SUSTAINABILITY REPORT

2025

Madrileña
RED DE GAS

Contents

1. Message from the Chair: Madrileña Red de Gas's commitment

GRI 2-22, GRI 3-3

For the second time in my tenure as Chair of Madrileña Red de Gas, I am delighted to share our new sustainability report, through which we aim to highlight our work and commitment. 2025 has been an interesting year, with significant achievements such as our reaffirmation as global leaders in the Global Real Estate Sustainability Benchmark (GRESB) index for the second consecutive year, demonstrating the sound direction of our strategy and efforts in the field of sustainability. GRESB is one of the leading benchmarks in sustainability. We are truly delighted to have achieved first place amongst the 650 companies that took part, and I would like to take this opportunity to congratulate the entire workforce, who are the ones who make these achievements possible.

Continuing to advance our strategy and being a true benchmark in sustainability is a clear commitment of the entire organisation, and in particular of the Board of Directors which I chair. In this regard, I think it is worth highlighting the efforts we are making from the Board of Directors to strengthen our capabilities and find the best ways to strive for excellence in our performance. For the first time, in 2025 we carried out a self-assessment of our sustainability performance, and as a result we have a plan that will be rolled out throughout 2026. We want to increasingly integrate sustainability into our Board and Committee meetings, strengthening our knowledge and capacity for ESG decision-making.

With the same commitment and determination to have a sustainability strategy integrated into the company's overall strategy—one that responds to changes in the context—we updated our ESG materiality in 2025, adopting a dual materiality approach. The thorough analysis carried out on potential impacts, risks and opportunities has enabled us to identify new material sub-themes, on which we were already working, although their materiality means we must examine them more closely; in this regard, I am pleased to see how the analysis has focused on the people who form part of this organisation, in all its dimensions.

As a company primarily distributing natural gas, with a small part of our business dedicated to liquefied petroleum gas (LPG), reducing greenhouse gas (GHG) emissions—and particularly methane emissions—is a key objective for the company. This is a goal we have been working towards for years; Madrileña Red de Gas has drawn up a projection for GHG reductions towards the Net Zero target, with a significant mitigation plan. For the first time, with the

presentation of the 2024 carbon footprint data, we were awarded the "Calculo y reduzco" seal by the Ministry for Ecological Transition and Demographic Challenge in 2025. However, I would like to point out that the 2025 carbon footprint data show a temporary interruption in our emissions reduction trajectory from previous years, and the reason is simply our acquisition of the LPG plants from Aliara GLP, a company within our Group, which has resulted in the addition of 3,500 LPG supply points. The important point is that the purchase was made in line with our commitment to climate change mitigation, and the aim is to convert all these points to natural gas in the medium term. The plan set out towards Net Zero takes this transformative effort into account, which is clearly evident because, this year alone, we have been able to convert 740 of those 3,500 points.

Also in line with our role as a natural gas distributor, I think it is worth mentioning the findings of the report commissioned by SEDIGAS to assess the sector's positioning and development, with results that clearly highlight the value of natural gas due to its contribution to energy supply security and its ability to support the decarbonisation process. At Madrileña Red de Gas, we continue to invest in our network to reach new municipalities and strengthen our presence within the industrial and commercial sectors, thereby boosting our capacity to contribute to development.

Finally, I must mention two incidents that tested our resilience. One of these was the widespread power cut that affected Spain, Portugal and parts of southern France. Madrileña Red de Gas experienced no supply issues and most business operations remained operational; however, we have used the incident to reassess our resilience to widespread incidents, which has led to a work plan designed to strengthen us even further.

The second incident was an information security breach in our IT infrastructure. Our robust cybersecurity shield detected the event, confirming that only personally identifiable and contact details had been compromised. We acted immediately by implementing the containment measures set out in our cybersecurity emergency plan, informing our users and customers, and notifying the relevant authorities of the incident.

Unfortunately, cybersecurity has become a major risk for all companies and society as a whole. I would like to take this opportunity to convey our commitment to achieving excellence in this area, an endeavour for which we spare no resources.

Finally, I would like to point out that 2025 has been marked by intense work within the regulatory context, as we transition towards the third period (2027–2032), which will be characterised by the sector's gradual adaptation to decarbonisation targets. This year, the team at Madrileña Red de Gas has worked hard to analyse regulatory changes and play an active role in sectoral working groups, all to ensure that Madrileña Red de Gas is fully prepared.

Without further ado, I would like to invite you to read the report, trusting that you will once again find it of interest, and thanking you for sharing this platform with us and joining us in our efforts to achieve our objectives.

Carmen Gómez de Barreda Tous de Monsalve

2. Madrileña Gas Network at a glance

Identity, essence and purpose: Business model

GRI 2-1, VSME-B1-24 ei-eii; VSME-B1-24 eiv, VSME-BI-25; VSME-BI-47a-b-c

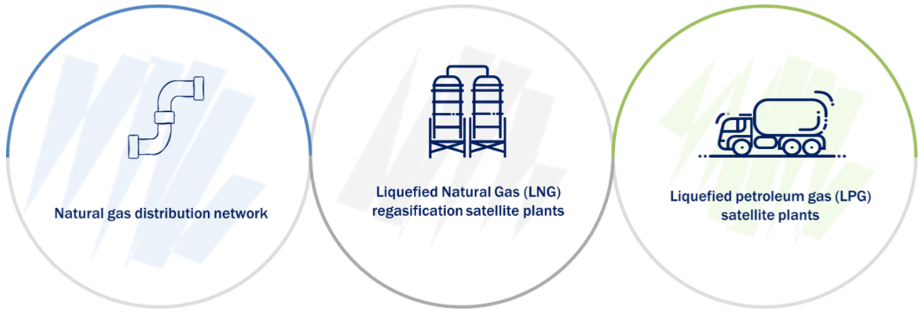
Madrileña Red de Gas S.A.U, MRG, is a single-member company dedicated to the distribution of natural gas, as well as the distribution and sale of liquefied petroleum gases via piped networks, regulated and operating completely independently from the rest of the businesses in the gas value chain. Since its creation in 2010, it has operated exclusively in the **Community of Madrid**. It currently covers a total of **61 municipalities** with its distribution network and **5 districts** of the capital.

Its head office is located at Calle Virgilio, 2, in the municipality of Pozuelo de Alarcón. It also has a warehouse located at Calle Valdemorillo, 60, in Alcorcón.

Its activities and facilities fall under the following headings of the National Classification of Economic Activities (CNAE).

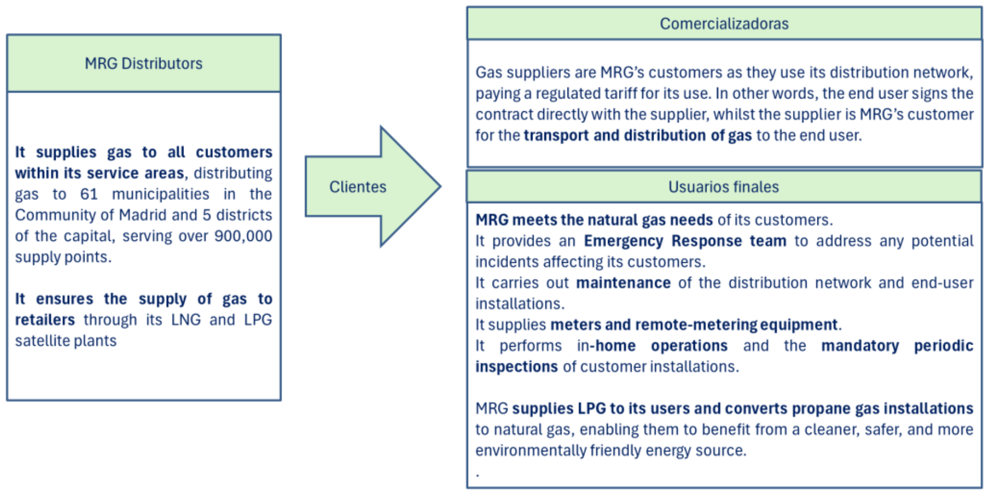
CNAE-2009	Description
35.22	Distribution of gaseous fuels through pipelines
35.23	Gas pipeline trade

For the operation and maintenance of its gas distribution network, the company has various types of facilities:



Annex 1 shows the geographical location of all its facilities.

The natural gas distribution sector is a **regulated sector**, and its purpose is to supply natural gas from the transmission networks to supply points in accordance with appropriate quality standards, whilst ensuring the safety and maintenance of the infrastructure.



Business model

Madrileña Red Gas operates in both the residential market and the large-scale consumption market (industrial, commercial and institutional). To carry out these activities, it has a comprehensive set of planned and controlled processes aimed at ensuring the success of its operations.

Expansion
- Acquisition of new supply points
- Design, construction management, and commissioning

Network operations
- Operation
- Maintenance
- Emergency response

Customer operations
- Meter reading and consumption determination
- Field operations

Customer Service
- Management of inquiries, complaints, and claims
- Commitment to customers

Madrileña Red de Gas value chain

Madrileña Red de Gas carries out its activities using an integrated management system that ensures control, continuous improvement and compliance with the most demanding standards. This system holds various certifications that attest to its robustness and commitment to quality, safety and sustainability.

UNE-EN ISO 9001 Quality Management Systems.

UNE-EN ISO 14001 Environmental Management Systems.

UNE-EN ISO 45001 Occupational Health and Safety Management Systems.

UNE-EN ISO/IEC 27001 Information security, cybersecurity and privacy protection. Information security management systems. Requirements.

The company has a **Major Accidents Management System** which takes into account, amongst other requirements, those set out in the SEVESO Directive, including systematic risk assessment, the implementation of preventive measures and the carrying out of mandatory regulatory inspections by the competent authorities.

The company's essence and purpose

Madrileña Red de Gas is committed to ensuring an energy supply that meets the highest standards of quality, safety and environmental respect. The company focuses its management on operational efficiency and the creation of sustainable value, generating returns for its shareholders through responsible business practices aligned with ESG principles.

It also promotes a safe, healthy and motivating working environment that fosters the professional and personal growth of its employees and strengthens their commitment to the organisation. This approach is underpinned by a set of values that form the company's DNA and guide all strategic decisions, contributing to the sustainable development of the business and the well-being of its stakeholders.

Madrileña Red de Gas Values

A reflection of sustainable progress: Key figures

VSME-B1-24 eiv-v

During the 2025 financial year, Madrileña Red de Gas operated in a highly complex environment, marked by an increasingly demanding regulatory framework. Despite these challenges, the company has succeeded in reaffirming the relevance of natural gas as a fundamental pillar in the energy transition process in the Community of Madrid.

Main Technical Indicators

61
Municipalities Community of Madrid

6
Liquefied Natural Gas Plants

6.192
Km of the distribution network

5
Districts in Madrid

23
LPG plants in operation

9.426
GWH distributed energy

906.292
Natural Gas Customers

4.805
GLP Customers

8,76
Average customer satisfaction score (CSAT)

160
Suppliers

9.586
Emergency notices

Main Economic Indicators

141,3
€ million in revenue

16,8
€ million in investment

439,3
€ million Total assets

108,9
€ million in EBITDA

96,5
€ million in cash flow

Main Social Indicators

80%
Overall employee satisfaction

111
Employees (excluding partially retired employees)

100%
Permanent employees

45
Women

66
men

Main Environmental Indicators

31.262,53
tCO_2 Carbon footprint Scope 1, 2 and 3

18.522,35
Tn waste generated

0,58
Tn Hazardous waste

18.521,77
Tn Non-hazardous waste

A year of achievements: Milestones 2025

GRESB Rating

It renews its global leadership with the highest possible rating: 100 out of 100 points in ESG parameters.

Responsible Governance

First self-assessment of the Board of Directors performance.

Double Materiality Analysis

Analysis of double materiality, carried out through the identification and evaluation of impacts, risks and opportunities.

Sustainability Strategy

The Sustainability Plan has been successfully completed, and a new 2026–2028 Master Plan has been established.

Digital Transformation

Modernisation of the corporate reporting and analytics ecosystem (Turing Project). Integration of AI into business processes.

Information Security

Renewal of the Information Security Management System (ISMS) under the ISO 27001 standard, expanding the scope to the Alcorcon logistics warehouse and ensuring alignment with the requirements set out in NIS 2.

Security and Resilience

Two critical events —the 'blackout' and a cybersecurity breach— tested the organisation's resilience, demonstrating both the effectiveness of the implemented controls and its commitment to its customers.

Responsible Supply Chain

Review of the procurement standard from a holistic perspective, incorporating ESG criteria and introducing new contractual clauses.

Growing Together Event

Representatives from the sector's leading companies shared their concerns, insights and experiences with Madrileña Red de Gas.

Commitment to the Customers

Consolidation of the Customer Service Model, and record levels of service satisfaction.

Leak Detection Innovation

A pioneering spatial analysis project that enables historical data to be cross-referenced in order to identify the most vulnerable points in the network.

LPG Transformation

Incorporation of more than 3,500 LPG supply points from ALIARA GLP for future conversion, with more than 1,800 supply points having been converted by 2025.

CO_2

Emissions Reduction

Achievement of the 'Calculate and Reduce' seal awarded by MITECO, in recognition of the company's commitment to reducing its carbon footprint.

Equality Plan

Approval of the LGTBI Plan of Madrileña Red de Gas, designed to guarantee the real and effective equality of LGTBI people within the organization.

3. Sustainability at the Centre

A clear path forward: ESG Strategy

GRI 2-24, GRI 3.1, GRI 3.2, GRI 3.3; VSME-B1-25, VSME-B2-26 a-b-c-d, VSME-C1-47d

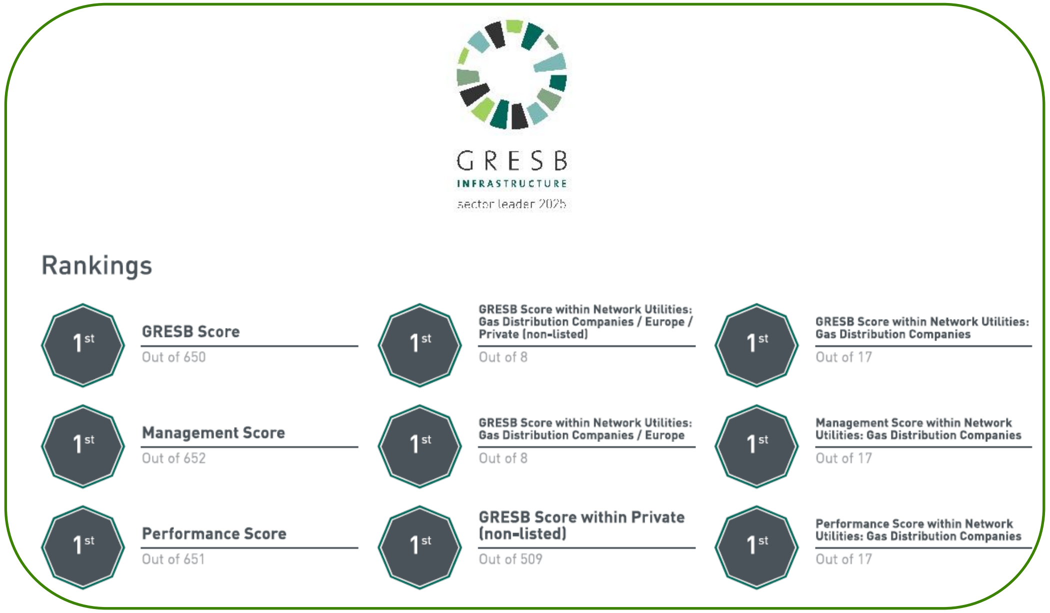
Throughout 2025, Madrileña Red de Gas has continued to make progress on its **sustainability strategy**, which is underpinned by the **2023–2026 Sustainability Master Plan**. The Plan has channelled the ESG efforts and achievements of all units within the organisation.

The clear progress in the sustainability strategy is once again evident in the excellent results achieved in the renowned Global Real Estate Sustainability Benchmark (GRESB).

After ten years of participation, Madrileña Red de Gas has once again secured its sector leadership with the highest possible rating: **100 out of 100 points** across all assessed parameters: Environment, Social and Governance. This achievement has enabled the company to retain, for the fifth consecutive year, the prestigious **5-star rating**, which is awarded only to the top 20% of companies with the highest scores in the GRESB assessment, and for the second consecutive year, the top position at global, European and Spanish level.

"Topping the GRESB 2025 ranking means much more than technical recognition: it reflects a way of understanding the company and its responsibility towards the future," said Alejandro Lafarga, CEO of Madrileña Red de Gas.

The GRESB assessment is one of the leading international benchmarks in sustainability, used by more than 150 institutional investors to analyse the ESG performance of companies worldwide. **In 2025, the index assessed 650 companies from over 80 countries,** establishing itself as the **benchmark tool** for measuring environmental, social and governance integration **in the infrastructure and investment sectors.**



For Madrileña Red de Gas, being number one in GRESB is a crucial achievement that reflects an exemplary commitment to sustainability. It not only enhances the company's reputation and trust among investors and customers, but also opens up commercial opportunities and facilitates access to green finance. In a market focused on environmental responsibility, leading the way in GRESB becomes a key competitive advantage.

As part of its commitment and in line with established plans, **in 2025 it once again carried out a thorough update of its double materiality analysis.** The maturity in understanding the materiality of impacts and the process of reflection prompted by the CSRD Directive, even though it ultimately does not apply to the company, has led to a review of the process for identifying impacts, risks and opportunities (IROS), adjusting the assessment methodology to consider each IROS individually, resulting in a new list of material topics and sub-topics.

This review led Madrileña Red de Gas to examine, through the lens of identified impacts, its capacity to contribute to the Sustainable Development Goals prioritised by the company.

Similarly, this materiality review led to an update of the Sustainability Master Plan, establishing a new 2026–2028 Plan which, taking into account the original Plan, ensures that all material IROS have at least one line of action for their proper management.

The **Plan has been structured** around **four strategic pillars**:

Pillars of the sustainability strategy (2026-2028)

Leadership that inspires trust
The foundation upon which the corporate conduct framework, ethical leadership, and anti-corruption and anti-bribery practices are built, all geared towards the sustainable development of the business within a regulated environment.

People who make the difference
Focused on the development and well-being of our own workforce and supply chain workers, with particular attention to health and safety, alongside a strong commitment to well-being, talent development, and equal opportunities.

Green transition and climate action to protect the future
A pillar that sets commitments for emissions reduction and the energy transition, implemented through multiple workstreams focused on mitigation and the advancement of renewable gases as an alternative, alongside the protection of biodiversity and ecosystems.

Genuine commitment to the community and excellence in customer service
As our core purpose, delivering safe, reliable, and continuous energy to districts and municipalities, minimizing potential risks while maximizing service quality and customer care."

Cross-cutting axis: Sustainable performance:
Bringing together efforts to ensure that progress meets the needs and expectations of stakeholders, addresses requirements for information and transparency, and is underpinned by sustainability best practices.

The organisation's commitment to the sustainability strategy and the management of impacts is underpinned by the Sustainability Policy published in 2024, https://www.madrilena.es/wp-content/uploads/2025/06/Politica-de-Sostenibidad_r3-Rev-GR.pdf. This policy identifies the responsibility of the Board of Directors as the highest body in sustainability governance and that of the Audit and Risk Committee, in its capacity as an advisory body to the Board of Directors, responsible for identifying and assessing environmental, social and governance (ESG) risks and opportunities, and for conveying the views of stakeholders, acting as a facilitator for ESG decision-making by the Board.

Materiality 2025

GRI 3.1, GRI 3.2; VSME-B2-26-(a,c), VSME-B2-27, VSME-C1-47d

As previously indicated, a thorough review of the materiality process was carried out during 2025.

As a first step, a **review of the external and internal context** was carried out.

The **external context** has been marked in particular by regulatory changes, detailed in the governance chapter, the climate emergency and the transition to renewable energy, coupled with an unstable geopolitical situation with a clear impact on trade and energy, which is causing an evident social divide with a section of the population affected by prices.

The **internal context** has been characterised by a clear effort to continue making progress across all units, and particularly within the governing bodies themselves, through continuous improvement based on excellence. This has involved, amongst other measures, promoting teamwork with stakeholders to analyse common problems and seek the best solutions, or carrying out benchmarking studies with leading national and international companies in sustainability to identify and consider best practices.

The context analysis included a review of various sectoral and socio-economic reports, which helped to understand the concerns of the different stakeholders.

