

## **ARTICLES OF ASSOCIATION of NATURGY ENERGY GROUP, S.A.<sup>1</sup>**

### **Article 1. COMPANY NAME**

The Company is called NATURGY ENERGY GROUP It was incorporated for an indefinite term on 28 January 1843 before Barcelona notaries, José Manuel Planas y Compte and Jaime Burguerol.

### **Article 2. CORPORATE PURPOSE**

The Company engages in the following business activities:

1. Gas, electricity and any other source of energy, in all shapes and forms, including primary, industrial and commercial, and generally all activities that are related directly or indirectly or are complementary or ancillary to the various sources of energy existing from time to time.
2. Production, marketing and sale of electrical, electromechanical and electronic components and equipment.
3. Design, development, deployment and operation of services connected with business information, management and organisation (consultancy).
4. Research, development and operation of new technologies.
5. Planning, study, design, execution, assembly, equipment procurement management, quality inspection and control, operation, direction, management and maintenance in relation to architectural and civil engineering works in general and also industrial facilities, water supplies, municipal waste treatment, the environment and new energy technologies, infrastructure and forms of land, sea and air transport, including airports and railways, transport by any means, management of public services in the ways provided for by law, and management of communications and telecommunications networks, distribution grids for gas and hydrocarbons in general, and likewise operational management and consultancy when developing and carrying out these types of project and work.
6. Energy planning, energy efficiency and savings and cogeneration.
7. Sale, purchase and maintenance of electrical and gas appliances, including specific repair and maintenance work and, in general, providing service to both industry and households.

---

<sup>1</sup> Last modified on the AGM 25.03.2025



8. Research, development and operation of all aspects of communication and information technologies. Provision of industrial services, particularly in relation to electricity, telecommunications, water, gas and hydrocarbons.
9. Research, development and operation of security and safety systems for both industrial clients and households.
10. Provision of services connected with the training and selection of human resources and the transfer of business knowledge and expertise.
11. Real estate management, development and operation.

The Company may perform all of the aforementioned activities itself or carry out certain activities indirectly through any legally admissible form, particularly by owning shares or stakes in other companies engaged in the same or similar, related or complementary business activities.

It may also operate as a holding company, to which end it may incorporate or acquire stakes in other companies of any type and with any corporate object, by subscribing or acquiring and holding shares, stakes and any other security in those companies. Therefore, its corporate purpose includes the management and administration of equity securities of any entity, whether domiciled in Spain or not, through the organization of material and personal means.

### **Article 3. REGISTERED OFFICE**

The Company has its registered office in Madrid, at Avenida de América, number 38.

The Board of Directors may resolve to relocate the registered office anywhere within the country and may set up, close down or relocate branches, agencies, regional offices, representative offices and other offices both in Spain and abroad.

### **Article 4. SHAREHOLDERS, SHARE CAPITAL AND THE COMPANY SHARE**

1. Share capital amounts to 969,613,801 euros, all fully subscribed for and paid up. Share capital is made up of 969,613,801 shares, each having a par value of one euro and all represented by book entries and belonging to a single class.
2. The Company may issue non-voting shares. Non-voting shareholders will be entitled to receive a minimum annual dividend of five per cent of the paid-up capital for each non-



voting share. Once the minimum dividend has been set, non-voting shareholders will be entitled to the same dividend as paid to holders of common shares.

3. Shares represented by book entries acquire such condition after their registration in the appropriate accounting registry. The registration must include the contents of the issue deed, and reflect whether the shares have been fully paid-up, where applicable. The shares will be nominative in relation with any regulation that so requires. In such case, the Company will maintain the relevant registry and will use the information services that the legally competent authority develops for the purposes of article 497 of the Companies Act, or any other legislation that may substitute it.
4. Shares confer upon their holders the rights and obligations recognised and prescribed by law and those set out in these Articles of Association. The Board of Directors shall adopt the necessary measures so as to ensure that shareholders are able to exercise their rights and honour their obligations.
5. The Company shall recognise and treat as shareholders those persons named as holders in the relevant book entries.
6. The Company may access, in accordance with the law, the data needed to properly identify its shareholders, including addresses and contact details so that it may communicate with them accordingly.

