.L.U.	7	1	6
Naturgy Engineering, S.L.	5	5	—
Naturgy Participaciones, S.A.U	5	—	5
Naturgy Finance Iberia, S.A.U.	2	—	2
Naturgy Nuevas Energías, S.L.U.	—	5	(5)
General de Edificios y Solares, S.L.	—	5	(5)
<b>Total</b>	<b>2,154</b>	<b>2,185</b>	<b>(31)</b>

Financial income from dividends received from holdings in equity instruments of group and associated companies in 2025 and 2024 relates to the following companies:

	2025	2024
Gas Natural Comercializadora, S.A.	570	100
Naturgy Iberia, S.A.	235	121
Naturgy Distribución Latinoamérica S.A.	229	156
Holding Negocios Electricidad, S.A.	150	160
Global Power Generation, S.A.U.	73	—
Holding Negocios Gas, S.A.	52	16
Naturgy Ciclos Combinados, S.L.U.	50	141
Naturgy Generación Térmica, S.L.U.	12	26
Naturgy Infraestructuras EMEA, S.L.	12	21
Naturgy Finance Iberia, S.A.U. (*)	5	3
La Propagadora del Gas, S.A.	1	—
Naturgy Engineering, S.L.	1	—
Naturgy Aprovisionamientos, S.A.	—	205
Naturgy Capital Markets, S.A.	—	1
<b>Total</b>	<b>1,390</b>	<b>950</b>

(\*) On 28 May 2024, Naturgy Finance BV registered a cross border conversion to Naturgy Finance Iberia, S.A., transferring its registered offices and domicile for tax purposes from the Netherlands to Spain.

## Gain/(loss) on disposals of equity interests in Group companies and associates

As at 31 December 2025, there were no gains or losses on disposals of holdings in group companies and associates. In 2024, a loss of Euros 1 million was recognised for miscellaneous expenses associated with the liquidation and sale of holdings in group companies.

The breakdown of shareholdings in group companies is set out below:

Data as at 31 December 2025 (*)												
Company	Registered Office	Activity	Carrying Value 2025	% interest			Equity					EQUITY
				Direct	Indirect	Total	Capital	Reserves (1)	Profit/(loss)	Interim dividend	Other (2)	
Naturgy Aprovisionamientos, S.A.	Spain	Gas supply	409	100.0	—	100.0	1	393	380	—	(7)	767
Sagane, S.A.	Spain	Gas supply	42	100.0	—	100.0	95	(9)	1	—	—	87
Naturgy Comercializadora Empresas, S.A.U.	Spain	Gas supply	—	100.0	—	100.0	—	—	—	—	—	—
Gas Natural Comercializadora, S.A.	Spain	Gas and electricity supply	515	100.0	—	100.0	3	469	223	—	30	725
Comercializadora Regulada, Gas & Power, S.A.	Spain	Gas and electricity supply	81	100.0	—	100.0	2	53	(50)	—	(3)	2
Naturgy Commodities Trading, S.A.	Spain	Gas and electricity supply	14	100.0	—	100.0	11	1	2	—	—	14
Naturgy Iberia, S.A.	Spain	Gas and electricity supply	494	100.0	—	100.0	3	440	105	—	—	548
Naturgy Clientes, S.A.	Spain	Gas and electricity supply	4	100.0	—	100.0	—	33	194	—	(37)	190
Holding Negocios Electricidad, S.A.	Spain	Electricity distribution	3,653	100.0	—	100.0	—	3,160	83	—	—	3,243
Holding de Negocios de Gas, S.A.	Spain	Gas distribution	4,475	80.0	—	80.0	—	5,951	292	—	—	6,243
Naturgy Generación, S.L.U.	Spain	Electricity generation	1,027	100.0	—	100.0	732	219	75	—	1	1,027
Naturgy Renovables, S.L.U.	Spain	Electricity generation	2,041	100.0	—	100.0	113	1,354	(37)	—	20	1,450
Global Power Generation, S.A.	Spain	Electricity generation	647	75.0	—	75.0	20	923	252	—	(24)	1,171
Toledo PV A.I.E.	Spain	Electricity generation	—	33.3	—	33.3	—	1	—	—	—	1
La Propagadora del Gas	Spain	Electricity generation	12	100.0	—	100.0	10	2	—	—	—	12
Naturgy Ciclos Combinados, S.L.U.	Spain	Electricity generation	762	100.0	—	100.0	320	615	339	(50)	(5)	1,219
Naturgy Generación Térmica, S.L.	Spain	Electricity generation	13	100.0	—	100.0	—	23	(3)	—	3	23
Petroleum, Oil & Gas España, S.A.	Spain	Gas infrastructures	6	32.3	67.7	100.0	4	1	13	—	—	18
Lignitos de Meirama, S.A.	Spain	Mining	17	100.0	—	100.0	23	(6)	—	—	—	17
Natural Re, S.A.	Luxembourg	Insurance	9	100.0	—	100.0	5	57	(6)	—	—	56
General de Edificios y Solares, S.L.	Spain	Services	63	100.0	—	100.0	34	24	9	—	—	67
Naturgy Capital Markets, S.A.	Spain	Financial services	—	100.0	—	100.0	—	—	—	—	—	—
Naturgy Finance Iberia, S.A.	Spain	Financial services	6	100.0	—	100.0	—	6	—	—	—	6
Naturgy Participaciones, S.A.	Spain	Financial services	6	100.0	—	100.0	—	—	74	(68)	—	6
Unión Fenosa Preferentes, S.A.U.	Spain	Financial services	—	100.0	—	100.0	—	1	—	—	—	1
Naturgy Innovahub, S.L.U.	Spain	Services	—	100.0	—	100.0	1	4	(3)	—	—	2
Naturgy Engineering, S.L.	Spain	Engineering services	15	100.0	—	100.0	—	16	—	—	(1)	15
Naturgy Ingeniería Nuclear, S.L.	Spain	Engineering services	1	100.0	—	100.0	—	2	—	—	—	2
Naturgy Distribución Latinoamérica, S.A.	Spain	Electricity generation	557	100.0	—	100.0	402	166	150	—	—	718
Naturgy Nuevas Energías, S.L.U.	Spain	Services	44	100.0	—	100.0	—	16	(5)	—	—	11
Naturgy Infraestructuras EMEA, S.L.	Spain	Electricity generation	88	100.0	—	100.0	—	212	69	—	—	281
Naturgy Inversiones Internacionales, S.A.	Spain	Electricity generation	850	100.0	—	100.0	250	329	152	—	(182)	549
<b>Total</b>			<b>15,851</b>									

(1) Includes the share premium, reserves, prior-year losses, contributions and retained earnings.

(2) Includes value change adjustments, other equity instruments and grants, donations and bequests.

(\*) Annual accounts updated based on the latest available information

Data at 31 December 2024 (*)												
Company	Registered Office	Activity	Carrying Value 2024	% interest			Equity					
				Direct	Indirect	Total	Capital	Reserves (1)	Profit/(loss)	Interim dividend	Other (2)	EQUITY
Naturgy Aprovisionamientos, S.A.	Spain	Gas supply	409	100.0	—	100.0	1	592	(199)	—	(175)	219
Sagane, S.A.	Spain	Gas supply	42	100.0	—	100.0	95	8	(17)	—	—	86
Naturgy Comercializadora Empresas, S.A.U.	Spain	Gas supply	—	100.0	—	100.0	—	—	—	—	—	—
Gas Natural Comercializadora, S.A.	Spain	Gas and electricity supply	515	100.0	—	100.0	3	469	569	—	18	1,059
Comercializadora Regulada, Gas & Power, S.A.	Spain	Gas and electricity supply	121	100.0	—	100.0	2	61	(18)	—	—	45
Naturgy Commodities Trading, S.A.	Spain	Gas and electricity supply	12	100.0	—	100.0	11	11	(10)	—	—	12
Naturgy Iberia, S.A.	Spain	Gas and electricity supply	494	100.0	—	100.0	3	218	478	—	—	699
Naturgy Clientes, S.A.	Spain	Gas and electricity supply	4	100.0	—	100.0	—	1	11	—	—	12
Holding Negocios Electricidad, S.A.	Spain	Electricity distribution	3,653	100.0	—	100.0	—	3,264	46	—	—	3,310
Holding de Negocios de Gas, S.A.	Spain	Gas distribution	4,475	80.0	—	80.0	—	5,796	221	—	—	6,017
Naturgy Generación, S.L.U.	Spain	Electricity generation	1,035	100.0	—	100.0	732	209	92	—	1	1,034
Naturgy Renovables, S.L.U.	Spain	Electricity generation	2,041	100.0	—	100.0	113	1,327	26	—	12	1,478
Global Power Generation, S.A.	Spain	Electricity generation	648	75.0	—	75.0	20	819	199	—	118	1,156
Toledo PV A.I.E.	Spain	Electricity generation	—	33.3	—	33.3	—	—	1	—	—	1
La Propagadora del Gas	Spain	Electricity generation	12	100.0	—	100.0	10	2	1	—	—	13
Naturgy Ciclos Combinados, S.L.U.	Spain	Electricity generation	761	100.0	—	100.0	320	627	(13)	—	4	938
Naturgy Generación Térmica, S.L.	Spain	Electricity generation	13	100.0	—	100.0	—	24	11	—	2	37
Petroleum, Oil & Gas España, S.A.	Spain	Gas infrastructures	1	32.3	67.7	100.0	4	55	(55)	—	—	4
Liginitos de Meirama, S.A.	Spain	Mining	17	100.0	—	100.0	23	(7)	—	—	—	16
Natural Re, S.A.	Luxembourg	Insurance	9	100.0	—	100.0	5	38	8	—	19	70
General de Edificios y Solares, S.L.	Spain	Services	58	100.0	—	100.0	34	23	1	—	—	58
Naturgy Capital Markets, S.A.	Spain	Financial services	—	100.0	—	100.0	—	—	—	—	—	—
Naturgy Finance Iberia, S.A.U.	Spain	Financial services	7	100.0	—	100.0	—	5	5	—	—	10
Naturgy Participaciones, S.A.	Spain	Financial services	110	100.0	—	100.0	—	130	(3)	—	—	127
Unión Fenosa Preferentes, S.A.U.	Spain	Financial services	—	100.0	—	100.0	—	1	—	—	—	1
Naturgy Innovahub, S.L.U.	Spain	Services	2	100.0	—	100.0	1	—	(1)	—	—	—
Naturgy Engineering, S.L.	Spain	Engineering services	16	100.0	—	100.0	—	15	2	—	(1)	16
Naturgy Ingeniería Nuclear, S.L.	Spain	Engineering services	1	100.0	—	100.0	—	1	1	—	—	2
Naturgy Distribución Latinoamérica, S.A.	Spain	Electricity generation	557	100.0	—	100.0	402	165	229	—	—	796
Naturgy Nuevas Energías, S.L.U.	Spain	Services	38	100.0	—	100.0	2	29	(15)	—	—	16
Naturgy Infraestructuras EMEA, S.L.	Spain	Electricity generation	89	100.0	—	100.0	—	212	13	—	—	225
Naturgy Inversiones Internacionales, S.A.	Spain	Electricity generation	850	100.0	—	100.0	250	251	77	—	(172)	406
<b>Total</b>			<b>15,990</b>									

(1) Includes the share premium, reserves, prior-year losses, contributions and retained earnings.

(2) Includes value change adjustments, other equity instruments and grants, donations and bequests.

(\*) Annual accounts updated according to the latest available information at the date of authorisation of the 2024 annual accounts

## Loans to group companies and associates and other financial assets

Non-current receivables from Group companies amounted to Euros 11,920 million as at 31 December 2025 (Euros 12,261 million as at 31 December 2024), maturing as follows:

<b>Maturity</b>	<b>31.12.2025</b>	31.12.2024
2026	—	1,000
2027	3,087	4,647
2028	2,256	1,569
2029	2,499	2,513
2030	1,080	1,000
2031 and subsequent	2,998	1,932
<b>Total</b>	<b>11,920</b>	<b>12,661</b>

Set out below are movements during 2025 and 2024 in loans and other current financial assets:

	<b>Loans to group companies</b>	<b>Other financial assets</b>	<b>Total</b>
<b>Balance at 01.01.2024</b>	<b>291</b>	<b>3</b>	<b>294</b>
Aumentos	307	—	307
Desinversiones	(379)	(1)	(380)
Reclasificaciones/Traspasos	1,005	—	1,005
<b>Balance at 31.12.2024</b>	<b>1,224</b>	<b>2</b>	<b>1,226</b>
Aumentos	299	—	299
Desinversiones	(206)	—	(206)
Reclasificaciones/Traspasos	(360)	—	(360)
Diferencias de cambio	—	(2)	(2)
<b>Balance at 31.12.2025</b>	<b>957</b>	<b>—</b>	<b>957</b>

There are no significant differences between carrying values and fair values in the balances under Loans to Group companies and other receivables.

The "Receivables from Group companies" heading consists of receivables from Group companies totalling Euros 879 million (Euros 1,137 million in 2024) and also receivables from Group companies relating to consolidated corporate income tax amounting to Euros 162 million and to consolidated VAT amounting to Euros 1 million (Euros 61 million in 2024 relating to consolidated corporate income tax and Euros 1 million relating to consolidated VAT). Receivables from Group companies also include accrued outstanding interest of Euros 78 million (Euros 87 million in 2024).

Receivables from group companies and associates accrued interest in 2025 at a rate of 4.83% (5.11% in 2024) for non-current loans and 3.33% (4.77% in 2024) for current loans.

## Note 8. Investments

Investments by class and category as at 31 December 2025 and 2024 break down as follows:

31 December 2025	Financial assets at amortised cost	At cost	Hedging derivatives	Total
Equity instruments	—	3	—	3
Derivatives (Note 14)	—	—	18	18
Other financial assets	4	—	—	4
<b>Non-current investments</b>	<b>4</b>	<b>3</b>	<b>18</b>	<b>25</b>
Derivatives (Note 14)	—	—	8	8
Other financial assets	1	—	—	1
<b>Current investments</b>	<b>1</b>	<b>—</b>	<b>8</b>	<b>9</b>
<b>Total</b>	<b>5</b>	<b>3</b>	<b>26</b>	<b>34</b>

At 31 December 2024	Financial assets at amortised cost	At cost	Hedging derivatives	Total
Equity instruments	—	4	—	4
Derivatives (Note 14)	—	—	11	11
Other financial assets	3	—	—	3
<b>Non-current investments</b>	<b>3</b>	<b>4</b>	<b>11</b>	<b>18</b>
Derivatives (Note 14)	—	—	19	19
Other financial assets	2	—	—	2
<b>Current investments</b>	<b>2</b>	<b>—</b>	<b>19</b>	<b>21</b>
<b>Total</b>	<b>5</b>	<b>4</b>	<b>30</b>	<b>39</b>

Financial assets at fair value as at 31 December 2025 and 2024 are classified as follows:

Financial assets	31.12.2025				31.12.2024			
	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total
Hedging derivatives	—	26	—	26	—	30	—	30
<b>Total</b>	<b>—</b>	<b>26</b>	<b>—</b>	<b>26</b>	<b>—</b>	<b>30</b>	<b>—</b>	<b>30</b>

The movements in financial assets in 2025 and 2024, based on the method applied for calculating their fair value, are as follows:

	2025				2024			
	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total
At 1 January	—	30	—	30	—	56	—	56
Additions	—	—	—	—	—	—	—	—
Decrease	—	(4)	—	(4)	—	(26)	—	(26)
<b>At 31 December</b>	<b>—</b>	<b>26</b>	<b>—</b>	<b>26</b>	<b>—</b>	<b>30</b>	<b>—</b>	<b>30</b>

## Financial assets at cost

All financial assets at cost as at 31 December 2025 and 2024 relate to unlisted shareholdings.

## Financial assets at amortised cost

The balance as at 31 December 2025 and 2024 is as follows:

	<b>31.12.2025</b>	31.12.2024
Deposits and guarantee deposits	4	3
<b>Non-current</b>	<b>4</b>	<b>3</b>
Deposits and guarantee deposits	1	2
<b>Current</b>	<b>1</b>	<b>2</b>
<b>Total</b>	<b>5</b>	<b>5</b>

The fair values and carrying amounts of these assets do not differ significantly.

The breakdown by maturities as at 31 December 2025 and 2024 is as follows:

<b>Maturities</b>	<b>31.12.2025</b>	31.12.2024
Before 1 year	1	2
Between 1 and 5 years	2	2
More than 5 years	2	1
<b>Total</b>	<b>5</b>	<b>5</b>

## Note 9. Other non-current assets and Trade and other receivables

The “Other non-current assets” and “Trade and other receivables” headings as at 31 December 2025 and 2024, classified by nature and category, are as follows:

<b>31.12.2025</b>	<b>At fair value through profit and loss</b>	<b>Amortised cost</b>	<b>Total</b>
Derivatives (Note 14)	2	—	2
<b>Other non-current assets</b>	<b>2</b>	<b>—</b>	<b>2</b>
Derivatives (Note 14)	128	—	128
Other assets	—	57	57
<b>Trade and other receivables</b>	<b>128</b>	<b>57</b>	<b>185</b>
<b>Total</b>	<b>130</b>	<b>57</b>	<b>187</b>

31.12.2024	<b>At fair value through profit and loss</b>	<b>Amortised cost</b>	<b>Total</b>
Derivatives (Note 14)	90	—	90
<b>Other non-current assets</b>	<b>90</b>	<b>—</b>	<b>90</b>
Derivatives (Note 14)	280	—	280
Other assets	—	133	133
<b>Trade and other receivables</b>	<b>280</b>	<b>133</b>	<b>413</b>
<b>Total</b>	<b>370</b>	<b>133</b>	<b>503</b>

## Fair value through profit and loss

Financial assets recognised at fair value as at 31 December 2025 and 2024 are classified as follows:

Financial assets	31.12.2025				31.12.2024			
	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total
Fair value through profit or loss	—	130	—	130	—	370	—	370
<b>Total</b>	<b>—</b>	<b>130</b>	<b>—</b>	<b>130</b>	<b>—</b>	<b>370</b>	<b>—</b>	<b>370</b>

The "Derivatives" heading contains the market valuation of unsettled open interest with a debit balance corresponding to operating derivatives arranged by the Company to hedge gas prices of other group companies.

As at 31 December 2025, the balance of derivatives with group companies is Euros 41 million, all classified as current, there being no non-current amounts (Euros 61 million non-current and Euros 267 million current as at 31 December 2024).

### Amortised cost

The breakdown of this account is as follows:

	31.12.2025	31.12.2024
Trade receivables	13	17
Trade receivables, group companies and associates	28	36
Sundry receivables	—	74
Provision	(13)	(13)
Current tax assets	12	—
Other amounts receivable to Public Administrations	17	19
<b>Total</b>	<b>57</b>	<b>133</b>

In general, amounts billed pending collection do not bear interest, the average maturity period being less than 30 days.

The balance of the "Sundry debtors" account in 2024 is the Company's account receivable following notification on 17 July 2024 of the Supreme Court ruling of 4 July 2024 in relation to the enforcement of the judgement for the amounts paid by the group's non-regulated supply companies to finance the energy subsidy, which was received in the first half of 2025.

As at 31 December 2024, the Company recognised unmatured balances totalling Euros 60 million which were factored without recourse and, consequently, were derecognised from "Current tax assets" in the balance sheet. As at 31 December 2025, no amount of current tax assets had been factored.

Movements in the bad debt provision are as follows:

	2025	2024
<b>At 1 January</b>	<b>(13)</b>	<b>(26)</b>
Net charge for the year	—	17
Other	—	(4)
<b>At 31 December</b>	<b>(13)</b>	<b>(13)</b>

There were no changes in the provision for bad debts in 2025. The net provision for 2024 reflects the agreement signed by the Company and the Naturgy Group's generation and supply companies in connection with the transfer of the accounts receivable for outstanding settlements in the wholesale electricity market, in which the Company acted as representative until 30 June 2019 (Note 14). The "Other" item includes the balances of the provision for bad debts arising from the liquidation of Naturgy Informática, S.A.U. (Notes 4, 7 & 14).

## Note 10. Cash and cash equivalents

Cash and cash equivalents include:

	<b>31.12.2025</b>	31.12.2024
Cash at banks and in hand	1,349	2,169
Other cash equivalents	951	967
<b>Total</b>	<b>2,300</b>	<b>3,136</b>

"Other cash equivalents" relates mainly to:

- Bank deposits arranged between October and December 2025 maturing in less than three months for an amount of Euros 400 million (Euros 530 million as at 31 December 2024) plus the associated interest.
- Cash pooling balances with group companies and associates plus interest amounting to Euros 544 million (Euros 235 million as at 31 December 2024).
- In 2024, this item also included two short-term deposits amounting to Euros 200 million arranged in November and December 2024 with a term of less than 3 months linked to CO<sub>2</sub> emission rights, consisting of a spot purchase transaction and a simultaneous forward sale with the same counterparty, the same risk and a guaranteed return, as well as the associated interest. These deposits are readily convertible into specified amounts of cash, can be cancelled at any time without penalty, and are subject to a negligible risk of changes in value.

## Note 11. Equity

The main equity items are as follows:

### Share capital and share premium

The variations in 2025 and 2024 in the number of shares and in the share capital and share premium accounts are as follows:

	Number of shares	Share capital	Share premium	Total
<b>01.01.2024</b>	<b>969,613,801</b>	<b>970</b>	<b>3,808</b>	<b>4,778</b>
Variation	—	—	—	—
<b>31.12.2024</b>	<b>969,613,801</b>	<b>970</b>	<b>3,808</b>	<b>4,778</b>
Variation	—	—	—	—
<b>31.12.2025</b>	<b>969,613,801</b>	<b>970</b>	<b>3,808</b>	<b>4,778</b>

All issued shares are fully paid up and carry equal voting and dividend rights.

There were no movements in the number of shares or in the "Share capital" and "Share premium" accounts during 2025 and 2024.

The Company's Board of Directors, for a maximum term of five years as from 15 March 2022, is empowered to increase share capital by a maximum of 50% of the Company's share capital at the time of the authorisation, at one or more times, through cash payments at the time and in the amount that it deems fit, by issuing ordinary, privileged or redeemable shares, with or without voting rights, with or without a share premium, without requiring any further authorisation from the shareholders, with the power to partly or wholly override preferential subscription rights, up to a limit of 20% of share capital at the date of this authorisation, and to amend the Articles of Association as required due to the capital increase or increases performed by virtue of that authorisation, with provision for incomplete subscription, all in accordance with the provisions of Article 297.1.b) of the Capital Companies Law. Additionally, based on this authorisation, it may carry out any necessary procedures and actions before domestic and overseas securities market agencies to request the listing, continuance and/or, as the case may be, delisting of the issued shares.

The Spanish Companies Law specifically allows the use of the share premium balance to increase capital and imposes no specific restrictions on its use.

The main holdings in the share capital of Naturgy Energy Group as at 31 December 2025 and 2024, based on the available public information and disclosures made to the Company, are as follows:

	% interest in share capital	
	2025	2024
- Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa" (1)	26.0	26.7
- BlackRock, Inc. (2)	12.5	20.9
- CVC Capital Partners PLC (3) (4)	13.8	20.7
- Corporación Financiera Alba, S.A. (3) (5)	5.0	—
- IFM Global Infrastructure Fund (6)	15.5	16.9
- Sonatrach (7)	4.1	4.1

(1) Holding through Criteria Caixa S.A.U.

(2) The indirect shareholding is held mainly through GIP III Canary 1, S.à.r.l., which has a direct shareholding of 11.422% (20.641% as at 31 December 2024). Additionally, as at 31 December 2025, BlackRock, Inc. holds 0.092% of voting rights through financial instruments.

(3) On 18 December 2025, Corporación Financiera Alba, S.A. (Alba), Rioja Investments S.à r.l., Rioja Luxembourg, S.à r.l. and Rioja Acquisition, S.à r.l. agreed to reorganise the investment structure in Naturgy, consisting of Alba ceasing to be a shareholder of Rioja Luxembourg and, indirectly, of Rioja Acquisition. As a result of this reorganisation, Alba Europe S.à r.l. now directly holds some of the shares in Naturgy that were previously owned by Rioja Acquisition. Consequently, on the same day, these companies agreed to terminate the shareholders' agreement that had been in force since 2018 and to replace it with a new shareholders' agreement between them in relation to Naturgy.

(4) Through Rioja Acquisitions S.à r.l.

(5) Through Alba Europe, S.à r.l.

(6) Through Global InfraCo O (2), S.à.r.l.

(7) Société Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures.

All Naturgy shares are traded on the four official Spanish stock exchanges and the continuous market, and form part of Spain's Ibx 35 stock index.

On 31 December 2025, the share price of Naturgy Energy Group, S.A. stood at Euros 25.92. On 31 December 2024, the share price was Euros 23.38.

In February 2024, Morgan Stanley Capital International (MSCI), a global benchmark for institutional investments and numerous mutual funds and exchange-traded funds, announced changes to the composition of several of its indexes. As a result, Naturgy ceased to be a component of several MSCI indexes, effective as of market close on the last business day of February 2024. The exclusion was based on the market value of Naturgy's free float, which had fallen below MSCI's minimum inclusion thresholds, and was unrelated to the Group's operating and financial performance.

As detailed in the section entitled "Own shares" in this note, Naturgy carried out several transactions that have enabled it to restore the level of free float required for its reinstatement in the MSCI indexes. Consequently, in November 2025, MSCI announced that it would include Naturgy in its indexes, effective from 25 November 2025.

## Reserves

"Reserves" includes the following reserves:

	<b>2025</b>	2024
Legal reserve	200	200
Statutory reserve	100	100
Voluntary reserves	9,731	9,731
Capital redemption reserve	31	31
Other reserves	296	300
<b>Total</b>	<b>10,358</b>	<b>10,362</b>

### Legal reserve

Appropriations to the legal reserve are made in compliance with the Spanish Capital Companies Law, which stipulates that 10% of profit must be transferred to this reserve until it represents at least 20% of share capital. The legal reserve can be used to increase capital in the part that exceeds 10% of the increased capital.

Except for the use mentioned above, and as long as it does not exceed 20% of share capital, the legal reserve can only be used to offset losses in the event of no other reserves being available.

### Statutory reserve

Under the Company's Articles of Association, 2% of net profit for the year must be allocated to the statutory reserves until it reaches at least 10% of share capital.

### Capital redemption reserve

Following approval at the ordinary general meeting of shareholders held on 26 May 2020, a capital reduction was made during the year through the redemption of treasury shares with a reduction of Euros 14 million in capital and 284 million in voluntary reserves.

In addition, pursuant to Article 335 c) of the Spanish Capital Companies Law, a restricted capital redemption reserve was created for an amount equal to the par value of the redeemed shares. The total accumulated capital redemption reserve amounts to Euros 31 million as at 31 December 2025 and 2024.