The identification of impacts took into account the criteria set out in the **GRI 3: Material Topics 2021** reporting standard, thereby considering the actual and potential impacts on the economy, the environment and people—including human rights—caused directly by the company or to which it may contribute through the value chain. This identification of impacts **included the proposed impacts** set out in the **GRI 11 Oil and Gas Sector** Standard **2021**.

Following the context analysis, the impacts, risks and opportunities (IROs) were identified, structured into different material topics and sub-topics. Specifically, **50 impacts (30 positive and 20 negative) were listed, along with 15 risks and 13 opportunities.**

Once identified, these needed to be assessed. To this end, following the efforts made in recent years to deepen our understanding of the standards—particularly GRI 3: Material Topics 2021—as well as all the information available on the CSRD Directive, it was deemed appropriate to review the assessment criteria.

This review enabled the materiality of impacts to be aligned more closely with the requirements of GRI 3: Material Topics 2021, by adjusting the criteria and thresholds for assessing severity in the case of negative impacts, or significance in the case of positive impacts, as well as probability when dealing with potential impacts.

For **negative impacts, the assessment of severity** took into account the factors of scale, scope and remediation. The scale factor allows for the separate assessment of the impact on people, the environment and economic development, with three levels established for each item to determine the magnitude of the damage. If the impact may involve a violation of human rights, the highest severity level was applied. As for scope, three levels of assessment have also been established, depending on whether the impact is limited to small areas or, conversely, affects multiple areas, species or people. Finally, remediation takes into account the possibility and difficulty of remedying the damage caused.

With regard to positive impacts, the criteria of scale, scope and duration were also considered when assessing significance, with the scale being evaluated through an analysis of the potential contribution to the targets of the Sustainable Development Goals.

With regard to **financial materiality,** the proposal of the CSRD Directive was taken into account, adapted to the methodology established within the finance department for corporate risk analysis, generally considering **the impact on Net Present Value (NPV) and reputation,** and its assessment for 2025.

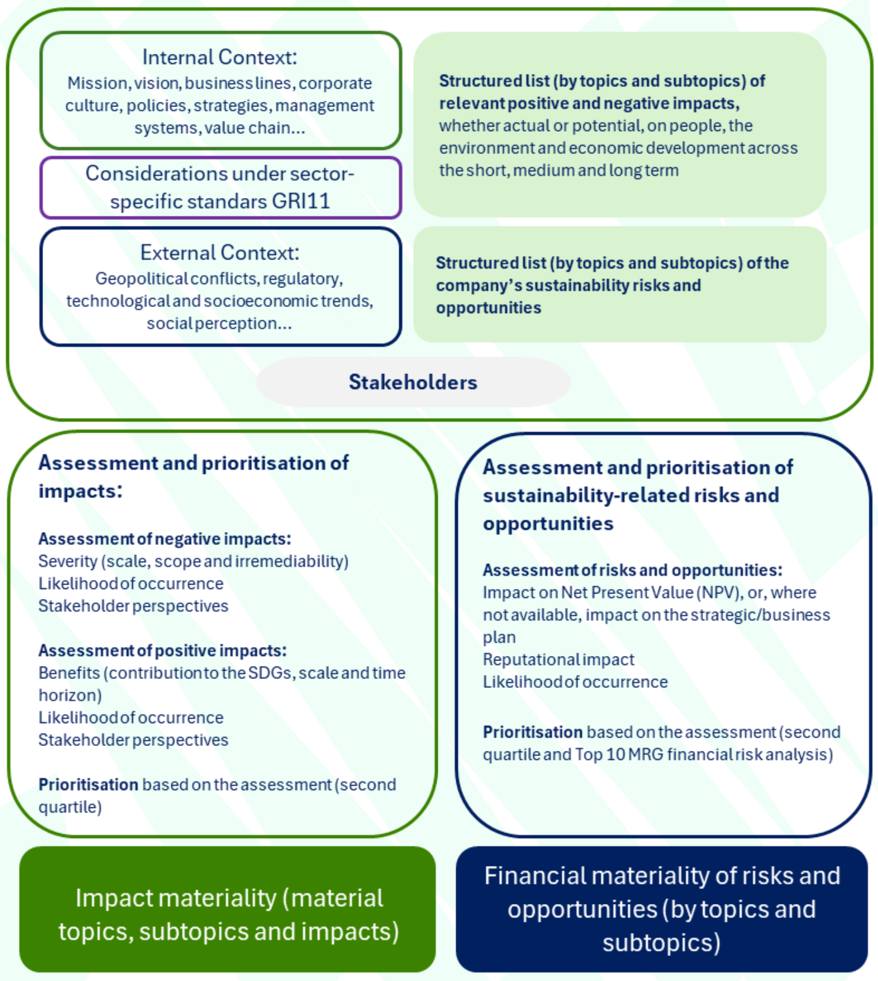
The revised methodology was documented in an update to the internal procedure for the Materiality Study and was applied when assessing each IRO.

Within the analysis process itself, **the views of stakeholders** once again formed part of **the assessment,** as a further factor considered in the evaluation process. This information was obtained mainly through **online questionnaires**. For each group, the questionnaire was designed to cover those impacts from the list that might affect them.

Internally, there was a significant response, with 63 people participating, representing 57% of the workforce. Among the other stakeholder groups, participation was uneven and low for some groups. For this reason, the information obtained was supplemented using existing public reports.

The company has analysed the level of stakeholder participation and has determined that in future materiality review processes, it will revert to the interview tool used in previous studies, at least for priority stakeholders. This is because companies and organisations are currently putting new safeguards in place in response to the risk of cyberattacks, which make it difficult to use online questionnaires as an effective tool.

In any case, based on the responses and the reports analysed, the views of the groups were included in the assessment process.

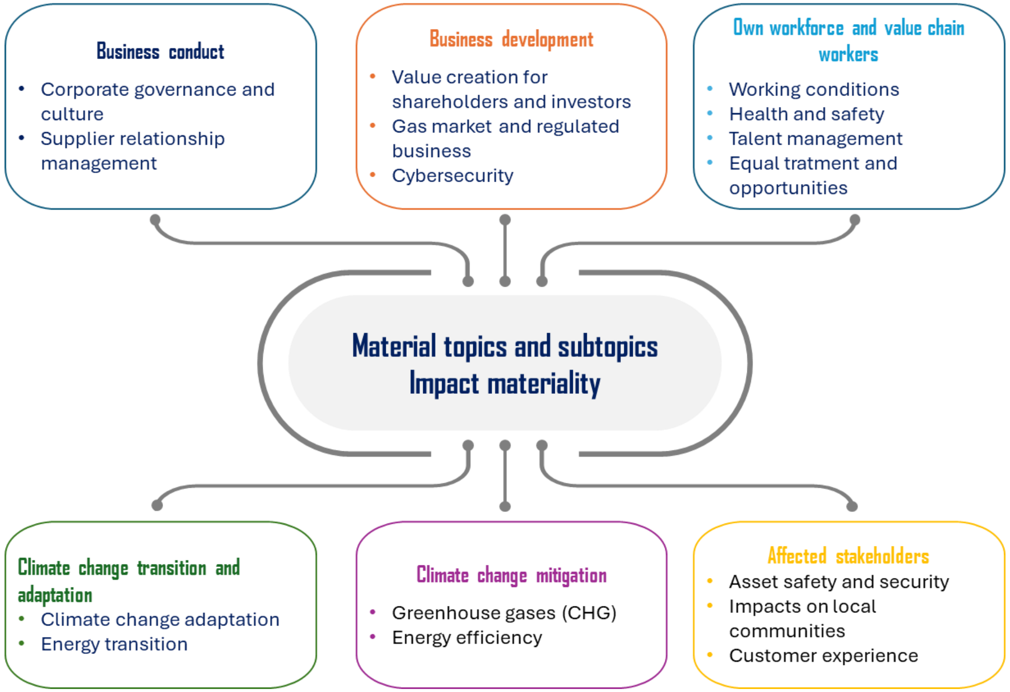


With regard to the materiality analysis carried out and the results obtained, it is important to bear in mind that in this latest study we have analysed both types of materiality—impact and financial—obtaining the results for each separately. Impact materiality has enabled us to identify the material issues and sub-issues from that perspective, whilst financial materiality has identified the material issues and sub-issues from the financial perspective.

For Madrileña Red de Gas, all the topics and sub-topics identified as such by these perspectives are considered **material**.

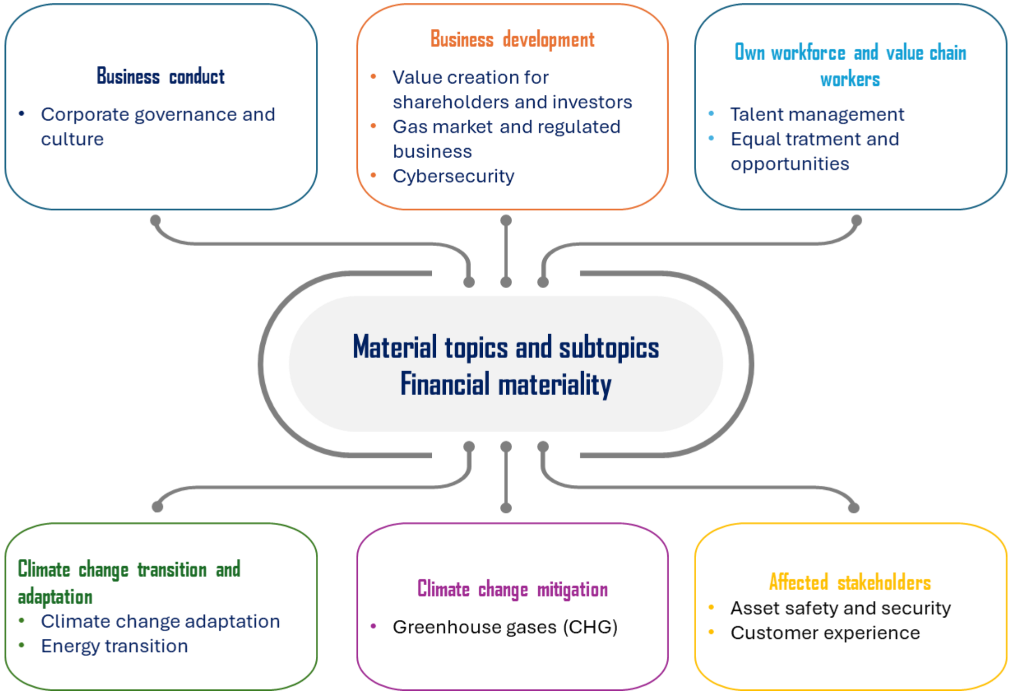
With regard to **impact materiality**, once the impacts had been assessed and ranked in descending order of materiality, **the second quartile method was applied to establish a threshold for prioritisation**, **resulting in 27 material impacts.**

Taking into account the structure of issues and sub-issues within which the impacts were integrated, **the material issues and sub-issues** were identified **from the impact perspective:**



Impact Materiality 2025

With regard to **financial materiality, the risks and opportunities identified in the field of sustainability were assessed.** For the analysis, particular account was taken of the methodology used by the finance department in risk assessment, considering elements such as NPV Impact (Net Present Value) and reputation. Following the analysis, 11 material risks and 8 material opportunities were identified, which, in accordance with the structure of topics and subtopics, enabled the identification of **material topics and subtopics from a financial perspective.**



Financial materiality 2025

Annex IV provides further details of the 27 material impacts identified.

Compared to the previous materiality assessment, the first difference is that both materiality assessments are now considered separately. It is also interesting to note the change in the structure of the topics and subtopics, with the growth in material subtopics related to people being particularly noteworthy.

To facilitate comparison, we have included a table showing the issues (now themes) and themes (now sub-themes) identified in the 2023–2024 materiality assessment.

Material topics	
Aspects	**Topics**
Good governance, ethics and transparency	Ethics and legal compliance
	Sustainability governance
Risk management	Climate adaptation, resilience and transition
	Asset integrity and critical incident management
	Cybersecurity
	Economic-financial risks
	Regulatory risks
Business development	Economic and financial value creation
	Development and extension of the distribution network
Supply chain	Extension of ESG criteria to the supply chain
Environmental impact	Emissions, pollution, and fight against climate action
Social impact	Energy access and economic impact
	Reliability, supply continuity, and customer orientation
People	Occupational safety and health

Materiality 2023–2024

For the various material topics and subtopics, details are provided on their management, as well as the targets and objectives achieved during the period, in the various chapters of the report, as set out in the GRI content index.

Turing Project: data-driven decisions

GRI 3.3

As part of Madrileña Red de Gas's own strategy, the Turing Project was launched in 2024, an initiative aimed at consolidating the company as a truly data-driven organisation. With the direct backing of senior management and a data governance committee reporting to the CEO, the project was launched with a clear objective: to reinforce data-driven decision-making, increase operational efficiency and strengthen the business's competitiveness.

The Turing Project is structured around a three-year master plan; 2025 marked the second year, and it is led by a multidisciplinary team coordinated by the Systems and Processes departments, with representation from all business units. During its first year, the focus was on consolidating the data strategy, making progress on key milestones such as:

- The creation of a single corporate data dictionary.
- The implementation of a governance model that guarantees quality, traceability and consistency.
- The integration of key information into a corporate data lake.
- The standardisation of operational and management reports, validated by all departments.

Laying the foundations for a robust model that not only organises and structures information, but also transforms the way it is managed and used on a day-to-day basis.

During 2025, Madrileña Red de Gas has driven a major modernisation process of its corporate reporting and analytics ecosystem, with the aim of strengthening operational efficiency, the quality of information and the ability to respond to internal and regulatory requirements.

This progress has been achieved through the gradual migration of the main financial and economic, commercial, project, billing, distribution, asset and other key areas to a corporate Data Lake on GCP (Google Cloud Platform).

The implementation of this model has led to a significant improvement in data governance and quality, reducing inconsistencies, increasing traceability and facilitating faster and more reliable access to information. Thanks to this transformation, processes that previously required several hours of preparation and calculation can now be executed in a matter of minutes.

The capacity for management and decision-making on material issues has been enhanced, thanks to the information management provided by this project

Transforming commitments: Sustainability Master Plan

GRI 2-24, GRI 3.3; VSME-B2-26-c-d, VSME-B2-27, VSME-C1-47d,

As noted in the previous section, the materiality review has led to a revision of the Master Plan, with the aim of ensuring that the plan addresses the material IROS identified. This update has resulted in the **2026–2028 Sustainability Master Plan**, which introduces new actions that coexist with the lines and actions of the 2023–2026 Master Plan. The Plan also addresses issues which, although not material following the analysis, are considered relevant, such as biodiversity.

Sustainability Master Plan 2026–2028

Leadership that inspires trust

Business conduct
- Corporate governance and culture (20)
- Supplier relationship management (5)
- Anti-corruption and bribary (2)

Business development
- Value creation for shareholders and investors (10)
- Gas market and regulated business (14)
- Cibersecurity (6)

People who make the difference

Own workforce and value chain workers
- Working conditions (4)
- Health and safety (3)
- Talent management (8)
- Equal tratment and apportunities(10)

Green transition and climate action to protect the future

Climate change transition and adaptation
- Climate change adaptation (3)
- Enrgy transition (4)

Climate change mitigation
- Greenhouse gases (11)
- Energy efficiency (1)

Pollution
- Warter and soil pollution (2)

Biodiversity and ecosystems
- Biodiversidad y ecosistemas (4)

Circular economy
- Waste (1)

Genuine commitment to the community, excellence in customer service

Affected stakeholders (customers, users and local communities)
Impacts on local communities (3)
- Asset safety and security (7)
- Customer experience (6)

Sustainable performance

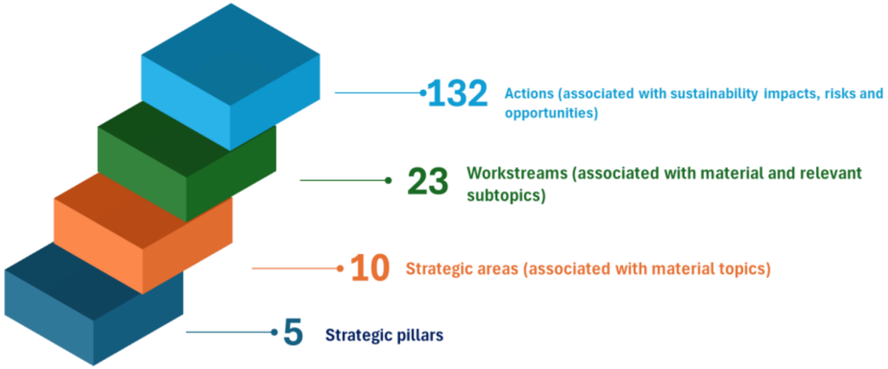
Cross-cutting axis: Sustainable performance
- Stakeholders (1)
- Reporting(5)
- SDGs (2)

Note: (no.) indicates the number of actions in the plan associated with the material issue

The actions have been prioritised, with those enabling the management of material IROs being classified as P1 (highest priority). Once defined and prioritised, they have been structured for deployment across each organisational unit of the company, with plans for their implementation during the period.

Of the 132 actions set out in the Plan, **81 are** of **an ongoing nature**, i.e. they are actions to be carried out continuously throughout the Plan's duration.

Analysing the expected benefits and the resources required for the actions, **51 have been classified as Quick Wins,** that is: cost-effective actions, low in complexity and requiring low investment, with generally immediate results and a significant impact for the company.



Structure of the 2026–2028 Sustainability Master Plan

Closure of the 2023–2026 Plan following its review in 2025

The work carried out over the last three years (2023–2025) has been clearly satisfactory. Madrileña Red de Gas has made an effort that has enabled the integration of the sustainability strategy with the company's strategy, achieving full involvement from all organisational units.

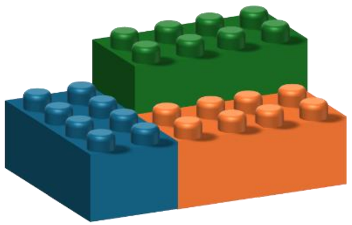
The meetings held by the Risk Unit with the various organisational units to carry out, amongst other things, materiality analyses, the GAP analysis for the CSRD, or awareness-raising sessions, have highlighted the value of the strategy. No unit today separates its day-to-day work from sustainability

Similarly, through the Audit and Risk Committee, the development of identified best practices has been diligently communicated to the governing bodies. It is worth noting how the Board of Directors has been involved in the materiality processes and has incorporated sustainability into its work agenda, or has carried out competency analyses as well as a self-assessment process regarding its sustainability management

The maturity with which the company approaches its sustainability strategy has led to recognition as the top-ranked company in the sector internationally according to GRESB, as well as steadily improving stakeholder satisfaction scores year on year.

As regards the assessment of the plan's achievement rate, this has been carried out taking into account the work planned up to the end of 2025. The activities planned for 2026 have been analysed and incorporated into the new plan where deemed appropriate following the materiality study, or removed if they were not considered relevant in light of the changes.

If we look at the 2023–2026 Plan, and **specifically the actions planned up to December 2025, the plan has been 77% achieved.**



Pending (9.2%)
Actions not yet initiated that have been carried over to the new Plan

In progress (8%)
Actions initiated that have been transferred to the new plan for completion

Cancelled (5.8%)
These have been removed from the plan for two reasons.

