

REMUNERATION POLICY FOR DIRECTORS OF NATURGY ENERGY GROUP, S.A¹.

1. Objective and principles of the remuneration policy.

The objective of this remuneration policy (hereinafter the Policy) is to establish the remuneration framework applicable to the Directors of NATURGY ENERGY GROUP, S.A. (hereinafter, "NATURGY" or "the Company") from the date of its approval and for the following three financial years, 2026, 2027 and 2028.

The Policy is governed by the following principles:

(a) General principles

- i. Long-term value creation: Alignment with the objectives of the strategic plans in force during the period of application of this policy, the interests of shareholders and other stakeholders and the long-term sustainability of the Company.
- ii. Transparency: Clear and sufficient information will be provided, in line with the good governance recommendations of listed companies.
- iii. Equality: It will be guaranteed that there is no discrimination on the basis of gender, age, religion, culture or race.
- iv. Suitability: It must be competitive and sufficient to attract and retain the best professionals, without compromising the independence of the Directors.

b) Principles applicable to the remuneration of executive directors

¹ Approved at the Ordinary General Meeting of 25 March 2025



The policy of remuneration of directors for their executive or delegated functions shall also and specifically take into account the following principles:

- i. To promote a culture of commitment to society, where both personal and team contribution is essential.
- ii. To keep the remuneration policy of the Executive Directors and that of Senior Management aligned.
- iii. Remunerate equitably and competitively by recognising the responsibilities and criticality of the position and applying a flexible market positioning adapted to the specificities in order to attract and retain the best professionals.
- iv. Systematically evaluate the results of the action and the degree of adaptation to the competencies required at any given time
- v. Incorporate mechanisms so that the Company can cancel (malus clause) or obtain reimbursement (clawback clause) of the variable components of remuneration, based on objective elements linked to poor performance and impact on the Company's results.
- vi. To have a competitive global remuneration level in relation to comparable entities within and outside the sector of similar capitalisation, complexity, shareholder structure and international presence, allowing the Company to access the best talent available at all times and incorporating sufficient motivation elements for their retention.

2. Contribution to the business strategy and to the interests and long-term sustainability of the Company

The remuneration framework developed in the Policy is configured to align it with the principles of the strategic plans in force during the time of application of this policy and is aimed at promoting the Company's long-term profitability and sustainability.

To this end, a remuneration scheme has been established that, for non-executive directors, does not include variable components linked to the company's results in the short or long term, and for executive directors, it incorporates a balanced combination



of fixed and variable elements, both short and long term. Likewise, among the variable components there is a reasonable balance in terms not only of time horizon, but also of amount and even objectives, since annual variable remuneration tends to operational objectives that consider the immediate interest of the Company, while multi-year variable remuneration mainly attends to the long-term interest of shareholders.

In this regard, the variable remuneration of executive directors shall include:

- An annual component linked to the achievement of measurable objectives, with control and measurement systems, which determine the receipt of variable remuneration based on evaluations that measure performance at the individual level and that of the entity as a whole. For this purpose, the annual budget of the Company or the group in which it is integrated or other relevant indicators will be taken as a reference. All this, without prejudice to the incorporation of components that affect the way in which these objectives are achieved (quality, efficiency, safety, or others) or objectives specifically linked to issues related to sustainability.
- A variable component of a multi-year nature that promotes the achievement of objectives sustained over time aligned with the interests of shareholders.

Variable remuneration will establish mechanisms to guarantee its reimbursement when it has been paid on the basis of data whose inaccuracy is proven to be the basis of the variable remuneration, thus preserving the interests of the company over those of the director himself.

In a scenario of compliance with standard objectives, the proportion between the components of executive directors' remuneration is:

- Annual Total Fixed Remuneration
less than 40%, usually around 30%
- Annual Variable Remuneration
less than 40%, usually around 30%
- Multi-year variable remuneration
greater than 30%, usually around 38%
- Other remuneration
less than 10%, usually around 2%



3. Considerations in the Policy on the remuneration and employment conditions of the Company's employees

In order to establish the remuneration conditions for executive directors described in this Policy, the scheme that applies to the remuneration of the Naturgy Group's employees has been taken into account, in particular the following characteristics have been considered:

- i) The total remuneration of the employees of the Naturgy group, which is ordinarily made up of fixed, variable short- and long-term elements, as well as remuneration in kind and other social benefits.
- ii) Variable remuneration is not guaranteed and is fully flexible, so that no amount may be received for this concept in the event that the minimum compliance thresholds are not reached.
- iii) In the determination of the remuneration components, special attention is paid to:
 - To non-discrimination on the basis of gender, age, religion, sexual orientation, culture or race.
 - The level of responsibility and performance within the organization.
 - To the application of criteria that contribute to the retention of key professionals and attract the best talent

4. Remuneration of Directors for the exercise of non-executive functions.

The remuneration of the Directors for the exercise of non-executive functions will consist of:

- i) A fixed annual allowance for membership of the Board of Directors, which will be paid in proportion to the time of performance of the functions
- ii) A fixed annual allowance for membership of each of the Commissions, which will be paid in proportion to the time of performance of the functions.

The allowance for membership of the Board and the Committees will be different depending on the responsibility and functions that each Director assumes in the Council or its Committees. Likewise, remuneration may be established in shares or by reference



to them, under the terms established in current legislation.

It is left to the discretion of the Board of Directors to attend to other circumstances that must be objective and applied in a transparent manner and to establish the periodicity with which the fixed annual allowance will be paid throughout the year. Among other issues, the dedication required for the performance of the functions will be assessed, guaranteeing in all cases the independence of the Directors.

Except as provided in the paragraphs of this section and in the one relating to the maximum annual amount, the freedom of configuration that the Law reserves to the Board of Directors is respected, and the Board of Directors, subject to the criteria established in art. 217 of the Capital Companies Act, periodically review or update the remuneration of Directors for the performance of non-executive functions within the aforementioned framework.

The maximum annual amount to be received by all Directors for the performance of non-executive, executive and delegated functions will be the greater of 3% of the consolidated net profit of the corporate Group in the immediately preceding calendar year and 3% of the dividend effectively paid in that previous year to shareholders.

In the event that in a year such limit prevents the Directors from being paid all the payments to which they are entitled under this Policy or in accordance with the decisions of the Board of Directors or the contractual commitments assumed by the Company, the Board of Directors shall submit to the next Shareholders' Meeting to be held the extension of said limit to the extent necessary for said Meeting to adopt the decision that Corresponds.

Likewise, the Board of Directors may establish a maximum amount of remuneration that Directors may receive annually as remuneration for membership of Committees

The Directors will be part of the civil liability policy for directors and executives of the group as insured under the terms established in section 7 below.

5. Remuneration of Directors for the performance of executive or delegated functions.

The remuneration of Directors for the performance of executive or delegated functions



must be consistent with the Company's strategy and be aimed at achieving long-term objectives. It will be made up of different remuneration elements that may basically consist of:

- i) A fixed component that will accrue in any case.
- ii) A variable component with a time horizon of one year, linked to specific and measurable business objectives
- iii) A variable component with a long-term time horizon ordinarily linked to the duration of the strategic plans in force during the period of application of this Policy.

5.1. Fixed annual remuneration

The Annual Fixed Remuneration for each Executive Director will be an annual allocation determined by the Board of Directors at the proposal of the Appointments and Remuneration Committee, subject to the following amounts:

- In the 2025 financial year, the date of approval of this policy, this amount is set at 1,259,659. €, which shall be reviewed annually in the manner provided for in paragraph 8.
- The sum of the Annual Fixed Remuneration and the remuneration for membership of the Board of Directors (which in 2025, the date of approval of this policy, is set at €1,100,000) forms the Total Annual Fixed Remuneration, which in 2025 will be €2,259,659, which will be reviewed annually in the manner provided for in section 8.

5.2. Variable remuneration.

It will represent a relevant part of the total remuneration and will be aligned with the creation of value for shareholders with different time horizons.

Likewise, remuneration may be established in shares or by reference to them, under the terms established in current legislation.

5.2.1 Annual variable remuneration.

The annual variable remuneration is linked to the achievement of a combination of pre-set, specific and quantifiable objectives, aligned with the social interest and with



Naturgy's strategy, such as economic-financial variables, efficiency and profitable growth, quality and safety issues, sustainability, the environment or good governance, and will assess, on an annual basis, the contribution to the achievement of these objectives.

The annual variable remuneration will be based on 100% of the Total Annual Fixed remuneration multiplied by the degree of achievement of the objectives effectively achieved in the year.