### Voluntary reserve and other reserves

This item relates basically to voluntary reserves for undistributed profits, also including the effects of the measurement of shareholdings in group companies as a result of transactions between group companies recognised in the same amounts as stated in Naturgy's consolidated annual accounts.

In addition, as at 31 December 2025, the costs associated with the aforementioned voluntary tender offer for own shares, amounting to Euros 2 million, are recognised under Other reserves, as well as the net expenses for commissions and other costs associated with the accelerated placements of own shares in the amount of Euros 7 million and the gain/loss on those transactions, described in Note 1 and in the section on Treasury stock in this Note.

## Share-based payments

On 31 July 2018, the Board of Directors approved a long-term variable incentive plan (ILP) for the Executive Chairman and other executives. The main characteristics of the plan were made public in the form of a regulatory disclosure on 6 December 2018 and were approved by the general meeting of shareholders on 5 March 2019. This incentive initially covered the term of the 2018 Strategic Plan but, on 25 November 2021, the Board decided to extend it to coincide with the new 2021 Strategic Plan.

On 22 April 2024, at the proposal of the Executive Chairman and in order to be able to act with absolute independence and neutrality and to avoid any conflict of interest linked to the outcome of any potential bid for Naturgy shares, the Board of Directors approved an amendment to the Executive Chairman's long-term variable incentive plan. Through this amendment, the Company returned to the original remuneration scheme provided for in his February 2018 contract and in the Remuneration Policy approved by the Shareholders' Meeting in June 2018. The amended scheme was linked to the objectives of the Strategic Plan, and is no longer share-based. However, the main terms of the previous plan were maintained, such as the possibility of forfeiting the incentive, the duration and expiration of the plan, and the clawback clause. Additionally, under the amended plan, the Chairman may not receive more than he might have collected under the previous plan. The General Shareholders' Meeting on 25 March 2025 ratified the resolution adopted by the Board of Directors at a meeting on 22 April 2024.

On 18 February 2025, Naturgy's Board of Directors approved the 2025 Strategic Plan and, consequently, the early expiry of the long-term variable incentive plan. Furthermore, based on a proposal of the Appointments, Remuneration and Corporate Governance Committee, the Board of Directors decided to settle in cash, instead of shares, the value of the surplus accumulated by the corporate vehicle in accordance with the conditions established initially.

Following the approval of the early expiry of the long-term variable incentive plan, the rights vested early at the settlement date and, consequently, in the 2025 income statement, an amount of Euros 2 million (Euros 2 million in 2024) was recognised under "Personnel expenses" with a credit to "Other equity instruments" in the balance sheet (Note 20).

Following the approval of the above-mentioned amendments to the long-term variable incentive plan by the Board of Directors and ratification by the General Shareholders' Meeting, the total liability of the commitment accrued since 2018 was recognised at settlement date fair value as a reclassification of equity and, subsequently, the 23 executives who were beneficiaries were paid. The settlement for the seven-year period from 2018 to 2024 amounted to Euros 9,584 thousand per year.

## Treasury shares

Movements during 2025 and 2024 involving own shares of the Company are as follows:

	Number of shares	In million euro	% Capital
<b>At 1 January 2024</b>	<b>240,000</b>	<b>6</b>	<b>—</b>
Share Acquisition Plan	—	—	—
Delivered to employees	—	—	—
<b>At 31 December 2024</b>	<b>240,000</b>	<b>6</b>	<b>—</b>
Acquisition of shares from Naturgy Alfa Investments, S.A.U.	8,639,595	200	0.9
Tender offer	88,000,000	2,332	9.1
1st accelerated placement	(19,305,000)	(506)	(2.0)
2nd accelerated placement	(34,100,000)	(893)	(3.5)
Delivered to employees	(254,365)	(7)	—
<b>31 December 2025</b>	<b>43,220,230</b>	<b>1,132</b>	<b>4.5</b>

On 25 March 2025, the Shareholders' Meeting authorised the Board of Directors to purchase fully paid Company shares in one or more transactions in a period of not more than five years; the nominal value of the shares directly or indirectly acquired, added to those already held by the Company and its subsidiaries, must not exceed 10% of share capital or any other limit established by law. The price or value of the consideration may not be lower than the par value of the shares nor exceed their listed price in the last stock market session prior to the transaction by more than 20%.

## 2025

### Tender offer

At the date of publication of the initial announcement of the tender offer (14 March 2025), Naturgy Alfa Investments, S.A.U., a subsidiary that is wholly-owned indirectly by the Company, held 8,639,595 shares in Naturgy Energy Group, S.A.

On 25 March 2025, the Board of Directors unanimously adopted, among others, a resolution under which Naturgy Energy Group, S.A. would acquire the 8,639,595 shares of the Company owned by Naturgy Alfa Investments, S.A.U. at a price of Euros 26.50, in connection with the early termination of the long-term variable incentive plan agreed by the Company's Board of Directors at a meeting on 18 February 2025 (see "Share-based payments" section of this Note). On 14 May 2025, the Company executed this acquisition, recognising the acquired shares at the initial cost to Naturgy and adjusting the difference in Other equity instruments for an amount of Euros 29 million.

On 25 March 2025, at an Ordinary General Meeting of Naturgy Energy Group, S.A., the shareholders resolved to approve a voluntary partial public tender offer for a maximum of 88,000,000 own shares, representing 9.08% of its share capital, addressed to all Naturgy shareholders.

The offer was not directed at the 8,879,595 treasury shares held by the Company prior to its launch, which represented 0.92% of its share capital, which were blocked as part of the offer in order to prevent their transfer. Consequently, the offer was addressed to the holders of 960,734,206 shares of Naturgy, representing 99.08% of the share capital, with the aim of acquiring the maximum number of shares indicated above.

The offer was for the purchase of shares for a consideration of Euros 26.50 per share, payable entirely in cash.

The terms established in the offer were identical for all the shares of Naturgy to which the offer was extended, the offer being voluntary and with a price freely set by Naturgy in accordance with the provisions of Article 13.5 of Royal Decree 1066/2007, without being subject to the rules on equitable pricing in Article 9 of Royal Decree 1066/2007.

Shareholders owning shares representing more than 10% of the capital of Naturgy Energy Group, S.A.: Criteria Caixa, S.A.U. (Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona); Rioja Acquisition S.à r.l. (CVC Capital Partners PLC); GIP III Canary 1, S.à r.l. (BlackRock, Inc.); and Global InfraCo O (2), S.à r.l. (IFM Global Infrastructure Fund), undertook to accept the offer with all of their shares.

Since the offer was made in respect of a number of shares representing 9.08% of Naturgy's share capital, which is less than the 84.97% of the share capital in respect of which acceptance undertakings have been received, it was expected that the total number of shares that accepted the offer would exceed the number of shares to which the offer was extended. Consequently, the distribution and pro-rata apportionment mechanism provided for in article 38.1 of Royal Decree 1066/2007 was applied.

The offer is part of the 2025-2027 Strategic Plan, one of whose core pillars is to restore adequate levels of free float, and its main purpose is for Naturgy to acquire treasury shares so that, when deemed reasonable, possible and appropriate in accordance with market conditions existing at any given time, some or all of these shares may be placed by the Company in an orderly manner, on one or more occasions, by the procedure and under the terms and conditions (including the price) that Naturgy's Board of Directors deems most appropriate, so as to increase the free float and advance towards the goal of returning to the main stock market indexes, especially those of the MSCI family.

Naturgy expects to place on the market, during the term of the 2025-2027 Strategic Plan, both the shares acquired in the tender offer and all other treasury shares currently held by the Company.

The resolution approved at the General Shareholders' Meeting on 25 March 2025 does not envisage that the shares so acquired may be cancelled and, pursuant to the 2025-2027 Strategic Plan's goal of increasing free-float share capital, on 6 May 2025, the Board of Directors undertook not to propose, during that period, that the General Shareholders' Meeting approve their cancellation.

The offer was not a delisting offer as regulated in Article 65 of the Securities Markets and Investment Services Act (LMVSI) and Article 10 of Royal Decree 1066/2007, nor was it a tender offer for a capital reduction through the acquisition of treasury shares as regulated in Article 12 of Royal Decree 1066/2007.

The acceptance period was from 30 May to 13 June 2025. On completion of the offer, the number of shares ultimately acquired as part of the offer totalled 88 million, resulting in a cash outlay of Euros 2,332 million. Consequently, as at 30 June 2025, the total number of Naturgy treasury shares amounted to 96,879,595.

#### Placement of treasury stock

During the second half of 2025, Naturgy carried out a series of transactions involving own shares as part of its strategy to return to the market the shares acquired in the tender offer described above, thereby helping to improve the share's liquidity and facilitating its inclusion in international stock market indices.

On 7 August 2025, Naturgy completed two transactions involving the disposal of treasury shares: an accelerated placement of 19,305,000 shares (approximately 2.0% of share capital) carried out by an intermediary and aimed at qualified investors, which raised Euros 500 million, and a bilateral sale of 34,100,000 shares (approximately 3.5% of share capital) to an international financial institution, for an amount of Euros 883 million. In both transactions, the execution price was Euros 25.9 per share, i.e. the price of the tender offer (Euros 26.5 per share) adjusted for the interim dividend of € 0.60 per share paid on 30 July 2025.

Simultaneously with the bilateral sale of 34,100,000 shares, Naturgy entered into a total return swap agreement with the buyer, a financial institution, under which Naturgy maintains economic exposure to the shares sold. Given that the swap is contingent upon the sale contract, the accounting effects are analysed jointly.

The financial swap involves the intermediary placing the shares on the market under agreed conditions. At the time the swap was arranged, Naturgy did not make the initial payment of Euros 883 million, as the amount equivalent to the product of the number of shares covered by the contract and the agreed price is offset by the amount associated with the bilateral sale. At the time of settlement arising from the sale of shares to third parties:

- Naturgy will pay a fixed amount equivalent to 1% of the initial amount, calculated on the basis of the shares sold to third parties and the period elapsed between contract signature and settlement;
- the intermediary will pay the difference between the share placement price and their initial price; and
- the intermediary will pay Naturgy the initial amount linked to the purchase of the placed shares.

Furthermore, during the term of the swap agreement, Naturgy receives the dividends that the intermediary collects for the shares subject to the agreement. In November 2025, Naturgy received Euros 17 million under this heading, recognised under Other reserves.

Given that Naturgy retains the risks and rewards associated with the shares, they are not derecognised from the group's balance sheet. This transaction is considered to be an intermediation for the placement of shares by the financial institution, there being no financing transaction or, therefore, financial liability, since the amount received from the sale is offset by the initial disbursement of the swap contract.

In relation to the accelerated placement process, Naturgy undertook not to dispose of its remaining treasury shares and not to carry out any transaction aimed at reducing its economic exposure under the financial swap for a period of 60 days from the completion of the accelerated placement process.

On 9 October 2025, Naturgy carried out another accelerated placement of 34,100,000 treasury shares (approximately 3.5% of share capital) among qualified investors, for a total amount of Euros 883 million, also for an execution price of Euros 25.9 per share and it also assumed a 60-day lock-up commitment on the remaining treasury shares, as well as an undertaking not to carry out any transaction aimed at reducing its economic exposure under the financial swap signed on 7 August 2025. The net amount received was Euros 879 million.

As a result of these share placement transactions, a loss of Euros 16 million on transactions with own shares was recognised under Other reserves, without considering the associated expenses.

#### Delivered to employees

Executing the resolutions adopted by the Shareholders' Meeting of Naturgy Energy Group, S.A., the 2025 Share Ownership Plan for Naturgy employees in Spain who voluntarily applied was implemented. The Plan enables participants to receive part of their remuneration in the form of shares in Naturgy Energy Group, S.A., subject to an annual limit of Euros 12,000. During August 2025, a total of 254,365 shares worth Euros 7 million were distributed to employees.

Following these transactions and taking into account the swap agreement, Naturgy owned 43,220,230 own shares as at 31 December 2025, i.e. 4.5% of share capital.

#### **2024**

No transactions involving own shares were carried out in 2024.

### Dividends

Set out below is a breakdown of dividend payments made in 2025 and 2024:

	2025			2024		
	% of Nominal	Euro per share	Amount	% of Nominal	Euro per share	Amount
Ordinary shares	180 %	1.80	1,682	140 %	1.40	1,357
Other shares (without voting rights, redeemable, etc.)	—	—	—	—	—	—
<b>Total dividends paid</b>	<b>180 %</b>	<b>1.80</b>	<b>1,682</b>	<b>140 %</b>	<b>1.40</b>	<b>1,357</b>
a) Dividends charged to income statement or retained earnings	180 %	1.80	1,682	140 %	1.40	1,357
b) Dividends charged to reserves or share premium account	—	—	—	—	—	—
c) Dividends in kind	—	—	—	—	—	—

#### **2025**

On 18 February 2025, the Board of Directors approved the proposal, for submission to the general meeting of shareholders, to distribute the Company's 2024 net profit and the retained earnings from previous years, as follows:

#### AVAILABLE FOR DISTRIBUTION

Profit.....	1,057
Retained earnings.....	2,446
<b>Available for distribution.....</b>	<b>3,503</b>

#### **DISTRIBUTION:**

TO DIVIDENDS: the gross aggregate amount will be equal to the sum of the following quantities (the "Dividend"):

i. Euros 969 million ("the Total Interim Dividend"), corresponding to the two interim dividends for 2024 paid by Naturgy Energy Group, S.A., jointly equivalent to €1.00 per share by the number of shares that were not direct treasury shares on the relevant dates as approved by the Board of Directors in accordance with the interim accounting statements and with the legal requirements, which disclosed the existence of sufficient liquidity for the distribution of these interim dividends out of profit for 2024, and

ii. the amount obtained by multiplying €0.60 per share by the number of shares that are not direct treasury shares on the date on which the shareholders of record entitled to receive the supplementary dividend (the "Supplementary Dividend") are determined.

Euros 969 million of that dividend had already been paid on 1 August and 6 November 2024. The supplementary dividend will be paid in the amount per share indicated above through the entities that are members of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear). That dividend will be paid to shareholders as from 9 April 2025.

The Board of Directors is empowered, with express powers of substitution by the director(s) it deems fit, to perform all the actions that may be required or advisable to carry out the distribution and, in particular, without limitation, to designate the entity that is to act as payment agent.

TO RETAINED EARNINGS: Determinable amount obtained by subtracting the dividend amount from the distribution base.

**TOTAL DISTRIBUTED ..... 3,503**

This proposal for the distribution of profits and retained earnings prepared by the Board for approval by the General Shareholders' Meeting included a supplementary payment of €0.60 per share for each qualifying share outstanding at the proposed date of payment, 9 April 2025.

The general meeting of shareholders on 25 March 2025 approved a supplementary dividend of €0.60 per share for shares not directly held as treasury stock on the payment date, which was fully paid on 9 April 2025.

After payment of the supplementary dividend, the amount allocated to retained earnings was Euros 1,952 million.

At a meeting on 22 July 2025, the Board of Directors of Naturgy Energy Group, S.A. declared an interim dividend charged to 2025 profit of €0.60 per outstanding share, payable from 30 July 2025.

The Company had sufficient liquidity to pay the dividend at the approval date, in accordance with the provisions of the Spanish Companies Act. The provisional liquidity statement as at 30 June 2025 drawn up by the directors on 22 July 2025 is as follows:

Profit after tax		1,229
Reserves to be replenished		—
<b>Maximum distributable amount</b>		<b>1,229</b>
<b>Forecast maximum interim dividend payment</b>		<b>524</b>
Cash resources	1,864	
Undrawn credit facilities	5,251	
<b>Total liquidity</b>		<b>7,115</b>

On 28 October 2025, the Board of Directors of Naturgy Energy Group, S.A. declared a second interim dividend of €0.60 out of 2025 profit for shares not classified as direct treasury shares on the date on which the dividend was paid, i.e., 5 November 2025.

The Company had sufficient liquidity to pay the dividend at the approval date, in accordance with the provisions of the Spanish Companies Act. The provisional liquidity statement as at 30 September 2025 drawn up by the directors on 28 October 2025 is as follows:

Profit after tax		1,358
Reserves to be replenished		—
<b>Maximum distributable amount</b>		<b>1,358</b>
Interim dividend out of 2025 profit		524
<b>Forecast maximum interim dividend payment</b>		<b>576</b>
Cash resources	1,757	
Undrawn credit facilities	5,250	
<b>Total liquidity</b>		<b>7,007</b>

On 17 February 2026, the Board of Directors approved the following proposal for the distribution of the Company's 2025 net profit and retained earnings, for submission to the annual general meeting:

Profit.....	1,321
Retained earnings.....	1,952
<b>Available for distribution.....</b>	<b>3,273</b>

## AVAILABLE FOR DISTRIBUTION

TO DIVIDENDS: amount whose gross amount will be equal to the sum of the following amounts (the "Dividend"):

i. Euros 1,100 million ("the Total Interim Dividend"), corresponding to the two interim dividends for 2023 paid by Naturgy Energy Group, S.A., jointly equivalent to €1.20 per share by the number of shares that were not direct treasury shares on the relevant dates as approved by the Board of Directors in accordance with the interim accounting statements and in accordance with the legal requirements, which disclosed the existence of sufficient liquidity for the distribution of these interim dividends out of profit for 2025, and

ii. the amount obtained by multiplying €0.57 per share by the number of shares that are not direct treasury shares on the date on which the shareholders of record entitled to receive the supplementary dividend (the "Supplementary Dividend") are determined.

Euros 1,100 million of that dividend had already been paid on 30 July and 5 November 2025. The supplementary dividend will be paid in the amount per share indicated above through the entities that are members of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear). That dividend will be paid to shareholders as from 31 March 2026.

The Board of Directors was empowered, with express powers of substitution by the director(s) it deems fit, to perform all the actions that may be required or advisable to carry out the distribution and, in particular, without limitation, to designate the entity that is to act as payment agent.

TO RETAINED EARNINGS: Determinable amount obtained by subtracting the dividend amount from the distribution base.

**TOTAL DISTRIBUTED ..... 3,273**

This proposal for the distribution of profits and retained earnings adopted by the Board for approval by the annual general meeting includes a supplementary payment of €0.57 per share for each qualifying share outstanding at the proposed date of payment, 31 March 2026.

In the event that, at the time of distribution of the third and last instalment of the proposed 2025 dividend (€0.57 per share), the number of treasury shares is the same as at 2025 year-end, the amount allocated to retained earnings would be Euros 1.626 million.

## 2024

On 20 February 2024, the Board of Directors approved the proposal submitted to the general meeting of shareholders for the distribution of the Company's net profit for 2023 and retained earnings from previous years, as detailed in Note 11 to the annual accounts for the year ended 31 December 2023.

This proposal for the distribution of profits and retained earnings prepared by the Board for approval by the General Shareholders' Meeting included a supplementary payment of €0.40 per share for each qualifying share outstanding at the proposed date of payment, i.e. 9 April 2024.

The General Shareholders' Meeting on 2 April 2024 approved a supplementary dividend of €0.40 per share for shares not directly held as treasury stock on the payment date, which was fully paid in cash on 9 April 2024.

Following payment of the supplementary dividend, the amount allocated to Retained earnings was Euros 2,446 million.

At a meeting on 22 July 2024, the Company's Board of Directors declared a dividend out of 2024 profit of €0.50 per share, for those shares not classified as direct treasury stock on the distribution date; it was paid in full on 1 August 2024.

On 29 October 2024, the Board of Directors of Naturgy Energy Group, S.A. declared a second interim dividend of €0.50 per share out of 2024 profit for shares not classified as direct treasury shares on the date on which the dividend was paid, 6 November 2024.

## Note 12. Provisions

The breakdown of provisions at 31 December 2025 and 2024 is as follows:

	<b>31.12.2025</b>	31.12.2024
Provisions for employee obligations	186	203
Other provisions	103	93
<b>Non-current provisions</b>	<b>289</b>	<b>296</b>

### Provisions for employee obligations

A breakdown of the provisions related to employee benefits is as follows:

	2025			2024		
	Pensions and other similar obligations	Other obligations with personnel	Total	Pensions and other similar obligations	Other obligations with personnel	Total
<b>At 1 January</b>	<b>185</b>	<b>18</b>	<b>203</b>	<b>190</b>	<b>14</b>	<b>204</b>
Appropriations/reversals charged to income statement	6	12	18	6	4	10
Payments during the year	(12)	(20)	(32)	(14)	—	(14)
Changes recognised directly in equity	(4)	—	(4)	(3)	—	(3)
Transfers and other applications	1	—	1	6	—	6
<b>At 31 December</b>	<b>176</b>	<b>10</b>	<b>186</b>	<b>185</b>	<b>18</b>	<b>203</b>

## Pensions and other similar liabilities

Most of the Company's post-employment obligations consist of the contribution of defined amounts to occupational pension plan systems. Nevertheless, at 31 December 2025 and 2024, the Company had the following defined benefit obligations for certain groups of workers:

- Pensions to retirees, disabled persons, widows and orphans and other related groups.
- Defined benefit supplement obligations to retired personnel of the legacy Unión Fenosa group who retired before November 2002 and a residual part of current personnel.
- Coverage of retirement and death for certain employees.
- Gas subsidy for current and retired personnel.
- Electricity for current and retired personnel.
- Obligations to employees that took early retirement until they reach official retirement age and early retirement plans.
- Salary supplements and contributions to social security for a group of employees taking early retirement until they can access ordinary retirement.
- Health care and other benefits.

The amounts recognised in the balance sheet for pensions and similar obligations, as well as the movement in the current value of the obligations and the fair value of the plan assets are determined as follows:

<b>Present value of obligations</b>	<b>2025</b>	2024
<b>At 1 January</b>	<b>589</b>	<b>639</b>
Interest cost	19	20
Changes recognised directly in equity	(17)	(18)
Benefits paid	(55)	(58)
Transfers and other	1	6
<b>At 31 December</b>	<b>537</b>	<b>589</b>
<b>Fair value of plan assets</b>		
<b>At 1 January</b>	<b>404</b>	<b>449</b>
Expected yield	13	14
Contributions	(1)	—
Changes recognised directly in equity	(13)	(15)
Benefits paid	(42)	(44)
<b>At 31 December</b>	<b>361</b>	<b>404</b>
<b>Provisions for pensions and similar obligations</b>	<b>176</b>	<b>185</b>

The amounts recognised in the income statement for all the above-mentioned defined benefit plans are as follows:

	<b>2025</b>	2024
Interest cost	6	6
<b>Total charge to the income statement</b>	<b>6</b>	<b>6</b>

Benefits for pensions and similar obligations, depending on the duration of the above commitments, are as follows:

	<b>2025</b>	2024
1 to 5 years	—	—
5 to 10 years	12	14
More than 10 years	164	171
<b>Provisions for pensions and similar obligations</b>	<b>176</b>	<b>185</b>

The plan assets expressed as a percentage of total assets are as follows:

<b>% of total</b>	<b>2025</b>	<b>2024</b>
Bonds	100%	100%

Accumulated actuarial gains and losses, net of the tax effect, recognised directly in equity are positive in the amount of Euros 26 million as at 31 December 2025 (positive in the amount of Euros 22 million as at 31 December 2024).

The change recognised in equity relates to actuarial losses and gains derived basically from variations in:

	<b>2025</b>	<b>2024</b>
Financial assumptions	—	(1)
Experience	(4)	(2)
<b>At 31 December</b>	<b>(4)</b>	<b>(3)</b>

The actuarial assumptions are as follows:

	<b>31.12.2025</b>	<b>31.12.2024</b>
Discount rate (p.a.)	3.30% – 4.02%	2.66% – 3.49%
Expected return on plan assets (p.a.)	3.30% – 3.78%	3.30% – 3.49%
Future salary increases (p.a.)	n/a	2.00%
Future pension increases (p.a.)	2.00%	2.00%
Inflation rate (annual)	2.00%	2.00%
Mortality table	PER2020 Col 1st order	PER2020 Col 1st order
Life expectancy:		
Men		
▪ Retired at age 65 in the current year	25.27	25.13
▪ Employees 45 years old currently, at the time of retirement	27.75	27.63
Women		
▪ Retired at age 65 in the current year	28.98	28.85
▪ Employees 45 years old currently, at the time of retirement	31.25	31.15

These assumptions are equally applicable to all the obligations, irrespective of the origin of their collective bargaining agreements.

The interest rates used to discount post-employment commitments are applied based on the period of each commitment and the reference curve is calculated applying observable rates for high-credit-quality corporate bonds (AA) issued in the Eurozone.

The costs of health care have been measured on the basis of the expected costs of the premiums of the medical care policies taken out. A 1% increase in the cost of these premiums would not have a material impact on the liability recognised as at 31 December 2025 and 2024, nor would it produce a material variation in the ordinary financial costs for future years in relation to that recognised in 2025 and 2024.

### Other obligations with personnel

In addition to the approval of the 2021 Strategic Plan, the term of the long-term incentive plan for Naturgy executives not included in the plan mentioned in Note 14 that was implemented with the 2018 Strategic Plan was extended. The amendment extended the term of the plan until 31 December 2025 for certain serving beneficiaries in order to contribute to the achievement of the 2021 Strategic Plan.

As at 31 December 2024, the provision for this commitment amounted to Euros 18 million.

As in the case of the incentive plan described in Note 11, on 18 February 2025, Naturgy's Board of Directors approved the settlement of the 2018-2024 multi-year incentive plan. The settlement in favour of this second group of executives, also for the seven-year period from 2018 to 2024, amounted to Euros 2,825 thousand per year. This amount was covered by the provisions that had been recognised for this purpose.

In addition, at the general meeting held on 25 March 2025, the shareholders authorised the Board of Directors to establish a new multi-year variable remuneration scheme for all Naturgy executives, indexed to the annual shareholder return.

This scheme will have an ordinary duration of three years, starting on 1 January 2025, will take the annual return obtained by a shareholder as a reference, considering an initial value of the shares and, as final value, the weighted average share price in the 90 calendar days prior to the end of the incentive period, also considering the dividends paid to shareholders during the incentive period.

This new multi-year variable remuneration scheme generates economic rights whose amount remains contingent until the end of the plan period, meaning that the final amount cannot be confirmed until 31 December 2027. Assuming as likely that the degree of fulfilment of the established conditions is 100%, the amount accrued during 2025 would be Euros 10 million, of which Euros 7.7 million would correspond to senior management.

## Other non-current provisions

The movement in other non-current provisions is as follows:

	2025	2024
<b>At 1 January</b>	<b>93</b>	<b>90</b>
– Appropriations	10	4
– Reversals and payments	—	(5)
Transfers and other	—	4
<b>At 31 December</b>	<b>103</b>	<b>93</b>

“Other non-current provisions” mainly includes provisions recorded to cover obligations deriving from tax claims (Note 17).

No provision for business contracts was deemed necessary at 31 December 2025 or 2024.