- They were linked to future new ISO certificates, which have been removed from the objectives for the time being
- They were linked to CSRD requirements,

Compliance with the 2023–2026 Sustainability Master Plan at the end of 2025

Listening and collaborating: Stakeholder model

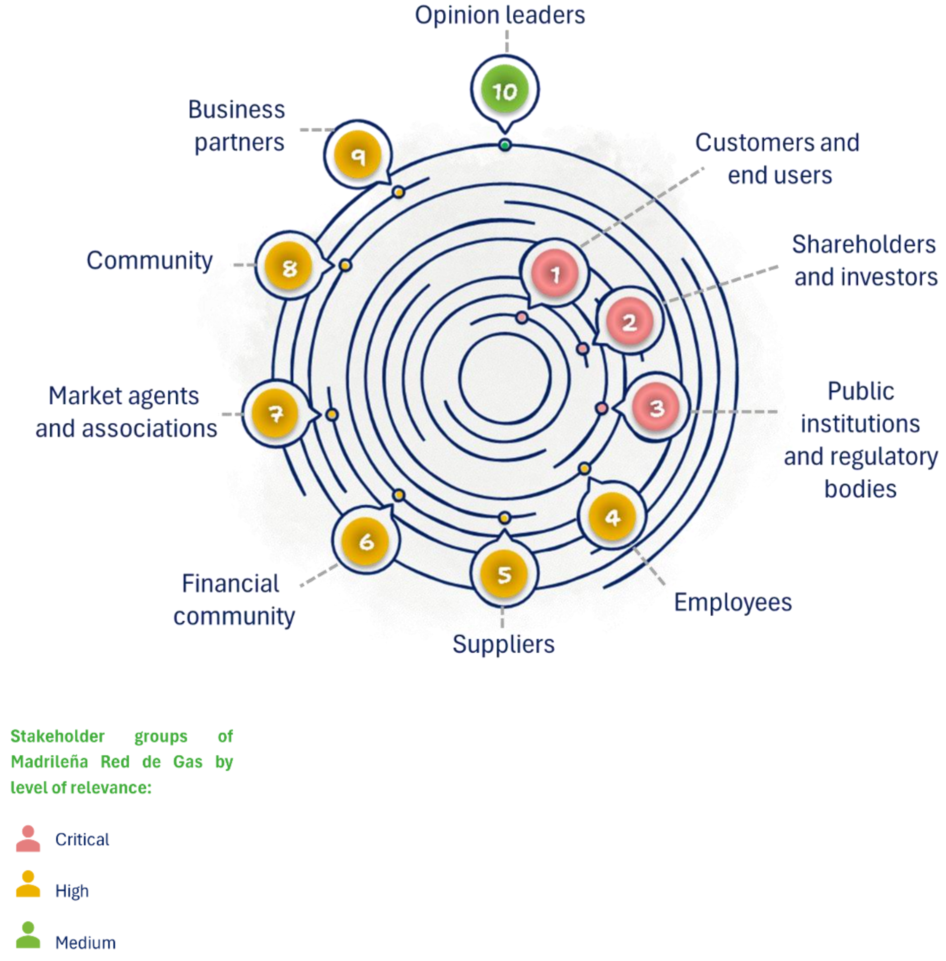
GRI-2-26, GRI 2-29; GRI 3.3, VSME-BI-47a

Madrileña Red de Gas adopts its stakeholder model to manage the needs and expectations of all parties involved in its activities in a timely manner.

This approach enables it to maintain transparent and collaborative relationships, ensure regulatory compliance and strengthen the trust of its stakeholders, guaranteeing a safe and sustainable service, minimising risks and contributing to the economic and social development of the regions where it operates.

In 2025, the company updated the model, reviewing the stakeholder structure and prioritisation criteria, as well as the channels currently used and the relationship framework.

The **result of the stakeholder classification and prioritisation** was as follows:

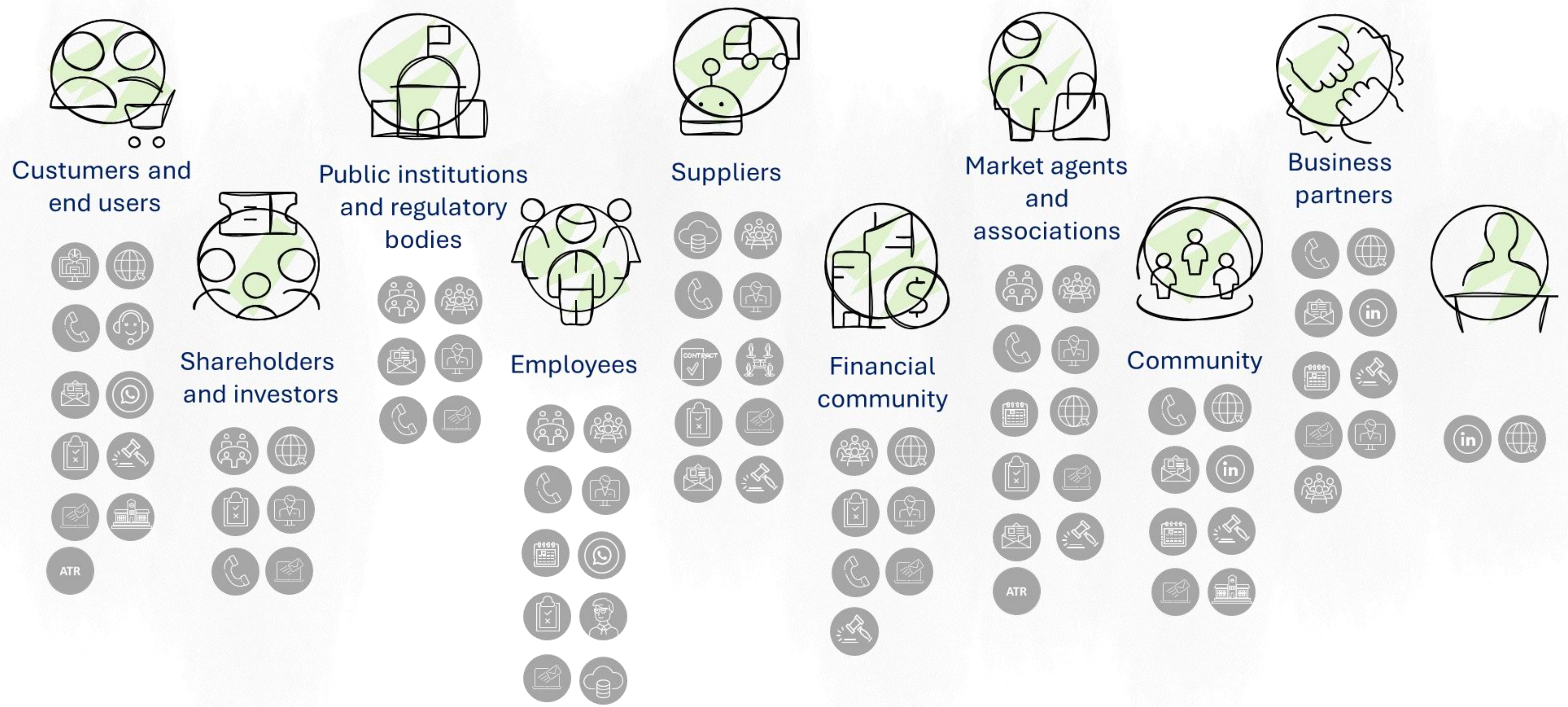


Structure and prioritisation of Stakeholder Groups

Main communication channels

- Official website
- Call Center
- Documentation repositories
- Whistleblowing channel
- Postal mail
- Meetings and working groups
- WhatsApp
- Surveys and questionnaires
- Virtual office
- Internal employee portals
- Committees and boards
- Email
- Virtual meetings
- Procurement platform
- Supplier portal
- Telephone
- ATR channel
- Events and workshops
- Social media
- Municipalities Consumer service offices

Main communication channels by stakeholder group



The relationship framework with groups classified as critical can be summarised as follows:

Customers and end users

New connections, meter readings, billing, connection services, LPG conversion, access, meter replacement, periodic inspections, home operations, emergency response, incident management, claims management, response to information requests, customer satisfaction measurement, data protection and information security

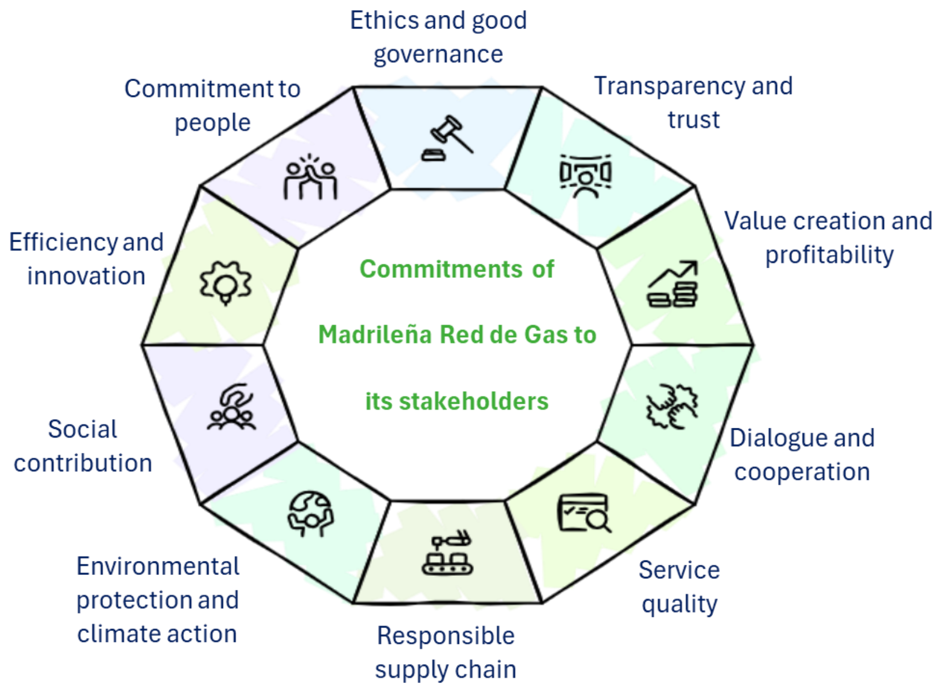
Shareholders and investors

Support and legal compliance; preparation of periodic reports on business performance, financial results, sustainability performance, and project indicators; identification of business risks and their economic impact; management of specific information requests; and follow-up on audits.

Public institutions and regulatory bodies

Compliance with legal and reporting requirements; periodic delivery of financial, technical, environmental, and safety information; oversight of operations; assurance of service quality and safety; and availability of updated data to support decision-making on energy policy and consumer protection.

The **commitments** generally established with the groups are summarised in the following figure:



Throughout the report, in the various chapters, the framework for engagement is evident, along with further details of the channels and activities carried out with the groups over the course of the year.

Among the range of activities that took place in 2025, it is interesting to note how collaborative work with these groups is growing, with specific activities being carried out to analyse problems and jointly seek solutions. Examples of this approach can be found in Chapter 7 of this report: Social impact through our commitment as an energy distributor

For Madrileña Red de Gas, in its role as a distributor, the energy transition represents a major challenge requiring the gradual adaptation of its networks and services for the distribution of renewable gases; this brings with it a closer and stronger relationship with its business partners and market players.

As a member of sectoral associations such as SEDIGAS, AGREMIA, GASNAM and OGMP, the company collaborates closely, through its membership and active participation in committees and working groups, in defending the interests of the gas sector, driving initiatives that promote a favourable regulatory environment aligned with European sustainability objectives. Furthermore, through this involvement, Madrileña Red de Gas actively contributes to the energy transition, encouraging the use of renewable gases and clean technologies (gas applications, mobility, etc.) and positioning itself as a player committed to decarbonisation and energy efficiency at regional, national and European levels.

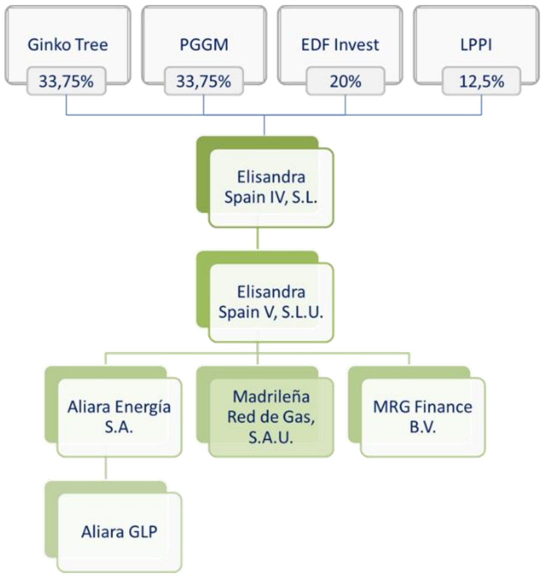
Furthermore, the company has been actively involved for years in initiatives promoted by public bodies and professional associations, such as FENERCOM and the Community of Madrid itself (hydrogen working groups), as well as in other strategic sectors such as property, manufacturers and installers (ANFAC and CONAE). These collaborations share the common goal of advancing towards the realisation of a sustainable and efficient energy transition, boosting the region's business sector, and positioning gas as a key enabler for achieving the energy transition.

Furthermore, Madrileña Red de Gas has for years maintained its commitment to promoting young talent through agreements with various universities in the Community of Madrid.

4. Responsible governance for a sustainable future

A structure that fosters leadership: Corporate organisation

Madrileña Red Gas, S.A.U. has Elisandra Spain V, S.L.U. as its sole shareholder, which is controlled by the parent company Elisandra Spain IV, S.L. The latter, in turn, is linked to four main investment groups and commercial partners holding different shareholdings and voting rights: Realgaz, S.A.S (EDF Invest), Stichting Depositary PGGM Infrastructure Funds (PGGM), JCSS Mike S.A.R.L. (Gingko Tree) and LPPI Infrastructure Investments LP (LPPI). In order to strengthen the separation and transparency of regulated gas distribution activities from other activities, a group of independent companies has been established, wholly owned by Elisendra Spain V, S.L.U.



MRG Group corporate structure

The organisational structure of Madrileña Red de Gas is reviewed periodically and adapted to the strategic and operational needs defined in the Strategic Plan. The structure in force at the end of the financial year in December 2025 is shown below.

Top-level organisational chart of Madrileña Red de Gas

Sustainability with a strategic vision: Sustainability governance

GRI 2-9; GRI 2-10; GRI 2-11; GRI 2-12; GRI 2-13; GRI 2-14; GRI 2-16; GRI 2-17; GRI 2-18; GRI 2-19; GRI 2-20; GRI-3-3, VSME C2-49, VSME C9-65

The governance structure comprises the Board of Directors, the Audit and Risk Committee, the Remuneration Committee, the Management Committee and the Crime Prevention Committee. The first four bodies include representatives of the four partners of Elisandra Spain IV, S.L., providing the necessary mechanisms of independence and control for decision-making.

Diversity in governance bodies	Sex		Diversity Index	Nationalities	Age range			Avg. Seniority
	Men	Women	Ratio of women to men		Average Age	<50	≥50	Period ending December 31, 2025
Board of Directors	8	1	0,13	6	47,6	6	3	1,9
Audit and Risk Committee	6	1	0,17	5	45,4	5	2	4,7
Renumeration Commission	4	2	0,50	5	47,8	4	2	3,3
Management Committee	5	2	0,40	2	56,1	1	6	12,4
Criminal Offences Prevention Committee	1	2	2,00	1	52,3	1	2	5,4

Diversity within the governing bodies of Madrileña Red de Gas

There are various committees and commissions comprising members of the management team, providing technical support for governance responsibilities:

- GIS Committee
- Cybersecurity Committee
- Crisis Committee
- Health and Safety Committee
- Serious Accident Prevention Committee
- Works Council
- Code of Ethics Committee
- Equality Plan Monitoring Committee
- Pension Scheme Control Committee

Board of Directors as a control and supervisory body

The Board of Directors is the form of administrative body established in the Articles of Association registered with the Commercial Registry and acts collegially. Its members, individually, are all non-executive proprietary directors, in contrast to the Management Committee, which does include executive members. The system for the selection and appointment of Board members is expressly regulated in the Articles of Association and in the Rules of Procedure of the Board of Directors.

Board of Directors						
Members	**Position**	**Seniority**	**Staff**	**Gender**	**Nationality**	**Age range**
Dña. Carmen Gómez de Barreda Tous de Monsalve	**Chairwoman**	**1,2**	**Independiente**	**W**	**Spanish**	**≥50**
D. Manuel Nofuentes Caballero	**Director**	**0,5**	**PGGM**	**M**	**Spanish**	**≥50**
D. Jan Matthijs Lakerveld	**Director**	**2,3**	**PGGM**	**M**	**Dutch**	**<50**
D. Shankar Krishnamoorthy	**Director**	**2,1**	**PGGM**	**M**	**Indian**	**≥50**
D. Yingqi Liu	**Director**	**0,1**	**GINGKO TREE**	**M**	**Chinese**	**<50**
D. Kai Chen	**Director**	**2,5**	**GINGKO TREE**	**M**	**Chinese**	**<50**
D. Romain Thierry Victor Bruneau	**Director**	**5,1**	**EDF Invest**	**M**	**French**	**<50**
D. Alexandre Edouard Jean Pieyre	**Director**	**2,8**	**EDF Invest**	**M**	**French**	**<50**
D. Daniel Frank Hobson	**Director**	**0,9**	**LPPI**	**M**	**English**	**<50**

Composition and diversity of the Board of Directors

The Board is a collegiate body; therefore, there are no significant positions beyond that of the Chairman of the Board. Its resolutions are implemented by the Company's Chief Executive Officer, who, together with the Chief Financial Officer and the Finance department, holds general powers of management, administration and decision-making. Its operation is governed by the Articles of Association and by the commitments, rights and obligations established in the Companies Act. In summary, members of the Board are nominated by the Board of Directors itself and their appointment is approved by the sole shareholder, in accordance with the provisions of the Act.

In appointing its governing bodies, the key factor is shareholder representation on the majority of these supervisory bodies, providing a mechanism for oversight and independence in decision-making. Furthermore, in line with its code of ethics, a commitment to diversity in the broadest sense is established—not only in terms of gender but also in terms of experience, knowledge, age, nationality or length of service of directors, amongst other aspects—both in the composition of the Board of Directors and the other governing bodies; however, due to the history of the company and the gas sector in general, there remains a male majority in the governing bodies, an area where work is ongoing to gradually narrow the gap.

In this regard, significant progress was made in 2024 with the appointment of the Chair of the Board of Directors. Her appointment, in an independent capacity, not only reinforced the strength and transparency of the highest decision-making body but also symbolises a shift towards more diverse and balanced leadership. This milestone reinforces the company's commitment to equity in leadership, reflecting MRG's determination to build more inclusive and representative governing bodies. Far from being a temporary measure, this model has been consolidated throughout 2025, ensuring the company's strategic stability and unwavering commitment to equity.

"In 2024, Madrileña Red de Gas reaffirmed its commitment to diversity in governing bodies and appointed the Chair of the Board of Directors as an independent director"

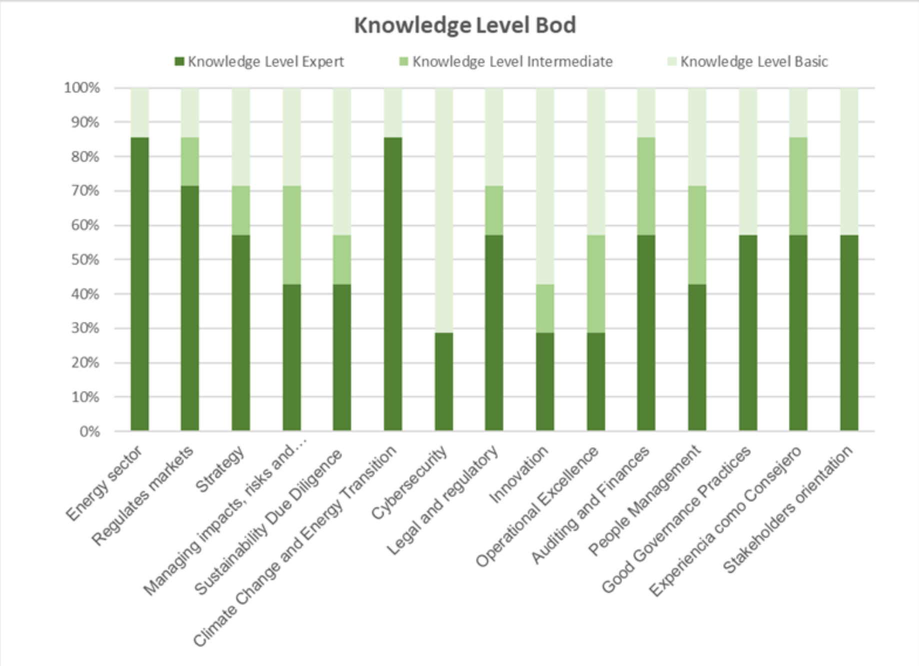
The remaining members are nominated by the various investors, most of whom sit on the boards of other organisations within their shareholder group; the term of office is six years. Currently, the average tenure of Board members is 1.9 years.

As for the professional profile of Board members, they are highly qualified individuals for the performance of their duties, with extensive track records and experience in senior positions linked to the responsibilities of the role.

Since 2023, and in line with best corporate governance practices, as well as new sustainability requirements and GRI standards, the Board of Directors has had a **skills matrix**. This matrix sets out in a structured manner the skills, experience, training and level of knowledge of each of its members.