## **Article 5. PRE-EMPTIVE SUBSCRIPTION RIGHT**

Pre-emptive subscription rights will not apply where the law states that they will not apply or when overridden or disapplied by the General Shareholders' Meeting or by the Board of Directors acting by delegation from the General Shareholders' Meeting.

Specifically, but without limitation, the suppression of pre-emptive subscription rights will be deemed to be in the Company's interest where it proves necessary in order for the Company to carry on its business, to place new shares in foreign markets, to bring on board a new industrial or technology partner and, in general, to enable the successful conclusion of any transaction deemed to be in the Company's interests.

## **Article 6. GENERAL MEETING**

1. Shareholders assembled at a duly convened General Meeting shall decide upon the matters



that fall within its remit, doing so generally by a simple majority vote. Accordingly, a motion will be deemed to have been adopted if the votes in favour cast by capital present or represented exceed the votes against.

2. The attendance of shareholders, whether in person or represented by proxy, holding at least fifty per cent (50%) of the subscribed voting share capital will be required on first call in order to validly ratify and carry, at a annual or extraordinary General Meeting, any motion to issue bonds convertible into shares or bonds that confer upon their holders an interest in the company's profits or earnings, to increase or reduce capital, or to disapply or limit pre-emptive subscription rights on issues of new shares or convertible bonds, as well as motions concerning the transformation, merger, spin-off, global transfer en bloc of assets and liabilities, or to move the registered office abroad and, in general, any amendment to the Company's Articles of Association. On second call, shareholders, whether in person or represented by proxy, holding at least twenty-five per cent (25%) of the said capital shall suffice as the necessary quorum.

Agreements requiring specific or special majorities by mandatory law are excluded.

3. Annual or extraordinary General Meetings of Shareholders may be attended via telematic means, provided the identity of the shareholder or his or her proxy is duly guaranteed. The Board of Directors shall ensure that the call to the meeting establishes the procedure whereby shareholders may exercise their rights via this form of attendance.

The Board of Directors may resolve to call General Meetings exclusively by telematic means to be held without the physical attendance of shareholders or their proxies and shall establish in the call the means and conditions for telematic attendance, as well as the procedure for the exercise of shareholders' rights in accordance with the provisions of the Law.

Shareholders entitled to attend may cast their vote in relation to the motions contained on the agenda by post or by e-mail.

Shareholders wishing to cast their vote by post shall send the Company a letter or document clearly stating their vote and enclosing their attendance card.

Votes may be cast electronically only when expressly permitted by the Board of Directors by means of a resolution to that effect, insofar as the votes can be cast securely and to the extent



that it is appropriate to do so. Where this option is allowed, it will be stated in the relevant announcement of the meeting. In its resolution, the Board shall establish the relevant conditions for validly casting votes by electronic channels.

4. Any shareholder may be represented by proxy at the General Meeting. The Company must be informed of the proxy in accordance with the provisions of the Shareholders' Meeting Regulations.

5. Meetings will be chaired by the Chairman of the Board of Directors or, in his absence, by the Deputy Chairman. If there is more than one Deputy Chairman, the meeting will be chaired in accordance with their rank. If no such person is present, the meeting will be chaired by the most senior among them.

The Chairman will be aided by a Secretary, who will be the Secretary to the Board of Directors or, in his or her absence, the Deputy Secretary to the Board of Directors, if there is one. Failing that, by the youngest Director.

## **Article 7. BOARD OF DIRECTORS**

1. Power to manage, administer and represent the Company in and out of court rests with the Board of Directors in relation to all business that falls within its corporate purpose. The Board shall act as a collegiate body, without prejudice to the discretions and powers it may confer on others. The Board will be competent to adopt resolutions on any matters that the law or the Articles of Association do not specifically reserve for the General Shareholders' Meeting.

2. The Board of Directors will comprise a minimum of eleven and a maximum of sixteen members. The General Meeting has the power to determine the exact number and to appoint and remove Directors.

3. Directorships shall have a term of four years. Directors may be re-elected at the end of their term of office for the same term without limitation.