As at 31 December 2025, the estimated payment period for these obligations is Euros 103 million between one and five years (Euros 93 million between one and five years in 2024).

## Note 13. Financial liabilities

Set out below is a breakdown of financial liabilities, excluding “Trade and other payables”, at 31 December 2025 and 2024, by nature and category:

31.12.2025	Amortised cost	Hedging derivatives	Total
Bank borrowings	5,803	—	5,803
Other financial liabilities	1	—	1
<b>Non-current borrowings</b>	<b>5,804</b>	<b>—</b>	<b>5,804</b>
Bank borrowings	135	—	135
Derivatives (Note 14)	—	3	3
Other financial liabilities	8	—	8
<b>Current borrowings</b>	<b>143</b>	<b>3</b>	<b>146</b>
<b>Total</b>	<b>5,947</b>	<b>3</b>	<b>5,950</b>

31.12.2024	Amortised cost	Hedging derivatives	Total
Bank borrowings	5,342	—	5,342
Derivatives (Note 14)	—	6	6
Other financial liabilities	1	—	1
<b>Non-current borrowings</b>	<b>5,343</b>	<b>6</b>	<b>5,349</b>
Bank borrowings	131	—	131
Derivatives (Note 14)	—	2	2
Finance lease payables	1	—	1
<b>Current borrowings</b>	<b>132</b>	<b>2</b>	<b>134</b>
<b>Total</b>	<b>5,475</b>	<b>8</b>	<b>5,483</b>

Financial liabilities recognised at fair value as at 31 December 2025 and 2024 are classified as follows:

Financial liabilities	31.12.2025				31.12.2024			
	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total
Hedging derivatives	—	3	—	3	—	8	—	8
<b>Total</b>	<b>—</b>	<b>3</b>	<b>—</b>	<b>3</b>	<b>—</b>	<b>8</b>	<b>—</b>	<b>8</b>

The carrying amounts and fair value of non-current borrowings are as follows:

	Carrying amount		Fair value	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Bank borrowings, derivatives and other financial liabilities	5,804	5,349	5,818	5,418

The fair value of loans with fixed interest rates is estimated on the basis of the discounted cash flows over the remaining terms of such debt. The discount rates were determined based on market rates available at 31 December 2025 and 2024 on borrowings with similar credit and maturity characteristics. These valuations are based on the quoted price of similar financial instruments in an official market or on observable information in an official market (Level 2).

The movement in financial liabilities is as follows:

	Bank borrowings	Derivatives	Finance lease payables	Other financial liabilities	Total
<b>Balance as at 01.01.2024</b>	<b>2,547</b>	—	—	<b>1</b>	<b>2,548</b>
Additions	3,110	8	1	—	3,119
Decrease	(184)	—	—	—	(184)
<b>Balance as at 31.12.2024</b>	<b>5,473</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>5,483</b>
Additions	703	—	—	8	711
Decrease	(238)	(5)	(1)	—	(244)
<b>Balance as at 31.12.2025</b>	<b>5,938</b>	<b>3</b>	—	<b>9</b>	<b>5,950</b>

The following tables describe borrowings and maturities at 31 December 2025 and 2024, taking into account the impact of derivative hedges.

	2026	2027	2028	2029	2030	2031 and beyond	Total
<b>31 December 2025:</b>							
Fixed	109	125	344	199	179	1,405	2,361
Floating	37	182	900	718	518	1,234	3,589
<b>Total</b>	<b>146</b>	<b>307</b>	<b>1,244</b>	<b>917</b>	<b>697</b>	<b>2,639</b>	<b>5,950</b>

	2025	2026	2027	2028	2029	2030 and beyond	Total
At 31 December 2024:							
Fixed	91	91	91	309	263	1,407	2,252
Floating	43	10	455	1,536	435	752	3,231
<b>Total</b>	<b>134</b>	<b>101</b>	<b>546</b>	<b>1,845</b>	<b>698</b>	<b>2,159</b>	<b>5,483</b>

Setting aside the impact of derivatives on borrowings, fixed-rate debt would amount to Euros 599 million as at 31 December 2025 (Euros 700 million as at 31 December 2024) and floating-rate debt would amount to Euros 5,351 million as at 31 December 2025 (Euros 4,783 million as at 31 December 2024).

The following tables describe the gross borrowings by currency as at 31 December 2025 and 2024 and their maturities, taking into account the impact of the derivative hedges:

	2026	2027	2028	2029	2030	2031 and beyond	Total
<b>31 December 2025:</b>							
Euro debt	146	307	1,244	917	697	2,639	5,950
<b>Total</b>	<b>146</b>	<b>307</b>	<b>1,244</b>	<b>917</b>	<b>697</b>	<b>2,639</b>	<b>5,950</b>

	2025	2026	2027	2028	2029	2030 and beyond	Total
At 31 December 2024:							
Euro debt	134	101	546	1,845	698	2,159	5,483
<b>Total</b>	<b>134</b>	<b>101</b>	<b>546</b>	<b>1,845</b>	<b>698</b>	<b>2,159</b>	<b>5,483</b>

Borrowings bore an average effective interest rate in 2025 of 3.04% (3.63% in 2024) including the derivatives assigned to each transaction.

As at 31 December 2025, bank borrowings include Euros 27 million in outstanding interest (Euros 28 million as at 31 December 2024).

Most of the outstanding borrowings include a clause relating to a change in control, either by acquisition of more than 50% of the voting shares or by obtaining the right to appoint the majority of the members of the Board of Naturgy Energy Group, S.A. These clauses are subject to additional conditions and therefore their activation depends on the simultaneous occurrence of some of the following events: a material downgrade in the credit rating caused by the change in control, or the loss of investment grade status granted by rating agencies; inability to meet the financial obligations of the contract; a material detrimental event for the creditor; or a material adverse change in creditworthiness. These clauses involve the repayment of drawn-down debt, although they usually have a longer term than that granted in cases of early termination.

At the date of authorisation of these annual accounts, the Company is not in breach of its financial obligations or of any type of obligation that could give rise to the early maturity of its financial commitments.

The main financial instruments are as follows:

### Institutional financing

The Company has loans from the Official Credit Institute (ICO) in the form of instruments maturing in 2034 at the latest for a total amount of Euros 380 million (Euros 400 million in 2024).

Additionally, in connection with borrowings from institutional banks, the European Investment Bank (EIB) had granted financing to the Company as at 31 December 2025 in the amount of Euros 2,330 million maturing between 2026 and 2044 (Euros 2,064 million as at 31 December 2024).

### Other bank borrowings

As at 31 December 2025, payables to non-institutional credit institutions amount to Euros 3,228 million (Euros 3,009 million as at 31 December 2024).

The Company continues to work on strengthening its financial profile; in this line, financing transactions were arranged with credit institutions that do not entail substantial changes to the conditions of the initial debt, in the amount of Euros 4,070 million for refinancing credit lines and loans in Spain in 2025 (Euros 3,075 million in 2024), and which basically include:

#### 2025

- Credit lines for an aggregate amount of Euros 2,845 million and loans of Euros 1,225 million were refinanced.

#### 2024

- Credit lines for an aggregate amount of Euros 1,900 million and loans of Euros 1,175 million were refinanced.

Naturgy also enjoys a comfortable debt maturity profile and balance sheet position, as well as flexibility in its investments and operating expenses for addressing the current economic situation.

Of total bank borrowings, Euros 881 million (Euros 952 million as at 31 December 2024) is subject to compliance with certain financial ratios.

### ESG-linked financing

ESG-linked financing relates to credit lines in Spain, the cost of which is linked to at least one of the following ESG indicators:

- Direct GHG emissions: three-year average reduction (Mt CO<sub>2</sub>/GWh)

- CO<sub>2</sub> intensity in power generation: three-year average reduction (tCO<sub>2</sub>/GWh)
- Water consumption: three-year average reduction (hm<sup>3</sup>)
- Women in management positions (%)

The adjustment to the cost of debt is linked to the level of compliance with the above metrics and their variation with respect to the previous year's indicators.

Those credit lines, amounting to Euros 2,885 million (Euros 3,723 million as at 31 December 2024), have not been drawn down and, consequently, the impact of the degree of compliance with those indicators on the funding cost is not material.

In addition, the terms of that financing do not disclose the existence of an embedded derivative that needs to be treated separately.

## Note 14. Risk management and derivative financial instruments

### Risk management

Naturgy's Risk Control and Management Model determines the risk assessment methodologies and models, controls, manages and establishes the Group's risk reporting, ensuring that a risk profile and target risk limits are maintained to guarantee that the level of exposure in the course of its activities is consistent with its annual and strategic objectives.

The model is implemented on the basis of the principles of integration, segregation, homogeneity, coherence and transparency in corporate governance, and is structured in four pillars:

- **Risk governance:** defines governance for each type of risk, establishing the necessary regulations and assigning responsibilities.
- **Risk Assessment:** establishes the risk assessment methodologies, harmonising common procedures for the identification, assessment and treatment of the information associated with each risk, to ensure uniformity and coherence both when quantifying them individually and when subsequently aggregating them, with the aim of achieving a homogeneous, integrated vision of them.
- **Risk Appetite:** establishes the risk tolerance by setting limits for the main risk categories, as a function of the Group's targets.
- **Risk Reporting:** establishes regular, systematic risk reporting at different management levels, expressed in the Corporate Risk Map, recurring risk reports and/or ad hoc reports.

The Corporate Risk Map identifies and quantifies the risks that might affect Naturgy's performance, providing a comprehensive, consistent and integrated overview of these risks.

### Interest rate risk

Fluctuations in interest rates modify the fair value of assets and liabilities that accrue a fixed interest rate and the cash flows from assets and liabilities pegged to a floating interest rate and, accordingly, affect equity and profit, respectively.

The purpose of interest rate risk management is to balance floating- and fixed-rate borrowings in order to reduce borrowing costs within the established risk parameters.

The Company employs financial swaps to manage exposure to interest rate fluctuations, swapping floating rates for fixed rates.

The debt structure as at 31 December 2025 and 2024 (Note 13), after taking into account the hedges arranged through derivatives, is as follows:

	<b>31.12.2025</b>	31.12.2024
Fixed interest rate	2,361	2,252
Floating interest rate	3,589	3,231
<b>Total</b>	<b>5,950</b>	<b>5,483</b>

The variable interest rate is subject to fluctuations in the Euribor.

The sensitivity of results and equity (Value change adjustments) to interest rate fluctuations is as follows:

	<b>Increase/decrease in interest rates (basis points)</b>	<b>Effect on profit before tax</b>	<b>Effect on equity before tax</b>
<b>31 December 2025</b>	50	(18)	21
	-50	18	(21)
31 December 2024	50	(16)	19
	-50	16	(19)

In 2025, inflation in the euro zone remained at moderate levels, further evidencing the stabilization observed after the sharp decline recorded between 2022 and 2024. In December 2025, the consumer price index stood at 1.9%. This performance enabled the European Central Bank to implement additional reductions in the official interest rates (in January, April and June 2025), bringing the main refinancing rate to 2.15%. Since then, the ECB has kept rates stable.

## Exchange rate risk

Variations in exchange rates can affect the fair value of:

- The euro equivalent value of cash flows related to the purchase and sale of gas and other commodities denominated in currencies other than local or functional currencies.
- Debt denominated in currencies other than local or functional currencies.
- Transactions and investments in currencies other than the euro, and, accordingly, the euro equivalent value of the contributed equity and results.

The Company finances its investments in local currency in order to mitigate these risks to the extent possible. Furthermore, whenever possible, it tries to match costs and revenues referenced to the same currency, as well as amounts and maturities of assets and liabilities arising from operations denominated in currencies other than the euro.

For open positions, risks in non-functional currencies are managed, where considered necessary, through financial swaps and hedging derivatives.

The currency other than the euro with which the Company operates most is the US dollar. The sensitivity of the Company's profits and equity (Value change adjustments) to a 5% variation (increase or decrease) in the US dollar/euro exchange rate has no material impact at 31 December 2025 and 2024.

## Commodity risk

Volatility in the prices of energy commodities (natural gas, oil, electricity) poses a significant risk to the Group, given its direct impact on procurement costs and commercial margins. Geopolitical factors, such as tensions in producing regions or changes in export policies, can alter global supply and demand, causing sharp fluctuations in prices.

In the gas business, it should be noted that Naturgy's operating results are linked to the purchase and sale of gas to supply a diversified customer portfolio.

Most of Naturgy's gas procurement contracts are arranged on a long-term basis with purchase prices based on a combination of commodity prices, basically crude oil and its derivatives, and natural gas hub prices.

Selling prices to final customers are generally agreed on a short/medium-term basis and are conditioned by the supply/demand balance existing at any given time in the gas market. This may result in decoupling with respect to gas procurement prices.

Consequently, Naturgy is exposed to variations in gas procurement prices with respect to the sale price to end customers. Exposure to this risk is managed and mitigated by natural hedging, seeking to balance the commodity exposures of both prices. Additionally, the main long-term procurement contracts allow this exposure to be managed through volume flexibility and price review mechanisms.

When it is not possible to achieve a natural hedge, the position is managed, within reasonable risk parameters, through derivatives to reduce exposure to price decoupling risk, generally designated as hedging instruments. However, these hedges may prove to be ineffective as a result of changes in the expected dates of the purchase and sale transactions, a reduction in the volumes hedged or decoupling from the indices hedged in the purchase and sale transactions.

The Company also purchases gas in the market to be supplied to other Naturgy companies.

In the integrated electricity businesses, the company's aggregate exposure is determined by the strategic generation/supply positioning and by the final sale pricing policies in electricity supply.

Gas prices began to escalate late in 2021 and peaked in 2022 following the impact of the war in Ukraine and the reduction in supplies from Russia. Prices corrected downwards from 2023 onwards, leading to a phase of relative stability towards the middle of 2024. Subsequently, there was a significant upturn until February 2025, followed by another correction that led to a more stable situation towards the middle of 2025.

During the second half of 2025, ceasefire talks between Ukraine and Russia, plus high storage levels, diversification of supply sources and moderate demand, contributed to lower natural gas prices in Europe, around the levels that prevailed in the first half of 2024.

As a result of the 19th package of sanctions imposed by the European Council, currently in force until July 2026, and the European import regulation published on 2 February 2026 and in force since the following day, there are implications for the long-term contract to procure LNG from Yamal described in Note 3.20.g of these annual accounts. The Group has a diversified procurement portfolio, which will help mitigate the potential impact of the aforementioned European regulation.

Business segment sensitivity to gas and electricity prices is described below:

- Gas and electricity distribution. This is a regulated activity in which revenue and profit margins are linked to distribution infrastructure management services, irrespective of the prices of the commodities distributed.
- Gas and electricity supply. Profit margins on gas and electricity supply activities are directly affected by commodity prices. In this regard, Naturgy has a risk policy that stipulates, among other aspects, the tolerance range, based on applicable risk limits. Measures employed to keep risk within the stipulated limits include active procurement management, balanced acquisitions and sales formulae, and specific hedging so as to maximise the risk-profit relationship. Supplementary to the above-mentioned policy, Naturgy has mechanisms for ordinary and extraordinary price reviews, by means of the relevant clauses, with a large part of its procurement portfolio. These clauses make it possible, in the medium term, to modulate the impact in the event of decoupling between Naturgy's selling prices in its markets and trends in prices in its procurement portfolio.

## Credit risk

Credit risk is defined as uncertainty associated with the deterioration of credit quality or default on the part of customers and/or commercial and financial counterparties.

Naturgy performs solvency analyses on the basis of which credit limits are assigned and any necessary hedges are determined. Based on these models, the probability of customer default can be measured and the expected commercial loss can be kept under control. In addition, credit quality and portfolio exposure are monitored on a recurring basis to ensure that potential losses are within the limits provided for by internal regulations. This allows a certain capacity to anticipate events in credit risk management.

Credit risk relating to trade receivables is reflected in the balance sheet net of provisions for bad debts (Note 9), estimated by the Company on the basis of the ageing of the debt and past experience in accordance with the prior segregation of customer portfolios and the current economic environment.

The credit risk associated with trade accounts receivable has always been low. The short payment terms for customers, which means that individual amounts do not become material before the supply can be suspended for non-payment, in accordance with the relevant regulations.

With respect to other exposures to counterparties in transactions involving financial derivatives and the investment of cash surpluses, credit risk is mitigated by carrying out such operations with reputable financial institutions in line with internal requirements. No significant defaults or losses arose in 2025 or 2024.

The ageing analysis of financial assets concluded that there were no unimpaired past-due financial assets at 31 December 2025 and 2024.

An ageing analysis of financial assets and related impairment provisions as at 31 December 2025 and 2024 is set out below:

<b>31.12.2025</b>	<b>Total</b>	<b>Current</b>	<b>0 to 180 days</b>	<b>180 to 360 days</b>	<b>Over 360 days</b>
Trade receivables for sales and services	13	—	—	—	13
Provisions for impairment	13	—	—	—	13
<b>31.12.2024</b>	<b>Total</b>	<b>Current</b>	<b>0 to 180 days</b>	<b>180 to 360 days</b>	<b>Over 360 days</b>
Trade receivables for sales and services	17	2	2	—	13
Provision for impairment	13	—	—	—	13

There were no changes in the provisions for impairment with respect to 31 December 2024. In the previous year, the change was due mainly to the transfer of the receivable generated in the period in which the Company acted as representative of Naturgy's generating companies in the wholesale electricity market and arises from delays in payment of Euros 17 million by supply companies (Note 9). It also included the arrears received after the liquidation of the company Naturgy Informática, S.A.U., for an amount of Euros 4 million.

Impaired financial assets are broken down in Note 9.

Concerning supplier credit risk, the solvency of each supplier of products and services is guaranteed through regular analysis of their financial information, particularly prior to new engagements. To this end, the relevant assessment criteria are applied depending on the supplier's criticality in terms of service or concentration. This procedure is supported by control mechanisms and systems and supplier management.

At 31 December 2025 and 2024, the Company did not have significant concentrations of credit risk.

## Liquidity risk

The Company has liquidity policies that ensure compliance with its payment commitments, diversifying the coverage of financing needs and debt maturities. Prudent management of liquidity risk includes maintaining sufficient cash and realisable assets and the availability of sufficient funds to cover credit obligations.

As at 31 December 2025, the Company's working capital was negative in the amount of Euros 847 million (Euros 102 million in 2024). As at 31 December 2025, available liquidity totalled Euros 7,550 million (Euros 8,409 million in 2024), including cash and cash equivalents of Euros 2,300 million (Euros 3,136 million in 2024) described in Note 10 together with undrawn bank financing and credit lines totalling Euros 5,250 million (Euros 5,273 million in 2024).

There is also additional unused capacity to issue debt in capital markets amounting to Euros 8,181 million (Euros 7,149 million as at 31 December 2024) (Note 15).

Naturgy has analysed the potential impact of recent events, including the conflict in Ukraine, tensions in the Middle East and volatility in energy and financial markets, on its ability to meet short-term obligations and maintain liquidity in its various businesses. This analysis did not identify any significant impacts or additional risks. Naturgy maintains a robust liquidity position, backed by available credit lines and appropriate diversification of funding sources, with no restrictions on meeting financial commitments.

## Capital management

The main purpose of the Company's capital management is to ensure a financial structure that can optimise capital cost and maintain a solid financial position, in order to combine value creation for the shareholder with access to the financial markets at a competitive cost to cover financing needs.

Naturgy targets approximately 50% leverage in its long-term capital management strategy.

The Company's long-term credit rating is as follows:

	2025	2024
Standard & Poor's	BBB (*)	BBB (*)
Fitch	BBB (*)	BBB (*)

(\*) S&P: Stable outlook, Fitch: Stable outlook

## Derivative financial instruments

The breakdown of derivative financial instruments by category and maturity is as follows:

	31.12.2025		31.12.2024	
	Assets	Liabilities	Assets	Liabilities
<b>Hedging derivative financial instruments</b>	<b>18</b>	<b>—</b>	<b>11</b>	<b>6</b>
Interest rate hedges				
Cash flow hedges	10	—	11	6
Interest and exchange rate hedges				
Cash flow hedges	8	—	—	—
<b>Other financial instruments</b>	<b>2</b>	<b>2</b>	<b>90</b>	<b>89</b>
Commodity prices	2	2	90	89
<b>Derivative financial instruments – non current</b>	<b>20</b>	<b>2</b>	<b>101</b>	<b>95</b>
<b>Hedging derivative financial instruments</b>	<b>8</b>	<b>3</b>	<b>19</b>	<b>2</b>
Interest rate hedges				
Cash flow hedges	8	2	19	—
Interest and exchange rate hedges				
Cash flow hedges	—	1	—	2
<b>Other financial instruments</b>	<b>128</b>	<b>128</b>	<b>280</b>	<b>280</b>
Commodity prices	128	128	280	280
<b>Derivative financial instruments current</b>	<b>136</b>	<b>131</b>	<b>299</b>	<b>282</b>
<b>Total</b>	<b>156</b>	<b>133</b>	<b>400</b>	<b>377</b>

The fair value of derivatives is determined based on the quoted price in an active market (Level 1) and observable variables in an active market (Level 2).

“Other financial instruments” includes derivatives not qualifying for hedge accounting.

The impact on the Income statement of derivative financial instruments is as follows:

	2025		2024	
	Operating profit	Net financial income	Operating profit	Net financial income
Cash flow hedge	—	17	—	36
Other financial instruments	(1)	—	1	—
<b>Total</b>	<b>(1)</b>	<b>17</b>	<b>1</b>	<b>36</b>

The breakdown of derivative financial instruments as at 31 December 2025 and 2024, their fair value and maturities of their notional values, is as follows:

	31.12.2025								
	Fair value		Notional value					Subsequent years	Total
	2026	2027	2028	2029	2030				
<b>INTEREST RATE HEDGES:</b>									
Cash flow hedges:									
Financial swaps (EUR)	17	109	408	756	489	—	—	1,762	
<b>INTEREST RATE AND FOREIGN EXCHANGE RATE HEDGES:</b>									
Cash flow hedges:									
Financial swaps (USD)	6	8	9	9	70	68	—	164	
<b>EXCHANGE RATE HEDGES:</b>									
Foreign exchange insurance (USD)	—	5	—	—	—	—	—	5	
	<b>23</b>	<b>122</b>	<b>417</b>	<b>765</b>	<b>559</b>	<b>68</b>	<b>—</b>	<b>1,931</b>	
	31.12.2024								
	Fair value		Notional value					Subsequent years	Total
	2025	2026	2027	2028	2029				
<b>INTEREST RATE HEDGES:</b>									
Cash flow hedges:									
Financial swaps (EUR)	24	477	48	329	209	489	—	1,552	
<b>INTEREST RATE AND FOREIGN EXCHANGE RATE HEDGES:</b>									
Cash flow hedges:									
Financial swaps (USD)	(2)	4	5	5	5	65	—	84	
<b>OTHER:</b>									
Commodity price derivatives (EUR)	1	—	—	—	—	—	—	—	
	<b>23</b>	<b>481</b>	<b>53</b>	<b>334</b>	<b>214</b>	<b>554</b>	<b>—</b>	<b>1,636</b>	

## Note 15. Payables to Group companies and associates

The breakdown by maturity of payables to Group companies is as follows:

<b>Maturity</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
2025	—	4,268
2026	3,899	716
2027	512	1,379
2028	827	816
2029	1,195	1,194
2030	497	497
2031	497	—
2032 and subsequent	1,098	603
<b>Total</b>	<b>8,525</b>	<b>9,473</b>

As at 31 December 2025, payables to Group companies are mainly debts recognised at amortised cost related to issuances by Naturgy Finance Iberia, S.A.U. under the European Medium-Term Notes (EMTN) programme.

Also included are the balances payable to Naturgy Finance Iberia, S.A.U. in respect of perpetual subordinated notes amounting to Euros 330 million (Euros 500 million as at 31 December 2024) and to Unión Fenosa Preferentes, S.A. relating to preference shares totalling Euros 110 million (Euros 110 million as at 31 December 2024).

Payables to group companies also include accrued unmatured interest amounting to Euros 63 million (Euros 72 million in 2024) and cash pooling balances with group companies for Euros 3,021 million bearing interest at a rate of 2.331% (Euros 2,876 million in 2024, bearing interest at a rate of 3.762%), as well as balances with group companies relating to consolidated corporate income tax, amounting to Euros 228 million (Euros 120 million as at 31 December 2024). As at 31 December 2024, this item also included balances with Group companies relating to consolidated VAT in the amount of Euros 21 million.

The detail of the Group companies' debts in connection with bond issues is as follows:

#### 31 December 2025

<b>Programme/Company</b>	<b>Country</b>	<b>Year formalised</b>	<b>Currency</b>	<b>Programme limit</b>	<b>down nominal</b>	<b>Available</b>	<b>Issued in the year</b>
<b>Euro Commercial Paper (ECP) programme</b>							
Naturgy Finance Iberia, S.A.	Spain	2010	Euros	1,000	—	1,000	909
<b>European Medium Term Notes (EMTN) programme</b>							
Naturgy Finance Iberia, S.A.	Spain	1999	Euros	12,000	4,819	7,181	1,000

#### At 31 December 2024

<b>Programme/Company</b>	<b>Country</b>	<b>Year formalised</b>	<b>Currency</b>	<b>Programme limit</b>	<b>down nominal</b>	<b>Available</b>	<b>Issued in the year</b>
<b>Euro Commercial Paper (ECP) programme</b>							
Naturgy Finance Iberia, S.A.	Spain	2010	Euros	1,000	—	1,000	—
<b>European Medium Term Notes (EMTN) programme</b>							
Naturgy Finance Iberia, S.A.	Spain	1999	Euros	12,000	5,851	6,149	1,000

(\*) On 28 May 2024, Naturgy Finance BV registered a cross border conversion to Naturgy Finance Iberia, S.A., transferring its registered offices and domicile for tax purposes from the Netherlands to Spain.

As is habitual in the Euromarket, the bonds issued, in the amount of Euros 4,819 million (Euros 5,851 million as at 31 December 2024), might be accelerated if a change in control triggered a downgrade of more than two full notches in at least two of the Company's three ratings and all the ratings fell below investment grade, provided that the rating agency stated that the rating downgrade was the result of the change in control.

The main movements in 2025 and 2024 are as follows:

## 2025

In May 2025, Naturgy Finance Iberia, S.A.U. issued two bonds under the EMTN programme: Euros 500 million at 6 years with a 3.375% coupon, and Euros 500 million at 10 years with a 3.875% coupon. The proceeds were used to call Euros 831 million of bonds maturing between 2026 and 2027, and to call Euros 169 million of the subordinated perpetual notes. This transaction had a positive impact on the Company's profit and loss account in the amount of Euros 11 million, recognised under "Income from marketable securities and other financial instruments of group companies and associates", for the debt related to Naturgy Finance Iberia, S.A.U.