Competencies of the Board of Directors

This matrix is reviewed periodically (at least every two years) or whenever there are changes in the composition of the Board of Directors, or changes in the company's strategic priorities.

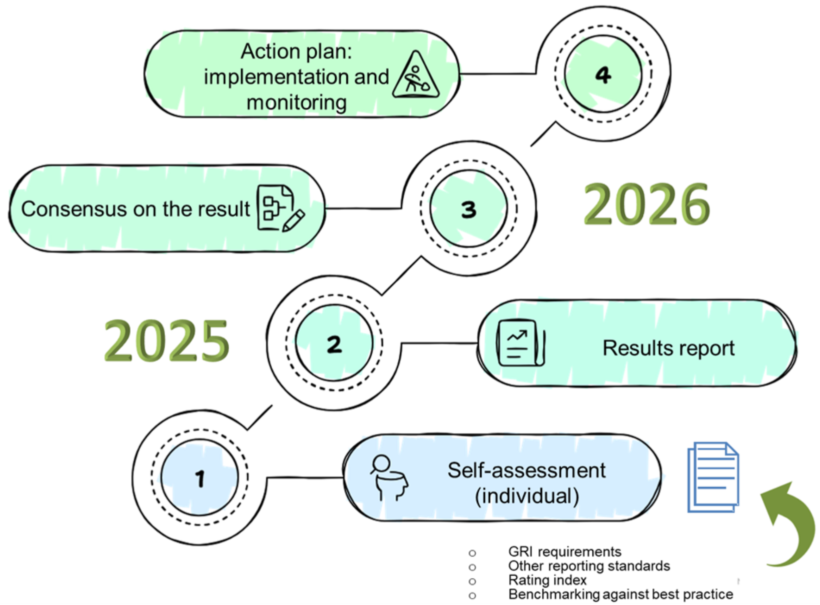


Assessment of the Board of Directors' competencies

At the end of 2025, **a process of self-assessment of the Board of Directors' and Committees' ESG performance** was initiated via a questionnaire addressed to all members of Madrileña Red de Gas's governing bodies across four management areas:

- Sustainability strategy and governance
- Stakeholder dialogue, reporting and feedback
- Performance monitoring and continuous improvement
- Competencies and training

The results have enabled the development of an action plan to be implemented over the next two years, with a view to raising the standard of excellence in sustainability.



Self-assessment process of the Board and governing bodies

In the exercise of its functions, and in full compliance with the provisions of the Companies Act, the Board exclusively assumes a series of non-delegable powers that guarantee the sovereign management and integrity of the company.

In this regard, the Board is **responsible for determining the** company's general **policies and strategies, as well as its own organisation and functioning**. As the body with ultimate responsibility for supervision, it ensures the effective functioning of the committees established and the actions of the delegated bodies, whilst also being responsible for the preparation of the annual accounts and the drafting of the reports required by law. Its commitment to good governance extends to talent management at the highest level and to the remuneration policy for directors, ensuring compliance with the statutory framework. Finally, as the essential link with the shareholders, the Board is responsible for convening the General Meeting and proposing the resolutions that govern the organisation's future, always ensuring compliance with the duty of loyalty and transparency in management.

Board meetings are held at least once every quarter. Each December, the dates and preliminary agendas are set and approved, allowing for advance planning of the matters to be addressed during the following financial year. Based on this schedule — which is subject to adjustment depending on circumstances — the divisional directors, members of the Management Committee and the various committees prepare detailed analyses on economic, social and environmental matters, which are presented at each Board meeting for discussion and decision-making.

Among the topics discussed by the Board of Directors in 2025, **key issues for the company stand out**, such as cybersecurity, with the aim of strengthening protection against technological threats; sustainability and the integration of ESG (environmental, social and governance) criteria, in line with industry best practices and energy transition commitments; and the proactive monitoring of the regulatory environment and framework, with particular attention to strategic planning for the next gas regulatory period (2027–2032); developments in the energy market and technological innovation applied to the transition towards a more sustainable energy model; and financial management and capital structure, aimed at ensuring stability, optimising profitability and evaluating new investment opportunities. In this regard, the Board has analysed the schedule of circulars published by the CNMC for the development, amongst other things, of the future remuneration methodology that will govern the next regulatory period 2027–2032. Furthermore, particular attention has been paid to the energy policy guidelines issued by the Ministry, which set out the guidelines that the CNMC must consider when designing the new remuneration and toll framework, prioritising decarbonisation and the integration of renewable gases

Sustainability policies, strategies and objectives — including economic, environmental and social aspects, as well as human rights due diligence and the analysis of material issues — are defined by the Risk Department, approved by the Audit and Risk Committee, and reported to the Board of Directors for validation.

The **Board of Directors** oversees and approves decisions and progress on sustainability matters, delegating executive functions to the **Audit and Risk Committee**. During its meetings, the Board reviews the results presented by the Committee, enabling it to monitor the strategy, matters relevant to the organisation, and the identification of risks and opportunities arising from economic, environmental and social impacts, whilst also incorporating input from stakeholders.

Over the last five years, the integration of sustainability into corporate governance and business decision-making has been consolidated, reflecting a firm commitment to incorporating sustainable criteria into corporate strategy and the direction of medium- and long-term development.

Furthermore, in the current market context, where shareholders and investor groups increasingly prioritise investments in sustainable and socially responsible companies, it is worth noting that in recent years the company has achieved an improvement in average debt costs, reaffirming its commitment to sustainability through a loan linked to the score obtained in the **GRESB sustainability index**.

The monitoring and **assessment of the financial performance** of the highest governing body is carried out through the annual audit of the accounts at the end of the financial year.

Audit and Risk Committee

In accordance with the Internal Operating Regulations, the Audit and Risk Committee (ARC) reports directly to the Board of Directors and operates in accordance with the provisions of the regulations, which define its objectives, functions and composition. This committee comprises representatives from the Board of Directors of each of the four shareholders, several members of the Management Committee and the Risk Management Department. In line with the appointment of new directors, new members were appointed to the ARC Committee in 2025.

Audit and Risk Committee						
Members	**Position**	**Seniority**	**Staff**	**Gender**	**Nationality**	**Age range**
Alejandro Lafarga Ibran	**Member**	**8,6**	**MRG**	**M**	**Spanish**	**≥50**
Inés Zarauz	**Member**	**7,6**	**MRG**	**W**	**Spanish**	**<50**
Alfonso Garcia	**Secretary**	**8,6**	**MRG**	**M**	**Spanish**	**≥50**
Jan Matthijs Lakerveld	**Chairman**	**2,1**	**PGGM**	**M**	**Dutch**	**<50**
Yingqi Liu	**Menber**	**1,9**	**Gingko Tree**	**M**	**Chinese**	**<50**
Romain Thierry Victor Bruenu	**Member**	**3,6**	**EDF Invest**	**M**	**French**	**<50**
Daniel Frank Hobson	**Member**	**0,9**	**LPPI**	**M**	**English**	**<50**

Composition and diversity of the Risk Committee

The agenda items are discussed at regular committee meetings, which are held prior to each Board of Directors' meeting, and are agreed internally at the start of each new financial year.

Once again this year, and in line with the **interest expressed by Board members** regarding progressive alignment with the requirements of the SFDR, ad hoc meetings have been held to provide information and report on ESG matters. These sessions have enabled us to present investors with a highly positive view of both our approaches and the achievements made, the key elements of the ESG strategy, and the necessary clarifications following the entry into force of the Omnibus Directive and the changes arising from the scope of the CSRD.

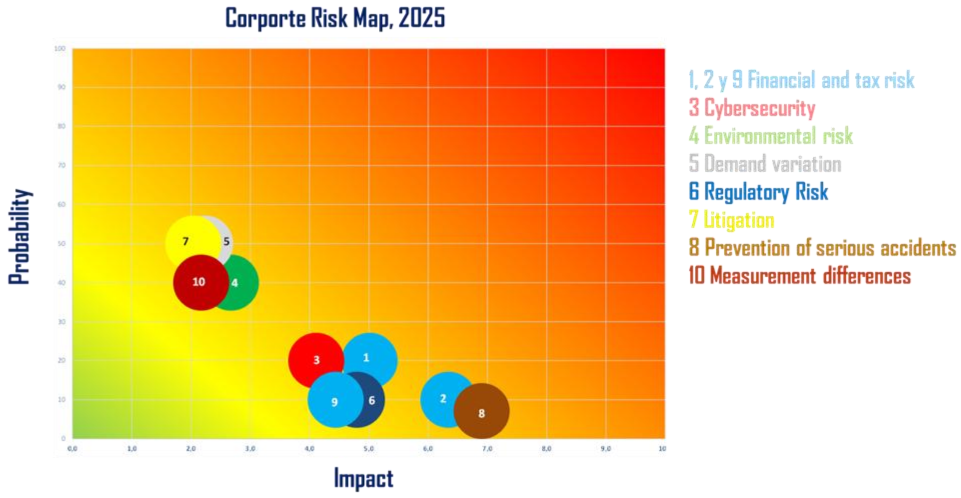
Furthermore, with the aim of strengthening this strategy, the ARC has promoted the implementation of an **ESG performance benchmark** that takes into account the most relevant players in the sector, both nationally and internationally. The results of this analysis will be presented to the Board in 2026 and will enable the identification of best practices, as well as the priority areas for advancing towards excellence in sustainability.

The integration of the risk management policy within the company has been achieved through the progressive implementation of cross-cutting risk analyses involving the business and corporate units most closely linked to the affected processes. Similarly, risk management features on the agenda of the Management Committee's regular meetings.

Currently, Madrileña Red de Gas's risk map covers a wide variety of risks, focusing on the ten most material risks, which have been assessed using criteria based on:

- The probability of a risk occurring on a scale of one to ten.
- The impact of the combination of the effect on net present value and the reputational impact, both on a scale of one to ten. The effect on net present value takes into account both the direct economic impact over the next twenty years and any potential penalties.

The map addresses emerging risks through regular updates to its content, and new high-level controls are being put in place to complement those already in existence. The action plans implemented help to mitigate the consequences of these risks. The **map of the top ten risks** is represented in a bubble chart:



The Committee monitors corporate risks and opportunities, as well as the identification, analysis and assessment of their impacts on the economy, the environment and people.

At the proposal of the members of the Management Committee, any threat with potential impacts on the economy, the environment and people may be analysed by the Risk Committee to determine the probability and magnitude of the impact, as well as to define the corresponding mitigation plan.

Among the most common issues are:

- Monitoring of the corporate risk map, controls and mitigation plans.
- Presentation of the results of the financial audit and external verification, and of management systems.
- Analysis and assessment of material issues and objectives related to Sustainable Development, as well as the organisation's due diligence in addressing and managing impacts.
- Development and monitoring of the Sustainability Master Plan.
- Monitoring of the ESG indicator framework.
- Adaptation to new sustainability reporting requirements.
- Monitoring of the criminal offence prevention policy and the compliance system.
- Development and updating of policies, which are subsequently approved by the Chief Executive Officer and presented to the Board of Directors.

Remuneration Committee

Shareholder involvement in decisions regarding senior management remuneration is channelled through the **Remuneration Committee**, comprising the Chair of the Board of Directors, up to four directors and the Head of HR. This body, in line with the corporate governance practices set out in the **GRI** standards, acts as a mechanism for shareholder oversight and participation in remuneration policies.

The Committee is responsible for agreeing the principles and structure of the remuneration proposal for the CEO and the Management Committee not covered by a Collective Bargaining Agreement (CBA), for considering how to attract, retain and develop talent in conjunction with the CEO, and for establishing and reviewing succession plans. Directors' positions are unpaid, as set out in the Company's Articles of Association.

As with other Committees, in line with the shareholders' commitment to integrate diversity policies by 2025, this Committee has also welcomed a new member, maintaining a gender ratio of 2:1 and ensuring representation from each of the shareholders.

Renumeration Commission						
Members	**Position**	**Seniority**	**Staff**	**Gender**	**Nationality**	**Age range**
Carmen Gómez de Barreda Tous de Monsalve	**Member**	**1,2**	**Independiente**	**W**	**Spanish**	**≥50**
María Vázquez Galatas	**Secretary**	**7,6**	**MRG**	**W**	**Spanish**	**≥50**
Kai Chen	**Chairman**	**2,5**	**Gingko Tree**	**M**	**Chinese**	**<50**
Jan Matthijs Lakerveld.	**Member**	**2,3**	**PGGM**	**M**	**Dutch**	**<50**
Alexandre Edouard Jean Pierre	**Member**	**2,8**	**EDF Invest**	**M**	**French**	**<50**
Daniel Frank Hobson	**Member**	**0,9**	**LPPI**	**M**	**English**	**<50**

Composition and diversity of the Remuneration Committee

The remuneration components for MRG Unit Directors are:

- Fixed remuneration: This is the remuneration paid based on the level of responsibility and professional track record. It is payable in all cases. Its adjustment is proposed and agreed annually by the Remuneration Committee.
- Variable remuneration: Targets are set annually by the Remuneration Committee and payment is approved based on the following year's results. The targets are aligned with the shareholders and with the company as a whole (some of the targets relate to various aspects of the company's sustainability).

- Signing bonuses or recruitment incentive payments.
- Severance payments.
- Reimbursements.
- Pension schemes.

The principles on which remuneration is based are:

- ✓ the creation of long-term value.
- ✓ attracting, retaining and motivating the best professionals.
- ✓ rewarding the level of responsibility and results.
- ✓ ensuring internal equity and external competitiveness.
- ✓ ensuring equal pay for men and women.

Remuneration policies for all employees are in line with **good corporate governance practices**. In accordance with the provisions of Article 7 of Royal Decree 902/2020, a **remuneration audit** has been carried out in conjunction with the Equality Plan (2022–2026). The action plan is contained in the 'Measures' section of the Equality Plan, specifically in the 'Remuneration' section, and is monitored through the implementation of the Plan.

The Remuneration Committee meets as frequently as necessary to ensure the effective performance of its duties; at a minimum, one or two meetings are held per year, although the frequency may be increased when deemed necessary. The Committee's proposals are submitted to the Board of Directors.

In line with the commitment to sustainability, sustainable financing and shareholder requirements, over the last five years part of the variable remuneration of senior management and the rest of the workforce has been linked to ESG performance. Furthermore, since 2023, new elements have been incorporated to assess the contribution to the company's ESG performance, also linked to the fulfilment of strategic objectives, such as, amongst others:

- GRESB ESG Performance Index
- Rating agency index
- Extent of compliance with compliance controls
- Zero accidents involving civil liability or penalties in relation to environmental management
- Increase in the number of natural gas supply points through the conversion of LPG.
- Implementation of renewable gas projects
- Progress on the Data Driven project
- Resilience and strengthening of cybersecurity plans
- Staff development
- Financial strength

Management Committee

The Management Committee is a body comprising the Company's Chief Executive Officer (CEO) and the heads of the six Business Units. The Business Unit Heads are individuals with extensive experience and expertise in the Company's main areas of activity; they put forward to the Committee the operational and management proposals they deem appropriate or necessary for their respective Business Units and for the fulfilment of the Strategic Plan, whilst also acting as a channel for conveying the interests, needs and expectations of their stakeholders. The executive decisions of the Management Committee are adopted by the Chief Executive Officer (CEO) of the Company.

Management Committee					
Members	**Position**	**Seniority**	**Nationality**	**Gender**	**Age range**
Alejandro Lafarga Ibran	CEO	14,5	Spanish	M	≥50
Inés Zarauz	Finanzas	6,6	Spanish	W	<50
María Vázquez	RRHH	8,6	Spanish	W	<50
Rafael Fuentes	Servicios Jurídicos	14,5	Spanish	M	≥50
David Ortiz	Expansión	8,6	Spanish	M	≥50
Félix Blasco	Operaciones de Red	12,6	Spanish	M	≥50
Glen Lancastle	Sistemas y Op. de	14,5	English	M	≥50

Composition and diversity of the Management Committee

Its main responsibilities are:

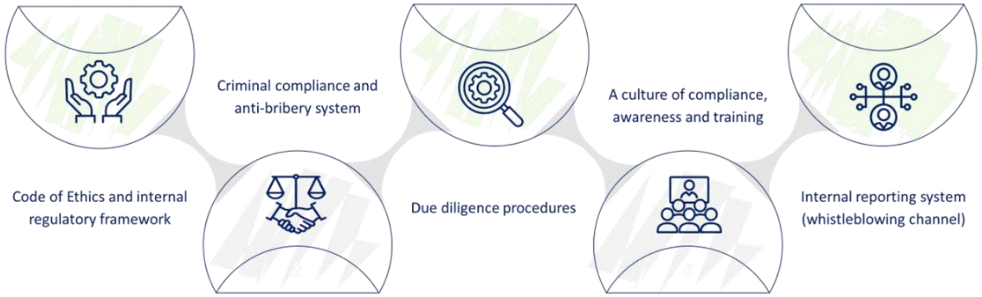
- Defining and updating the Mission, Vision, Values, policies, strategies and objectives, which it communicates to the General Management, to ensure compliance with the Company's Strategic Plan, and monitoring these.
- Approving and monitoring the Sustainability Master Plan and the objectives related to sustainable development.
- Monitoring the overall performance and specific projects of the Company's operational and business areas: expansion, customer operations and network operations.
- General oversight of compliance with economic, environmental and social performance objectives.
- Engaging with and involving stakeholders within its remit, delegating to the Risk Department the systematic and periodic identification of interests, needs and expectations carried out by the organisation.
- Identification of risks and opportunities, assessing their impacts on the economy, the environment and people. Definition of risk mitigation policies and plans, as well as monitoring of these.
- Defining performance objectives by process and monitoring the progress of the Company's management indicator scorecard. Proposing and implementing improvement measures.

Compliance that ensures integrity:

Compliance model

GRI 2-15, GRI 2-23; GRI 2-24; GRI 2-26, GRI 205-1, GRI 205-3, GRI 3.3, VSME B2-26a-b
VSME B11-43, VSME-B1-48, VSME C5-60, VSME-61c, VSME-62c

For Madrileña Red de Gas, ethics and compliance are fundamental to ensuring the integrity and smooth running of the company. To this end, it has developed a compliance system based on five fundamental pillars:



Elements of the Compliance System

Code of Ethics and Internal Regulatory Framework

These form the **cornerstone** of Madrileña Red de Gas's organisational culture, defining the standards of conduct required of all its staff in relation to the relationships and interactions it maintains with all its stakeholders, namely employees, customers, suppliers and external partners, shareholders, public and private institutions, and society at large.

The Code of Ethics was last revised in 2023, following the entry into force of Law 2/2023 of 20 February, regulating the protection of whistleblowers and the fight against corruption, and the review of the reporting channel.

The Code of Ethics Committee is the body responsible for promoting and overseeing internal codes of conduct and is composed of four members appointed by the Management and the Head of Information Systems. This Committee facilitates the reporting of incidents and their analysis.

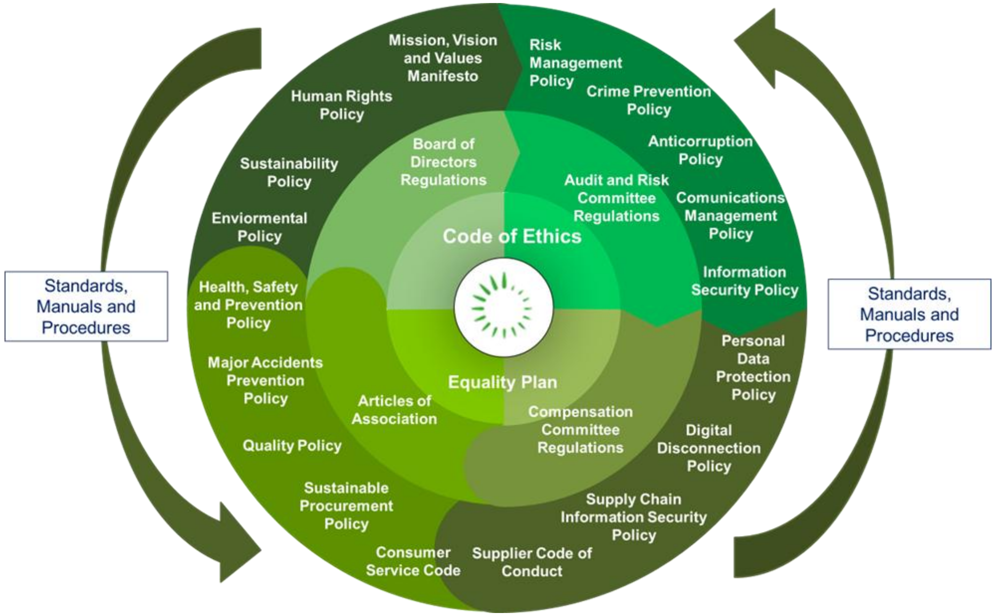
Furthermore, Madrileña Red de Gas has a **Code of Conduct for Suppliers**, which sets out the minimum ethical and behavioural requirements defined in the Code of Ethics, as reflected in the contractual clauses for suppliers.