4. The Board shall meet as often as it is convened by the Chairman or whoever may be acting in his stead, whether he calls the meeting on his own initiative or at the request of one third (1/3) of board members. Notice of the meeting shall be sent within the term of 10 days after



the receipt of such request. In any case, article 246.2 of the Companies Act will be applicable. While Board meetings will normally be held at the registered office, they may be held at any other venue determined by the Chairman.

Board meetings may be held by video conference, telephone conference or using any other similar technology that allows for interaction and discussion. In any such case, the Board meeting will be deemed to have been held at the Company's registered office.

The notice of meeting will be sent out to each director by fax, e-mail or by any another telematic means at least five days ahead of the scheduled date for the meeting. The notice must invariably include the agenda. The meeting may also be announced in urgent and duly justified cases if the Chairman believes that the situation is sufficiently urgent to warrant this. In such case, the notice must still give enough advance notice for Board members to take part in the meeting.

Resolutions may also be adopted in writing without actually holding a meeting, insofar as no board member opposes this procedure and assuming also the relevant regulatory and legal requirements and formalities are met.

5. The Board of Directors shall be validly constituted when the meeting is attended by half plus one of the number of directors determined by the General Meeting, whether those directors are physically present or represented by proxy.

Directors unable to attend may appoint another director to act on their behalf, with or without voting instructions. Any such proxy must be notified to the Chairman or the Secretary.

6. The Board shall elect a Chairman from among its ranks, by the vote in favour of two thirds of Board members if the candidate is an executive director, or otherwise by absolute majority. The Board may also appoint one or more Vice Chairmen and determine the seniority among them, again by a supermajority of 2/3 or by absolute majority. The Chairman will be replaced, in the event of vacancy, absence or illness, by the first Deputy Chairman, if there is one, or in his absence, by the other Deputy Chairmen in order of rank. If all such persons are absent, the Lead Director will act as Chairman. If also absent, then the Board shall elect a director to chair the meeting. If no agreement is reached, the Board shall be chaired by the oldest Director.

It is further incumbent on the Board to elect a Secretary, who may or may not be a Board



member. The Board may also appoint a Deputy Secretary, who shall assist the Secretary and replace him in the event of vacancy, absence or illness. In his absence, the Secretary shall be replaced by a director elected by those in attendance at the meeting, or failing that, the youngest of them.

The Board of Directors may appoint as Honorary Chairman the Director who has held the office of Chairman of the Board and who has ceased to hold that office, in view of his merits and dedication to the Company. The Honorary Chairman shall not be a member of the Board of Directors and may attend Board meetings at the invitation of the Chairman of the Board of Directors.

7. The Board shall discuss the business contained on the agenda and shall pass resolutions by absolute majority of those present or represented at the meeting in question, except where the law, these Articles of Association or the Regulations of the Board of Directors require a supermajority.

The Board shall approve the minutes either at the end of the meeting in question or at a subsequent meeting. The minutes may also be approved by the Chairman and two directors in attendance at the Board meeting to which those minutes refer. Both such directors will be appointed by the Board itself.

## **Article 8. DELEGATION OF POWERS. BOARD COMMITTEES**

1. The Board of Directors may appoint one or more executive directors and delegate to them any or all of its functions, whether on a temporary or permanent basis, but excluding those which, in accordance with the law or by virtue of a resolution adopted by shareholders at the General Meeting, are the exclusive competence of the Board or any such functions that cannot be delegated. In addition, the Board of Directors may set up any committees it deems necessary to aid and assist it on a temporary or permanent basis. These committees may be delegated specific board functions or merely given an advisory role. To be valid, delegations of powers will require the favourable vote of two thirds of Board members. The Board of Directors must invariably appoint an Audit Committee and an Appointments and Remuneration Committee.



2. The Company shall have an Audit Committee, comprising at least three Board members. All committee members will be non-executive directors. It must possess a majority of independent directors and one of these must have been appointed on the basis of their knowledge and experience in accounting, auditing, or both. The Board of Directors shall likewise nominate a person to act as Chairman of the committee from among the independent Board members.

The powers of the committee shall include those provided by law and those entrusted to it by the Board of Directors, whether general powers or those conferred for specific business.