Also, in 2025, bonds totalling Euros 1,201 million with an average coupon of 1.04% matured.

In 2025, Euros 909 million were issued under the Euro Commercial Paper (ECP) programme, but there were zero outstanding issues as at 31 December 2025 (zero outstanding issues as at 31 December 2024).

## 2024

In April 2024, the Company cancelled the debt linked to the repurchase of Euros 500 million of subordinated perpetual notes issued in 2015 by Naturgy Finance, B.V. (now Naturgy Finance Iberia, S.A.U.) for the same amount.

In October 2024, Naturgy Finance Iberia, S.A.U. issued two bonds: Euros 500 million at 6 years with a 3.25% coupon, and Euros 500 million at 10 years with a 3.625% coupon. The funds were used to call Euros 1,000 million of bonds maturing between 2026 and 2027. This transaction had a positive impact on the Company's profit and loss account in the amount of Euros 19 million recognised under "Income from marketable securities and other financial instruments of group companies and associates" due to the debt related to Naturgy Finance Iberia, S.A.U.

Bonds for a total amount of Euros 1,154 million with an average coupon of 1.75% matured in 2024.

During 2024, no issues were made under the Euro Commercial Paper (ECP) programme and there were no outstanding issues under this programme as at 31 December 2024.

There are no significant differences between the carrying amounts and fair values of Payables to Group companies and associates.

## Note 16. Other non-current liabilities and Trade and other payables

The "Other non-current liabilities" and "Trade and other payables" headings as at 31 December 2025 and 2024, classified by nature and category, are as follows:

<b>31.12.2025</b>	<b>At fair value through profit and loss</b>	<b>Amortised cost</b>	<b>Total</b>
Derivatives (Note 14)	2	—	2
<b>Other non-current liabilities</b>	<b>2</b>	<b>—</b>	<b>2</b>
Derivatives (Note 14)	128	—	128
Other liabilities	—	126	126
<b>Trade and other payables</b>	<b>128</b>	<b>126</b>	<b>254</b>
<b>Total</b>	<b>130</b>	<b>126</b>	<b>256</b>

31.12.2024	At fair value through profit and loss	Amortised cost	Total
Derivatives (Note 14)	89	—	89
<b>Other non-current liabilities</b>	<b>89</b>	<b>—</b>	<b>89</b>
Derivatives (Note 14)	280	—	280
Other liabilities	—	217	217
<b>Trade and other payables</b>	<b>280</b>	<b>217</b>	<b>497</b>
<b>Total</b>	<b>369</b>	<b>217</b>	<b>586</b>

## Fair value through profit and loss

Financial liabilities at fair value as at 31 December 2025 and 2024 are classified as follows:

Financial liabilities	31.12.2025				31.12.2024			
	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total	Level 1 (quoted price in an active market)	Level 2 (observable variables)	Level 3 (unobservable variables)	Total
Fair value through profit or loss	—	130	—	130	—	369	—	369
<b>Total</b>	<b>—</b>	<b>130</b>	<b>—</b>	<b>130</b>	<b>—</b>	<b>369</b>	<b>—</b>	<b>369</b>

The "Derivatives" heading contains the market valuation of unsettled open interest with a credit balance corresponding to operating derivatives arranged by the Company to hedge gas prices of other group companies.

As at 31 December 2025, the balance of non-current and current derivatives with group companies is Euros 2 million and Euros 87 million, respectively (Euros 29 million and Euros 13 million as at 31 December 2024).

## Amortised cost

The breakdown of this account is as follows:

	<b>31.12.2025</b>	31.12.2024
Trade payables	77	56
Trade payables, Group companies and associates	8	77
Personnel (outstanding remuneration)	38	40
Public Administrations	3	2
Current tax liabilities (Note 17)	—	42
<b>Total</b>	<b>126</b>	<b>217</b>

Most payables do not accrue interest and have contractual maturity dates of less than 30 days, in the case of payables for gas purchases, and within the legal limits for other suppliers.

## Information on the average supplier payment period.

The average payment period is calculated in accordance with Law 15/2010 on measures to combat late payment in business operations and the changes brought in under Law 18/2022 of 28 September on the formation and growth of companies.

In accordance with the above regulations, the information to be included in the notes to the annual accounts in relation to the average supplier payment period in commercial transactions is as follows:

	<b>2025</b>	2024
	<b>Amount</b>	Amount
Total payments (thousand euro)	219,780	269,886
Total outstanding payments (thousand euro)	17,398	28,591
Average supplier payment period (days) (1)	37	30
Transactions paid ratio (days) (2)	38	31
Transactions pending payment ratio (days) (3)	26	27
Total payments within the period established in the default regulations (thousand euro)	217,201	266,096
% of the amount paid within the period established in the default regulations with respect to the total amount paid	98.83 %	98.60 %
Number of invoices paid within the period established in the default regulations	21,307	19,270
% of invoices paid within the period established in the default regulations with respect to the total invoices paid	97.47 %	97.63 %

(1) Calculated on the basis of amounts paid and pending payment.

(2) Average payment period in transactions paid during the year.

(3) Average age, suppliers pending payment balance.

## Note 17. Tax situation

Naturgy Energy Group, S.A. is the parent of Tax Group 59/93, which includes all the companies resident in Spain that are at least 75% directly or indirectly owned by the parent company and that fulfil certain requirements, with the result that the group's taxable income, deductions and tax credits are calculated on an overall basis. The tax group for 2025 is analysed in Appendix I.

Corporate income tax is calculated on the basis of economic or accounting profit obtained by application of generally accepted accounting principles, which does not necessarily coincide with taxable profit, understood as taxable income for corporate income tax purposes.

The reconciliation of accounting profit for 2025 and 2024 to taxable income for corporate income tax purposes is as follows:

	<b>31.12.2025</b>	31.12.2024
<b>Accounting profit before tax</b>	<b>1,322</b>	<b>1,063</b>
<b>Permanent differences</b>	<b>(1,338)</b>	<b>(973)</b>
<b>Temporary differences:</b>		
Arising during current year	24	16
Arising in prior years	(98)	(42)
<b>Previous Taxable income</b>	<b>(90)</b>	<b>64</b>
50% limitation offsetting of tax losses	45	—
<b>Taxable income</b>	<b>(45)</b>	<b>64</b>

Permanent differences relate mainly to the application of the tax consolidation system and the double taxation exemption for dividends and income derived from the transfer of shares under Article 21 of Law 27/2014 on Corporate Income Tax, which has led to negative permanent differences of Euros 1,328 million resulting from negative adjustments for dividends accruing during the year (Euros 915 million in 2024), the reversal of impairment of shareholdings in Group companies and associates and other equity interests amounting to Euros 30 million (impairment reversals of Euros 65 million in 2024), the upward adjustment for donations in the amount of Euros 12 million (Euros 6 million in 2024) and other minor adjustments amounting to Euros 8 million (Euros 1 million in 2024).

The tax loss carryforward generated by the Company during 2025 amounts to Euros 45 million, after applying the 50% limitation on offsetting tax losses (Euros 64 million in taxable income in 2024).

Income tax expense is as follows:

	<b>2025</b>	2024
Current-year tax	17	(1)
Deferred tax	(18)	(5)
<b>Total</b>	<b>(1)</b>	<b>(6)</b>

Current corporate income tax is the result of applying a 25% tax rate to taxable income. Within the tax group, the tax credits used by the Company during 2025 amounted to Euros 6 million (Euros 16 million in 2024), and the 50% limitation on offsetting tax losses was applied in the amount of Euros 11 million (no offsetting of tax losses in 2024).

As at 31 December 2025, prepayments in respect of the Group's consolidated corporate income tax amounted to Euros 79 million (Euros 111 million in 2024) and withholdings on investment income amounted to Euros 8 million (Euros 10 million in 2024). The Company, as the parent company of the tax group, also recognises the net balance of the settlement for the other group companies (Notes 7 & 15)

In 2025, no adjustments were recognised for tax differences from the previous year (Euros 1 million in positive adjustments in 2024).

Income qualifying for the tax scheme for transfers of assets made in compliance with competition law (Additional Provision 4 of the Revised Corporate Income Tax Law) is explained below:

Year of sale	Amount obtained on the sale	Amount reinvested	Capital gain	Capital gain included in tax base	Capital gain pending inclusion in tax base
2002	917	917	462	21	441
2003	39	39	20	—	20
2004	292	292	177	11	166
2005	432	432	300	2	298
2006	310	310	226	—	226
2009	161	161	87	—	87
2010	752	752	551	1	550
2011	468	468	394	2	392
2012	38	38	32	—	32
<b>Total</b>	<b>3,409</b>	<b>3,409</b>	<b>2,249</b>	<b>37</b>	<b>2,212</b>

The reinvestment has been made in fixed assets used in business activities both by the Company and by the other companies in the tax group, pursuant to Article 75 of the Revised Corporate Income Tax Law.

A breakdown of the tax effect of each item on the Statement of Recognised Income and Expenses is as follows:

	31.12.2025			31.12.2024		
	Gross	Tax effect	Net	Gross	Tax effect	Net
Cash flow hedges	(5)	1	(4)	31	(8)	23
Actuarial gains and losses	5	(1)	4	(3)	1	(2)
Other adjustments	85	(3)	82	—	—	—
	<b>85</b>	<b>(3)</b>	<b>82</b>	<b>28</b>	<b>(7)</b>	<b>21</b>

A breakdown of deferred taxes is as follows:

	31.12.2025	31.12.2024
Deferred tax assets:	124	127
- Realisable within one year	10	10
- Realisable in more than one year	114	117
Deferred tax liabilities:	(263)	(263)
- Realisable in more than one year	(263)	(263)
Net deferred tax	<b>(139)</b>	<b>(136)</b>

Set out below is an analysis of and movements in deferred taxes:

Deferred tax assets	Provisions	Tax credits	Valuation of assets and financial instruments	Goodwill	Other	Total
<b>1.1.2024</b>	<b>90</b>	<b>30</b>	<b>—</b>	<b>8</b>	<b>1</b>	<b>129</b>
Creation (reversal)	(6)	—	—	(1)	—	(7)
Movements linked to equity adjustments	(1)	—	1	—	—	—
Transfers and other	4	2	—	—	(1)	5
<b>31.12.2024</b>	<b>87</b>	<b>32</b>	<b>1</b>	<b>7</b>	<b>—</b>	<b>127</b>
Creation (reversal)	(15)	11	—	(1)	(3)	(8)
Movements linked to equity adjustments	(1)	—	1	—	2	2
Transfers and other	1	—	—	—	2	3
<b>31.12.2025</b>	<b>72</b>	<b>43</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>124</b>

Deferred tax liabilities	Differences Depreciation	Deferred gains	Valuation of liabilities and financial instruments	Other	Total
<b>1.1.2024</b>	<b>1</b>	<b>207</b>	<b>15</b>	<b>44</b>	<b>267</b>
Creation (reversal)	—	—	—	(2)	(2)
Movements linked to equity adjustments	—	—	(7)	—	(7)
Transfers and other	—	—	—	5	5
<b>31.12.2024</b>	<b>1</b>	<b>207</b>	<b>8</b>	<b>47</b>	<b>263</b>
Creation (reversal)	—	—	—	10	10
Movements linked to equity adjustments	—	—	(1)	—	(1)
Transfers and other	—	—	—	(9)	(9)
<b>31.12.2025</b>	<b>1</b>	<b>207</b>	<b>7</b>	<b>48</b>	<b>263</b>

The main regulatory issues impacting the Company's tax position in 2025 and 2024 are as follows:

### **Temporary Energy Tax:**

The Temporary Energy Tax was established by Law 38/2022 for the main energy operators, consisting of an extraordinary levy of 1.2% on the net turnover of the tax group, excluding regulated activities.

The tax was recognised on 1 January 2023 and 2024, according to the accrual dates, and was paid in two instalments: 50% in February and the remainder in September. The Company paid Euros 89 million in 2024 and Euros 165 million in 2023, distributed among the components of the tax group according to each one's revenue; corresponding to the Company less than Euros 1 million in each year.

In February 2024, the tax authorities initiated an audit of the tax for 2023, which culminated in September with an assessment of Euros 86.5 million (Euros 83 million in tax and Euros 3.5 million in interest). After its submissions were overruled, the Company appealed the assessment before the Central Economic-Administrative Tribunal and provided a bank guarantee to suspend payment of the tax debt. No ruling has been received on the appeal at this date.

In 2025, an audit of the tax for 2024 was initiated, concluding with an assessment of Euros 43 million (Euros 41 million in tax and 2 million in interest), which the Company is disputing. In January 2026, the assessment was affirmed by the tax authorities and a demand for payment was received. The Company filed an appeal by the legal deadline and presented a bank guarantee to suspend payment.

As at 31 December 2025, Naturgy has recognised a provision for the 2023 and 2024 assessments, which has been distributed among the companies in the tax group using the same criterion as for distributing the payments made under the self-assessments that were initially submitted; the amount of the provision relating to the Company is Euros 4 million (Note 12).

After an in-depth analysis of the regulations governing the energy tax, in 2023 the Group filed a claim before the National Court and requested the refund of the tax paid unduly in 2023 (in relation to 2022), in the amount of Euros 165 million, and in 2024 (in relation to 2023), in the amount of Euros 89 million.

Article 1 of Law 38/2022, which established the Temporary Energy Tax, was repealed during the process of approving Law 7/2024; consequently, its extension to 2025 was cancelled. Although the government attempted to reintroduce the tax through Royal Decree-Law 10/2024, this was not ratified by Parliament, meaning that no amount accrued under this heading in 2025.

As a result of the repeal of Article 1 of Law 38/2022 by the final provision of Law 7/2024, the prohibition on taking the Temporary Energy Tax as a deduction against corporation tax purposes lapsed for 2024. Therefore, both the expense for the 2024 tax (Euros 89 million) and the provision recognised to cover risks related to the audit of that tax for 2024 (Euros 43 million) were treated as deductible for the purposes of corporate income tax for 2025 and 2024, respectively.

### **OECD Pillar 2:**

The objective of introducing the top-up tax is to guarantee a minimum overall tax rate of 15% for large multinational groups. Law 7/2024, which transposed this requirement into Spanish law, is in force for annual periods beginning on or after 31 December 2023; accordingly, it was fully applicable to Naturgy in 2024.

Naturgy carried out a detailed analysis of the impact of this regulation by jurisdiction, considering the possible application of the safe harbour regimes provided for in the transitional regulation. As a result of this analysis, it concluded that, in general, the jurisdictions in which the group operates are covered by safe harbours or by the simplified ETR (Effective Tax Rate) calculation. The situation remains unchanged as at 31 December 2025.

In particular, in Ireland, where Naturgy operates, the Finance Act 2024 adopted Directive (EU) 2022/2523 and raised the minimum rate to 15%. As at the end of December 2025, Euros 5 million of top-up tax was recognised (Euros 1.4 million in 2024) to meet this minimum, with no additional impact in Spain as this Top-up Tax qualifies as a covered tax.

As at 31 December 2025, it was not necessary to recognise any top-up tax in the case of Puerto Rico, as the effective rate of 15% was slightly exceeded (Euros 0.5 million in 2024).

Management continues to assess the future impact of this regulation and is adapting its systems and processes to ensure proper compliance.

#### **Corporate income tax and other taxes:**

Royal Decree Law 8/2023 included several tax measures that were material in 2024: the reduced VAT rate of 10% for certain electricity and heating supplies was extended; the Tax on the Value of Electricity Production was gradually phased back in; and the tax rate for the Special Tax on Electricity was progressively increased to return to 5.11269632% from the third quarter onwards.

In addition, Law 38/2022 limited the offsetting of tax losses for companies belonging to groups taxed under the consolidation regime to 50% in 2023, which resulted in a Euros 28 million increase in the corporate income tax liability of the Naturgy tax group, and Law 7/2024 extended this limitation to 2024 and 2025, resulting in increases in tax liability of Euros 74 million and Euros 37 million, respectively.

Law 7/2024 reintroduced restrictions on offsetting tax losses and credits, with no impact on the 2025 income statement.

During 2025, no new tax regulations were published that have had a significant impact on the Company.

#### **Tax audits and disputes:**

Naturgy Energy Group, S.A. was also notified of the commencement of a tax audit in respect of withholdings and payments on account of investment income paid to non-resident entities for the period from April 2018 to December 2020. In July 2023, an assessment was received that the company is disputing and which, at the date of authorisation of these annual accounts, is under appeal before the Central Economic-Administrative Tribunal (Note 27).

Concerning the appeals against contested assessments in respect of corporate income tax for 2011-2015, which regularised the international double taxation tax credit, a ruling was received from the Central Economic-Administrative Tribunal (TEAC) on 29 September 2022 rejecting the appeal in its entirety. A contentious-administrative appeal was filed against that decision with the National Court. At the date of authorisation of these annual accounts, all the formalities have been completed at the National Court, except for setting a date for the vote and judgement procedure. Enforcement of the assessments has been suspended and a provision for the full amount of liability is recognised under "Provisions" (Note 12) and was updated as at 31 December 2025 and 2024 for the default interest accrued while the suspension continues.

In July 2025, notice was received of the initiation of general tax audits in respect of eight companies in Group 59/93 for corporate income tax (tax consolidation regime) covering the years 2020 to 2023 and the same companies in Group 273/08 for VAT (group of entities regime) and personal income tax withholdings from employees and self-employed workers covering the period from June 2021 to December 2024. Notice was also received of the initiation of an audit of non-resident income tax withholdings and capital gains tax withholdings for the period between June 2021 and December 2024. In January 2026, the audit was extended to two additional undertakings for the same years and taxes as in July 2025, except for income tax withholdings, which are confined to the period from October 2021 to December 2024.

The outcome of these audits is not expected to have an impact on the Company's income statement.

In accordance with Spanish tax legislation, at the date of authorisation of these annual accounts, the Company's returns for the last four year for the principal taxes to which it is subject and which are not involved in the above-mentioned tax inspection are open to inspection.

As a result, among other things, of the different interpretations to which current tax legislation lends itself, additional liabilities could arise as a result of an inspection. The Company considers, however, that any liabilities that might arise would not significantly affect these annual accounts.

Naturgy assesses uncertain tax treatments and reflects the effect of uncertainty on taxable income (losses), tax bases, and unused tax losses or tax credits. Naturgy has adequate coverage for possible obligations deriving from a number of tax claims. There are no lawsuits or uncertain tax treatments which are individually material.

### Corporate transactions with a tax impact

In previous year, the Company carried out the following transactions with an impact on its tax position:

- In 2015, the Company spun off the nuclear power generation business to Naturgy Generación, S.L.U. Pursuant to Article 76.3 of Law 27/2014 on Corporate Income Tax in force in 2015, this transaction was defined as a non-cash contribution of a line of business and thus qualified for the special scheme provided by Title VII, Chapter VIII of that law. The information requirements stipulated in the special tax scheme are fulfilled in the notes to the Company's 2015 annual accounts.
- In 2014, the Company spun off the thermal and hydroelectric power generation business to Naturgy Generación, S.L.U. Pursuant to article 83.3 of Royal Decree-Law 4/2004 enacting the Revised Corporate Income Tax Law, this transaction is defined as a non-cash contribution of a line of business and is thus subject to the special scheme provided for in Title VII, Chapter VIII of that Law. The information requirements stipulated in the special tax scheme are fulfilled in the notes to the Company's 2014 annual accounts.
- In 2009, Unión Fenosa, S.A. and Unión Fenosa Generación S.A. were merged into the Company. The merger was performed under the special tax scheme for mergers, spin-offs, asset contributions, share exchanges and changes of registered address of European companies or European cooperatives from one European Union Member State to another, regulated in Title VII, Chapter VIII of the Revised corporate income tax act. The disclosure requirements stipulated in the special tax scheme are fulfilled in the notes to the Company's 2009 annual accounts.

## Note 18. Revenue

Revenue breaks down as follows:

	<b>2025</b>	2024
Natural gas sales and other	1	9
Income from equity instruments of Group companies and associates (Note 7)	1,390	950
Income from marketable securities and other financial instruments of Group companies and associates	452	509
<b>Total</b>	<b>1,843</b>	<b>1,468</b>
	<b>2025</b>	2024
Domestic market	1,827	1,459
Foreign market:	16	9
- European Union	6	8
- Other countries	10	1
<b>Total</b>	<b>1,843</b>	<b>1,468</b>

Gas sales are made basically in the European market and relate to the sale of gas to other Naturgy companies in which the Company acts as principal.

The "Income from marketable securities and other financial instruments of group companies and associates" includes the financial income derived from the debt linked to the bond issue and repurchase transaction carried out in May 2025 by Naturgy Finance Iberia, S.A.U. in the amount of Euros 11 million (Euros 19 million in 2024) (Note 15).

## Note 19. Raw materials and consumables

Includes gas purchases related to the activity of selling gas to other Naturgy companies in which the Company acts as principal.

## Note 20. Personnel expenses

The breakdown of this heading in the income statement for 2025 and 2024 is as follows:

	2025	2024
Wages and salaries	49	55
Termination benefits	10	7
Share-based payments (Note 11)	2	2
Social security costs	7	6
Other social costs	4	3
Other	6	5
<b>Total</b>	<b>78</b>	<b>78</b>

The Company's average number of employees in 2025 and 2024 is as follows:

	2025	2024
Senior management	15	14
Executives	84	80
Middle management	39	37
Staff not covered by collective bargaining agreement	142	130
Staff covered by collective bargaining agreement	73	69
<b>Total</b>	<b>353</b>	<b>330</b>

The Company's average number of employees during 2025 and 2024 with a disability equal to or greater than 33% is as follows:

	2025		2024	
	Men	Women	Men	Women
Senior management	—	—	—	—
Executives	—	—	—	—
Middle management	—	—	—	—
Staff not covered by collective bargaining agreement	4	1	3	1
Staff covered by collective bargaining agreement	1	2	1	1
<b>Total</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>2</b>

The number of Company employees at the end of 2025 and 2024, broken down by category and gender, is as follows:

	2025		2024	
	Men	Women	Men	Women
Senior management	12	4	11	4
Executives	50	34	51	31
Middle management	20	23	19	19
Staff not covered by collective bargaining agreement	49	92	50	90
Staff covered by collective bargaining agreement	28	44	28	45
<b>Total</b>	<b>159</b>	<b>197</b>	<b>159</b>	<b>189</b>

## Note 21. Other operating expenses

The breakdown of this heading in the income statement for 2025 and 2024 is as follows:

	2025	2024
Leases, royalties, operation and maintenance	55	46
Professional services and insurance	13	17
Advertising and other commercial services	22	22
Contribution to Naturgy Foundation	11	6
Banking services	6	6
Utilities	11	11
Taxes	1	6
Lean Services	45	6
Impairment losses and changes in trade provisions (Note 9)	—	(17)
Other	42	31
<b>Total</b>	<b>206</b>	<b>134</b>

Since 2024, "Leases, royalties, operation and maintenance" includes the costs of maintenance and upkeep of software and renewal of computer licenses relating to the activity of the liquidated company Naturgy Informática, S.A.U. (Note 5, 6 & 7), which are borne by the Company.

The Company makes contributions to the Naturgy Foundation to enable it to carry out its energy and environmental projects, basically in the community area, as well to fund international initiatives. In the community area, the Naturgy Foundation has broadened its activities to place greater emphasis on its community initiatives, defining new strategic lines for actions aimed at palliating energy vulnerability.

In 2025, "Lean services" included Euros 42 million for transformation costs (Euros 4 million in 2024).

## Note 22. Other operating income

This item includes Euros 107 million in transactions with group companies and associates in 2025 (Euros 113 million in 2024) and mainly relate to expenses passed on.

## Note 23. Net financial income

The breakdown of this account in the income statement for 2025 and 2024 is as follows:

	2025	2024
Income from marketable securities and other financial instruments	52	75
<b>Total financial income</b>	<b>52</b>	<b>75</b>
Cost of borrowings	(381)	(395)
Interest expense on pensions (Note 12)	(6)	(6)
Other financial expense	(18)	(20)
<b>Total financial expense</b>	<b>(405)</b>	<b>(421)</b>
Net exchange differences	(4)	—
<b>Net financial income/(expense)</b>	<b>(357)</b>	<b>(346)</b>

Other financial expenses include sundry fees and commissions, mainly for the renewal of loans with credit institutions and other items.

## Note 24. Foreign currency transactions

Transactions effected in foreign currencies are analysed below, the main currency being the US dollar:

	2025	2024
Income from marketable securities and other financial instruments of Group companies and associates	19	14
Services received	(1)	(5)
Financial expenses on borrowings from third parties	(11)	(3)
<b>Total</b>	<b>7</b>	<b>6</b>

## Note 25. Information on transactions with related parties

Related parties are as follows:

- Significant Naturgy shareholders, i.e. those directly or indirectly owning an interest of 5% or more and hold voting rights, and those who, though not significant, have exercised the power to nominate a member of the Board of Directors.

Based on that definition, Naturgy's significant shareholders as at 31 December 2025 are as follows:

- Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa", through Criteria Caixa S.A.U. (Criteria)
  - BlackRock Inc., mainly through GIP III Canary 1, S.à r.l. (BlackRock)
  - CVC Capital Partners PLC, through Rioja Acquisition, S.à r.l. (CVC)
  - IFM Global Infrastructure Fund, through Global InfraCo O (2), S.à r.l. (IFM)
- Directors and executives of the company, and their close relatives. The term "director" means a member of the Board of Directors and the term "senior management" refers to the Executive Chairman, in connection with his senior management functions, and persons with senior management functions who report directly to the Board of Directors, its committees or the Executive Chairman. Transactions with directors and members of senior management are disclosed in Note 26.
  - Transactions between Naturgy companies form part of ordinary activities and are effected at arm's length.

The aggregated amounts of transactions with significant shareholders are as follows (thousand euro):

Income and expense (thousand euro)	31.12.2025				Directors and executives
	Significant shareholders				
	Criteria	CVC	BlackRock	IFM	
<b>Total expenses</b>	—	—	—	—	—
<b>Total income</b>	—	—	—	—	—

Other transactions (thousand euro)	31.12.2025				Directors and executives
	Criteria	CVC	BlackRock (1)	IFM	
Acquisition of property, plant and equipment, intangible assets or other assets (2)	704,865	546,759	544,798	446,245	—
Dividends and other profits distributed (3)	434,210	336,787	335,579	274,851	—

(1) Dividends received through the GIP III Canary 1, S.à r.l. shareholding

(2) Sale of shares in Naturgy Energy Group, S.A. (Notes 1 & 7)

(3) Dividends received by the directors and senior management (Note 26) in 2025 amounted to Euros 285 thousand.