Furthermore, the principles underpinning its corporate governance system and compliance framework are embodied in a set of regulations, policies, standards, manuals and procedures.

Firstly, the Regulations are in line with best corporate governance practices, establishing rules for organisation and operation, standards of conduct, and the mechanisms for the supervision and control of the governing bodies:

Madrileña Red de Gas's **Mission**, **Vision** and **Values**, together with **the Code of Ethics**, constitute a framework for action to ensure appropriate behaviour in the professional conduct of staff.

Corporate policies reflect the organisation's commitment to responsible business conduct and form the framework guiding its strategy in economic, environmental, social and governance matters. These policies, which cover sustainability issues, enable a deeper understanding of the impacts and risks associated with the business, and establish the principles guiding awareness, participation and the management of these aspects by employees, shareholders and the entire value chain. These policies are available on the website for consultation by any stakeholder: https://www.madrilena.es/sostenibilidad/



Internal regulatory framework

Throughout 2025, briefings are being developed regarding the sustainability strategy to reinforce the implementation of these policies.

Criminal compliance and anti-bribery system

As part of the Compliance System and following a risk analysis carried out at Madrileña Red de Gas, a **Criminal Compliance and Anti-Bribery System** has been established. This system provides a framework for risk-based controls and the implementation of **the Criminal Offences Prevention Protocol**, covering the functional areas and most sensitive activities where the offences to be prevented may occur.

To this end, it has a **Crime Prevention Committee** comprising the Chair of the Board of Directors, the Chief Executive Officer and the Compliance Officer.

Madrileña Red de Gas maintains a firm commitment to the fight against corruption in all its forms, implementing specific measures aimed at its prevention. To this end, the company has adopted an **Anti-Corruption Policy**. In line with this policy, Madrileña Red de Gas publicly expresses its determination not to exert influence over the decisions of third parties in order to obtain benefits through unethical practices. Furthermore, no employee or professional associated with the organisation is authorised to offer or accept, either directly or indirectly, payments, gifts or any form of compensation that could unduly affect their commercial, professional or administrative relationships, in either the public or private sphere.

> "In 2025, no breaches, fines or complaints regarding possible cases of corruption, fraud or money laundering have been detected"

Risks associated with any form of criminal activity within the organisation, including corruption, fraud or conflicts of interest, are monitored by the Board of Directors through the Audit and Risk Committee, which helps to prevent or mitigate such risks as far as possible. To date, no cases of corruption have been detected.

Should a **conflict of interest** be detected, members of the Board must bring it to the attention of the Board of Directors and the Company itself. This communication is documented and included in the Company's annual report. Furthermore, as established by the Companies Act, in cases where a potential conflict of interest is anticipated in the future, Article 230 of the same Act sets out the exemption procedure for specific cases, which shall be carried out, as appropriate, by the Board itself or, in this instance, by the sole shareholder.

The **Monitoring System for** Madrileña Red de Gas's **Criminal Compliance and Anti-Bribery System** focuses on ensuring its proper functioning, updating the risk matrix and keeping information on associated risk levels up to date. The monitoring of controls has been delegated from the Risk function to those responsible for implementing and managing the controls.

Control framework of the Criminal Compliance and Anti-Bribery System

During 2025, a further assessment of the organisation's compliance status was carried out, analysing the extent of its implementation and effectiveness, in order to analyse and understand the compliance measures and control measures in place, and to prevent and detect criminal risks. Control assessments were managed using a specific compliance risk management tool that enables control assessments to be sent to the control implementers and owners.

A **100%** completion **rate** was maintained for the sixth consecutive year (127 assessments), having met the compliance assessment coverage target and ensuring optimal suitability of controls for risk management across all processes. No controls were identified as inadequate or partially adequate by those responsible for implementation and the control supervisors. The robustness of all control measures continues to outweigh potential risks, confirming the effectiveness of the framework.

As a result of the analysis:

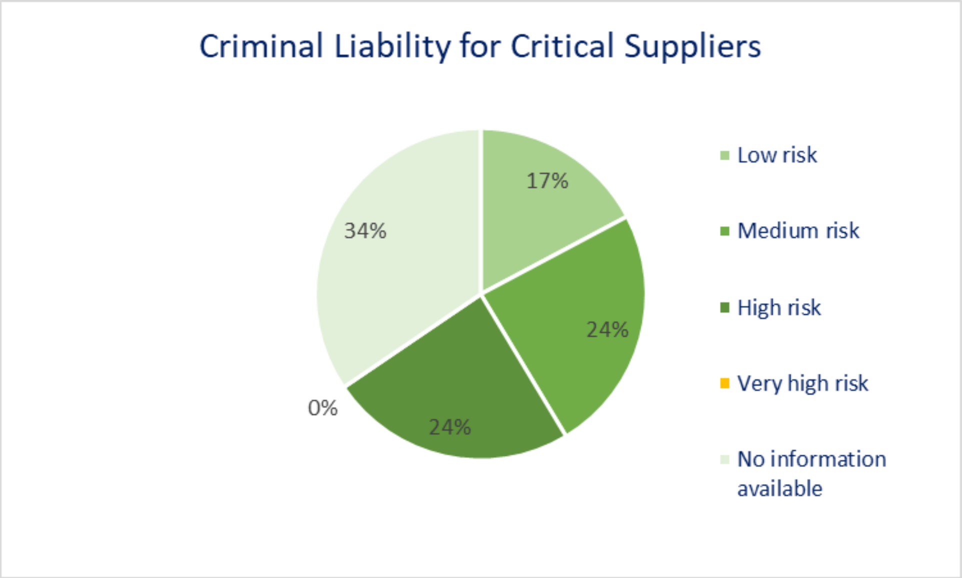
- The strength of all control measures exceeds the potential risks, confirming the effectiveness of the framework.
- Violations of workers' rights: The gap between potential risk and the robustness of controls remains completely closed:
- ISO 45001 certification for occupational health and safety. Successfully maintained in 2025 thanks to the positive audit results.
- Voluntary occupational health and safety audits carried out in 2024, with the next three-year cycle scheduled for 2027.
- The ongoing efforts and leadership of the Risk Department remain essential to maintaining and strengthening these compliance achievements.
- **Prevention of sexual harassment** (Law 10/2022): The action protocols remain fully operational. Strategy reinforced in 2024 with specialised training provided to 100% of employees.

In addition to monitoring the compliance system, specific clauses on legal compliance and criminal liability are incorporated into contracts with **suppliers and contractors**, requiring full compliance with applicable regulations. These obligations cover both the employment sphere — including occupational risk prevention, social security contributions and mandatory training — and the business sphere, relating to tax compliance and the necessary accreditations for carrying out the activity.

The **monitoring of suppliers' ESG performance** is carried out via the pre-qualification portal, which, following its internal risk methodology, enables the assessment of partner companies' level of compliance with various regulatory frameworks, with particular attention to the legal and criminal spheres

It is worth noting that in the 2025 assessment, no supplier was rated as having a very high criminal risk, and the percentage of suppliers with high risk has fallen from 47% (last year) to 24% of critical suppliers. Thirty-four per cent remain unassessed, either because insufficient information is available to assess them in terms of criminal risk

or because they are not registered on the platform.

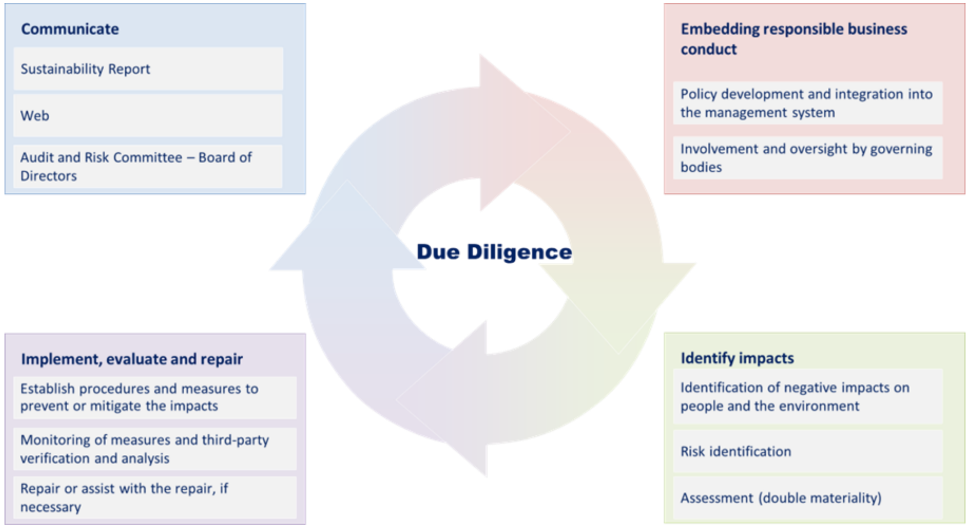


Criminal risk assessment of critical suppliers

Due diligence procedures

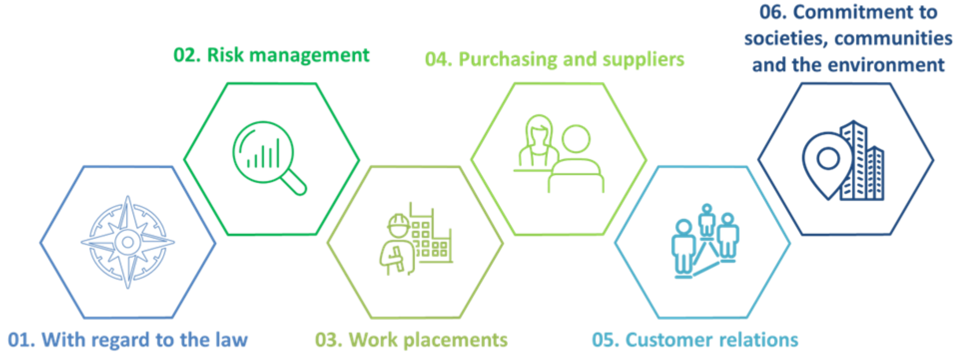
For Madrileña Red de Gas, due diligence in sustainability is understood as the set of actions or measures taken by the organisation to:

- Incorporate responsible business conduct in relation to due diligence
- identify potential negative impacts
- prevent, mitigate and remedy impacts
- and report to all its stakeholders on how negative impacts on people and the environment are addressed.



Due diligence process

Madrileña Red de Gas has a **Human Rights Policy**, revised in 2025, based on the UN Guiding Principles on Business and Human Rights, which sets out the company's conduct and reinforces its commitments to respecting and promoting human rights in all its operations and in all the communities where it operates, with particular attention to vulnerable groups, as also set out in its Code of Ethics. This commitment extends to suppliers through the **Sustainable Procurement Policy** and the Supplier **Code of Conduct**, as well as contractual specifications regarding legal compliance, extending its due diligence commitment to its supply chain through verification and analysis processes covering third parties, suppliers and business partners, ensuring that MRG's value chain is aligned with our standards of integrity and ethical soundness.



Commitments Human Rights Policy

The policy applies to all employees, managers and the Board of Directors and covers all activities carried out by the company. Compliance is ensured through the assessment mechanisms of the compliance system.

Furthermore, Madrileña Red de Gas has an **Information Management Policy**, establishing the guiding principles and criteria for action regarding the receipt, processing and follow-up of reports of irregularities, and the approval of the Information Management Procedure, regulating the process for handling complaints and ensuring due diligence in their management.

The company has established various monitoring and evaluation mechanisms:

- Madrileña Red de Gas has a structure of governing bodies that facilitate the supervision and monitoring of due diligence actions regarding people and the environment, promoting the United Nations Guiding Principles on Business and Human Rights, both in Madrileña's own operations and those of its suppliers.
- Madrileña Red de Gas has implemented a communication and reporting channel to ensure the handling and resolution of potential irregularities, including human rights violations or abuses.
- Any threat with potential impacts on the economy, the environment and people may be analysed by the Management Committee to determine the likelihood and magnitude of the impact, as well as to define the corresponding mitigation plan.

Given the regulated nature of the business and the geographical environment in which it operates, the organisation does not present a high risk of legal non-compliance. However, particular attention is paid to aspects relating to **the working environment within the supply chain** and to **the supply of gas to vulnerable people experiencing energy poverty**, ensuring compliance with current regulations in these areas.

> "In 2025, no human rights risks have materialised in Madrileña Red de Gas's operations"

Culture of compliance, awareness and training

Madrileña Red de Gas promotes appropriate awareness-raising and training for its staff on the importance of the Compliance System and fosters a culture of integrity and ethics.

The **Criminal Offences Committee**, as the body responsible for approving crime prevention and anti-corruption policies, the crime prevention protocol, the annual compliance review report and the annual action plans addressing identified needs, amongst others, is also responsible for implementing, where appropriate, general and specific training initiatives on the prevention of criminal offences, aimed at the company's executive management bodies (Chief Executive Officer, Area Directors and Department Heads), as well as the rest of the workforce.

Between 2023 and 2024, an external refresher and update course on the Prevention of Criminal Offences was held, which was attended by 100% of the workforce. Throughout 2025, **training programmes** have continued to be delivered to ensure that all levels of the organisation are familiar with and apply the prevention tools; these are provided upon joining the company as part of the induction programme.

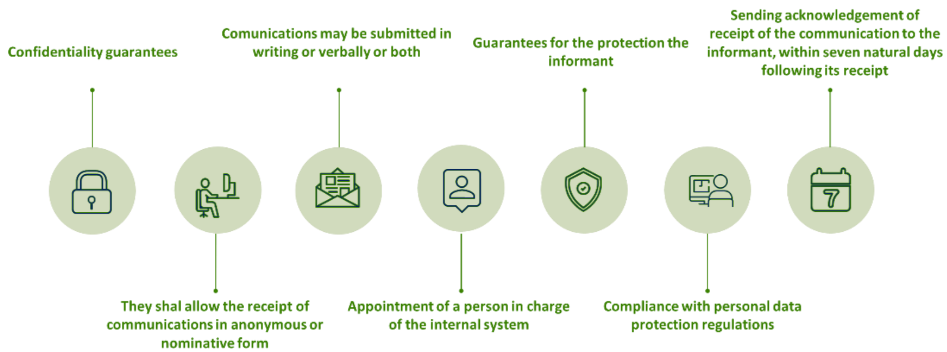
> "Over the last three years, 100% of the workforce has received refresher training in criminal compliance"

It should be noted that, within the compliance framework, a training course on the NIS2 Directive was delivered to the management team in 2025, in line with its implementation.

Furthermore, in addition to having expertise in good governance practices, Board members are systematically briefed at Audit and Risk Committee meetings on policies, compliance risk assessments and the annual review of the system.

Internal reporting system (whistleblowing channel)

Since 2015, Madrileña Red de Gas has had a whistleblowing channel, fully adapted to the requirements of Law 2/2023 of 20 February. This system guarantees maximum confidentiality and the protection of the whistleblower against any form of retaliation, operating under an irregularities management procedure approved by the Board of Directors.



Key features of the whistleblowing channel

MRG uses external software for Whistleblowing Management in accordance with the requirements set out in Law 2/2023, which meets the fundamental criteria:

There is a Company **Internal Reporting System Officer** responsible for managing the channel and ensuring compliance with legal requirements. Reports received through the Whistleblowing Channel are discussed and analysed by **the Code of Ethics Committee** and distributed according to their content to the relevant department in line with the agreed considerations.

This channel is available online:

(https://www.canaldedenuncias.com/es/madrilena).

In 2025, it was available and operational 100% of the time.

There have been no significant cases of non-compliance with legislation and regulations, nor have any fines been paid as a result of final court rulings during the reporting period.

In 2025, 13 enquiries or complaints relating to the company's normal operations were received via the channel; these were channelled through the appropriate channels for handling, none of them linked to the compliance system, and therefore not categorised as complaints. All of them have been closed.

Stability and new opportunities: Regulated business

GRI 3.3

The distribution of natural gas in Spain is a regulated activity; in other words, **it is subject to state regulation to ensure a secure, efficient and non-discriminatory supply.**

Distribution is remunerated through a **regulated remuneration** system, which recognises the investment, operating and maintenance costs associated with the assets put into service, calculated annually by the National Commission for Markets and Competition (CNMC) in accordance with methodologies established in sectoral regulations. The tariffs for **access to distribution networks**, known as tolls, are also set by the regulator and must be paid by all users regardless of their chosen supplier.

Under this framework, six-year regulatory periods are established, during which the same remuneration methodology is applied and the main parameters remain stable (asset base, remuneration rate, incentives, penalties, etc.). **The second regulatory period, covering the period 2021–2026, is currently in force.**

The **2025 financial year** has been marked by intense regulatory activity in the gas sector, against a **backdrop of transition towards the third regulatory period (2027–2032**) and the gradual adaptation of the regulatory framework to decarbonisation and energy transition objectives. During the year, the regulator has promoted various initiatives aimed at reviewing the main elements of the remuneration and tariff framework, as well as evaluating the performance of the current model, with the aim of strengthening the stability, predictability and consistency of the regulatory framework applicable to natural gas distribution.

In this regard, one of the most significant regulatory milestones of 2025 was the **publication** by the CNMC of the **public consultation** on the review of the **remuneration methodology** for natural gas distribution (CIR/DE/003/25), which constitutes the starting point for the design of the new regulatory framework applicable to the third regulatory period (2027–2032).

The CNMC's methodological review incorporates the energy policy guidelines established by the Ministry for Ecological Transition and the Demographic Challenge through Order TED/1318/2025 of 19 November (published on 21 November 2025).

The final methodological review is expected to maintain continuity with the current remuneration methodology, with incentives for the development of renewable gases and the digitalisation of networks.

In parallel, the CNMC published the provisional remuneration for the 2026 gas year (RAP/DE/011/25), providing short-term visibility to the sector in a context of transition between regulatory periods and allowing distributors to anticipate economic and financial impacts prior to the final definition and approval of the new regulatory framework.

The same applies to **the review of the methodology for calculating transmission tariffs** for the next period, which **was opened for public consultation in 2025**. In parallel, and in accordance with the annual regulatory calendar, the CNMC **has approved the access tariffs applicable to the 2026 gas year (RAP/DE/010/24),** in accordance with the current methodology, providing regulatory continuity whilst the new tariff framework for the next regulatory period is being defined.

A significant development in 2025 is that the CNMC has published the draft specific report evaluating gas distribution activity (RAP/DE/026/25) in the second regulatory period. The evaluation serves as a key reference for the design of the new regulatory framework, as it helps identify the strengths of the current model, potential inefficiencies and areas for improvement.

Another key regulatory development in 2025 is the adaptation of European regulations for the energy transition in the gas sector. On 15 July 2024**,** the **'Gas Package'** was published**,** comprising Regulation (EU) 2024/1789 and Directive (EU) 2024/1788, aimed at facilitating the penetration of renewable gases (green gases) and integrating hydrogen. The Regulation is fully enforceable from 5 February 2025, whilst the Directive sets 5 August 2026 as the deadline for its transposition into national law.

During 2025, Spain has continued to adapt its regulatory framework through **Order TED/1318/2025**, whose guidelines **expressly incorporate the objectives of the Gas Package for the period 2027–2032.** This regulatory framework is central to the modernisation of the European energy system and its alignment with decarbonisation targets.

Finally, it should be noted that this year has seen a push for the **roll-out of smart meters in the natural gas network,** through the organisation of a public hearing to approve the plan for the deployment of digital meters. This initiative establishes the procedure, timetable and minimum technical requirements for the gradual replacement of analogue meters with smart meters by 2033. The plan **aims to improve measurement accuracy, facilitate remote reading, optimise the operational management of the network and enhance the quality of service to consumers**, as well as laying the foundations for greater digitalisation and integration of distributors' information systems.