3. The Company shall have an Appointments and Remuneration Committee, comprising at least three Board members. All committee members must be non-executive directors and at least two of its members must be independent directors. The Board of Directors shall likewise nominate a person to act as Chairman of the committee from among the independent Board members.

The powers of the committee shall include those provided by law and those entrusted to it by the Board of Directors.

4. The committees shall meet as often as required in order to issue reports and whenever called by the Chairman or requested by at least two of its members. Decisions or recommendations will be passed by majority vote. The committees will be governed by the relevant sections dedicated to them in the Regulations of the Board of Directors. If no such specific provisions exist, the rules governing the Board of Directors itself will apply, insofar as possible.

## **Article 9. DIRECTOR REMUNERATION**

1. The remuneration payable to Directors for the performance of non-executive functions will consist of a fixed allocation. Furthermore, remuneration in shares or with reference to shares may be established, in accordance with the requirements determined by the applicable legislation. The Board of Directors shall determine the amount of remuneration payable to each director for the performance of non-executive functions, having regard to the functions and responsibilities assigned to each director, their membership of Board committees and any other objective factors deemed relevant. Entitlement to this remuneration is compatible with





any further remuneration payable for the performance of executive or delegated functions. The remuneration scheme must be oriented to promote long term profitability and sustainability of the Company. It must also include the necessary measures to avoid excessive risk assumptions and the reward of unfavorable results.

2. The remuneration of directors for the performance of executive or delegated functions will consist of a fixed component, a variable remuneration, remuneration in the form of shares or performance based, savings and pension schemes, termination and severance pay, non-compete covenants and insurance policies and a system of in-kind remuneration similar to that enjoyed by the management team. The perception of these remunerations will be compatible with the perception of remunerations derived from the exercise of non-executive functions.

The variable remuneration of the Directors entrusted with executive or delegated functions will be pegged to the attainment of specific objective aligned with value creation. Likewise, the variable remuneration system may be structured into remuneration with short, medium and long-term objectives, to encourage greater commitment to achieving the Company's objectives in these time horizons. Furthermore, remuneration in shares or with reference to shares may be established, in accordance with the requirements determined by the applicable legislation. The Board of Directors will determine the remuneration of the Directors with executive functions and the terms and conditions of the contract that will be entered into between the Director and the Company subject to the provisions of these Articles of Association and the remuneration policy approved by the General Meeting.

3. The remuneration policy of the Directors will be approved by the Shareholders Meeting in the manner and terms established by current legislation.

4. The Company shall take out and pay the premium on a civil liability insurance policy in which the directors including its executive directors, will be named as the insured parties, such policy to cover any liability that may arise from the performance of their functions and activities, except where fraud is involved.

## **Article 10. FINANCIAL YEAR**

The financial year will commence on 1 January and end on 31 December of each year.



## **Article 11. RESERVE REQUIRED BY THE ARTICLES OF ASSOCIATION**

A figure equal to two per cent of the year's profits shall be held aside for a reserve fund required by the Articles of Association until this reaches at least ten per cent of share capital. When after several contributions, the reserve fund has reached this ten percent of share capital, it will no longer be obligatory to post further funds, unless the General Meeting decides otherwise following a proposal to such effect from the Board of Directors. If the fund ever becomes exhausted or falls below this value, the Company must again post two per cent of profit until the threshold is reached.

## **Article 12. DISTRIBUTION OF DIVIDENDS**

The General Meeting may agree for all or part of the dividend to be paid in kind, provided:

- (i) the same type of asset or security is distributed;
- (ii) the assets or securities are admitted for trading on an official market at the time the resolution is passed, or the Company duly guarantees their liquidity within the maximum term of one year; and
- (iii) the assets or securities are not distributed at a value below their carrying amount on the Company's balance sheet.

In addition, the General Meeting may approve shareholder remuneration schemes based on dividend reinvestment programs, share buyback programs or bonus share issues including the power to buy back shares assigned free of charge, or other equivalent arrangements, all subject to the prior adoption of any necessary resolutions to increase or decrease capital.

## **Article 13. OTHER PROVISIONS**

The Company may act on behalf of other natural or legal persons before the public authorities or any third party.