31.12.2024					
Income and expense (thousand euro)	Significant shareholders				Directors and executives
	Criteria	CVC	BlackRock	IFM	
<b>Total expenses</b>	—	—	—	—	—
<b>Total income</b>	—	—	—	—	—

Other transactions (thousand euro)	Criteria	CVC	BlackRock (2)	IFM	Directors and executives
Dividends and other profits distributed (1)	362,544	281,201	280,193	212,387	—

(1) Dividends received by the directors and senior management (Note 26) in 2024 amounted to Euros 241 thousand.

(2) Dividends received through the GIP III Canary 1, S.à r.l. shareholding

The aggregated amounts of transactions with group companies and associates are as follows (Euros million):

Expenses, income and other transactions	2025		2024	
	Group companies	Jointly-controlled entities and associates	Group companies	Jointly-controlled entities and associates
Financial expenses	(210)	—	(242)	—
Receipt of services	(3)	—	(3)	—
Purchases of goods	(4)	—	(1)	—
<b>Total expenses</b>	<b>(217)</b>	<b>—</b>	<b>(246)</b>	<b>—</b>
Financial income	449	3	505	4
Dividends received	1,574	—	950	—
Sale of goods	230	—	79	—
Other income	107	—	202	—
<b>Total income</b>	<b>2,360</b>	<b>3</b>	<b>1,736</b>	<b>4</b>

In 2025 and 2024, "Purchases of goods" relates mainly to purchases of natural gas from Group companies.

In addition to dividends from holdings in group companies, the "Dividends received" heading in the income statement includes supplementary dividends paid out of the share premium account and reserves, which are recognised as a reduction in the value of investments in group companies.

In 2025, this item included Euros 184 million of dividends recognised as a reduction in the value of investments in group companies (Note 7). In 2024, all dividends received related to "Income from equity instruments of group companies and associates".

The "Sale of goods" heading includes sales of natural gas obtained through procurement contracts and gas commodity settlements passed on to group companies, which are recorded under net sales.

"Other income" basically includes income from passing on costs incurred (Note 22), including the allocation of the Temporary Energy Tax paid in 2024 (Note 17).

Costs shared between the Company and other Naturgy companies are allocated on the basis of business or cost generation parameters.

Detailed definitions are prepared of services to be provided and of related activities or tasks in order to determine the measurement indicators for allocating costs. Transactions between companies are objective, transparent, non-discriminatory and always effected at arm's length.

## Note 26. Information on members of the Board of Directors and Senior Management

### Remuneration of the members of the Board of Directors

The remuneration policy for the members of the Board of Directors was approved at the General Shareholders' Meeting held on 15 March 2022 and is periodically revised by the Board of Directors following a report from the Appointments, Remuneration and Corporate Governance Committee, in order to keep it aligned with best practices in the reference market and with the objectives indicated in the Bylaws.

The amount accrued by the members the Board of Directors of Naturgy Energy Group, S.A., for belonging to the Board of Directors, Audit and Control Committee (ACC), Appointments, Remuneration and Corporate Governance Committee (ARGC) and Sustainability Committee (SC), totalled Euros 4,514 thousand (Euros 3,737 thousand in 2024). The amount for 2025 is detailed below (expressed in euro):

	Office	Board	ACC	ARGC	SC	Total
Mr. Francisco Reynés Massanet	Executive Chairman	1,100,000	—	—	—	1,100,000
Ms. Helena Herrero Starkie	Coordinating Director	210,000	65,000	—	85,000	360,000
Mr. Ramón Adell Ramón	Director	180,000	65,000	—	—	245,000
Mr. Enrique Alcántara-García Irazoqui (1)	Director	60,000	—	21,667	—	81,667
Ms. Isabel Estapé Tous	Director	180,000	—	—	65,000	245,000
Ms. Maria Isabel Gabarró Miquel (2)	Director	138,387	—	43,333	—	181,720
Ms. Lucy Chadwick	Director	180,000	—	—	65,000	245,000
Mr. Martin Catchpole (2)	Director	138,387	—	—	—	138,387
Ms. Marta Martínez Alonso (2)	Director	138,387	—	—	—	138,387
Mr. Rajaram Rao	Director	180,000	—	65,000	—	245,000
Mr. Claudi Santiago Ponsa	Director	180,000	85,000	65,000	—	330,000
Mr. Pedro Sainz de Baranda Riva	Director	180,000	65,000	85,000	—	330,000
Mr. Jaime Siles Fernández-Palacios	Director	180,000	—	—	65,000	245,000
Rioja S.à r.l, Mr. Javier De Jaime Guijarro (3)	Director	41,613	—	15,027	—	56,640
Mr. Javier De Jaime Guijarro (3)	Director	138,387	—	49,973	—	188,360
Mr. José Antonio Torre De Silva López de Letona	Director	180,000	65,000	—	—	245,000
Mr. Nicolás Villén Jiménez (2)	Director	138,387	—	—	—	138,387
		<b>3,543,548</b>	<b>345,000</b>	<b>345,000</b>	<b>280,000</b>	<b>4,513,548</b>

(1) Until 29 April 2025.

(2) From 25 March 2025.

(3) From 25 March 2025, when he was formally appointment as a director in place of Rioja Acquisition, S.à r.l.

In 2025, as in 2024, no amounts were received under other headings.

At 31 December 2025, the Board of Directors comprised 15 members (12 members at 31 December 2024), the Audit and Control Committee had 5 members (5 members at 31 December 2024), the Appointments, Remuneration and Corporate Governance Committee had 5 members (5 members at 31 December 2024) and the Sustainability Committee had 4 members (4 members at 31 December 2024).

The members of the Board of Directors of Naturgy Energy Group, S.A., excluding the Executive Chairman, have not received remuneration from profit sharing, bonuses or indemnities, and have not been granted any loans or advances. Neither have they received shares or share options during the year, nor have they exercised options or have options to be exercised.

The members of the Board of Directors are covered by the same liability policy that insures all Naturgy directors and executives. The premium paid in 2025 by Naturgy Energy Group, S.A. amounted to Euros 447 thousand (Euros 519 thousand in 2024).

## Senior management remuneration

For the sole purposes of the information contained in this section, Senior Management is defined as the Executive Chairman in relation to his executive functions, and the executives reporting directly to the Board of Directors, the Executive Chairman or the Internal Audit Director.

As a result of the definition established in the preceding paragraph, as at 31 December 2025, this group comprised 17 people (17 people as at 31 December 2024) of whom one person belonged to group companies (2 people in the previous year).

The fixed remuneration, variable remuneration and other items accrued in 2025 by the 17 members of senior management amounted to Euros 14,662 thousand (Euros 7,750 thousand, Euros 6,615 thousand and Euros 297 thousand, respectively) and Euros 14,382 thousand in 2024 (Euros 7,328 thousand, Euros 6,759 thousand and Euros 295 thousand, respectively). As in 2024, the amount relating to the annual variable remuneration of the Executive Chairman will be settled as a voluntary contribution to his superannuation plan, in accordance with the terms of the relevant agreement.

Additionally, on 18 February 2025, Naturgy's Board of Directors decided that the long-term variable incentive plan discussed in notes 11 and 12 of these annual accounts statements would expire early. Settling this plan for the seven-year period from 2018 to 2024 for the members of senior management resulted in an amount of Euros 7,539 thousand per year. During 2024, the executives who made up the Senior Management did not receive any advances under the Long-Term Variable Incentive Plan.

Additionally, in order to comply with the current multi-year variable remuneration scheme, the Board of Directors approved a new incentive for the period 2025-2027, applicable to all Naturgy executives, including the 17 members of senior management (see Note 12).

Contributions to pension plans and group insurance policies, together with life insurance premiums paid, totalled Euros 2,018 thousand in 2025 (Euros 1,923 thousand in 2024). The funds accumulated through these contributions totalled Euros 38,031 thousand for all executives as at 31 December 2025 (Euros 32,913 thousand as at 31 December 2024).

As at 31 December 2025, Naturgy had granted guarantees on loans to senior management amounting to Euros 1,115 thousand (Euros 1,115 thousand as at 31 December 2024); there were no advances to that group at that date (Euros 29 thousand as at 31 December 2024). Moreover, during 2025, no severance payments were made to senior management; accordingly, no payments were made under this heading in 2024.

The Executive Chairman's contract provides for a severance payment in the event of termination or non-renewal of his position as director in the amount of two annuities of his total remuneration: (i) total annual fixed monetary remuneration, (ii) annual variable remuneration, and (iii) long-term incentive in annual terms. If, at the time of calculating the indemnity, the long-term incentive has not been concluded, it will be necessary to wait until its conclusion to calculate and, in the event, pay the related amount in annual terms. The indemnity will not be payable in the event of the serious and culpable nonfulfilment of his professional obligations causing significant harm to Naturgy's interests. In addition, as consideration for a post-contractual no-competition agreement with a duration of one year, an indemnity equivalent to one year's full fixed remuneration is provided for.

The contracts concluded with ten members of Management Committee (10) contain a clause providing for compensation equivalent to the legally established indemnity, which varies, depending on seniority, between two and three-and-a-half years' salary. This clause applies to cases of unfair dismissal, as well as those referred to in Articles 40, 41 and 50 of the Workers' Statute, and, in one of the contracts, to certain situations involving a change in control. In addition, the ten contracts contain a clause providing for compensation equivalent to one year's fixed remuneration for a post-contractual non-competition commitment lasting up to two years.

## Transactions with members of the Board of Directors and Senior Management

The Directors have the obligation to avoid conflicts of interest as established by the Board Regulations of Naturgy Energy Group, S.A. and Articles 228 and 229 of the Spanish Companies Law. Additionally, these articles require that conflicts of interest involving directors must be reported in the annual accounts.

In 2025 and 2024, the directors of Naturgy Energy Group, S.A. did not notify the Board of Directors of any general situation of conflict of interest.

In transactions with related parties (significant shareholders) that have been submitted for approval by the Board, subject to a favourable report of the Audit Committee, any directors linked to the related party involved abstained in each case.

During 2025 and 2024, the members of the Board of Directors and the Management Committee did not carry out related-party transactions outside the ordinary course of business or transactions that were not conducted under normal market conditions with Naturgy Energy Group, S.A. or Group companies.

## Note 27. Contingent liabilities and commitments

### Guarantees

Guarantees furnished by Naturgy at 31 December 2025 and 2024 are as follows:

- Guarantees provided to third parties, basically for investment commitments of Group companies, amounting to Euros 12 million (Euros 11 million as at 31 December 2024).
- Guarantees provided to public bodies, mainly for tax obligations, amounting to Euros 366 million (Euros 266 million as at 31 December 2024).
- Guarantees for debt issues by group companies Natural Finance Iberia, S.A. and Unión Fenosa Preferentes, S.A.U. totalling Euros 5,260 million (Euros 6,461 million as at 31 December 2024).
- Guarantees for obligations under gas purchase and transport contracts and long-term (20 to 25 years) gas tanker charter contracts of group companies Naturgy LNG Marketing Ltd, Naturgy LNG GOM Limited and Naturgy Aprovevisionamientos, S.A. As at 31 December 2025, these contracts amount to Euros 6,530 million (Euros 6,722 million as at 31 December 2024) valued on the basis of current market conditions for the commodities and currencies to which they are linked.
- Parent company guarantees (PCGs) associated with the derivative instruments arranged for a total amount of Euros 1,503 million (Euros 1,381 million as at 31 December 2024).

As the above guarantees are basically granted in order to secure the fulfilment of contractual obligations or investment commitments, the events that would lead to their execution, and therefore a cash disbursement, would be the nonfulfilment by Naturgy of its obligations in the ordinary course of its business, the probability of which is considered remote. Naturgy estimates that the liabilities not foreseen at 31 December 2025, if any, that could arise from guarantees furnished would not be significant.

### Contractual commitments

At 31 December 2025 and 2024, the Company has no long-term gas purchase commitments.

Operating lease commitments break down as follows:

	2025	2024
Up to one year	17	17
Between 1 and 5 years	44	46
Between 5 and 10 years	27	11
	<b>88</b>	<b>74</b>

In 2025, this mainly includes operating leases without purchase options on five properties, as detailed below:

Property	Situation	Contract maturity	Contact extension
Avda. San Luis, 77	Madrid	2026	5 years
Acanto, 11-13	Madrid	2026	5 years
Avda. América, 38	Madrid	2031	2 periods of 5 years
Avda. Diagonal, 525	Barcelona	2031	2 periods of 5 years
Josefa Valcárcel, 48	Madrid	2036	5 years

## Contingent liabilities for litigation and arbitration

At the date of authorisation for issue of these annual accounts, the Company is not involved in any legal or extrajudicial disputes that might result in the recognition of provisions for litigation in the balance sheet. Nevertheless, the main litigation or arbitration cases in which it is involved are disclosed below:

### Contested withholding tax assessments

On 7 July 2023, assessments were received in respect of withholdings on account of non-resident income tax for the period 2018-2020 amounting to Euros 195 million, including interest; those assessments are being disputed and an administrative-financial appeal has been filed with the Central Economic-Administrative Tribunal. As at 31 December 2025, the Board of Directors does not consider it likely that the related risks will materialise.

## Note 28. Auditors' fees

The fees accrued in 2025 and 2024 were as follows:

	2025			2024		
	KPMG Auditores, S.L.	Rest of KPMG network	Total	KPMG Auditores, S.L.	Rest of KPMG network	Total
Auditing services	1,239	—	1,239	1,165	—	1,165
Assurance services and services related to the audit (1)	247	—	247	251	—	251
Tax services	—	—	—	—	102	102
Other services	229	—	229	210	44	254
<b>Total fees</b>	<b>1,715</b>	<b>—</b>	<b>1,715</b>	<b>1,626</b>	<b>146</b>	<b>1,772</b>

## Note 29. Environment

Naturgy is aware of its activities' environmental impacts and, consequently, the Group pays particular attention to the protection of the environment and the efficient use of natural resources to meet energy demand. The Global Sustainability Policy (approved in 2025 to replace the Environmental Policy and the Human Rights Policy) places particular emphasis on continuing to be a key player in the energy transition and contributing to a reduction of greenhouse gas (GHG) emissions, having regard to technological progress and the policies and energy regulations in each country where the Group operates.

Naturgy's most immediate, concrete and measurable responsibility towards the environment is set out in the Sustainability Plan, enshrined in the Strategic Plan 2025-2027. The Sustainability Plan establishes the objectives that guide the Group in its daily performance, in line with the applicable regulations and European Sustainability Reporting Standards (ESRS).

Looking farther ahead, the Group is committed to investing today in sustainable activities, many of which are eligible under the European Taxonomy:

- Constructing new renewable generation facilities to reach an installed capacity of 9.5 GW by 2027.
- Focusing on carbon-neutral renewable gases with a target of producing or injecting at least 1.6 TWh into gas networks in Spain in 2027.
- Integrating biodiversity into Naturgy's strategy and decision-making processes and designing transition plans, as required, that are aligned with the Kunming-Montreal Global Biodiversity Framework.

To this end, Naturgy is focused on six strategic environmental axes:

- Environmental governance and management
- Climate change
- Pollution
- Water resources
- Biodiversity and ecosystems
- Resource use and circular economy

Although the 2025 Non-Financial Information Statement and Sustainability Report contains detailed information on the company's environmental management performance and results, the main milestones are summarised below:

#### **Environmental governance and management**

- The Declaration of Principles and Policies (replacing the Corporate Responsibility Policy) and the Global Sustainability Policy (replacing the Environmental Policy and the Human Rights Policy) were approved in 2025. The Declaration of Principles and Policies defines the principles derived from Naturgy's purpose and values, which guide its activities to establish trusting, stable, solid and mutually beneficial relationships with its stakeholders, contributing to building a sustainable economic model in the regions where the Group operates. These principles are implemented through the Code of Ethics and the Global Policies, including the Global Sustainability Policy, which establishes the principles for defining governance and strategy, for identifying impacts, risks and opportunities, and for establishing metrics and objectives that ensure that the sustainability issues set out in the European Sustainability Reporting Standards (ESRS) are managed through the definition of principles, responsibilities and tools. Specifically, in the environmental area, the topics addressed are climate change, pollution, water resources, biodiversity and ecosystems, and resource use and the circular economy.
- Naturgy has a Sustainability Plan, aligned with its 2025-2027 Strategic Plan, that was approved on 18 February 2025 and sets out the Group's environmental objectives for that period.
- ISO 14001 certification was maintained in 2025.
- Both climate-related and nature-related risks have been assessed using the voluntary TCFD (Task Force on Climate-related Financial Disclosures) and TNFD (Taskforce on Nature-related Financial Disclosures) frameworks, respectively.

## Climate change

- At a meeting on 18 February 2025, the Board of Directors approved the Climate Transition Plan (CTP), which details the pathways for reducing greenhouse gas (GHG) emissions and the intermediate targets required by the applicable regulations, and provides an understanding of the mitigation efforts undertaken by the Group.
- In 2025, the total carbon footprint (scopes 1, 2 and 3) was reduced by 14.3% with respect to 2022 (the baseline year for the objectives of the Climate Transition Plan). Scope 1 (direct) emissions amounted to 13.1 million tonnes of CO<sub>2</sub>eq, 14.3% more than the previous year, mainly due to the increase in production at the Group's combined cycle plants in Spain as required to guarantee security of supply following the country-wide blackout on 28 April 2025 (a net increase of 63.6% in output by the CCGTs in Spain compared to 2024). Indirect (scope 2) emissions amounted to 0.2 million tCO<sub>2</sub>eq, a decline of 48.2% year-on-year as a result of the reduction in electricity purchases not included in Scope 1, while Scope 3 emissions amounted to 94.0 million tCO<sub>2</sub>eq. The latter decreased by 12.5% with respect to 2024 for several reasons, most notably the decline in end-user demand for distributed natural gas and in the volume of LNG sold internationally.
- Renewable gases (biomethane and, in the medium-long term, hydrogen) are the key lever for decarbonising Naturgy's gas business. In 2025, the Group was involved in biomethane projects that had a production and/or grid injection capacity of 0.42 TWh.
- 12,477GWh of renewable electricity with guarantees of origin certified by the CNMC were supplied in Spain.
- 17,824MWh of biomethane with renewable gas guarantees of origin, either in-house or purchased on the market, were supplied in Spain.
- It is noted that there has been a decrease in fuel consumption of 12.6%, mainly due to greater operation of CCGTs in Spain.

## Pollution

The principles established in this area by the Global Sustainability Policy are:

- Prevent and control air, water, and soil pollution to reduce environmental impacts.
- Design new facilities in accordance with the "do no significant harm" (DNSH) approach, as established in the European Taxonomy Regulation.

In the double materiality assessment, soil contamination is considered to be non-material and, consequently, Naturgy focuses its efforts on minimising the impacts of air and water pollution, which are basically located in the value chain.

## Water resources

- Water is a natural resource used in the Group's processes to which particular attention is paid, through analyses of the risks related to water use, discharge quality control, ecological reservoir management, eco-efficiency and the reuse of water in processes, for instance through the integration of wastewater from other activities. Overall, 968.7 hm<sup>3</sup> were collected, of which 20.5 hm<sup>3</sup> were used, the remainder being returned to the environment in the form of discharges. In absolute terms, water consumption increased by 24.3% in 2025. This was due to the increase in output by the CCGT plants in Spain, which need water for cooling and other essential functions.

### Biodiversity and ecosystems

- In 2025, Naturgy undertook numerous actions in the area of natural capital and biodiversity, all with the aim of preventing, reducing or offsetting our impacts so as to advance with our commitment to zero net loss of biodiversity and the enhancement of the value of the natural surroundings. Specifically, 457 biodiversity initiatives were implemented throughout the Group.
- In 2025, environmental restoration actions were carried out on 448.2 hectares. 11% of that area relates to protected areas, habitats or species.

### Resource use and circular economy

The principles established in this area by the Global Sustainability Policy are:

- Use resources efficiently, abate waste production, promote waste recovery in accordance with the waste hierarchy, and promote new circular economy models.
- Implement circular practices, especially in new projects and facility decommissioning.

In the double materiality assessment, resource inputs and use, and waste production, are the areas where material impacts and risks have been identified in the value chain, due to the manufacture of the equipment and materials necessary for operations.

### **Environmental investments and expenses**

The environmental actions carried out by the Company in 2025 amounted to Euros 1.7 million (Euros 1.5 million in 2024), of which Euros 0.1 million related to environmental and social responsibility investments and Euros 1.6 million to expenses incurred on corporate environmental management tools, calculating and verifying the corporate carbon footprint, performing external environmental audits, as well as reporting, communication, training and participation in specialised environmental initiatives and events aimed at strengthening the management, monitoring and transparency of the Group's environmental performance (in 2024: Euros 0.1 million related to environmental investments and Euros 1.4 million to expenses incurred on in environmental management).

The Company also incurred expenses amounting to Euros 0.1 million for the environmental management of facilities and buildings (Euros 0.1 million in 2024) and in investments of 0.9 million for the same concept (0.4 million euros in 2024).

## **Note 30. Events after the reporting date**

On 17 February 2026, the Board of Directors of Naturgy adopted the proposal for the distribution of the Company's 2025 net profit and prior-year retained earnings, which will be submitted to the shareholders at the annual general meeting, as described in Note 11.

Apart from the foregoing, there have been no other material events since the reporting date.

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**NATURGY TAX GROUP COMPANIES**

The companies in the Naturgy tax group for the year 2025, according to the statement made to the tax authorities, are as follows:

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Naturgy Energy Group, S.A.	Naturgy Ciclos Combinados, S.L.U.
Bio Carmona, S.L.U.	Naturgy Clientes, S.A.U.
Bio Caspe, S.L.U.	Naturgy Comercializadora Empresas, S.A.U.
Bio Corral de Almaguer, S.L.U.	Naturgy Commodities Trading, S.A.
Bio Criptana, S.L.U.	Naturgy Distribución Latinoamérica, S.A.
Bio Loja, S.L.U.	Naturgy Electricidad Colombia, S.L.
Bio Madrideojos, S.L.U.	Naturgy Engineering, S.L.
Bio Membrilla, S.L.U.	Naturgy Finance Iberia, S.A.U.
Bio Tarancón, S.L.U.	Naturgy Generación Térmica, S.L.U.
Bio Tobarra, S.L.U.	Naturgy Generación, S.L.U.
Bio Vilches, S.L.U.	Naturgy Iberia, S.A.
Biobarrax Albacete, S.L.U.	Naturgy Infraestructuras EMEA, S.L.
Biogas Lucainena, S.L.U.	Naturgy Ingeniería Nuclear, S.L.
Biogas Mediana, S.L.U.	Naturgy InnovaHub, S.L.
Biometano Segria, S.L.	Naturgy Inversiones Internacionales, S.A.
Boreas Eólica 2, S.A.	Naturgy Nuevas Energías, S.L.U.
Comercializadora Regulada, Gas & Power, S.A.	Naturgy Participaciones, S.A.U.
Encarnaciones Energy, S.L.	Naturgy Renovables Canarias, S.L.U.
Energías Ambientales de Somozas, S.A.	Naturgy Renovables Ruralia, S.L.
Energías Renovables Agüimes, S.L.U.	Naturgy Renovables, S.L.U.
Europe Maghreb Pipeline, S.L.	Naturgy Vento, S.A.
Gas Natural Comercializadora, S.A.	Nedgia Andalucía, S.A.
Gas Natural Redes GLP, S.A.	Nedgia Aragón, S.A.
Gas Natural Transporte SDG, S.L.	Nedgia Castilla La Mancha, S.A.
General de Edificios y Solares, S.L.	Nedgia Catalunya, S.A.
Global Power Generation, S.A.	Nedgia Cegas, S.A.
GNR Andalucía, S.L.U.	Nedgia Madrid, S.A.
GPG México Wind, S.L.U.	Nedgia, S.A.
GPG México, S.L.U.	Operación y Mantenimiento Energy, S.A.
H2Meirama, S.L.	Parque Eólico Nerea, S.L.
Holding de Negocios de Gas, S.A.	Parque Eólico Peñarrodana, S.L.
Holding Negocios Electricidad, S.A.	Petroleum, Oil & Gas España, S.A.
J.G.C. Cogeneración Daimiel, S.L.	Romera Eco Power Solar Energy, S.L.
La Propagadora del Gas, S.A.	Sagane, S.A.
Lignitos de Meirama, S.A.	Societat Eòlica de L'Enderrocada, S.A.
Mangos Energy, S.L.	Sol Morón Energy, S.L.
Naturgy Acciones, S.L.U.	Tratamiento Cinca Medio, S.L.
Naturgy Alfa Investments, S.A.U.	UFD Distribución Electricidad, S.A.
Naturgy Aprovisionamientos, S.A.	Unión Fenosa Preferentes, S.A.U.
Naturgy Capital Markets, S.A.	

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# Naturgy Energy Group, S.A.

## Report 2025

### DIRECTORS' REPORT



# Directors' report for the year ended 31 December 2025

## Table of Contents

<b>1.</b>	Main aggregates	2
<b>2.</b>	Main risks, opportunities and uncertainties	6
<b>3.</b>	Corporate governance	23
<b>4.</b>	Forecast Group performance	26
<b>5.</b>	Innovation	29
<b>6.</b>	Non-financial information statement	33
<b>7.</b>	Additional information	33
<b>8.</b>	Annual Corporate Governance report	34
<b>9.</b>	Annual Directors' Remuneration Report	34

# 1. Main aggregates

Naturgy Energy Group, S.A.'s main aggregates and their performance in the year are as follows:

	2025	2024	%
Revenue	1,843	1,468	25.5
Operating profit	1,679	1,409	19.2
Profit for the year	1,321	1,057	25.0
Shareholders' equity	16,193	17,684	(8.4)
Net equity	16,209	17,704	(8.4)
Financial debt	5,950	5,483	8.5

(1) According to the definition of Alternative Performance Metrics (APM) used, Financial debt is to the sum of the balance sheet headings "Long-term Financial Debt" (Euros 5,804 million as at 31 December 2025 and Euros 5,349 million as at 31 December 2024) and "Short-term financial debt" (Euros 146 million as at 31 December 2025 and Euros 134 million as at 31 December 2024). The relevance to use corresponds to the measure of the company's indebtedness, which includes current and non-current items. This indicator is widely used in the capital markets to compare different companies.

Naturgy Energy Group, S.A., is a company that operates basically through holdings in group companies and associates; accordingly, the information below refers to the Naturgy consolidated group (hereinafter, Naturgy).

## 1.1. Business performance and results

### Notes on financial disclosures

- Naturgy's financial disclosures contain magnitudes and metrics drafted in accordance with International Financial Reporting Standards (IFRS) and with the Alternative Performance Metrics (APM), which are viewed as adjusted figures with respect to those presented in accordance with IFRS. The APMs are defined in Appendix I to the Consolidated Directors' Report.