Looking ahead to 2026, the regulatory focus in the gas distribution sector will be on defining the new remuneration framework and establishing the parameters that will govern the third regulatory period (2027–2032). In parallel, the Financial Remuneration Rate is expected to be approved, which will mainly affect activities linked to gas distribution, such as setting the rental price for meters and the limits on connection fees.

Finally, it is anticipated that the Gas Tolls Circular will be finalised during 2026, through which the toll calculation methodology applicable to the third regulatory period will be approved, providing greater certainty and economic stability for the period 2027–2032.

Responsible growth: Economic value creation

GRI 3.3, GRI 201-1, VSME-B1 24 eiii-eiv, VSME C8-63 c

Against a complex external backdrop marked by regulatory changes, energy costs and the demands of a society committed to mitigating climate change, it is noteworthy to see how the efforts of the various business units are enabling the maintenance of a stable market share and ensuring value creation for shareholders.

Chapter 7 of the report provides a detailed account of the efforts being made by the various departments to continue making progress in acquiring and maintaining supply points, as well as in ensuring the good condition of facilities and advancing digitalisation processes, which help to preserve the value of investments and create value in a sustainable business over the medium and long term.

It is also worth mentioning the Turing project, which we cover in Chapter 3; this project is transforming Madrileña Red de Gas into a data-driven organisation, significantly improving data governance and quality, and consequently the ability to manage processes efficiently, optimising service and results.

At the end of 2025, **total revenue stood at €141.3 million** (€145.1 million in 2024), of which **€138.2 million came from the natural gas business**, whilst **the remainder, €3.1 million, originated from the LPG business**. Within the natural gas business, 85% was contributed by the regulated remuneration for distribution activities, comprising the figure set by the Resolutions of 23 May 2024 and 27 May 2025 of the National Commission for Markets and Competition (CNMC), as well as the best estimate of remuneration made by Management; the remaining 15% relates to other services connected with natural gas distribution, such as meter hire, periodic inspections and other services to consumers.

The net turnover and its comparison with the two previous years is as follows:

Net Turnover (Thousand of euros)	2025	2024	2023
Distribution Remuneration	**117.498**	117.836	119.709
Other Non-Regulated Income	**3.140**	3.068	3.258
Other Non-Regulated from Compensations	**192**	119	195
Other Regulated Income	**15.220**	19.343	16.762
LPG-Related Income	**3.055**	2.513	3.191
Non-Regulated LPG-Related Income	**7**	9	16
Net Turnover	**139.112**	142.888	143.129

All of Madrileña Red de Gas's turnover relates to activities carried out in the Community of Madrid.

The figures relating to other regulated revenue are attributable to services connected to the natural gas distribution business, the prices of which are determined by regulation. Unregulated revenue also relates to services connected to the natural gas distribution business, the prices of which are not regulated.

Regarding EBITDA figures

EBITDA (Thousand of euros)	2025	2024	2023
Operating Profit	**-424**	2.606	4.866
Amortization	**108.058**	108.197	108.440
Other Income	**999**	2.555	460
Excess provisions	**0**	0	0
Losses, impairment and changes in provisions	**4**	-16	10
Compensations	**61**	685	0
Ban Service Charges	**224**	231	232
Impairment o Inventory, Raw Materials and Others	**0**	0	0
Impairment and Result on Disponsal o Fixed Asstes	**12**	-30	-6
EBITDA	**108.934**	114.228	114.002

ASSETS (Thousand of euros)	2025	2024	2023
Intangible assets	**43.945**	123.399	202.853
Property, plant and equipment	**261.958**	272.963	285.174
Investments in group companies and associates	**-**	-	-
Long-term financial investments	**1.496**	1.391	2.758
Deferred tax assets	**73.917**	64.234	56.785
CURRENT ASSEETS	**57.938**	152.356	107.291
Assets held for sale	**-**	-	-
Inventories	**2.488**	1.649	1.502
Trade and other receivables	**32.957**	40.713	42.501
Short-term financial investments	**-**	588	2.680
Prepayments (or Accruals and deferrals)	**3.753**	3.199	2.262
Cash and cash equivalents	**18.740**	106.207	58.346
TOTAL ACTIVO	**439.254**	614.343	654.861

Financial strength is one of the cornerstones of **Madrileña Red de Gas's** strategy. The company has solid levels of **solvency and liquidity**, consistent with an **investment-grade** rating, underpinned by an **efficient, long-term oriented financial structure**.

In addition, the Company has a **contingent credit facility** of **€75 million**, renewed in **February 2024** and maturing in **February 2027**, designed in line with the actual financing needs forecast for the coming financial years.

The **relaxation of the dividend policy** is another key factor that strengthens the Group's financial position, providing greater adaptability to different economic scenarios.

EQUITY AND LIABILITIES (Thousands of euros)	2025	2024	2023
EQUITY	**364.048**	560.275	364.120
Share capital	**1.048**	1.048	1.048
Share premium	**100.354**	100.354	100.354
Contributions from shareholders	**226.045**	420.172	207.796
Reserves	**14.960**	14.924	32.701
Profit for the year	**74**	1.873	-3.411
Ajustes por cambios de valor - coberturas	**-**	-	2.716
Subvenciones, donaciones y legados recibidos	**21.567**	21.904	22.916
NON-CURRENT LIABILITIES	**14.737**	14.233	237.999
Long-term provisions	**4.383**	3.496	2.578
Long-term borrowings	**635**	654	225.030
Long-term borrowings from group companies and associates	**1.800**	1.800	1.800
Deferred tax liabilities	**7.919**	8.283	8.591
CURRENT LIABILITIES	**60.469**	39.835	52.742
Short-term provisions	**998**	608	1.146
Short-term borrowings	**11.017**	17	1.879
Short-term borrowings from group companies and associates	**28**	28	28
Trade and other payables	**48.426**	39.182	49.689
TOTAL EQUITY AND LIABILITIES	**439.254**	614.343	654.861

Regarding the credit rating, on **6 March 2025**, **Standard & Poor's** assigned the Group's senior debt a **BBB- rating**, with **a negative outlook**. Subsequently, on **9 June 2025**, the agency **DBRS Morningstar** also confirmed the Group's senior debt rating at **BBB**.

Cash flow stood at €96.5 million, compared with €78.5 million the previous year. The increase in cash received compared with the previous financial year is mainly due to the lower negative impact of the change in remuneration initially recognised for 2024 and 2025 by the CNMC, compared with the previous year, owing to the recovery in demand.

CASH FLOW (Millions of euros)	2025	2024	2023
EBITDA	108,9	114,2	114
Corporate income tax	-7,6	-1,2	-3,7
Working capital	11,9	-18,7	-11,1
Capex	-16,8	-15,9	-13,3
Free Cash Flow	**96,5**	78,5	86,3

The indicators of economic value generated, distributed and retained effectively point to a sustainable business which, despite the current difficult economic and energy context, maintains the capacity to generate value for shareholders and economic wealth in the region in the medium and long term.

Economic value generated and distributed (Millions of euros)	2025	2024	2023
Net revenue	139.112	142.888	143.129
Financial income	1.170	2.502	473
Direct economic value generated	**140.282**	**145.390**	**143.602**
Procurement costs	-3.654	-1.972	-3.208
External services expenses	-16.934	-17.386	-17.590
Other operating expenses	-999	-2.555	-460
Operating costs	**-21.587**	**-21.913**	-21.258
Employee wages and benefits	**-10.785**	**-11.560**	-10.123
Payments to providers of capital	**-458**	**-7.465**	-7.849
Taxes and corporate income tax payments	-10.316	-3.691	-6.174
Payments to government	**-10.316**	**-3.691**	-6.174
Investments in the community	**0**	**0**	0
Economic value distributed	**-43.146**	**-44.629**	**-45.404**
Retained economic value	**97.136**	**100.761**	**98.198**

Digital reliability: Security and resilience against threats

GRI 3.3

Cybersecurity is a strategic priority for Madrileña Red de Gas. As an operator of a gas distribution infrastructure, the protection of our operations, our customers' data and the continuity of supply is an essential part of our corporate responsibility. In 2025, the company has decisively strengthened its security model, consolidating a culture of prevention, resilience and continuous improvement.

Throughout the financial year, **eight key milestones** have been implemented to strengthen the protection framework:

- Disaster recovery simulation.
- Network penetration and external intrusion tests.
- Improvement of security dashboards and reporting.
- Implementation of a SASE (Secure Access Service Edge) solution.
- Implementation of improvements to OT network monitoring.
- Renewal of ISO 27001 certification and ensuring compliance with NIS2.
- Cybersecurity training and awareness.
- Cybersecurity audit and maturity assessment in IT and OT environments.

Two significant events marked the year 2025. In April, Spain suffered a nationwide power cut, which naturally had an impact on the Company's operations. Madrileña Red de Gas carried out an analysis of the response, the level of impact, and the strengths and weaknesses, drawing up an improvement plan. All of this is explained in greater detail in Chapter 7, in the section on supply continuity and reliability.

In September, **a security breach** in the company's IT infrastructure was detected. The protocol was activated immediately, with urgent checks and a thorough review of the systems carried out. The leakage of identifying and contact details, including the CUPS number, was confirmed, although no bank details or passwords were compromised.

All customers were immediately informed via email and SMS, the information was published on the website, and the incident was reported to INCIBE, the Spanish Data Protection Agency and the Civil Guard, maintaining transparent and continuous communication. At the same time, access to the Virtual Office was strengthened by incorporating a two-factor authentication system.

The breach, which was successfully managed, has reinforced the commitment to continuous improvement. The experience has highlighted the need to expand coverage in certain layers of the defence model — based on device encryption, SIEM-SOC, MFA, EDR, network isolation and penetration testing — accelerating actions already planned in the roadmap, such as:

- Intensifying the monitoring of third parties,
- Reducing the exposure of systems to the internet,
- limiting data persistence on auxiliary systems,
- extending the multi-factor authentication system to all environments,
- strengthening control of privileged users,
- strengthened collaboration with the SOC (Security Operations Centre) and
- prioritised the updating of obsolete software and adjusted protocols to reduce response times.

At Madrileña Red de Gas, we understand that cybersecurity is not merely a regulatory obligation, but a strategic responsibility and an ongoing commitment to our customers and to society. 2025 has been a year of progress, learning and strengthening our capabilities to ensure the security and resilience of our company.

Information security and personal data protection

During 2025, as in the previous year, we continued to allocate financial, technical and human resources to drive forward the actions arising from the management review and the cybersecurity master plan, as well as the various actions and activities carried out to strengthen the ISMS.

Information security performance remained stable for most of 2025, apart from the events mentioned above.

Madrileña Red de Gas has completed the certification of its information security management system in accordance with the ISO 27001 standard, a model that is fully aligned with the current integrated management system and within the scope of which the personal data protection management model has been included. The new certification was achieved by extending the initial scope to include the existing logistics facility in Alcorcón.

The internal audit of the ISMS was carried out during the first half of 2025, from 27 to 31 March. The results obtained were 0 non-conformities, 4 observations and 2 opportunities for improvement. The following strengths were highlighted:

- The positive attitude of the audited staff and their ability to carry out tasks remotely.
- Commitment of the ISMS managers.
- A culture of service and integrated monitoring within day-to-day operations.
- A culture of cybersecurity and its organisation and implementation within the Master Plan.

From 26 to 28 May 2025, the external audit for certification renewal and transition to the new version of the ISO 27001 standard took place. Ten minor non-conformities, seven observations and one opportunity for improvement were identified. All non-conformities were closed by the end of 2025.

Personal data protection

Once again, in the field of personal data protection management, the most significant activities have focused primarily on the management of data subjects' rights, incident management and the resolution of enquiries; many of these relate to the interpretation of current legislation and the exercise of data subjects' personal data protection rights.

Specifically, during 2025, various communications relating to data protection were received by the Data Protection Officer, falling into the following categories:

39 Inquiries	**Covering a wide range of areas, including**: validation criteria for national identity documents (DNI); identification of users attending xxx offices in person; processing of data subject rights requests; anonymisation of personal data; restrictions on the scope of personal data processing in human resources interviews; validation of proposed responses to user complaints and claims; validation of data protection clauses in contractual agreements; access to voice recordings; clarifications regarding the basic data protection information provided to users; and the legal basis for the disclosure of personal data to third parties, among others.
3 Incident notifications	**Zero** incidents related to the **unlawful disclosure** of personal data to third parties. **One** incident related to the **management** of data subject **rights.** **One** incident related to the **integrity** of personal data; **in the context of a security breach,** attackers modified several records, including the text "hacked by rusos". **One** incident related to **the accuracy** of personal data; the case involved **the processing of two email addresses** with very similar spelling, which resulted in a data protection incident where one individual received personal data belonging to an unrelated third party.
484 Requests	Data subject rights requests, most of which were related to the security breach
2 Complaint referrals and information requests issued by the Spanish Data Protection Agency (AEPD)	Two complaint referrals and requests for information issued by the Spanish Data Protection Agency (AEPD) in relation to the protection of personal data.

Communications relating to personal data protection 2025

Madrileña Red de Gas has appointed a Data Protection Officer, who is the highest authority in this field and sits on the Management Committee, the Audit and Risk Committee and the Cybersecurity Committee. Furthermore, a person responsible for the information security management system has been appointed, as well as a person responsible for technical security, who is supported by a team of administrators.

Based on the information security and personal data protection policies, https://www.madrilena.es/wp-content/uploads/2025/06/Politica-Seguridad-Informacion-2025_r5-1.pdf, which was revised in 2025, we have Management Manuals covering more than eighteen information security and personal data protection procedures.

With the implementation of the risk and impact assessment model for the various data protection processes, management has been organised around the priorities and opportunities that have been identified.

The information security and personal data protection management model provides for interaction with stakeholders through various channels:

- Publication on the website of information security and personal data protection policies, as well as information on the processing of personal data intended for data subjects, the dissemination of which is further reinforced through the various communications sent to users.
- Active management of the Data Protection Officer's mailbox, which has received a significant number of requests.
- Awareness-raising and training activities for all employees
- Interaction with bodies and authorities, such as the AEPD and INCIBE.

Furthermore, information security is fully integrated into our management model within supplier management, which is implemented in accordance with the established policy https://www.madrilena.es/wp-content/uploads/2025/06/Politica-Seguridad-Informacion-Gestion-Proveedores_r2.pdf.

The model, as applied to the supply chain, includes, amongst other elements:

- Contractual clauses on information security and personal data protection.
- Identification of the most sensitive suppliers from an information security perspective.
- Coordination of business activities relating to data protection through meetings, the harmonisation of criteria and agreements on best practice.
- Monitoring of performance in information security and data protection through the information provided on the Repro-Achilles portal regarding the maturity of their privacy policies, as well as through audit reports carried out by the Repro-Achilles Community.
- Recording and investigating information security and data protection incidents, leading to the identification and implementation of improvements. ·

Cybersecurity Plan

Madrileña has established a Cybersecurity Plan, whose objectives and interim targets are geared towards "Achieving the average level of maturity of Spanish companies in cybersecurity in the medium term (5 years from 2022)"

The Plan defined for 2025 has been successfully implemented. The targets set for 2025 have been met to 75%. The outstanding milestones are due to the reprioritisation of immediate actions in response to the vulnerabilities identified in the breach.

The progress and consolidation of activities over these years can be seen in the diagram below.

2021
- Implementation of SIEM + SOC (RSA)
- Increased network segmentation
- Improvements to cybersecurity policies
- Training for VIP
- Implementation of an external backup solution for SaaS applications

2022
- ISO 27001
- EDR
- Cybersecurity audits
- Cybersecurity awareness
- Program ransomware incident simulations

2023
- Renewal of ISO 27001
- Cyber crisis simulation (table top exercise)
- Renewal of cybersecurity maturity assessment
- Cybersecurity awareness program

2024
- Disaster recovery simulation
- Improvement of patch management process
- Network penetration testing
- Mobile antimalware
- Implementation of (CSPM) Solutions
- Cybersecurity training for staff
- Contingency and incident simulations
- Renewal of audits

2025
- Disaster recovery simulation
- Network penetration testing and external intrusion testing
- Enhancement of security dashboards and reporting
- Implementation of a SASE solution
- Implementation of improvements in OT network monitoring
- ISO 27001 recertification and NIS2 compliance assurance
- Cybersecurity training and awareness
- Cybersecurity audit and maturity assessment in IT and OT environments

Progress on the Madrileña Red de Gas Cybersecurity Plan

The gradual progress made through the Plan has enabled Madrileña Red de Gas to establish a digital shield, designed to analyse, detect and prevent potential cyberattacks that could compromise the systems used in its operations.

Built-in security features in the public cloud

Cloud best practices

Full disk encryption

Multi-factor authentication

Security Information and Event Management (SIEM)

Network penetration testing (pentesting)

Network isolation

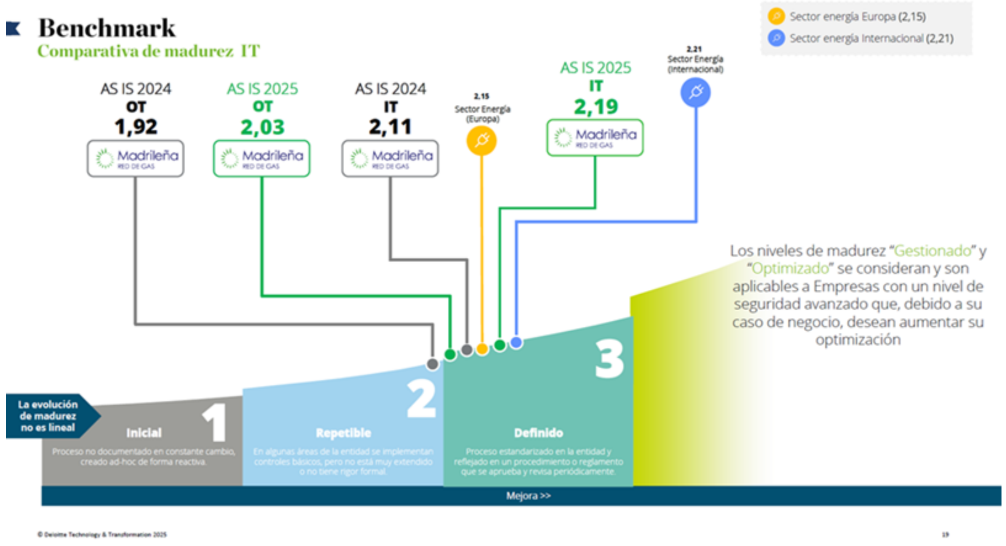
Endpoint Detection and Response (EDR)

Digital cybersecurity shield

During 2025, as in the previous year, the allocation of financial, technical and human resources will continue in order to drive forward the actions arising from the management review and the cybersecurity master plan, as well as the various actions/activities carried out to strengthen the ISMS, through budget allocation, the incorporation of technology to enhance the robustness of cybersecurity and IT systems, and the dedication of human resources.

Over the last five years, the cybersecurity TOTEX has increased from 3.5% to 12% of the total IT budget.

With regard to the fulfilment of objectives and information on formal monitoring and measurement, to achieve the average level of maturity of Spanish companies in cybersecurity, data is available from 2020 to 2025 on IT (Information Technology) indicators linked to corporate systems, networks, applications, etc., and OT (Operational Technology) indicators for industrial systems such as SCADA.



IT maturity benchmark

Although Madrileña Red de Gas has not been formally designated as critical infrastructure, considering the sectors covered by Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022, known as the NIS2 Directive, it is working to comply with this regulation. This regulation updates and replaces the previous NIS1 Directive, with the aim of establishing a high common level of cybersecurity across the European Union, adapting to an increasingly complex digital environment exposed to risks.

In 2024, a study was carried out on progressive alignment to serve as the basis for an action plan ensuring the effective implementation of the measures required by NIS2, in anticipation of its future transposition into national law. The analysis of over 100 relevant activities revealed a compliance rate of approximately 70%. Of the activities planned for 2025 to complete the alignment of the Security Management System with the requirements defined in NIS 2, the year ended with 60% progress. The activities carried out included training for senior management.

Some of the notable actions under the Plan that were carried out in 2025 were as follows:

New participation in **the Cyberex exercise**, proposed by INCIBE, involved the following activities:

- **Tabletop**: aimed at senior management, with a crisis scenario requiring decision-making
- **Simulation**: aimed at technical teams responding to cyberattacks, to practise technical analysis and incident investigation
- **Targeted attack:** aimed at employees, specifically an attempted intrusion into the organisation's technological infrastructure

Training and awareness-raising activities **for staff**, including campaigns such as the one on phishing.