The annual variable remuneration will have a maximum degree of achievement of up to 150% and a minimum degree of achievement for its accrual of up to 75%, with the Board of Directors being able to determine different percentages each year within this range.

The achievement metrics, as well as their degree of achievement, will be set annually by the Board of Directors at the proposal of the Appointments, Remuneration and Corporate Governance Committee.

The payment of the annual variable remuneration may be replaced each year by mutual agreement in whole or in part by a contribution to a social security system.

A claw back clause will be included during the 18 months following the receipt of the annual variable remuneration.

The amount of the annual variable remuneration, in the part that is related to the Company's results, will be set once the audited annual accounts are available and any exceptions that appear in the report of the Company's external auditor and reduce these results will be taken into account for its determination.

5.2.2 Multi-year variable remuneration.

The Company will establish, in coordination with the strategic plans in force during the period of application of this Policy, multi-year incentive plans for Executive Directors linked to the profitability achieved by shareholders within the scope of the corresponding plan, in order to promote the retention and motivation of Executive Directors in the execution of the plan and alignment with the maximization of shareholder profitability.



The Company may establish long-term incentive schemes, the temporary validity of which may exceed this Policy. And it may also happen that the schemes cover more than one Strategic Plan in order to ensure the transition from one to the other.

These can be implemented by reference to financial or operational metrics of Naturgy or part of its activity or by reference to the return that a typical shareholder would obtain, or by reference to a real or virtual investment scheme in Naturgy shares, or a combination of these.

A minimum profitability threshold or objectives below which the incentive will not be received will be established and a claw back clause will be included during the 18 months following the receipt of the plan.

In order to maintain incentives that have a long-term horizon at all times, before the end of each programme, the Board of Directors may establish incentive schemes that give continuity to those that are in force at any given time, whether they are linked to the current strategic plan or to other long-term objectives established by the Board of Directors. It may also decide on early maturity, in order to achieve such continuity or in the event of any event that, in the opinion of the Board of Directors, entails a substantial change in circumstances.

The Board of Directors, at the reasoned proposal of the Appointments, Remuneration and Corporate Governance Committee, may adopt the decisions it deems necessary for the administration, interpretation, correction, development or continuity of the incentive scheme in the event of substantial changes in the circumstances of the Plan, taking into account the Company's corporate interest and the objectives of the Plan. It may also agree on the preparatory work that may be necessary before submitting to the Shareholders' Meeting for approval the modifications that require such approval.

5.2.3. Other variable remuneration.

In the case of one-off transactions, the Board of Directors may establish remuneration linked to specific and previously set objectives that incentivise the achievement of objectives linked to such one-off transactions. Similarly, and on an exceptional basis, the Board of Directors may establish a remuneration in consideration of unique achievements that have contributed decisively to the Company's results.



5.3. Social Welfare and Social Benefits.

In addition, Executive Directors may be granted a remuneration scheme in kind similar to that of executives in terms of social benefits and benefits in the field of social security complementary to the protective action of Social Security, regardless of whether they are channelled through different instruments in view of the commercial nature of the relationship between the Executive Directors and the Company: savings insurance, temporary disability insurance, etc.

6. Main conditions of the executive directors' contract.

The remuneration, rights, obligations and compensations of economic content of the Executive Directors shall be determined in a contract that must be approved by the Board of Directors.

The contract of the Executive Directors must contain a notice agreement of at least six months except in cases of force majeure, an exclusivity agreement during the exercise of their functions and a confidentiality agreement, both during the term of the contract and once it has expired.

Likewise, without prejudice to the settlement of remuneration in progress, it may establish compensation for certain cases of termination of the contractual relationship, which will be equivalent to twice the sum of the following three amounts: (i) total annual fixed remuneration, (ii) annual variable remuneration and, (iii) in accordance with the concept of multi-year variable remuneration, a lump sum equivalent to 125% of the annual fixed remuneration. Such compensation shall not be applicable in any case in cases of very serious and culpable breach of the professional obligations of the Executive Directors that causes serious damage to the interests of the Company.

In addition, and as a post-contractual non-compete agreement for one year, compensation equivalent to a maximum of one annuity of total annual fixed remuneration may be established.

7. Liability coverage for Directors

The Company shall have subscribed and pay the premium corresponding to civil liability



insurance for the Company's Directors, including the Executive Directors, in which the Directors shall be considered insured, for the liabilities that may be required of them as a result of the performance of the activities of their function, except in the case of fraud.