### Main financial aggregates

	2025	2024	Change (%)
Net sales	19,455	19,267	1.0 %
EBITDA	5,334	5,365	(0.6)%
EBIT	3,580	3,549	0.9 %
Consolidated profit attributable to equity holders of the parent company	2,023	1,901	6.4 %
Capital expenditure (CAPEX)	2,142	2,280	(6.1)%
Net borrowings	12,317	12,201	1.0 %
Free cash flow after non-controlling interests	2,242	1,418	58.1 %

<sup>1</sup> These alternative performance metrics were redefined to better reflect the investment efforts of the Group's businesses (see Appendix I Alternative Performance Metrics in the Consolidated Directors' Report).

### Key financials & metrics

	2025	2024
Leverage (%)	52.0 %	51.1 %
EBITDA/Net financial debt cost	10.1x	10.9x
Net financial debt/EBITDA	2.3x	2.3x

## Main stock market ratios and shareholder remuneration

	2025	2024
Total no. of shares ('000)	969,614	969,614
Average no. of shares outstanding ('000) <sup>1</sup>	930,411	960,734
Share price as at 31/12 (€)	25.92	23.38
Market capitalisation as at 31/12 (€ million)	25,132	22,670
Earnings per share (€) attributable to the parent company	2.17	1.98
Dividend paid <sup>2</sup>	1,682	1,357

<sup>1</sup> Calculated using the average number of outstanding shares in the year (average number of ordinary shares minus average number of treasury shares).

<sup>2</sup> Dividends paid, net of those received by group companies, amount to Euros 1,676 million and Euros 1,345 million as at 31 December 2025 and 2024, respectively.

## Key operating figures

Distribution	2025	2024
Gas distribution (GWh)	384,039	392,953
Electricity distribution (GWh)	34,684	34,410
Gas supply points ('000)	11,077	11,066
Electricity supply points ('000)	4,951	4,913
Gas distribution network (km)	138,247	137,567
Length of electricity transmission and distribution network (km)	158,557	157,165

Gas	2025	2024
Supply (GWh)	133,523	123,972
International LNG (GWh)	108,333	110,117
<b>Total gas supply (GWh)</b>	<b>241,856</b>	<b>234,089</b>

Electricity	2025	2024
Supply (GWh)	18,785	18,111
Electricity sales (GWh)	3,021	1,414
<b>Total electricity supply (GWh)</b>	<b>21,806</b>	<b>19,525</b>
Installed thermal generation capacity (MW)	10,675	10,675
Installed renewable capacity, excluding batteries (MW)	8,020	7,254
<b>Total installed capacity (MW)</b>	<b>18,695</b>	<b>17,929</b>
<b>Battery storage (MW)</b>	<b>65</b>	<b>65</b>
Net thermal production (GWh)	32,988	28,279
Net renewable production (GWh)	15,188	14,381
<b>Total net production (GWh)</b>	<b>48,176</b>	<b>42,660</b>

## Environmental and social performance

<b>Environment</b>	<b>2025</b>	<b>2024</b>
Power generation emission factor (t CO <sub>2</sub> /GWh)	244	234
Greenhouse gas (GHG) emissions (M tCO <sub>2</sub> eq) <sup>1</sup>	13.4	11.9
Emissions-free installed capacity (%) <sup>2</sup>	46.0	43.7
Emissions-free net production (%) <sup>2</sup>	39.4	43.0
<b>Interest in people</b>	<b>2025</b>	<b>2024</b>
No. of employees at year-end <sup>3</sup>	6,764	6,941
Training hours per employee <sup>4</sup>	49.6	46.0
Women (%) <sup>3,5</sup>	36.8	35.4
<b>Health and safety</b>	<b>2025</b>	<b>2024</b>
No. of accidents leading to time lost	6	12
Frequency index of accidents with lost time <sup>6</sup>	0.46	0.89
<b>Commitment to society and integrity</b>	<b>2025</b>	<b>2024</b>
Economic value distributed (Euros million) <sup>7</sup>	17,689	17,173
No. of complaints received by the Ethics Committee	125	117

<sup>1</sup> GHG: greenhouse gases, measured as tCO<sub>2</sub> equivalent (scope 1 and 2).

<sup>2</sup> Does not include the number of employees of businesses classified as discontinued operations (8 persons in 2025 and 12 persons in 2024).

<sup>3</sup> Considering employees under management, according to the Non-Financial Information Statement and Sustainability Report.

<sup>4</sup> Considering the workforce managed by the Group, according to the Consolidated Non-Financial Information Statement (previously calculated on the basis of the workforce managed in Spain). The information for 2024 has been restated for consistency.

<sup>5</sup> The information for 2024 has been restated in accordance with the criteria of Commission Delegated Regulation (EU) 2023/2772 and is now calculated per million hours worked (previously it was calculated per 200,000 hours worked, in line with OSHA criteria).

<sup>6</sup> Defined in Appendix I – Alternative Performance Metrics.

## 1.2. Executive summary

During 2025, gas and electricity prices remained higher on average than in 2024, driven by ongoing geopolitical tensions and macroeconomic uncertainty.

These factors contributed to a decoupling between gas and oil price indexes, with oil prices in 2025 below their average for 2024.

In 2025, Naturgy's EBITDA reached a record Euros 5,334 million, as in 2024. These solid results reflect the Group's diversification and resilience, with a balanced combination of risks, geographies and regulated and liberalised activities. Consolidated profit for the year attributable to the parent company reached Euros 2,023 million, an increase of 6.4% over 2024. Cash flow was strong in 2025, and Naturgy maintained a solid balance sheet despite the Euros 2.332 billion share buyback completed in June 2025. Most of the repurchased shares were sold to institutional investors through accelerated placements in August and October 2025.

Results in the regulated activities were stable after adjusting for the extraordinary events of 2024, driven by higher regulatory remuneration in Electricity Spain and tariff updates in Latin America, offset by a negative currency effect. Energy Management made a decisive contribution to results in Naturgy's deregulated businesses, supported by competitive gas procurement and proactive risk management. The Thermal Generation business achieved good results, especially in Spain, mainly as a result of increased production in the constraint market. These results highlight the essential role of flexible generation assets (particularly combined cycle gas plants — CCGTs) in maintaining system stability and security of supply. As renewable penetration continues to increase, so does the system's reliance on CCGTs to provide critical balancing and support services. Naturgy also continued to expand its installed renewable capacity, making progress in decarbonisation. Renewables improved results moderately, supported by higher installed capacity, particularly in Australia. In Spain, the increase in renewable capacity was offset by lower hydroelectric and wind power production.

Additionally, in 2025, the Group recognised total revenue of Euros 146 million related to the recovery of the Special Tax on Hydrocarbons (IEH) paid between 2014 and 2018. The Supply business reported lower results after benefiting in 2024 from the favourable court ruling on the energy subsidy.

During 2025, capital expenditure amounted to Euros 2,142 million, mainly in Distribution Networks and Renewable Generation. In line with the 2025-2027 Strategic Plan, investment in Distribution Networks accounted for 47% of total capex, compared to 40% in 2024, while investment in the Renewable Generation business represented 36% of total capex, compared to 44% in 2024. The installed capacity in Renewable Generation reached 8.0 GW, with 1.2 GW of additional capacity currently under construction. Capital discipline and profitability continue to be the cornerstones of the Group's approach in the current environment, while focusing selectively on growth in renewables.

Naturgy also continues to make progress in the field of Renewable Gases, where it has three alliances: with agricultural and livestock waste management companies (Hispania Silva and Bioeco Energías) and a project developer (ID Energy) to develop biomethane plants throughout Spain by 2030. The Group continues to aspire to be the leading developer of renewable gases in Spain; it is well positioned to take advantage of this opportunity and ready to deploy significant investments and resources in this business.

At 2025 year-end, Naturgy's net interest-bearing debt stood at Euros 12,317 million, compared to Euros 12,201 million in 2024. The ratio of net interest-bearing debt to EBITDA stood at 2.3x, even after the impact of the Euros 2.332 billion share buyback completed in June 2025. In addition, an accelerated share placement transaction was carried out on 7 August for a net amount of Euros 495 million, and another was carried out on 9 October for a net amount of Euros 879 million. Both transactions were part of the 2025-2027 Strategic Plan and enabled the company to achieve its objective of increasing free float, boosting share liquidity, and returning to the main stock market indices.

As for shareholder remuneration during 2025, Naturgy distributed Euros 1,676 million in dividends (net of the amount received by group companies), including a 2024 supplementary dividend amounting to €0.60 per share in cash, paid in April 2025, and two interim dividends out of 2025 earnings each amounting to €0.60 per share, paid in July and November 2025, respectively. As part of the 2025-2027 Strategic Plan presented in February 2025, Naturgy revised its dividend distribution policy and established a plan to steadily increase the annual dividend from €1.7 per share in 2025 to €1.90 per share in 2027, subject to maintaining a BBB credit rating. Following the completion of the tender offer for own shares, treasury stock amounted to 4.5% of total capital. Dividends will be paid to all shares not classified as direct treasury stock on the dividend distribution date. A total dividend of €1.77 share out of 2025 earnings will be proposed to the Annual Shareholder's Meeting, in accordance with the established dividend policy. The supplementary dividend of € 0.57 per share will be payable from 31 March 2026, subject to approval by the General Shareholders' Meeting.

## Tender offer and subsequent placement

During 2025, Naturgy carried out significant operations within the framework of its 2025-2027 Strategic Plan, which aims to restore adequate levels of free float, promote the share's liquidity and strengthen its presence in international stock market indices. In this context, the Group made a voluntary tender offer to acquire 88 million own shares, which was executed in June 2025, followed by various orderly placements of treasury stock on the market. For further details, see Section 7.1 "Own shares," of this document.

## MSCI (Morgan Stanley Capital International)

In February 2024, Morgan Stanley Capital International (MSCI), a global benchmark for institutional investments and numerous mutual funds and exchange-traded funds, announced changes to the composition of several of its indexes. As a result, Naturgy ceased to be a component of several MSCI indices, effective as of market close on the last business day of February 2024. The exclusion was based on the market value of Naturgy's free float, which had fallen below MSCI's minimum inclusion thresholds, and was unrelated to the Group's operating and financial performance.

Naturgy carried out a number of transactions that restored its free float to appropriate levels. As a result, Naturgy was reinstated in the main stock market indices, notably the MSCI indices, in November 2025.

## Changes in the shareholder structure

There were significant changes in the ownership structure in 2025 as a result, among other factors, of the goal of restoring free float and strengthening the company's presence in stock market indices. For further details, see Note 3, "Corporate governance model," of this document.

## Energy demand and commodity prices

Average gas and electricity prices in Europe were higher in 2025 than in 2024, influenced by macroeconomic uncertainty, geopolitical developments and lower temperatures. These factors contributed to a decoupling between gas and oil price indices, with Brent trading below the 2024 average. In this context, the HH, TTF and JKM indices stood on average 52%, 12% and 8%, respectively, above their 2024 levels. In addition, wholesale electricity prices were 4% higher on average than in 2024. In contrast, average Brent prices were 14% lower than in 2024.

Demand performance was mixed across the various markets. Gas Mexico remained stable, while demand declined by 8.2% in Gas Brazil, 8.1% in Gas Argentina, 4.4% in Gas Chile and 0.8% in Gas Spain. Demand in Electricity Spain increased by 1.5%, while Electricity Argentina and Electricity Panama experienced declines of 4.5% and 0.2%, respectively.

# 2. Main risks, opportunities and uncertainties

## 2.1. Risk control and management model

Naturgy's Risk Control and Management Model determines the risk assessment methodologies and models, controls, manages and establishes the Group's risk reporting, ensuring that a risk profile and target risk limits are maintained to guarantee that the level of exposure in the course of its activities is consistent with its annual and strategic objectives.

The model is implemented on the basis of the principles of integration, segregation, homogeneity, coherence and transparency in corporate governance, and is structured in four pillars:

- **Risk governance:** defines governance for each type of risk, establishing the necessary regulations and assigning responsibilities.
- **Risk Assessment:** establishes the risk assessment methodologies, harmonising common procedures for the identification, assessment and treatment of the information associated with each risk, to ensure uniformity and coherence both when quantifying them individually and when subsequently aggregating them, with the aim of achieving a homogeneous, integrated vision of them.

The metrics used to assess risk depend on the nature of the risk, mainly:

- Quantitative/Stochastic: probabilistic scenario simulation with random components makes it possible to assess deviations within different confidence intervals.
- Deterministic/Scenarios: Expected impact of an event based on its probability.

- Stress Test: Assessment of extreme scenarios.
- Heatmaps: qualitative analysis of the risk on a factor basis.
- **Risk Appetite:** establishes the risk tolerance by setting limits for the main risk categories, as a function of the Group's targets.
- **Risk Reporting:** establishes regular, systematic risk reporting at different management levels, expressed in the Corporate Risk Map, recurring risk reports and/or ad hoc reports.  
The Corporate Risk Map identifies and quantifies the risks that might affect Naturgy's performance, providing a comprehensive, consistent and integrated overview of these risks.

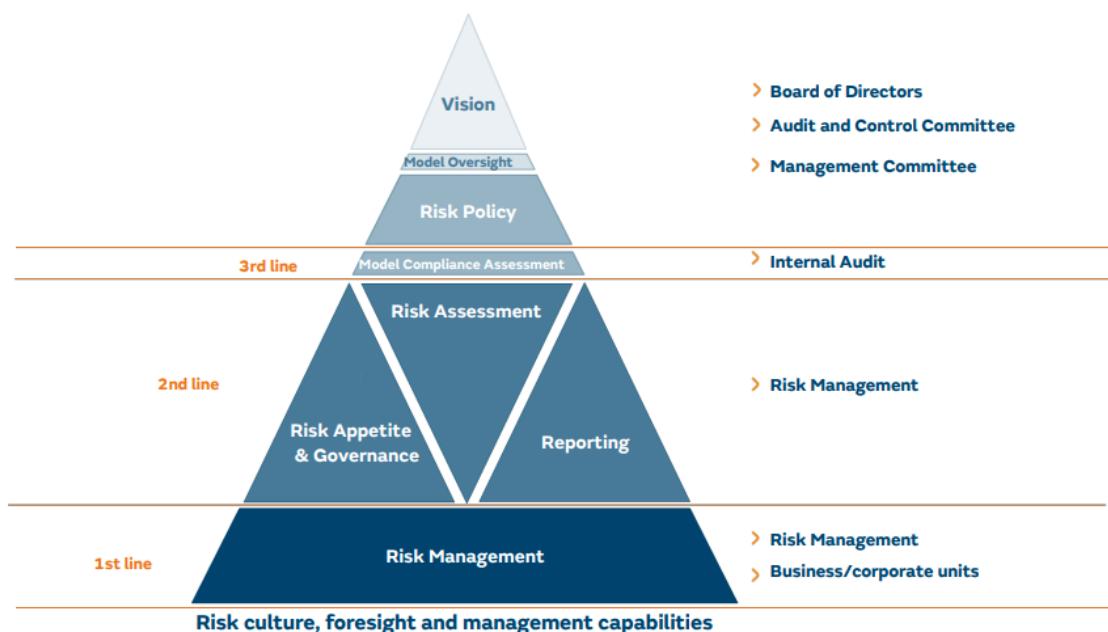
## Risk management bodies

Naturgy has a framework integrating the vision of governance, risks and compliance so as to provide a 360-degree view of the group's processes, existing controls and associated risks.

To this end, it has a number of bodies with clearly identified areas of responsibility, making it possible to delimit the predictability and ensure the sustainability of Naturgy's operational and financial performance.

- The **Board of Directors** approves the Global Risk Policy and oversees the Risk Control and Management Model.  
  
The Global Risk Policy establishes the basic principles and general guidelines needed to ensure the proper identification, assessment, control, management and reporting of Naturgy's risk exposure, ensuring that this level of exposure is aligned with the overall target risk profile (Risk Appetite) and with the fulfilment of the Group's annual and strategic objectives.
- The **Audit and Control Committee**, by delegation from the Board of Directors, oversees the effectiveness of the Risk Control and Management Model by monitoring compliance with the Global Risk Policy.
- The **Management Committee** promotes a culture of risk control and management, approves the Risk Control and Management Model, ensures its proper functioning and, at its discretion, may set up such committees as it deems appropriate to which it may delegate these functions. In addition, they propose the definition of risk tolerance by setting limits (Risk Appetite) for the main risk categories aligned with the Group's objectives, for subsequent approval by the Board of Directors.
- **Internal Audit**, as a third line of defence, conducts appropriate audits to assess the level of compliance with the Global Risk Policy and the Risk Control and Management Model.
- The **Corporate Risk Management Function:**
  - Implements the content of the Global Risk Policy and ensures it is complied with and updated.
  - Convenes the necessary subcommittees to ensure the proper functioning of the Risk Control and Management Model, as well as any other committees that may have been established.
  - Defines, implements and/or supervises the modelling and quantification of all risks in order to ensure that the metrics are appropriate and consistent.
  - Produces and periodically updates the Corporate Risk Map and recurring risk reports for presentation to the Board of Directors, the Audit and Control Committee, and the Management Committee.
  - Ensures that business and corporate units assume their responsibility for identifying, assessing, controlling, managing and reporting risks.
  - Controls risks.

- Manages risks within its area of responsibility, participating in particular in the overall management of market and credit risks, as well as associated strategic risks.
  - Assesses the impact of operations with potential risk implications, and identifies the level of authorisation required for them.
- **Business and Corporate Units:**
    - Identify and manage risk within their areas of responsibility in accordance with established governance, complying with the limits and criteria approved in the Global Risk Policy and/or associated regulations, under the supervision and guidelines of the Corporate Risk Management Function.
    - Report to the Corporate Risk Management Function on the monitoring of risks within their area of responsibility, as well as all the necessary business and operational information for risk modelling and measurement. Also, as appropriate, they produce their own risk maps aligned with the common methodology of the Corporate Risk Map.



## Risk categories

Naturgy defines five types of risk in its Corporate Risk Map: Economic, Financial, Operational, Reputational/Compliance, and Strategic.

### Types of economic and financial risk

For economic and financial risk types, a risk assessment is performed using quantitative/stochastic modelling or deterministic/scenario methodology; in the latter case, the expected impact of the event is assessed based on its probability.

#### Categories of economic risk

Risks arising from the volatility of external factors, changes in supply and demand, changes in regulatory frameworks, as well as legal risks, with an impact on the Group's results:

- **Commodity risk:** uncertainty caused by variability in the prices of the energy and other commodities that Naturgy uses.
- **Margin/price risk (other than commodity risk):** Uncertainty associated with the performance of key variables as a result of changes in competitive pressure, unmet margin assumptions and/or contract revisions.
- **Exchange rate risk:** the uncertainty associated with changes during the year in the exchange rates of the currencies in which Naturgy's businesses are denominated.
- **Volume risks:** uncertainty associated with variations in volumes produced, procured, distributed and/or supplied due to the characteristics of the markets and the demand in which Naturgy's businesses operate, weather and climate factors, and/or the macroeconomic environment.

Given their nature and how they are managed, these four risks are grouped broadly under the heading of **Market Risk**.

- **Regulatory risk:** uncertainty associated with reviews of the remuneration frameworks and/or parameters for the regulated businesses or changes to the regulatory framework in which Naturgy's businesses operate.
- **Legal risk:** uncertainty associated with the potential outcome of litigation, arbitration or legal claims against Naturgy.

#### Financial risk categories:

Risks arising from changes in tax frameworks, asset financing structures and funding needs, and delinquency, with an impact on the Group's cash flow and/or balance sheet.

- **Tax risk:** uncertainty associated with the proper application of tax regulations, the complexity of their interpretation, and possible amendments, with a potential economic impact on the Group's consolidated annual accounts.
- **Credit risk:** uncertainty associated with the deterioration of credit quality or default by Naturgy's various customer segments and/or trade and financial counterparties.
- **Interest rate risk:** uncertainty associated with interest rate changes impacting the Group's financial expenses, arising from the need for funding in the currencies in which Naturgy's debt is denominated.
- **Rating risk:** uncertainty associated with the review of the Group's rating in relation to the established target.
- **Liquidity risk:** uncertainty associated with a potential increase in funding requirements and the Group's ability to meet its financial obligations.

## Types of Operational, Reputational/Compliance and Strategic risk

Operational, reputational/compliance and strategic risk types are generally assessed quantitative/stochastic modelling or a deterministic/scenario methodology, heat maps, internal/external rating assessments and/or stress tests.

#### Operational risk categories

Risks arising from failures in processes, systems, people, physical assets and/or external factors that could negatively impact business continuity and sustainability and/or result in financial losses, legal penalties or impairment of health and safety.

- **Operational risk:** uncertainty associated with chance events, process failures or accidents affecting people, financial losses and/or damage or unavailability of the Group's operating assets.

- **Nature-related risks:** uncertainty associated with the adverse effects that ecosystem degradation, species loss or disruption of ecosystem services may have on Naturgy's operations, supply chain and financial value, due to the organisation's dependencies, and impacts, on natural resources.
- **Climate change risk:** Uncertainty associated with physical impacts, whether due to extreme natural events or gradual, long-term climate change, and impacts resulting from transition policies that bring about changes in regulations, the market or technology.
- **Security risk:** uncertainty associated with the occurrence of personal injury or property damage caused intentionally by a third party.
- **Third-party risk:** uncertainty associated with relationships with third parties whose behaviour/performance may result in loss, damage, operational disruption, regulatory non-compliance and/or possible loss of control, quality or service of outsourced processes, including the impact on business continuity due to disruptions at suppliers, contractors, business partners, vendors and any other external entity with which the organisation has a contractual or collaborative relationship.
- **Fraud risk:** uncertainty associated with the occurrence of any unlawful action carried out intentionally by an employee or third party to obtain a direct or indirect personal benefit through the misuse of Naturgy's resources or assets.
- **Cybersecurity risk:** uncertainty associated with the occurrence of malicious attacks or accidental events with an operational impact such as to affect data, computer networks or technology.
- **Data protection risk:** uncertainty associated with breach of data protection obligations that may result in an administrative penalties or civil judgements.
- **Health and safety risk:** uncertainty associated with injuries and deterioration in the health of Naturgy professionals and those of partner companies related to its activity.

#### Reputational/compliance risk categories

Risks arising from breach of current laws, applicable regulations, both internal and external, and Naturgy's ethical standards, as well as inadequate performance in connection with ESG, customer satisfaction and talent management, which may result in financial losses, penalties, litigation or harm to the Group's reputation.

- **Compliance risk:** uncertainty associated with breach of current legislation, as well as any policies and other internal regulations applicable to the Group's activities that may result in penalties, financial losses and/or reputational damage.
- **Reputational and ESG risk:** uncertainty associated with changes in stakeholders' perceptions of Naturgy's reputation and its ability to develop sustainable businesses, from an environmental, social and governance (ESG) perspective.
- **Customer satisfaction risk:** uncertainty associated with the impairment of customer satisfaction due to shortcomings in the execution of processes that impact their life cycle.
- **Risk to persons:** uncertainty associated with changes in political and economic contexts, modifications to labour regulations, or those arising from the management of the processes that make up Naturgy's value proposition and professional experience.

#### Strategic risk categories

risks associated with Naturgy's long-term business portfolio arising from strategic planning (such as long-term exposure to commodities, capital allocation by geography, the risk profile of the businesses, the commercial strategy, and the development of new initiatives), changes in the competitive environment, business sustainability (including climate change and other nature-related risks) and innovation initiatives, which affect the company's ability to achieve its long-term objectives.

In general, the impacts of strategic risks will be factored into projections, within the appropriate time horizon, of economic, financial, operational and reputational/compliance risks.

## 2.2. Description of the main risks

### Market risk

#### Commodity risk

In the gas business, it should be noted that Naturgy's operating results are linked to the purchase and sale of gas to supply a diversified customer portfolio.

Most gas procurement contracts are arranged on a long-term basis with purchase prices based on a combination of commodity prices, basically crude oil and its derivatives, and natural gas hub prices.

Selling prices to final customers are generally agreed on a short/medium-term basis and are conditioned by the supply/demand balance existing at any given time in the gas market. This may result in decoupling with respect to gas procurement prices.

Consequently, Naturgy is exposed to variations in gas procurement prices with respect to the sale price to end customers. Exposure to this risk is managed and mitigated by natural hedging, seeking to balance the commodity exposures of both prices. Additionally, the main long-term procurement contracts allow us to manage this exposure through volume flexibility and price review mechanisms.

When it is not possible to achieve a natural hedge, the position is managed, within reasonable risk parameters, through derivatives, generally designated as hedging instruments, to reduce exposure to price decoupling risk. However, these hedges may prove to be ineffective in the event of changes in the expected dates of the purchase and sale transactions, a reduction in the volumes hedged, or a decoupling from the indices hedged in the purchase and sale transactions.

In the integrated electricity businesses, the Group's aggregate exposure is determined by the strategic generation/supply positioning and by the final sale pricing policies in electricity supply. This position includes managing exposure to changes in the price of CO<sub>2</sub> emission rights, which affects the purchase of rights for power generation by its CCGT plants.

#### Margin/price risk (other than commodity risk)

The deregulated businesses experience competitive pressure on sales prices and market shares and, therefore, on their margins.

Naturgy monitors and quantifies the margins in all its businesses, identifies significant deviations from margin spread assumptions and mitigates risk by adjusting contract terms.

#### Exchange rate risk

Naturgy has interests in several countries and is exposed to the exchange rate in each of their currencies.

Exchange rate risk is largely mitigated by financing investments in local currency. Priority is also given to aligning the costs and revenues of activities referenced to the same currency, as well as the amounts and maturities of assets and liabilities arising from transactions denominated in currencies other than the euro.

Additionally, exchange rate risk is managed by arranging financial derivatives within the limits approved for hedging instruments, the level of exposure and the risk appetite approved each year.

## Volume risk

Naturgy measures, monitors and quantifies all volume risks each year and adopts an overarching approach to managing its contracts and assets in order to optimise the Group's energy balance.

In the gas and electricity businesses, there is uncertainty regarding customer demand, which may deviate from forecasts due to variability in weather/climate factors, changes in the macroeconomic environment and, in the case of deregulated businesses, competitive pressure on market share.

In the gas business, natural gas and liquefied natural gas (LNG) procurements are arranged under long-term contracts, which include take-or-pay clauses under which Naturgy is obliged to purchase certain volumes of gas each year. Significant downward deviations in gas demand may result in contractual penalties under those clauses. Moreover, in an alternative scenario where there is a shortage of gas or excess demand, the additional cost of short-term procurements might have a material adverse effect on the group's operating costs.

In the electricity business, in addition to uncertainty regarding customer demand, Naturgy's results are exposed to variability in generation volumes, which are shaped by the evolution of demand itself and by the generation mix in the market, which is being particularly affected by the growing relative weight of renewable energies.

## Regulatory risk

Regulated and unregulated activities co-exist in the gas and electricity distribution businesses. The legislation applicable to the natural gas and electricity industries is typically subject to regular review by the competent authorities, which might have an impact on the remuneration for regulated activities, affecting Naturgy's business operations and financial position.