The latest **phishing campaign**, targeting 130 employees on 17 and 18 November 2025, lasted five days and included a notification on LinkedIn.
The campaign demonstrated that a significant proportion of staff remain susceptible to interacting with potentially dangerous content, although a slight improvement was observed compared to previous campaigns.

Change of SOC (Security Operations Centre) service provider, including SIEM (Security Information and Event Management), EDR (Endpoint Detection and Response) and SASE (Secure Access Service Edge) solutions

Penetration testing (Pentesting)

The audit assessed:

- the internal network, including cloud assets,
- the internal wireless network,
- the external VPN access network,
- the Madrileña Red de Gas website,
- and related subdomains.

Update **to the information security and data protection policy.**

Actions **relating to NIS 2**.

- Specific training for management
- Alignment of contracts with third parties.

During 2025, in addition to the management review, five meetings of the Cybersecurity Committee and six of the Audit and Risk Committee (ARC) were held to analyse the progress of the Cybersecurity Plan and the Information Security Management System, the results of the actions, and the significant events of 2025, the general power cut and the security breach, analysing the response, its strengths and weaknesses, and the improvement actions planned as a result.

At the end of **the** year, to continue making progress towards the objective Madrileña Red de Gas has **set for 2026,** the following opportunities for improvement have been **proposed** with their corresponding priority levels:

- Review and propose improvements to the Cybersecurity Emergency Plan to reduce incident response times by December 2026. Priority 1.
- Complete the implementation of the business continuity improvement measures identified following the power cut and the subsequent power cut drills that have been carried out. Priority 2.
- Make progress on implementing the improvement measures identified following the security breach that may still be pending at the time of writing this report. Priority 3.

5. Supply chain supporting the future

GRI 2-6, GRI 3-3

Madrileña Red de Gas understands that the quality of a service depends not only on its own direct work, but also on the **people and organisations** that support it at every stage. For this reason, the responsible management of its suppliers has become an essential part of its commitment to sustainability and to a more humane and transparent way of working.

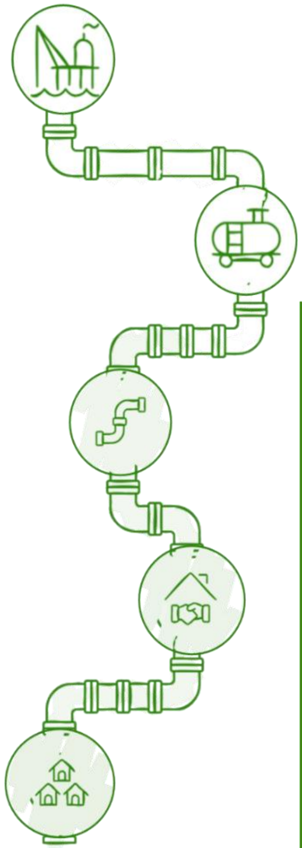
Throughout its operations, **Madrileña Red de Gas collaborates with a diverse network of suppliers** who provide the knowledge, materials and essential support needed to deliver a quality service.

The company recognises the impact these relationships have on the environment and communities, and therefore works to ensure that this network operates according to principles of responsibility, respect and continuous improvement.

With this vision, the company continues to take steps to ensure that its positive impact extends beyond its own operations, reaching out to those who make it possible for its service to reach society.

The main **activities of** Madrileña Red de Gas's **supply chain** focus on the **expansion of its own infrastructure, networks and assets,** aimed at ensuring efficient and safe distribution.

Madrileña Red de Gas's activities also include the provision of technical services associated with the operation and maintenance of distribution systems, as well as ensuring the supply of gas to users in the various **municipalities of the Community of Madrid** where the company operates



PRODUCTION

Extraction and processing of natural gas from reservoirs.

TRANSPORTATION

Transported via high-pressure pipelines, LNG carriers, tanker trucks, among others.

DISTRIBUTION

Madrileña Red de Gas supplies gas through LNG and LPG satellite plants.
Through its distribution network, it delivers gas to 61 municipalities in the Community of Madrid and 5 districts within the city of Madrid.

RETAIL

Energy retailers are clients of Madrileña Red de Gas. They supply end-user demand through the distribution network connected to satellite plants, which are also under their ownership.

CONSUMPTION

Madrileña Red de Gas meets its customers' natural gas demand through its distribution network, ensuring its safety and maintenance.

Natural gas value chain. In green, Madrileña Red de Gas's own activities

Main activities carried out by Madrileña Red de Gas

"Madrileña Red de Gas works with a diverse network of suppliers who provide the knowledge, materials and essential support needed to deliver a high-quality service"

Partnerships that build trust: suppliers and business relationships

GRI 2-6, VSME-C1-47 (c, d)

To ensure the efficient execution of its activities, Madrileña Red de Gas has an extensive network of suppliers. These play an essential role in the development and optimisation of the company's processes, providing services and technical capabilities that are fundamental to ensuring the organisation's quality, operational continuity and competitiveness. The active participation of suppliers, in line with the standards and requirements established by Madrileña Red de Gas, constitutes a **strategic pillar** for generating value for both its customers and all its stakeholders.

The classification of suppliers into 'relevant' or 'critical' categories is determined based on the process or activity they carry out for Madrileña Red de Gas and their potential impact on the organisation.

In particular, **suppliers are considered critical if they** meet at least one of the following conditions:

- They carry out essential activities within the value chain, such as the construction and maintenance of networks, periodic inspections, domestic operations, meter readings, emergency response, commissioning of receiving facilities or the manufacture of meters.
- They have contracts worth more than €400,000.
- They are considered strategic from an information security perspective.

Suppliers are considered relevant if they are involved in sensitive processes from two perspectives:

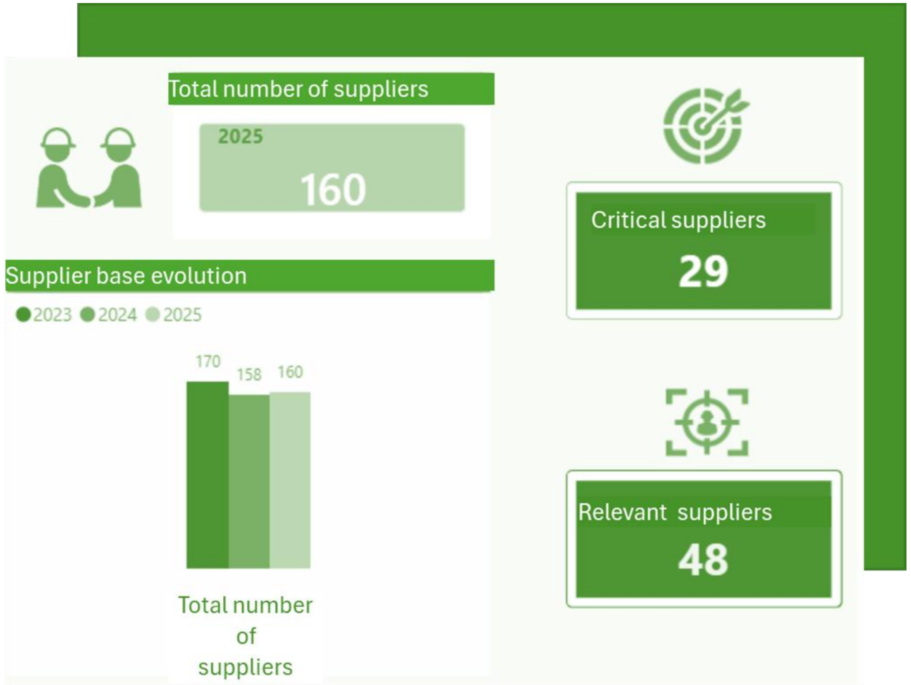
- Cybersecurity, when they participate in activities identified as tactical.
- Quality, when they carry out work associated with processes that require compliance with specific technical and legal conditions.

Every critical supplier is necessarily relevant; however, not every relevant supplier reaches the critical category

This classification and management model enables Madrileña Red de Gas to strengthen the **oversight of its supply chain**, ensuring that prioritised suppliers meet standards for security, reliability, technical regulations and information protection, thereby contributing to the company's sustainable performance.

During the 2025 financial year, Madrileña Red de Gas worked with a total of **160 suppliers**, covering both the procurement of products and the contracting of services. Of the total, **29 were identified as critical suppliers and 48 as relevant suppliers**. This classification allows for the prioritisation of the management and monitoring of those suppliers whose performance is particularly crucial to operational continuity and service quality.

It is important to note that the classification criteria set out in the **Procurement Policy** have been amended this year. These changes are solely due to the updating of the criteria applied and do not reflect changes in the structure of the suppliers or in the nature of the services and supplies managed.

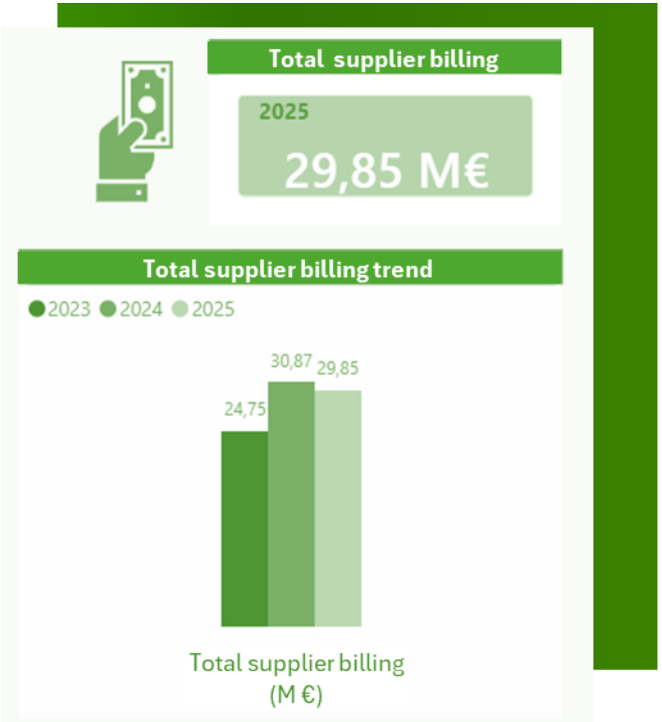


Key suppliers for Madrileña Red de Gas

During the 2025 financial year, **no new outsourcing processes were initiated**. Furthermore, there were no significant changes to the organisation's supply chain. This situation demonstrates the continuity and stability of the network of suppliers and strategic partners, ensuring operational consistency and the strength of existing commercial relationships

Billing

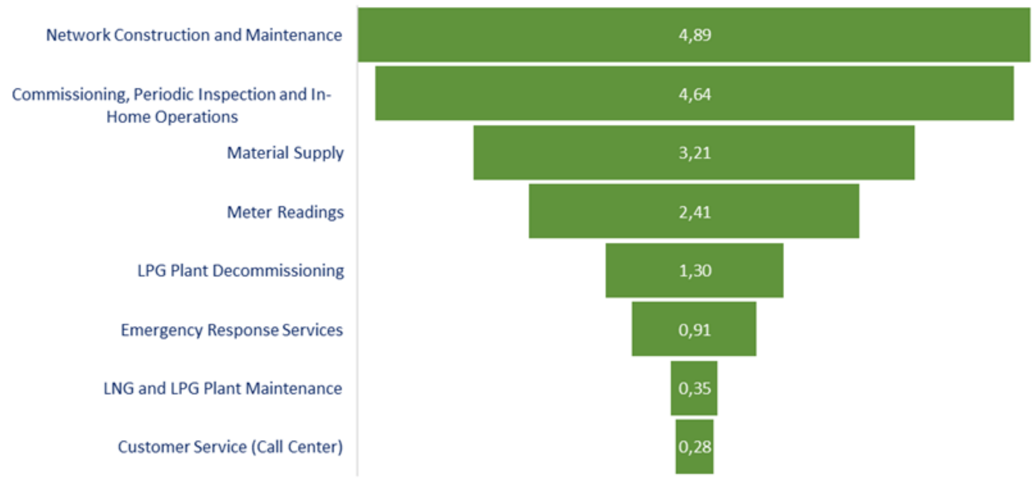
During fiscal year 2025, Madrileña Red de Gas recorded **total supplier billing exceeding €29 million**, a procurement volume that remains at levels very similar to the previous year. This stability reflects the continuity of the company's operational activity and its commitment to responsible and transparent supply chain management



Trend in total suppliers billing

It is worth noting that **50% of the total volume of purchases made in 2025 was concentrated among just six suppliers**, which highlights a high operational dependence on a small but strategic group of partners, with whom the company maintains well-established relationships based on mutual trust.

When considering the main activities, the amounts invoiced to suppliers take on particular significance, reflecting the scale of the operations carried out and the scope of the projects managed during the financial year.



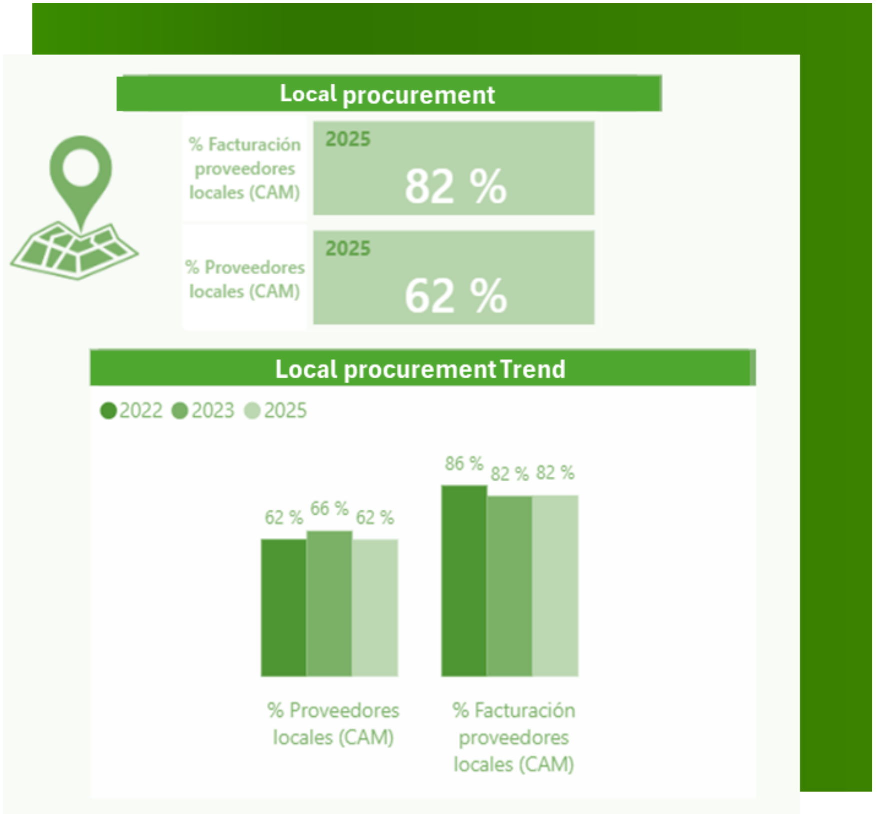
Supplier billing from Madrileña Red de Gas's main activities (millions of euros)

Local procurement

GRI 204-1

In 2025, Madrileña Red de Gas reaffirmed its commitment to the economic development of the region in which it operates through a procurement strategy that prioritises contracting local suppliers. During the financial year, **62% of the company's total suppliers were local businesses**, reflecting a firm commitment to strengthening the local supply chain and promoting the creation of shared value.

Furthermore, **expenditure on local suppliers in the Community of Madrid accounted for 82% of the total**, consolidating the region as the main hub of the company's procurement activity. This high proportion of local procurement not only contributes to the region's economic growth but also enables the optimisation of logistics processes, improves operational responsiveness and strengthens stable, long-term relationships with strategic partners.



Local procurement data. Information for the 2024 financial year is not available

"Spending on local suppliers in the Community of Madrid accounted for 82% of the total"

Choosing with purpose: sustainable procurement

GRI 2-23, GRI 407-1, GRI 408-1, GRI 409-1, GRI 11-10, GRI 11-12, GRI 11-13

The integration of sustainability criteria into the supply chain is a strategic priority for Madrileña Red de Gas and a fundamental pillar for ensuring responsible and sustainable development in the long term. The company **integrates environmental, social and governance criteria into the management of its suppliers and procurement processes**, with the aim of minimising the negative impacts arising from its activities and generating a positive effect throughout the entire value chain.

Within this framework, Madrileña Red de Gas promotes responsible practices that foster efficiency, transparency and regulatory compliance, encouraging relationships based on ethics, respect and continuous improvement throughout the entire life cycle of the goods and services procured.

Furthermore, the company maintains a firm commitment to respecting, protecting and promoting human rights in all its operations, throughout its value chain and in the various environments in which it operates, in accordance with the provisions of its **Human Rights Policy.**

In this regard, Madrileña Red de Gas expresses its absolute rejection of any form of **forced labour and child labour**, as well as a firm commitment to respecting **fundamental labour rights**, including freedom of association, collective bargaining and access to decent work, as well as the protection of the rights of communities belonging to **ethnic minorities**.

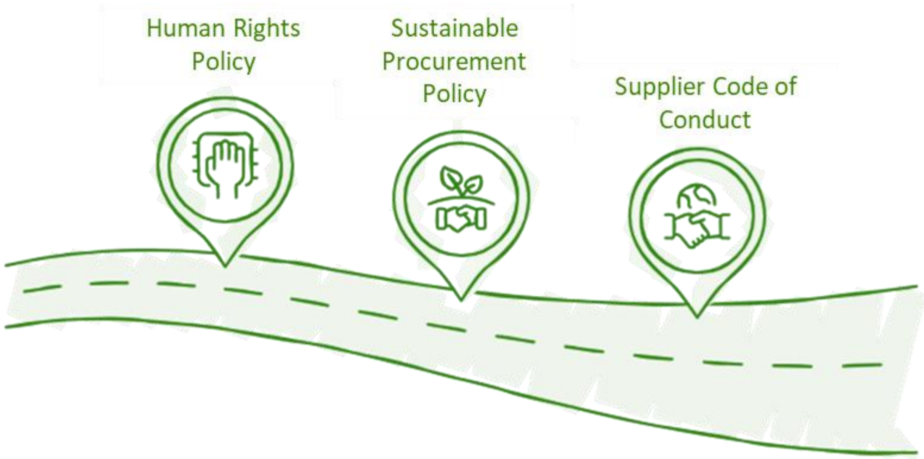
Currently, no risk situations or indications of non-compliance with these principles have been identified, either in Madrileña Red de Gas's own operations or throughout its supply chain.

"Madrileña Red de Gas maintains a firm commitment to respecting, protecting and promoting human rights in all its operations, throughout its value chain"

In order to ensure responsible management throughout the entire value chain, Madrileña Red de Gas requires its suppliers to comply with minimum responsible business standards set out in its **Sustainable Procurement Policy**, as well as with the provisions of its **Supplier Code of Conduct.**

These criteria cover legal compliance, financial soundness, the application of ethical principles and good governance, the prevention of corruption and respect for human rights. Furthermore, suppliers are required to ensure adequate conditions regarding occupational health and safety, product and service quality, environmental protection and information security, in accordance with current legislation and the standards established by the company. These requirements are implemented, amongst other mechanisms, by incorporating them into the **contractual clauses** signed with suppliers

In this regard, all individuals within Madrileña Red de Gas's supply chain have **access to specific channels for reporting concerns, as well as for resolving queries or disputes** relating to compliance with these requirements. All communications received through these channels are treated with the utmost confidentiality, ensuring the protection of whistleblowers and the proper handling of information.



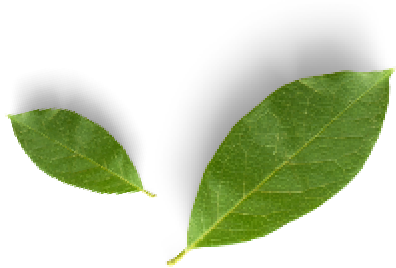
The pillars of sustainable supply chain management

Similarly, through its Sustainable Procurement Policy, **Madrileña Red de Gas is committed** to managing its supply chain in an ethical, responsible and transparent manner, maintaining relationships based on objectivity, rigour and equal opportunities. **It** also **promotes responsible practices in social, ethical, environmental and information security matters,** encourages the selection of local suppliers where possible, prevents conflicts of interest and periodically assesses compliance with minimum responsible business criteria through objective and transparent verification processes.