The Company may do so by subscribing to and paying the global premium corresponding to a joint civil liability insurance for directors and officers covering both the parent company and the companies belonging to its group.

8. Updating of remuneration

The remuneration amounts established in this Policy may be reviewed and updated by the Board of Directors, following a report from the Appointments, Remuneration and Corporate Governance Committee, within the maximum limit established in section 4, taking into account the information on market developments, the growth forecast for each year, and the market studies and analyses that may be carried out from time to time. Such variations will be announced in the Annual Remuneration Report.

9. Decision-making process regarding the Remuneration Policy

Article 8 of the Bylaws, in conjunction with Article 25 of the Regulations of the Board of Directors, defines the responsibilities of Naturgy's Appointments, Remuneration and Corporate Governance Committee in terms of remuneration.

The Appointments, Remuneration and Corporate Governance Committee:

- i) has examined the legislative developments and other circumstances that have occurred since the previous review of the Policy, as well as the foreseeable approval of a new Strategic Plan 2025-2027 on 18 February 2025. Based on this, it has made a proposal to the Board of Directors to submit to the General Shareholders' Meeting the approval of this Policy and the modification of the long-term variable remuneration scheme, together with a specific report on both proposals
- ii) it has also proposed to the Board of Directors the annual remuneration of executive directors and the other conditions of their contracts, as well as the metrics and objectives linked to the variable remuneration of the position of executive director, considering its possible impact on the long term, the sustainability of results and any associated risks.
- iii) In view of the audited annual accounts, it has supervised the predetermined and



quantifiable objectives, which must be evaluated to determine the final amount of the annual and, where appropriate, multi-annual variable remuneration of the Executive Director and the high-level executives that are applicable to them.

Naturgy's Audit and Control Committee participates in the decision-making process in relation to the variable remuneration of Executive Directors by verifying the economic and financial information that is included as part of the objectives set for the purposes of receiving such remuneration, given that this Committee must first verify the results of the Company and its group as a basis for calculating the respective objectives.

With regard to measures to avoid conflicts of interest, no executive director may participate in the discussions of the Appointments, Remuneration and Corporate Governance Committee when dealing with aspects relating to remuneration that may affect them.

10. Temporary exceptions to the remuneration policy

The Board of Directors may temporarily derogate from this Remuneration Policy under the following conditions:

- i) Exceptions will be granted by the Board of Directors following a reasoned proposal from the Appointments, Remuneration and Corporate Governance Committee that justifies that they are necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.
- ii) Exceptions may be granted to the amount and concepts of remuneration for non-executive functions, as well as to the components of the annual or multi-annual variable remuneration for executive functions, which may lead to both upward and downward adjustments.
- iii) Under no circumstances may the maximum annual amount to be received by all the Directors for executive and non-executive functions set out in Section 4 be exempted.
- iv) The exceptions will only be in force from the time they are agreed by the Board of Directors and until the next Shareholders' Meeting is held, where the exception and, where appropriate, its continuity must be submitted for ratification.

11. Validity of the Remuneration Policy



This Remuneration Policy will be in force from the date of approval and for the following three years and replaces the Remuneration Policy in force until now.

In order to ensure the continuity of the multi-year incentives and to address issues of the transitional regime, for example, in the event of early termination of incentives due to the early termination of the Strategic Plans to whose objectives they may be linked, the Board of Directors is specially empowered to adopt the implementing decisions that are necessary to ensure the transition from one remuneration scheme to another, with the objectives of meeting the long-term interests of Naturgy and to fulfil contractual commitments with the executive directors.

In particular, the anticipated replacement in February 2025 of the 2021-2025 Strategic Plan by the 2025-2027 Strategic Plan generates a temporary overlap of incentives within the 2025 calendar year, to which is added the voluntary resignation of the Executive Director of part of the benefits resulting from the incentive linked to the 2021-2025 Plan and whose effectiveness is subject to authorisation by the Shareholders' Meeting. In consideration of this, the Board of Directors is expressly empowered to liquidate the previous incentive scheme in advance in a manner consistent with said authorization of the Shareholders' Meeting and initiate the effects of the new scheme, all with effect from January 1, 2025, which is the date considered by the Strategic Plan for its start. having the broadest powers to execute it.