Naturgy manages regulatory risk on the basis of regular communication with the regulators. In addition, in its regulated activities, Naturgy adjusts its costs and investments to the allowed rates of return for each business.

## Operational risk

Naturgy's activities are exposed to various operational risks, such as breakdowns in the distribution network, accidents at electricity generation facilities, accidents in gas tankers, explosions, pollutant emissions, toxic spills, fires, adverse weather conditions, and breaches of contract.

Additionally, claims might be brought against Naturgy for personal injury and/or other damage arising in the ordinary course of its operations. Such claims could result in the payment of indemnities under the legislation applicable in the countries in which Naturgy operates.

Naturgy has an extensive insurance programme to cover its operational exposure.

There is also the possibility that, as a result of the company's activities and due to the occurrence of an event, whether unforeseen, accidental, voluntary or involuntary, environmental limits set by the regulator are exceeded and/or damage is caused to third parties.

This environmental risk includes, but is not limited to, events derived from emissions of polluting gases other than greenhouse gases (GHG), noise, consumption and/or contamination of surface or ground water, spills, soil contamination, poor waste management, landscape impact, impact on cultural heritage, etc.

Naturgy has identified the environmental risks at its facilities based on the reference standard (UNE 150008 in Spain). To prevent these risks, the company has implemented a certified integrated management system that includes operational control and environmental management procedures. This system is audited internally and externally and certified each year.

Naturgy has also implemented emergency plans at facilities and warehouses at risk of environmental accidents, including an action plan, means of containment, and regular drills.

Naturgy arranges specific insurance policies to cover risks of this type.

All the Group's efficiency plans are based on the fundamental premise of ensuring people's safety and well-being. Operational improvement is only conceivable when it is fully compatible with safe working environments, responsible practices and rigorous risk management. In line with industry best practices, safety is a vital part of every level of the Group's activity, from process design and the adoption of new technologies to talent management and strategic decision-making, in the understanding that sustainable efficiency is only possible when protecting people is a priority across the board.

## Nature-related risks

These refer to the uncertainty associated with the adverse effects that ecosystem degradation, species loss or disruption of ecosystem services may have on Naturgy's operations, supply chain and financial value, due to the organisation's dependencies, and impacts, on natural resources.

These risks include, but are not limited to, physical and transitional impacts, impacts derived from changes in regulation, ecosystem destruction and/or alteration, damage to protected or high-value areas and/or species, and impacts on areas of high water stress due to consumption, discharge and/or regulation of flows, etc.

These impacts and dependencies may generate risks associated with the impact on endangered species and tightening of biodiversity protection regulations, which could lead to delays in project authorisation, higher operational and development costs, reduced revenues or even reputational risks.

Naturgy has adopted the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) for analysing the risks and opportunities related to biodiversity.

Nature-related risks are discussed in more detail in chapter E4. "Biodiversity and ecosystems" of the 2025 Non-Financial Information Statement and Sustainability Report.

## Climate change risk

In order to integrate the climate variable into Naturgy's strategic planning, climate change risks and opportunities are identified, measured and managed in accordance with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

In line with the TCFD taxonomy, climate change risk is derived from two risk factors: the energy transition, arising from changes in regulations, the market or technology, and the physical impacts of climate change, classified into acute physical impacts (increase in extreme weather events) and chronic physical impacts (sustained increase in average temperatures, and sea level rise).

In recent years, there have been no weather events with significant repercussions on operations or major financial losses.

The Board of Directors has approved the Climate Transition Plan, which establishes the lines of action in the coming years to mitigate the effects of climate change on Naturgy and to adapt the Group to the constantly changing climate conditions. Naturgy's Strategic Plan 2025-2027 envisages continuing to invest in the energy transition, principally in renewable generation, electricity grids and renewable gases. It also plans to continue developing energy solutions that promote efficiency at a competitive cost for customers.

Naturgy's Climate Transition Plan will contribute to the future objective of transforming the energy mix as contemplated in Spain's new National Energy and Climate Plan (NECP) 2023-2030, approved by the Cabinet in September 2024, which is also aligned with the EU's objective of climate neutrality by 2050. For the other countries where Naturgy operates, the published national plans and the GHG reduction pathways set out by the International Energy Agency in the "Net Zero Roadmap" scenario are taken into account.

Naturgy continuously assesses the physical risks to each asset and the transition risks for all its activities (see the assessment of these risks in section "E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities" in the 2025 Consolidated Non-Financial Information Statement and Sustainability Report). Climate change risk is discussed in detail in note 2.4.25.k to the consolidated annual accounts and in chapter "E1. Climate change" of the 2025 Non-Financial Information Statement and Sustainability Report.

## Cybersecurity risk

Naturgy is exposed to threats in connection with the availability, confidentiality, integrity and privacy of the information and technology that support business processes as well as the risk of breach of regulations related to cybersecurity.

Such threats include unauthorised access and the use, disruption, modification or destruction of information as a result of terrorist acts, malicious attacks, sabotage and other intentional acts.

Naturgy has policies, regulations, a control framework and a global cybersecurity governance system for the entire organisation that is aligned with regulatory requirements and establishes monitoring, contingency and security plans; it also has insurance policies that cover that exposure.

Cybersecurity risk is discussed in detail in chapter "5. Specific information. Cybersecurity" in the 2025 Non-Financial Information Statement and Sustainability Report.

## Reputational and ESG risk

Naturgy has identified its stakeholder groups and subgroups and defines reputational risk as the gap between those groups' expectations and the company's performance in the environmental, social and governance dimensions.

In this regard, Naturgy has a Sustainability Policy that defines the framework for action in the areas of the Environment, Society and Governance. This policy aims to identify and mitigate the risks associated with these areas, ensuring compliance with established best practices and standards.

It also has a Sustainability Plan that sets out its commitments and lines of action for the period 2025-2027, supporting the company's transformation process by aligning the 2025-2027 Strategic Plan with the commitments in the Global Sustainability Policy. To ensure the reliability of information on environmental, social and governance aspects, Naturgy has implemented a system of Internal Control over Sustainability Reporting (ICSR).

## Other risks

Financial risks (interest rate, credit, liquidity and rating-related capital management risk) and legal risks are discussed in Notes 18 and 36, respectively, to the consolidated annual accounts.

Tax, compliance and fraud risk are discussed in chapter "5. Specific information" and in chapter "G1. Business conduct policies and corporate culture" in the 2025 Non-Financial Information Statement and Sustainability Report, respectively.

Data protection and customer satisfaction risks are discussed in chapter "S4. Consumers and end-users" in the consolidated directors' report.

Third-party risk is discussed in chapter "4. Business conduct" and health and safety risk is discussed in sections "3.1 Own workforce" and "3.2 Workers in the value chain", for personnel of partner companies, respectively, in the 2025 Non-Financial Information Statement and Sustainability Report.

## Main risks: management, metrics and trends

Risk type	Description	Management	Metric	Trend
<b>Commodity risk</b>				
Gas	Volatility in the international markets that determine the gas price.	Management of the procurement and sale portfolio, complemented with financial hedges.	Stochastic	Gas index volatility Decoupling of commodity price performance. ↔
Commodity prices	Electricity	Volatility in electricity markets.	Optimisation of the generating fleet and supply structure, complemented with financial hedges.	Stochastic ↑ Penetration by renewables with zero marginal cost and intermittent production. Decoupling of commodity price performance.
<b>Exchange rate risk</b>				
Exchange rate	Currency volatility in the countries where Naturgy operates.	Geographic diversification. Hedging via local-currency funding, derivatives and pricing.	Stochastic	Uncertainty about growth and inflation prospects in Latin America, especially in Argentina, Brazil and Mexico, to a lesser extent. ↑
<b>Regulatory risk</b>				
Regulatory	Exposure to reviews of criteria and returns recognised for regulated activities and/or new regulatory measures.	Step up communications with regulators. Adjust efficiency and capital expenditure to recognised rates.	Scenarios	Pressure from regulators, as a function of the situation of the country/industry. ↑
<b>Volume risks</b>				
Gas	Mismatch between gas supply and demand.	Optimisation of contracts and assets worldwide.	Deterministic /Stochastic:	Aggregate demand pressure. Risk of curtailment or interruption of supply. ↔
Volume	Electricity	Reduction of the available thermal gap. Uncertainty as to renewable production volume due to resource variability.	Optimisation of Naturgy's electricity balance.	Stochastic ↔ Aggregate demand pressure. Predictability of renewable output.
<b>Margin/price risk</b>				
Margin/price	Risk created by changes in competitive pressure or margin optimisation scenarios.	Portfolio management by adjusting contract terms.	Scenarios	Reviews of long-term gas contracts. Competitive pressure in the renewal of supply contracts. ↑
<b>Legal risk</b>				

Legal	Uncertainty as to the eventual outcome of litigation, arbitration or legal claims.	Analysis and mitigation of legal risk affecting the company's operations and corporate governance. Engagement of top-level law firms. Recognition of provisions in accordance with accounting standards.	Scenarios	The business units are affected by different laws in each country. ↔
<b>Operational risk</b>				
Operational risk	Accidents, damage and non-availability of Naturgy assets. With regard to environmental incidents, this includes the possibility that natural phenomena or human action may result in regulatory environmental limits being exceeded, leading to harm to third parties, ecosystems or biodiversity.	Continuous improvement plans. Optimisation of total cost of risk and of hedges. Emergency plans at facilities with risk of environmental accident. Specific insurance policies. Comprehensive environmental management through an Integrated Management System, that is certified and audited annually by TÜV (environmental).	Stochastic	Soft insurance market in the short term, with improvements in coverage and lower premiums, due to a decrease in natural disaster claims over the last 48 months. ↔
<b>Credit risk</b>				
Credit	Uncertainty associated with the probability of non-payment of financial obligations and/or deterioration of the credit quality of end customers and counterparties.	Analysis of customer solvency to define specific contractual conditions. Debt collection process. Arrangement of insurance.	Stochastic	Stability of expected and unexpected losses. ↔
<b>Interest rate risk</b>				
Interest rate	Volatility in interest rates applicable to Naturgy's financing.	Diversification of funding sources. Debt management. Financial hedges.	Stochastic	Uncertainty about the interest rate scenario. ↔
<b>Tax risk</b>				
Tax	Ambiguity or subjectivity in the interpretation of current tax regulations, or due to amendments or the enactment of new regulations.	Queries to independent expert bodies. Engagement of top-level advisory firms. Adoption of the Code of Best Tax Practices. Recognition of provisions in accordance with accounting standards.	Scenarios	Increasing complexity of the applicable tax items and wide differences between regulations in different territories. All of this affects the different business and corporate units. ↑
<b>Liquidity and rating risk</b>				

Liquidity and rating risk	Financial risks associated with maintaining the Group's rating, derived from liquidity conditions or other causes.	Establishment of measures to ensure liquidity and the target rating.	Scenarios	Ratification of the target of an investment grade rating. ↔
<b>Security risk</b>				
Security	Residual risk associated with personal injury or material damage to critical facilities caused intentionally by a third party.	Corporate positioning through the Security Policy, defining a specific protection model for Critical Infrastructures (CI). Engagement with the businesses, Centro Nacional para la Protección de Infraestructuras Críticas (CNPIC), Instituto Nacional de Ciberseguridad (INCIBE-CERT) and other bodies.	Heatmap/ Scenarios	Certification audits of critical undertakings by the regulator (future CNPREC), in which technology will be of great importance. ↔
<b>Third-party risk</b>				
Third parties	Uncertainty associated with relationships with third parties whose behaviour/performance may result in loss, damage, operational disruption, regulatory breach and/or possible loss of control.	Supplier risk management. Due diligence procedures for analysing counterparty risk. Systematic adoption of the Supplier Code of Ethics. Annual Internal Audit Plan to detect weaknesses and implement improvement actions under the supervision of the Audit and Control Committee.	Heatmap/ Scenarios	Assessment, monitoring and oversight of suppliers on the basis of the risks in the energy sector, specific supply risks, and risks in the country where the supply is made. ↑
<b>Fraud risk</b>				
Fraud	Risk derived from any intentional breach of the law by an employee or a third party to benefit themselves or the company, directly or indirectly, through the improper use of Naturgy resources or assets.	Control mechanisms through the system of Internal Control over Financial Reporting (ICFR), the crime prevention model, and the Global Financial Information and Sustainability Policy. Ongoing audits	Scenarios	Improvement in fraud identification ratios using AI tools and developments, helping to contain fraud. ↑
<b>Cybersecurity risk</b>				

Cybersecurity	Malicious attacks or accidental events that affect data, computer networks or technology.	Implementation of security measures; analysis of events and application of remedies; training. Strengthening awareness plans, technology plans and measures to protect infrastructure and operating assets in order to mitigate the likelihood of risks and associated impacts materialising.	Scenarios/ Heatmaps	Increase in threats driven by AI, cybercriminals and the geopolitical context.  ↑
<b>Data protection risk</b>				
Data protection	Uncertainty associated with breaches of data protection obligations that may result in an administrative sanction or civil judgement.	Action Plan for each business area to mitigate the risk associated with each obligation based on priority and criticality. The company works in line with the requirements of the General Data Protection Regulation (GDPR) and Spain's Organic Law 3/2018, of 5 December, on the Protection of Personal Data and Guarantee of Digital Rights (LOPDGDD). Internal audit plan in connection with regular compliance reviews.	Heatmap/ Scenarios	Regulatory uncertainty and tightening requirements.  ↑
<b>Nature-related risks</b>				
Related to nature	Adverse effects that ecosystem degradation, species loss or disruption of ecosystem services may have on Naturgy's operations, supply chain and financial value, due to the organisation's dependencies, and impacts, on natural resources.	Emergency plans at facilities with risk of environmental accident. Specific insurance policies. End-to-end environmental management. Naturgy has adopted the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD) for analysing the risks and opportunities related to biodiversity.	Scenarios/ Heatmaps	Significant regulatory and/or legislative changes depending on location.  ↔
<b>Health and safety risk</b>				

Health and safety	Risk of injury and health impairment for professionals of Naturgy or partner companies in connection with the business.	Health and safety management system. Safety plan aimed at controlling the six most critical risk factors in terms of accident frequency and severity: confined spaces, work at heights, electrical risk, tree felling and pruning, load handling, and road safety.	Heatmap/ Scenarios	Stable at low risk values.
				↔
<b>Reputational and ESG risk</b>				
Reputational and ESG	Impairment of stakeholders' perception of Naturgy due to environmental, social and governance issues.	Identification and tracking of potential reputational events. Transparency. Control mechanism through the system of Internal Control over Sustainability Reporting (ICSR).	Scenarios/ Heatmaps	Stabilisation of the RepRisk index scores.
				↔
<b>Compliance risk</b>				
Reputational and crime risk	Administrative and criminal penalties. Impairment of Naturgy's reputation.	Crime prevention policy, Code of Ethics and Anti-corruption Policy. Whistleblower channel. Training.	Heatmap/ Scenarios	Criminal offences, penalties, financial losses, and loss of reputation, contracts and customers.
Counterparty risk	Administrative and criminal penalties. Reputational damage, with an impact on contractual relationships.	Counterparty Due Diligence Procedure. Training		↔
<b>Climate change risk</b>				
Climate change	Uncertainty arising from the energy transition (regulation, markets and/or technologies) and the physical impacts of climate change.	Corporate positioning through the Global Sustainability Policy, the Sustainability Plan and the Climate Transition Plan, which reinforce governance on climate issues and establish energy transition objectives aligned with the Strategic Plan.	Climate scenario analysis and qualitative assessment	Future technology uncertainty. Higher requirements for financial and sustainability reporting to be consistent with the company's objectives.
				↑

## Metrics used:

- Stochastic: production of trend lines for the main magnitudes, taking the maximum deviation from the benchmark scenario to be the risk, within a pre-set confidence interval. Those magnitudes are generally EBITDA and free cash flow after non-controlling interests.
- Scenarios: analysis of the impact, with respect to the benchmark scenario, of a limited number of possible incidents.
- Heatmap: the main risk factors for each risk category are assessed to quantify the impact and probability of occurrence of each one.
- Non-financial stress factors
- Application of international risk assessment frameworks: Task Force on Climate-Related Financial Disclosures (TCFD), as regards climate change, and Task Force on Nature-related Financial Disclosures (TNFD), as regards biodiversity.

## 2.3. Main opportunities and uncertainties

Naturgy views the energy transition as an opportunity to transform the business by promoting decarbonisation so as to drive sustainable growth, energy security and price competitiveness. In this context and based on the 2025-2027 Strategic Plan, Naturgy's main opportunities are:

- **An integrated industrial model throughout the value chain:** with growth potential and robust regulatory frameworks that make it possible to maximise profitability.
- **Multi-energy position:** Presence in electricity and gas, as a key source for the energy transition.
- **Renewable generation:** Increase in renewable generation capacity in line with the global energy transition, combined with hybridisation and repowering of existing wind farms, and batteries to complement photovoltaic plants.
- **Network operation and growth:** continue to improve network quality and the security of energy supply by integrating renewable energies to meet growing electricity demand.
- **Leading the development of renewable gases:** by developing and acquiring renewable gas innovation projects, alliances and partnerships to accelerate decarbonisation and consolidate the role of gas in the energy transition.
- **Gas** is the essential component for ensuring security of supply and flexibility and is the cornerstone of the energy transition.

Aligned with these opportunities, there are cross-cutting uncertainties, such as the geopolitical context and climate uncertainty, which materialise and impact many of the risks set out in the categories described above.

### Geopolitical uncertainty

During 2025, the geopolitical environment continued to be a significant source of uncertainty, with potential impacts on global energy markets and the Group's activity. In particular, the following aspects stand out:

The armed conflict between Ukraine and Russia, which began in February 2022, continues with no clear signs of resolution in the short term, maintaining tension in international energy markets and volatility in commodity prices. However, gas prices have remained relatively stable in recent months, aided by high storage levels, diversification of supply sources and moderate demand.

On 23 October 2025, the Council of the European Union adopted the 19th package of sanctions against Russia, which includes a ban, effective from 1 January 2027, on the purchase, import or transfer, directly or indirectly, of LNG originating in or exported from Russia under contracts with a duration of more than one year signed before 17 June 2025 (short-term contracts are prohibited from April 2026); its validity was extended on 22 December until 31 July 2026.

At the same time, in December 2025, the Council of the European Union and the Parliament reached an agreement to approve a Regulation banning imports of Russian natural gas, both by pipeline and in the form of liquefied natural gas (LNG). This regulation provides for the prohibition on imports into the European Union to come into force from 1 January 2027 for long-term LNG contracts entered into before 17 June 2025 and not subsequently amended, and from 30 September 2027 for gas pipeline contracts, with a transitional regime for existing contracts and prior authorisation requirements to ensure compliance.

The European Commission has stated that this ban constitutes a case of force majeure for the companies that are party to such long-term contracts, meaning that breach of the commitment to take the gas will not generate liability for the buyer.

As part of its procurement portfolio, Naturgy has a long-term contract to procure LNG of Russian origin that was concluded in 2013 with Yamal LNG and includes take-or-pay clauses for 38 TWh per year through 2041. Since the beginning of the conflict, Naturgy has taken delivery of the volumes strictly established in the contract. In 2025, this contract accounted for 16% of Naturgy's overall procurements (16% in 2024).

Except as noted above, Naturgy does not have any other long-term contracts susceptible to being affected by the sanctions that have been approved, nor does it hold any interest in companies operating in Russia or Belarus or have investments in these countries, nor does it have cash balances or equivalent liquid assets that are restricted as a result of those measures and sanctions.

In addition, the global geopolitical context has been affected by growing trade tensions, which have led to persistent volatility in energy and commodity prices, as well as disruptions in supply chains and changes in international trade patterns. These factors may generate additional risks in terms of operating costs, the availability of equipment and materials, and project completion times. To mitigate these effects, the Group maintains diversified contracts with multiple suppliers and geographical areas, performs strategic inventory management and flexible project planning, uses contracts with contingency clauses, continuously assesses logistical risks, and works with operators to secure alternative routes, as well as having contingency plans to ensure business continuity.

Throughout 2025, tensions in the Middle East remained high as a result of the terrorist attack in October 2023 and the subsequent military escalation. In June 2025, the parties announced a ceasefire that allowed for the release of hostages and prisoners, as well as the partial opening of humanitarian corridors. However, as at 31 December 2025, the situation remains unstable: although the ceasefire agreement remains in force, isolated incidents of violence persist, as does a climate of tension that keeps the geopolitical risk premium high. Although current estimates indicate that this conflict will not have a significant impact on global energy supplies, the Group continues to monitor the situation closely.

On 31 August 2025, the contract for operation and maintenance services at the Ramat Gavriel and Alan Tavor combined cycle gas plants in Israel, which Naturgy had been providing since 2019 through its subsidiaries Spanish Israeli Operation and Maintenance Company Ltd., was terminated. As in 2024, this company reported a gross operating profit of less than Euros1 million in 2025.

During the early days of January 2026, the United States launched a military intervention in Venezuela, which included bombing in the north of the country and the capture of the country's President. Although these events caused political turmoil and protests in the region, a preliminary analysis has not identified any significant risks or effects on Naturgy's activities, given that the Group does not operate any infrastructure or have any exposure in that country.

As this situation is constantly evolving and it is difficult to predict the extent or duration of the conflict, Naturgy constantly monitors the relevant macroeconomic and business variables in order to obtain the best estimate of potential impacts in real time, also taking into account recommendations by national and international supervisory bodies on the matter.

## Climate uncertainty

Naturgy aims to remain a key player in the energy transition towards a circular economy model and progressive decarbonisation, by reducing its carbon footprint and negative environmental impacts and integrating biodiversity into its business strategy. To this end, it takes account of technological progress and international frameworks and agreements, as well as their implementation in energy policies and applicable environmental regulations in each of the geographical areas where it operates.

In line with this objective, Naturgy has a Climate Transition Plan (CTP) detailing the paths for reducing greenhouse gas (GHG) emissions and the intermediate targets required under applicable regulations, which provide an understanding of the mitigation efforts undertaken by the company.

Naturgy's GHG emission reduction targets for 2030 are as follows:

- Reduction of Scope 1 and 2 emissions by 36% with respect to 2022, in line with the 1.5°C global warming reduction pathway.

- Reduction of Scope 3 emissions in Spain by 22% with respect to 2022. This target is aligned with the "Well Below 2 Degrees" (WB2D) reduction pathway. Considering the emissions from the other countries, the Scope 3 reduction is expected to be 8%.

All these targets include 100% of emissions and all greenhouse gases (GHG).

In 2025, the reduction with respect to 2022 was 12% for Scope 1 and 2 emissions and 15% for total Scope 3 emissions. Compared to 2024, the decrease was influenced by the increase in production by CCGTs as required to guarantee security of supply, especially in Spain, where generation was stepped up as a result of the country-wide blackout on 28 April 2025.

To achieve the objectives set out in the CTP, Naturgy will continue to promote and lead a business model and investment plan fully aligned with the energy trilemma: security of supply, accessibility and affordability of energy, and mitigation of environmental impact.

Naturgy's Strategic Plan 2025-2027 envisages continuing to invest in the energy transition, principally in to renewable generation, electricity grids and renewable gases. It also plans to continue developing energy solutions that promote efficiency at a competitive cost for customers.

The CTP's main lines of action, as set out in the Strategic Plan 2025-2027, are based on an integrated electricity and gas business model that promotes the decarbonisation of energy through technological neutrality and at the lowest possible cost for consumers, specifically:

- Promoting renewable electricity generation using solar and wind together with the necessary growth of electricity grids and back-up capacity using natural gas combined cycle plants.
- Developing renewable gases as a lever for the decarbonisation of natural gas through biomethane produced from organic waste and, in the medium/long term, green hydrogen generated from surplus renewable electricity. This promotes decarbonisation at the lowest possible cost to the consumer and drives the circular economy through the use of waste or surplus.
- Offering eco-efficient, carbon-neutral products and services at competitive prices to our customers.
- Increasing electrification of final demand in applications where it is most efficient.

Naturgy's CTP will contribute to the future objective of transforming the energy mix contemplated in the National Energy and Climate Plan (NECP) 2023-2030, approved by the Spanish Cabinet on 24 September 2024, which is also aligned with the objective of climate neutrality in the European Union (EU) by 2050. For the other countries where Naturgy operates, the published national plans and the GHG reduction pathways set out by the International Energy Agency in the "Net Zero Roadmap" scenario are taken into account.

Information on the CTP, the Group's decarbonisation strategy and the GHG emission reduction targets are set out in section "E-1 Climate change" of the Group's 2025 Non-Financial Disclosures and Sustainability Report, which is prepared in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), which Naturgy has accepted and which it has been adopting progressively since they were published in 2017. At the end of 2023, the TCFD announced that it was disbanding as a working group, and the International Sustainability Standards Board (ISSB) has taken over the TCFD's oversight responsibilities as of 2024.

On 26 February 2025, the European Commission presented the Omnibus I package, aimed at simplifying the regulatory framework applicable to sustainability reporting. During the year, various regulations related to this package were approved, and they were taken into account in the preparation of this report, but they did not result in substantial changes. At present, the Corporate Sustainability Reporting Directive (CSRD), approved in 2022 and still pending transposition in Spain, as well as the European Sustainability Reporting Standards (ESRS) approved by Delegated Regulation (EU) 2023/2772, remain virtually unchanged in terms of content. In this context, Naturgy follows the CNMV recommendation issued on 19 November 2025, in coordination with the ICAC, and produces its sustainability report in accordance with the current ESRS and Law 11/2018 on non-financial reporting and diversity. This ensures that the information disclosed is comparable and consistent with that of other issuers in the European Union.

In addition, the requirements of Royal Decree 214/2025 of 18 March, which establishes a carbon footprint register and the obligation to calculate and publish greenhouse gas emission reduction plans for certain organisations in Spain, have been taken into account.

These annual accounts have been prepared taking into account the decarbonisation commitments undertaken by Naturgy, in addition to the risks and uncertainties related to climate change and the decarbonisation of the economy.

### 3. Corporate governance

Attached as an appendix and forming an integral part of this Directors' Report are the Annual Report on Corporate Governance 2025 and the Annual Report on Director Remuneration 2025, as required by article 538 of the Capital Companies Law.

#### Corporate governance model

Naturgy is governed in accordance with the principles of efficacy, transparency and accountability in line with the main international recommendations and standards.

The internal terms of reference in the area of corporate governance comprise mainly:

- Articles of Association (approved in 2018, updated in 2025).
- Regulations for the Organisation and Operation of the Board of Directors and its Committees (updated in 2025).
- Regulations of the General Meeting of Shareholders (approved in 2018, updated in 2022).
- Global Sustainability Policy, replacing the Environment Policy and Human Rights Policy (updated in 2025).
- Declaration of Principles and Policies, replacing the Corporate Responsibility Policy (updated in 2025).
- Code of Ethics (updated in 2024).

As at 31 December 2025 and 2024, the main shareholders of Naturgy are as follows:

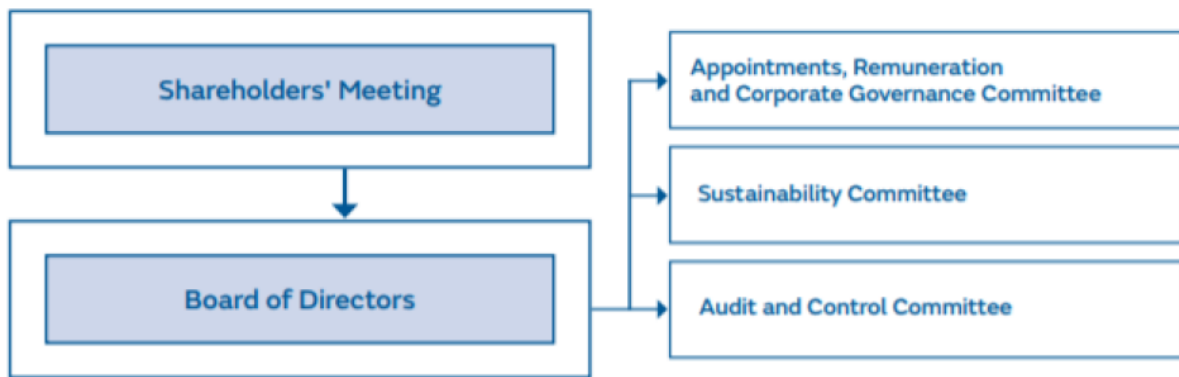
	% interest in share capital	
	2025	2024
- Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa" (1)	26.0	26.7
- BlackRock, Inc. (2)	12.5	20.9
- CVC Capital Partners PLC (3) (4)	13.8	20.7
- Corporación Financiera Alba, S.A. (3) (5)	5.0	—
- IFM Global Infrastructure Fund (6)	15.5	16.9
- Sonatrach (7)	4.1	4.1

(1) Holding through Criteria Caixa S.A.U.

(2) The indirect shareholding is held mainly through GIP III Canary 1, S.à.r.l., which has a direct shareholding of 11.422% (20.641% as at 31 December 2024). Additionally, as at 31 December 2025, BlackRock, Inc. holds 0.092% of voting rights through financial instruments.

- (3) On 18 December 2025, Corporación Financiera Alba, S.A. (Alba), Rioja Investments S.à r.l., Rioja Luxembourg, S.à r.l. and Rioja Acquisition, S.à r.l. agreed to reorganise the investment structure in Naturgy, consisting of Alba ceasing to be a shareholder of Rioja Luxembourg and, indirectly, of Rioja Acquisition. As a result of this reorganisation, Alba Europe S.à r.l. now directly holds some of the shares in Naturgy that were previously owned by Rioja Acquisition. Consequently, on the same day, these companies agreed to terminate the shareholders' agreement that had been in force since 2018 and to replace it with a new shareholders' agreement between them in relation to Naturgy.
- (4) Through Rioja Acquisitions S.à r.l.
- (5) Through Alba Europe, S.à r.l.
- (6) Through Global InfraCo O (2), S.à.r.l.
- (7) Société Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures.

Naturgy's governance structure is as follows:



## Shareholders' Meeting

Any person who is a shareholder of record five days before the Shareholders' Meeting is entitled to attend.

## Board of Directors

The Board of Directors of Naturgy operates via plenary meetings and committees, in accordance with the provisions of the Capital Companies Law. Accordingly, the Board of Directors of Naturgy has an Audit Committee, an Appointments, Remuneration and Corporate Governance Committee, and a Sustainability Committee, whose functions are substantially as set out in the Act or those that the Board of Directors has considered appropriate to attribute to them by delegation. Independent directors make up the majority of the Audit and Control Committee. All of the Board committees are chaired by independent directors.

Since the Chairman of the Board of Directors of Naturgy is also an executive director, the company has appointed a lead independent director to mitigate potential conflicts of interest. This position is held by Ms. Helena Herrero Starkie, an independent director who is a member of the Audit and Control Committee and Chairman of the Sustainability Committee. Pursuant to Article 529 septies of the Capital Companies Law, the lead independent director is empowered to request the convening of meetings of the Board of Directors or the inclusion of additional items on the agenda, and to coordinate and convene meetings of the non-executive directors.

Naturgy also has a Conflicts of Interest Policy, approved in May 2021, that is applicable to all Group employees, including the Executive Chairman. The policy establishes the guidelines to be followed by employees in the event of a conflict of interest, based on the principles of loyalty, abstention and transparency in pursuit of a resolution.

The main issues considered by the Board of Directors and its committees within their remit in 2025, as well as all issues related to corporate governance, are detailed in the Annual Report on Corporate Governance, attached as an Appendix of this document.

The Board of Directors of Naturgy has 15 members, the Audit and Control Committee has 5 members, the Appointments, Remuneration and Corporate Governance Committee has 5 members, and the Sustainability Committee has 4 members.

The composition of the Board of Directors and its committees on 31 December 2025 is as follows:

<b>Board of Directors</b>		<b>Audit and Control Committee</b>	<b>Appointments, Remuneration and Corporate Governance Committee</b>	<b>Sustainability Committee</b>	<b>Category of director</b>	<b>Date first appointed</b>
Executive Chairman	Mr. Francisco Reynés Massanet				Executive	6/02/2018
Lead director	Mrs. Helena Herrero Starkie	Vocal		Chairman	Independent	4/05/2016
Vocal	Mrs. Lucy Chadwick			Vocal	Dominical	16/03/2020
Vocal	Mrs. Isabel Estapé Tous			Vocal	Dominical	16/03/2020
Vocal	Mr. Ramón Adell Ramón	Vocal			Dominical	11/02/2022
Vocal	Mr. Rajaram Rao		Vocal		Dominical	21/09/2016
Vocal	Mr. Javier de Jaime Guijarro		Vocal		Dominical	25/03/2025
Vocal	Mr. Pedro Sainz de Baranda	Vocal	Chairman		Independent	27/06/2018
Vocal	Mr. Claudi Santiago Ponsa	Chairman	Vocal		Independent	27/06/2018
Vocal	Mr. José Antonio Torre de Silva López de Letona	Vocal			Dominical	28/03/2023
Vocal	Mr. Jaime Siles Fernández-Palacios			Vocal	Dominical	11/02/2022
Vocal	Mrs. María Isabel Gabarró Miquel		Vocal		Dominical	25/03/2025
Vocal	Mr. Martín Catchpole				Dominical	25/03/2025
Vocal	Mr. Nicolás Villén Jiménez				Dominical	25/03/2025
Vocal	Mrs. Marta Martínez Alonso				Dominical	25/03/2025
Secretary (not a director)	Mr. Manuel García Cobaleda	Secretary (not a director)	Secretary (not a director)	Secretary (not a director)	N/A	29/10/2010

## Management structure

There is only one executive director, as described in the previous section, to whom the Board has delegated all its functions except those that the law or the Regulation of the Board of Directors do not permit to be delegated.

Accordingly, the Chairman of the Board of Directors has responsibility for all of the Group's businesses.

The group has a structure of executives and managers with the necessary powers to conduct the company's operations and undertake basic activities relating to its management. The personnel with executive responsibility that report directly to the Executive Chairman, Mr. Francisco Reynés Massanet, are considered to be members of the Management Committee.

As at 31 December 2025, the Management Committee is comprised of the Executive Chairman and the following:

- Procurement and Wholesale Markets Department, headed by Mr. Jon Ganuza Fernandez de Arroyabe.
- Network Department, headed by Mr. Pedro Larrea Paguaga.
- Renewable Generation Department, headed by Mr. Jorge Barredo López.
- Renewable Gases Department, headed by Mr. José Luis Gil Sánchez.
- Supply Department, headed by Mr. Carlos Francisco Vecino Montalvo.
- Technology and Systems Department, headed by Mr. Rafael Blesa Martínez.
- Financial Markets and Corporate Development Department, headed by Mr. Steven Douglas Fernández Fernández.
- Company Secretariat and Secretariat of the Board of Directors, headed by Mr. Manuel García Cobaleda.
- Public Affairs and Sustainability Department, headed by Mr. Jordi García Tabernero.
- People and Resources Department, headed by Mr. Enrique Tapia Lopez.

In addition to the members of the Management Committee, the executives who report directly to the Board or to the Company's chief executive, Mr. Francisco Reynés Massanet, are classified as senior management. As at 31 December 2025, this refers to the following persons:

- Planning and Control Department, headed by Ms. Rita Ruiz de Alda Iparraguirre.
- Consolidation and Administration Department, headed by Mr. Gabriel Alejandro Deseff Rodriguez.
- External Communication Department, headed by Mr. Víctor Manuel Márquez Moya.
- Compliance Unit, headed by Ms. María Isabel González Alfaro.
- Environment and Social Responsibility Department, headed by Ms. Nuria Rodríguez Peinado.
- Internal Audit Department, headed by Ms. Eva Fernández Roselló.

## 4. Forecast Group performance

### 4.1. Energy sector trends

Naturgy aims to adapt and strengthen the Group's competitive position in response to changing trends in the energy sector by leveraging its competitive strengths. In this regard, Naturgy observes the following trends in the energy sector:

- Energy prices remain volatile and sensitive to geopolitical uncertainties.
- Greater renewable energy installed capacity leads to greater fluctuations in electricity production and supply, with flexible technologies playing a critical role.
- Greater investment in electricity grids is required to integrate renewable energies and meet growing demand for electricity.
- Gas is an essential component in ensuring security of supply and flexibility.
- Renewable gases, especially biomethane, are a vector for decarbonisation.
- Excellence in customer service is required to stand out.

## 4.2. Vision

Naturgy is a leading multi-energy player, committed to driving the energy transition, achieving operational excellence, and delivering exceptional customer service. Naturgy aims to be present throughout the energy value chain by investing with financial discipline, ensuring a BBB rating and sustainable shareholder remuneration.

Naturgy is committed to driving decarbonisation while balancing sustainable growth, energy security, and price competitiveness. The Group's industrial model focuses on maximising operational efficiency and capturing integrated margins across the value chain, based on the following pillars.

### Industrial model

#### Integrated model with presence throughout the value chain

- The resilience of distribution network businesses provides stable cash flow.
- Vertical integration between power generation and the customer.
- Industrial role, capturing integrated margins.

#### Multi-energy position

- Presence in electricity and gas, as a key source for the energy transition.
- Flexible generation using CCGTs while selectively expanding renewable output to meet customer demand.
- Leadership in renewable gases, especially biomethane, to accelerate decarbonisation and consolidate the role of gas in the energy transition.

#### Customer-centric

- Multi-energy offering with value-added services to meet all customer needs, along with eco-efficient, carbon-neutral products and services at competitive prices.
- Final demand as a key driver for investment decisions across the value chain.
- Excellence in customer service and consolidation of the new customer service model.

### Strategic Plan 2025–2027

The 2025-2027 strategic roadmap is based on Naturgy's resilient cash flow and solid balance sheet, which will facilitate the execution of the Group's investment plan and ensure attractive, sustainable returns for its shareholders. This strategy is guided by the following key principles:

#### Operational excellence

- Best-in-class operations across all business units.
- Excellence in commercial delivery.
- Innovation in customer service.

#### Financial discipline and profitability

- Commitment to a BBB rating and continuous balance sheet optimisation.
- Selective investments, prioritising value creation over scale and profitability over the cost of capital.
- Maintaining organic growth optionality.

#### Shareholder remuneration and liquidity

- Attractive, sustainable shareholder remuneration.
- Take steps to restore appropriate free float and liquidity and be truly listed on the market.

This strategy aims to enable Naturgy to thrive in the energy landscape by ensuring sustained profitability and value creation for all stakeholders. Following the successful results and achievements in 2022-2024, when the company exceeded various of the targets established in the previous Strategic Plan, the Strategic Plan 2025-2027 reviewed and upgraded the expectations for the coming years, while maintaining the goal of achieving record EBITDA in 2025-2027.

(€bn)	2022-2024	Strategic Plan 2025-2027
EBITDA <sup>1</sup>	5.3	5.3
CAPEX <sup>1</sup>	6.0	6.4
Net financial debt <sup>2</sup>	12.2	15.9
Dividends <sup>2</sup>	1.6 €/share	1.9 €/share

1 Based on the annual average of the period

2 Based on the last year in the period

### 4.3. Investment Plan 2025–2027

The Strategic Plan envisages investments amounting to **Euros 6.4 billion** in the period 2025-2027. These investments are focused on organic growth in existing businesses, underpinned by financial discipline. By rigorously evaluating investments based on the business, the geography and the specific risk inherent to the characteristics of the asset, the Group seeks to ensure a return that exceeds the cost of capital and to guarantee value creation.

The investment plan focuses on three key businesses: Distribution Networks, Renewable Generation and Renewable Gases.

#### Networks

The Strategic Plan envisages investments in the Networks business amounting to **Euros 3.3 billion** within regulatory frameworks that offer visibility and appropriate remuneration.

##### 1. Electricity Spain

- At the forefront of digitalising electricity networks, including meter replacement
- Commitment to increase investment in order to continue improving and upgrading the quality of networks and energy supply
- Investments to integrate renewable energies

##### 2. Gas Spain

- Digital transition by rolling out smart meters to ensure best practices in network operation.
- Accelerating the contribution to decarbonisation by incorporating biomethane injection points to transition existing infrastructure

##### 3. Gas and Electricity Latin America

- Portfolio management to maximise returns
- Investments to guarantee maintenance and safety standards

#### Renewable Generation

The Strategic Plan envisages selective investments in renewable generation projects amounting to **Euros 1.2 billion** in the period 2025-2027, with the requirement to exceed minimum return levels and/or offer integrated positioning.

## 1. Vertically integrated geographies

- Solid regulatory frameworks
- Minimum required returns

## 2. Technologies

- Hybridisation and repowering of operational wind farms
- Battery storage to complement operational photovoltaic plants

## Renewable Gases

The Strategic Plan provides for investments in renewable gas projects amounting to **Euros 800 million** in the period 2025-2027.

- Leading development, accelerating decarbonisation and consolidating the role of gas in the energy transition
- A proactive approach to technology to gain operational flexibility, efficiency and options for waste management.
- Portfolio of approximately 4.5 TWh of projects in the initial phase.
- Acquisition of third-party developments, as well as partnerships and alliances to accelerate growth.
- Proactive role vis-à-vis regulations to demonstrate that this is the most efficient solution for decarbonising the residential and industrial sectors.
- Gas grids do not require modifications to distribute biomethane.

## 4.4. Shareholder remuneration

Naturgy's robust performance in recent years has significantly strengthened its business profile and financial position. The Group has also achieved over Euros 5 billion in annual EBITDA, with a solid bottom line and resilient cash flow, supported by the efficiency of the Distribution Networks business and efficient risk management. Strong cash flow and a solid balance sheet will enable the planned investment programme to be undertaken and provide attractive returns for shareholders, while maintaining the commitment to a BBB rating.

Naturgy has revised its dividend policy for the years 2025-2027, establishing a trend of increasing annual dividends from €1.6 per share in 2024 to €1.9 per share in 2027, subject to maintaining a BBB credit rating.

The forward-looking information contained in the various sections on the Group's foreseeable performance reflects plans and forecasts based on assumptions that are considered to be reasonable. However, this forward-looking information should not be interpreted as offering an assurance of the undertaking's future performance since such plans and forecasts are subject to risks and uncertainties with the result that the Group's future performance may not coincide with initially forecasts.

## 5. Innovation

Naturgy views innovation as an indispensable tool for developing new energy solutions that drive the energy transition, combat climate change, and evolve technological solutions in order to streamline processes, improve cybersecurity and enhance data management. In addition, Naturgy sees digitalisation as vital to achieving its goals.

Our innovation model, designed to create and develop new solutions and businesses, is driven by a range of key factors:

- **Innovation is collaborative and open**, able to respond quickly to signals of change in the landscape and evolve in complex scenarios, with the ability to draw lessons from mistakes and look ahead to the future based on understanding the past and observing the present.

- **Innovation is a key lever for growth**, as it opens the door to the adoption of best practices, new business models and technological solutions that contribute to the process digitalisation, automation and optimisation; it helps ensure safety, enhances operational performance and eases access to information for optimal decision-making. In this way, we put the consumer at the centre to deliver sustainable, value-added solutions and ensure the company's long-term competitiveness.
- **Production of renewable gases, such as renewable hydrogen and biomethane**, for end uses where electrification is neither technically nor economically feasible. Hydrogen is an efficient, immediate decarbonisation solution for intensive industry and transportation. Additionally, it holds significant potential for energy storage and integration. Biomethane, an established technology that can replace natural gas without creating abatement costs or requiring end-user infrastructure or equipment to be modified, serves as a clear example of the circular economy by producing renewable gas from organic waste. Innovation projects in this area are aimed at optimising performance and production.
- **Optimisation of renewable energy generation** through innovative systems due to their superior energy efficiency and their ability to be integrated at a lower cost or with greater reliability. This will attract new players into the system to cover part of the energy needs of households, SMEs and public administrations.
- **Direct use of energy** through new manageable electricity consumption that allows for flexibility—for example, in air conditioning—as well as storage for later use.
- **The response to increasingly fragmented markets**, with small, adaptable competitors, in both supply and generation, through smaller renewable plants that are closer to consumers.

In a way that both complements and cuts across this model, we believe it is essential to introduce disruptive information technology (IT) that will accelerate Naturgy's digitalisation. These technologies not only enhance safety and optimise operations, but also make it easier to access quality information for more effective decision-making. All efforts are focused on creating value to ensure Naturgy's long-term competitiveness. Moreover, AI is a disruptive force in current and future innovation, enabling process automation, service customisation and creation of new business models in all areas.

Naturgy designs its technology strategy around the following digitalisation principles:

- **Simplicity**: a core principle that focuses on:
  - **Streamlined processes**: paring away complexity in internal processes to improve operational efficiency.
  - **Agile projects**: swiftly implementing projects using agile methods that enable rapid adaptation to changes in the context.
- **Cloud**: evolving from a Cloud-first to a Cloud-only model is essential to ensure:
  - **Modular solutions**: developing solutions that can be readily adapted and scaled up according to business needs.
  - **Flexibility and scalability**: adjusting cloud resources and services to demand in order to ensure efficient, cost-effective operation.

Evolution to a cloud-based model makes it easier to adopt emerging technologies such as blockchain, IoT, robotics, artificial intelligence and edge computing.

- **Data centric**: data management, governance and protection are essential to a successful digitalisation strategy. Naturgy takes an all-encompassing strategic view of its relationship with the main software producers, and focuses on:

- **Data management:** implementing data-centric architectures, such as data lakes, to centralise and manage large volumes of data.
- **Data governance and protection:** establishing policies and procedures to ensure data integrity, confidentiality and availability.
- **Data-driven decision-making:** strengthening our internal capacity to make informed, data-driven decisions.

Robust data management and governance enables a more effective adoption of AI, a key lever in Naturgy's digitalisation: by using analytical and generative AI on large volumes of data, we can extract valuable insights for the business.

- **Cybersecurity:** a mainstay of Naturgy's digitalisation strategy. Its objective is to guarantee the protection of information and the security of systems through a comprehensive approach that includes:
  - **Information protection:** implementation of advanced technical measures to safeguard data against unauthorised access and potential security incidents.
  - **Systems security:** strengthening and shielding IT infrastructure against threats and vulnerabilities.

All of this is supported by best-of-breed technologies (searching for the best software solutions from different providers for specific areas of application) that drive innovation, including Artificial Intelligence and Zero Trust security models (security strategies for multi-cloud networks), with a focus on digital identity.

To achieve tangible results, Naturgy has implemented a range of innovation tools focused on identifying opportunities (through acceleration and investment in operations) and developing a pipeline of projects that expand the company's industrial profile (such as startup incubators and investment vehicles).

The main initiatives implemented in the business are described briefly below, with more detailed information on the innovation projects provided in section "5. Specific information. Innovation" in the 2025 Non-Financial Information Statement and Sustainability Report.

## Main initiatives applied to business units

### Supply

The "FV Puente Nuevo" shared auto-production project is being developed at the Puente Nuevo Campus (Ávila) as a sustainable energy demonstration laboratory. It integrates photovoltaic generation, storage, electric vehicle charging, and smart management using AI. Auto-production is expected to meet over 20% of needs while cutting emissions by more than 33 tonnes of CO<sub>2</sub> per year and saving Euros 680,000 over 25 years. The project, scheduled to go live in 2026, also has a strong educational and social component.

### Networks

A new Agentic Contact Centre as a Service (CCaS) platform has been implemented, incorporating state-of-the-art contact centre and generative AI technologies in electricity and gas distribution in Spain with a three-fold objective: significantly improve the customer experience, moving from reactive to proactive management; automate call quality auditing in customer service; and automate contacts received by the call centres.

## Spain electricity networks

The MARVIN-24 project aims to revolutionise the inspection of power lines and gas pipelines using long-range BVLOS (Beyond Visual Line of Sight) drones with advanced sensors. After inspecting more than 20,000 km since 2022 alongside UFD Distribución Electricidad, S.A. (UFD), the main challenge identified was improving daily productivity (30-40 km/day), especially in areas with adverse weather conditions. The new MARVIN-24 aircraft aims to reach up to 200 km/day, matching the efficiency of crewed helicopters and reducing operating costs by up to 50%. The project includes validation pilot tests on 800 km of power lines and 200 km of gas pipelines, with direct integration into UFD's processes.

## Thermal Generation Spain

Real-time asset management is critical in the operation of CCGT plants. For this reason, the Azure Machine Learning platform was implemented by the Thermal Generation Data Analytics unit in 2025 to develop predictive models. By applying these models to critical assets, the aim is to anticipate failures, which will result in improved equipment maintenance.

Artificial Intelligence deployed in the Remote Control Centre (RCC) to support operators in day-to-day operation of the CCGT fleet in Spain. Since the CCGTs currently undergo a large number of starts, the application of Artificial Intelligence is geared towards improving and automating operations, in terms of both monitoring checklists and of assisting the operator using natural language.

## Renewable Generation

The "Battery Second Life" project, developed jointly by Naturgy, Octave and the CIUDEN Foundation (City of Energy), aims to demonstrate the technical and commercial viability of an energy storage system based on second life batteries at the CIUDEN centre. The system will be tested for two years under real conditions, with applications such as self-consumption, peak management, adjustment services, and energy backup. The system includes advanced monitoring via the Battery Cloud platform, which enables predictive maintenance and remote control of each module. Following the demonstration phase, the system may remain in operation for an additional two years.

The "HIB SAE El Escobar" project consists of installing an electricity storage system with lithium-ion (Li-ion) batteries and ultracapacitors (UCAPs) in hybridisation with the El Escobar I photovoltaic plant (3.2 MW) in Ingenio (Gran Canaria). This system, with 1.4 MW of power generation capacity and 4.8 MWh of storage, incorporates grid-forming converters (network stabilisers) to improve the integration of renewables into the electricity grid, offering services such as frequency regulation, black start (restarting the electricity grid from scratch) and voltage control. The project has been declared to be of general interest and received administrative authorisation in May 2025.

## Renewable Gases

With the aim of increasing biomethane production, Naturgy is participating in two partnerships to develop methanation technology:

- Together with the Catalonia Institute for Energy Research (IREC), a new catalytic methanation technology is being developed that will be tested at the Arroyo Culebro Wastewater Treatment Plant (WWTP) in Pinto (Madrid).
- Green W2BM, S.L. (W2BM), a company owned by Naturgy and Green Waste to Energy, S.L. (Green), is developing biological methanation technology for synthesis gas produced from difficult-to-manage industrial waste, to allow renewable gas to be obtained for injection into the distribution network.

## 6. Non-financial information statement

The 2025 non-financial information statement, as referred to in article 262 of the Capital Companies Law and article 49 of the Commercial Code, is presented as a separate report entitled "Non-Financial Information Statement and Sustainability Report 2025" that expressly states that the information contained in that document is part of Naturgy's consolidated directors' report (Appendix II).

That document is verified by an independent verification service provider and is subject to the same approval, filing and publication requirements as the Naturgy group's consolidated directors' report.

## 7. Additional information

### 7.1. Own shares

The movements during 2025 and 2024 involving own shares of Naturgy Energy Group, S.A. are as follows:

	Number of shares	Million Euro	% Capital
<b>As at 1 January 2024</b>	<b>240,000</b>	<b>6</b>	<b>—</b>
Share Acquisition Plan	—	—	—
Delivered to employees	—	—	—
<b>As at 31 December 2024</b>	<b>240,000</b>	<b>6</b>	<b>—</b>
Acquisition of shares from Naturgy Alfa Investments, S.A.U.	8,639,595	200	0.9
Tender offer	88,000,000	2,332	9.1
1st accelerated placement	(19,305,000)	(506)	(2.0)
2nd accelerated placement	(34,100,000)	(893)	(3.5)
Delivered to employees	(254,365)	(7)	—
<b>31 December 2025</b>	<b>43,220,230</b>	<b>1,132</b>	<b>4.5</b>

Full information about own shares can be found in Note 11 to the annual accounts.

### 7.2. Information on average supplier payment period

The average payment period is calculated in accordance with Law 15/2010 on measures to combat late payment in business operations and the changes brought in under Law 18/2022 of 28 September on the formation and growth of companies.

The disclosures about the average supplier payment period that are required under that legislation are as follows:

	<b>2025</b>	2024
	<b>Amount</b>	Amount
Total payments (Euros thousand)	219,780	269,886
Total outstanding payments (Euros thousand)	17,398	28,591
Average supplier payment period (days) (1)	37	30
Transactions paid ratio (days) (2)	38	31
Transactions pending payment ratio (days) (3)	26	27
Total payments within the period established in the default regulations (thousand euro)	217,201	266,096
% of the amount paid within the period established in the default regulations with respect to the total amount paid	98.83 %	98.60 %
Number of invoices paid within the period established in the default regulations	21,307	19,270
% of invoices paid within the period established in the default regulations with respect to the total invoices paid	97.47 %	97.63 %

(1) Calculated on the basis of amounts paid and pending payment.

(2) Average payment period in transactions paid during the year.

(3) Average age, suppliers pending payment balance.

### 7.3. Subsequent events

Events subsequent to the end of the year are described in Note 30 of the notes to the annual accounts.

## 8. Annual Corporate Governance report

Attached as an Appendix and forming an integral part of this Directors' Report is the 2025 Annual Report on Corporate Governance, as required by article 538 of the Capital Companies Law.

## 9. Annual Directors' Remuneration Report

Attached as an annex and forming an integral part of the Consolidated Directors' Report is the Annual Directors' Remuneration Report 2025, as required by article 538 of the Capital Companies Law.