The quality and safety of services, environmental protection, and occupational health and safety are essential pillars for Madrileña Red de Gas and are integrated and certified within its **Integrated Management System**, which establishes the framework of reference **applicable also to the activities carried out by its suppliers**.

In this context, the company implements various mechanisms to ensure safe working conditions throughout its supply chain, including the dissemination of requirements regarding occupational risk prevention, monitoring compliance with established procedures, and supervisory actions during the execution of works.

Furthermore, Madrileña Red de Gas promotes training and awareness-raising among suppliers on issues related to safety, quality and environmental performance, **fostering a culture of prevention and continuous improvement.** It also promotes a working environment based on respect, dignified treatment and open communication, contributing to the **well-being of the professionals involved** and the development of a responsible and sustainable supply chain.



Criteria that matter: ESG assessment of suppliers

GRI 308-2, GRI 414-2

Madrileña Red de Gas considers that, given that a significant proportion of a company's impacts, risks and opportunities arise within its supplier network, it is essential to incorporate sustainability criteria into the processes for selecting, approving and monitoring suppliers.

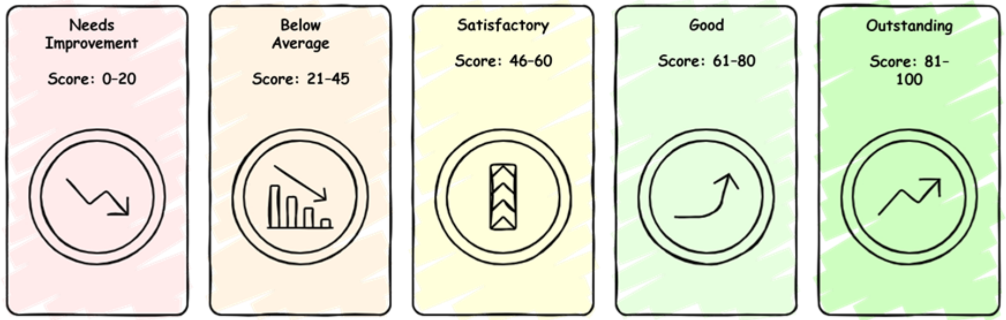
For this reason, Madrileña Red de Gas has consolidated and formalised, through the recent update of the Procurement Policy, the implementation of a **risk-based supplier assessment model**. The new model replaces the previous, predominantly qualitative approval system with a quantitative approach, designed to objectively measure the actual level of risk associated with each supplier.

In this context, **suppliers deemed critical must undergo** mandatory **assessment** and achieve a minimum score in key areas of sustainability, cybersecurity and regulatory compliance as a prerequisite for their approval.

With the aim of ensuring a rigorous, consistent and objective assessment of suppliers in terms of sustainability, Madrileña Red de Gas uses a **specialised external tool for the registration and pre-qualification of suppliers**. This platform enables a systematic analysis of suppliers' sustainability performance and facilitates comparison with other companies in the sector, bringing a higher level of transparency and consistency to the approval process.

In the field of sustainability, the assessment is structured around four fundamental pillars: environmental, social, governance and financial. Each of these pillars is rated on a **scale of 0 to 100**, where a lower score indicates a higher level of risk and a higher score a lower level of risk in the supplier's performance.

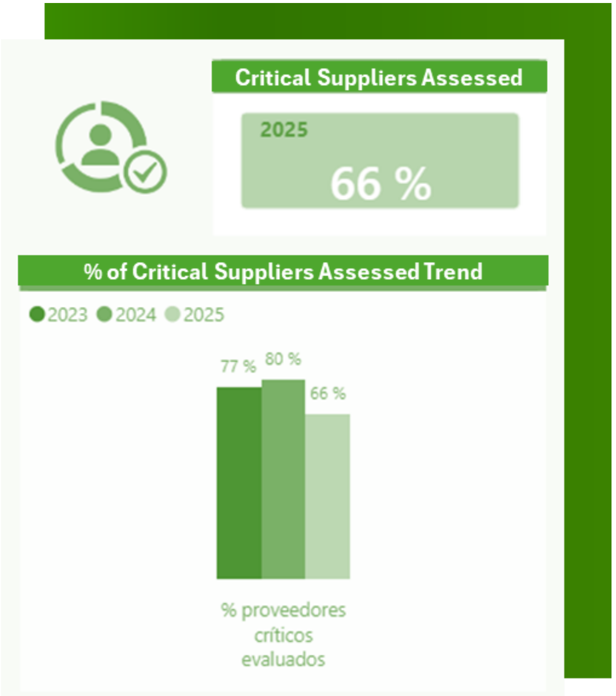
The overall sustainability score for each supplier is derived from the average of the results achieved across the four assessed pillars. **This methodology enables the objective identification of risks associated with each supplier**, supports decision-making in selection and approval processes, and drives continuous improvement in sustainability throughout the supply chain.



ESG scoring scale applied to supplier pre-qualification

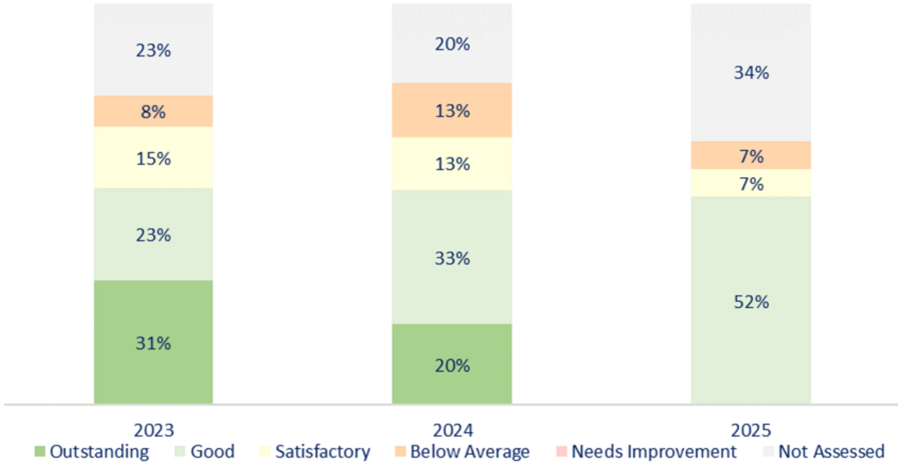
In 2025, Madrileña Red de Gas has identified a total of 29 critical suppliers in its supply chain. Of these, **19 have been assessed for sustainability** using the pre-qualification tool.

The critical suppliers that have not been assessed are mainly those who have not yet registered on the tool, have not completed the required documentation, or have not responded to the questionnaires necessary to carry out the assessment.



Percentage of critical suppliers assessed for sustainability

In accordance with the methodology described above, the results obtained for the assessed critical suppliers are presented below:



Results of the sustainability assessment of critical suppliers

To pass the supplier assessment process, each supplier must achieve a **minimum score of 46 points, i.e. a minimum rating of 'satisfactory'.** Suppliers who do not meet this threshold must implement the necessary measures to improve their score and reach this level; otherwise, they will not be considered suitable.

To reinforce compliance with this requirement, **specific monitoring and support measures will be adopted in 2026** for those suppliers who do not achieve the minimum score, with the aim of driving their improvement in sustainability.

Furthermore, with the aim of **advancing the comprehensive assessment of critical suppliers**, in 2026 efforts will be made to implement specific measures to encourage their registration on the platform and the completion of the necessary information, so that their sustainability assessment can be finalised.

These measures will ensure that suppliers meet minimum standards in this area, in line with the principles of sustainability and corporate responsibility required by Madrileña Red de Gas.

In accordance with the current contractual terms, Madrileña Red de Gas reaffirms its commitment to sustainability and **actively encourages all its contractors and suppliers to adopt responsible policies and practices**. In this context, the company emphasises to its suppliers the importance of continuously improving their sustainability performance, with the aim of achieving the highest possible score on the supplier portal.

In this regard, during the 2025 financial year**, no significant negative environmental or social impacts, whether potential or actual, linked to existing suppliers have been identified**. Furthermore, it has not been necessary to adopt corrective measures, mitigation plans or contract termination actions arising from environmental or social non-compliance.

However, Madrileña Red de Gas maintains **mechanisms for the continuous monitoring and evaluation of its suppliers**, with the aim of detecting potential risks at an early stage and, where appropriate, establishing improvement and support measures to reinforce compliance with the standards defined by the company.

"In 2025, no significant negative environmental or social impacts, whether potential or actual, linked to existing suppliers have been identified"

6. Environmental responsibility that makes a difference

Madrileña Red de Gas regards its environmental commitment as a cornerstone of its strategy and management model. Its approach is based on integrating environmental criteria into decision-making, promoting a responsible, consistent and long-term approach to operations.

To ensure structured management and continuous improvement, Madrileña Red de Gas relies on an **environmental management system** aligned with the **ISO 14001 standard**, which enables it to identify impacts, optimise processes and strengthen control over the most relevant environmental aspects of its operations.

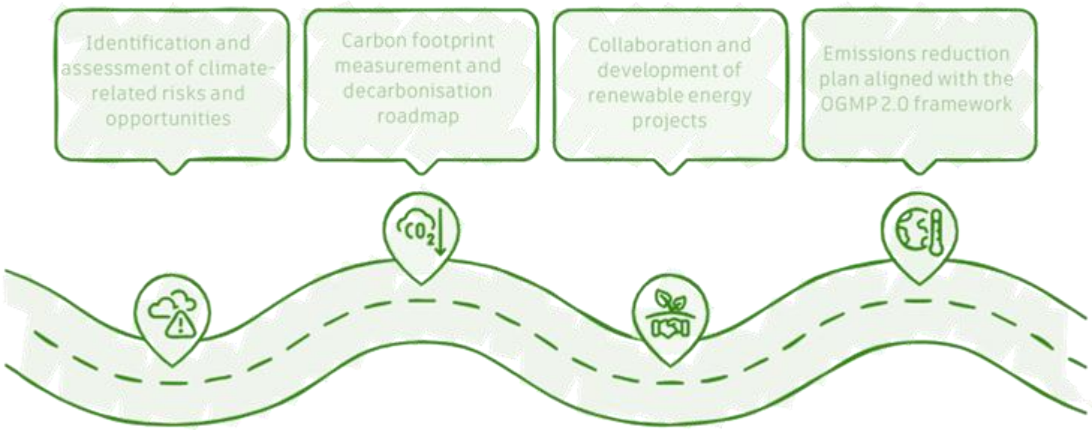
Similarly, Madrileña Red de Gas calculates and monitors its **carbon footprint across Scopes 1, 2 and 3**, with the aim of gaining a more precise understanding of its climate impact, defining priorities for action and making progress in reducing emissions throughout the entire value chain.

Furthermore, Madrileña Red de Gas is making progress in improving the measurement, management and reduction of methane emissions, aligning itself with the principles of the **Oil and Gas Methane Partnership (OGMP)**, as a demonstration of its commitment to transparency and effective climate action.

Climate action: adaptation, mitigation and resilience

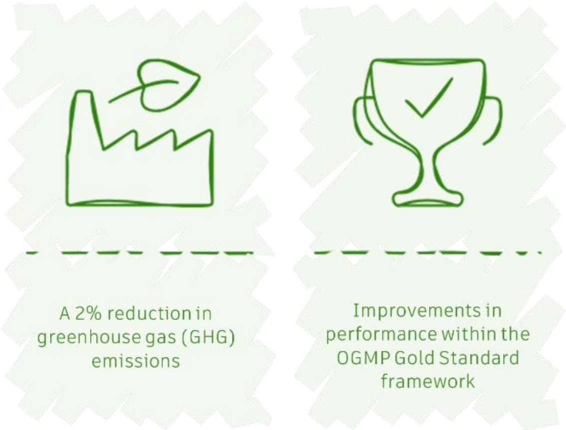
GRI 3-3, GRI 11-1, GRI 11-2, GRI 11-3

Madrileña Red de Gas has defined and implemented a strategy for adaptation, mitigation and resilience in the face of climate change, aligned with international best practices and aimed at ensuring the long-term sustainability of its business model. This strategy is structured around **four** fundamental **pillars**:



Pillars of Madrileña Red de Gas's climate change strategy

The specific targets set by Madrileña Red de Gas for 2025 reinforce its commitment to reducing the climate impact of its activities and to making decisive progress towards a more sustainable and responsible energy model.



Madrileña Red de Gas's climate change mitigation and adaptation targets

With regard to the emissions reduction target, as detailed below, the overall target has not been met; however, a **reduction in Scope 3 emissions** has been achieved.

Meanwhile, the objective linked to improving performance in the OGMP – Gold Standard certification system has seen significant progress. Of the defined targets, some have been fully met and others partially met, enabling progress in consolidating good practices in emissions management. As a result of this progress, the **"Gold Standard Pathway"** certification has been obtained for another year.

Climate risks and opportunities

VSME-C4-(57 a, b, c, d), VSME-C4-58

Madrileña Red de Gas systematically identifies and manages its **climate risks** as a key element of its corporate strategy. Understanding how climate change may affect its operations, supply chain, financial position or reputation enables the organisation to anticipate impacts, strengthen its resilience and make informed strategic decisions.

At the same time, identifying **opportunities** linked to decarbonisation, sustainable innovation and improved energy efficiency serves as a catalyst for generating competitive advantages, accessing sustainable finance and strengthening stakeholder confidence. This analysis not only addresses the demands of the regulatory and social environment, but is also essential for ensuring the long-term resilience and sustainability of the business model.

To identify and assess climate-related risks and opportunities, Madrileña Red de Gas draws on the recommendations of the **TCFD (Task Force on Climate-related Financial Disclosures)**, which provide a structured and internationally recognised framework for integrating climate considerations into business strategy.

Risks and opportunities associated with climate change

The assessment of climate-related risks and opportunities has been carried out by considering **two climate scenarios** defined by the Intergovernmental Panel on Climate Change (**IPCC**).

- On the one hand, a **high-emissions scenario (RCP 8.5)** has been analysed, which assumes the absence of significant climate policies, continued growth in the use of fossil fuels and a global temperature rise of more than 4 °C by the end of the century, with significant environmental and social impacts.
- On the other hand, a **low-emissions scenario (RCP 2.6)** has been considered**,** which envisages a rapid and sustained reduction in greenhouse gas emissions, allowing global warming to be limited to a range of between 1.5 °C and 2.0 °C, in line with the objectives of the Paris Agreement, through the adoption of clean energy, improvements in energy efficiency and the development of carbon capture technologies.

The use of different climate scenarios in the analysis is essential, as it enables Madrileña Red de Gas to anticipate the potential physical and transition impacts of climate change on its operations, its value chain and its long-term strategy.

"Understanding how climate change may affect its operations, supply chain, financial position or reputation enables Madrileña Red de Gas to anticipate the impacts"

Furthermore, the analysis was carried out considering **three time horizons**: the short term (**up to 2030**), the medium term (**up to 2040**) and the long term (**up to 2050**).

The adoption of these distinct timeframes is based on the fact that, in the context of climate risks and opportunities, it is estimated that this approach provides a more realistic view of the probability of occurrence and financial impact, in line with the TCFD guidelines.

The results of the identification and assessment of climate risks and opportunities are detailed in the **Annex: Assessment of Climate Risks and Opportunities.**

Throughout this Sustainability Report, it is demonstrated how Madrileña Red de Gas comprehensively addresses the risks and opportunities arising from climate change, in line with the recommendations of the TCFD framework. Various sections of the document highlight the active management of transition and physical risks, as well as the identification and development of opportunities relating to resource efficiency, energy sources, products and services, markets and resilience.

Carbon Footprint 2025

GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5, GRI 305-7, -VSME-B1-25, VSME-B3-(30,31), VSME-B4-32, VSME-C3-(50-52)

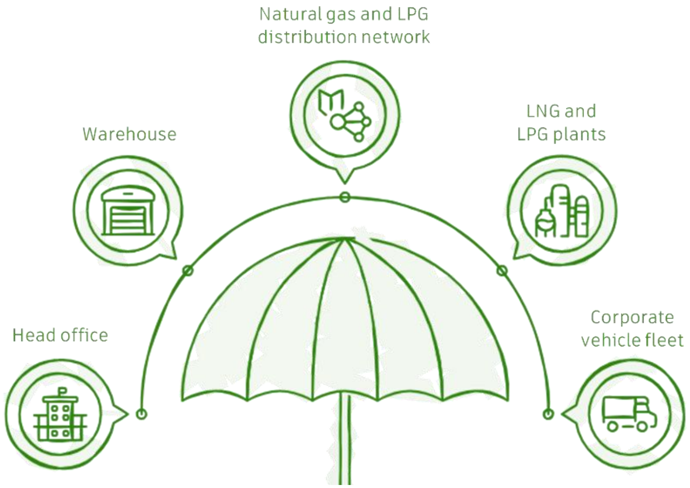
The measurement and monitoring of greenhouse gas (GHG) emissions is a key tool for Madrileña Red de Gas in assessing the climate impact of its activities and processes. This quantification exercise not only reveals the extent of **the company's contribution to climate change**, but also provides a robust indicator for decision-making and the continuous improvement of environmental performance.

The carbon footprint is thus established as an essential management tool, as it facilitates the identification of those activities that generate the highest volume of emissions, as well as the **levers for action** to optimise resource use, improve operational efficiency and move towards a more sustainable energy model.

In this regard, during the 2025 financial year, Madrileña Red de Gas has once again calculated the carbon footprint associated with all its activities. This analysis includes both direct GHG emissions (**Scope 1**), indirect emissions resulting from the consumption of purchased electricity (**Scope 2**), and other indirect emissions generated throughout its value chain (**Scope 3**).

The carbon footprint has been calculated in accordance with the main methodological frameworks and reference standards recognised at national and international level, including **ISO 14064-1**, the Greenhouse Gas Protocol (**GHG Protocol**), the **EMEP/EEA** methodologies, and the **IPCC** guidelines for national GHG inventories. Furthermore, account has been taken of the supporting documents of the Carbon Footprint, Offsetting and Carbon Dioxide Absorption Projects Register established by Royal Decree 214/2025, as well as the internal procedures defined by the company.

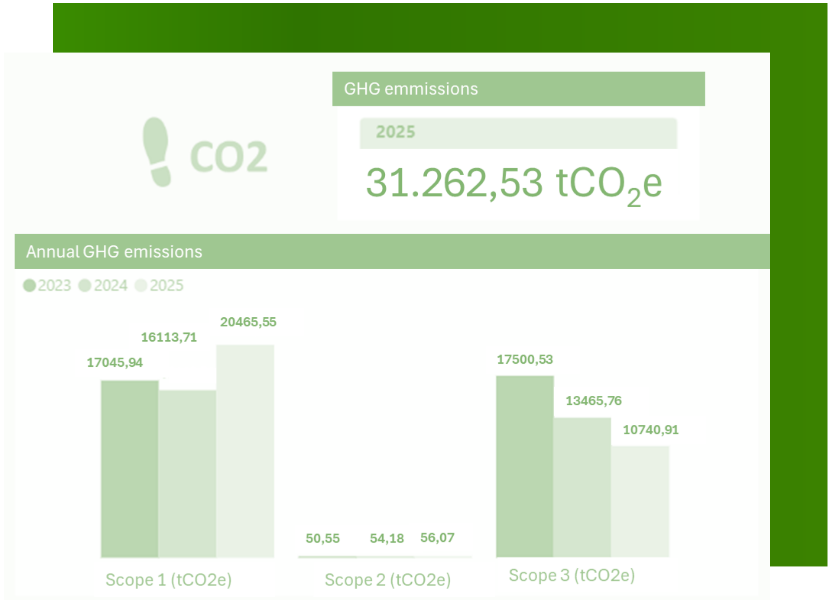
The scope of the carbon footprint covers the main activities and infrastructure of Madrileña Red de Gas, including its **head office** in Pozuelo de Alarcón and the **warehouse** located in Alcorcón, the natural gas and LPG distribution **network**, the **LNG and LPG plants** integrated into that network, as well as the **fleet of** company **vehicles**.



Scope of Madrileña Red de Gas's carbon footprint

Madrileña Red de Gas's carbon footprint includes emissions of the main greenhouse gases (**GHGs**) defined by international reference standards. Specifically, carbon dioxide (**CO_2**), methane (**CH_4**), nitrous oxide (**N_2O**), sulphur hexafluoride (**SF_6**), nitrogen trifluoride (**NF_3**), as well as hydrofluorocarbons (**HFCs**) and perfluorocarbons (**PFCs**) have been taken into account.

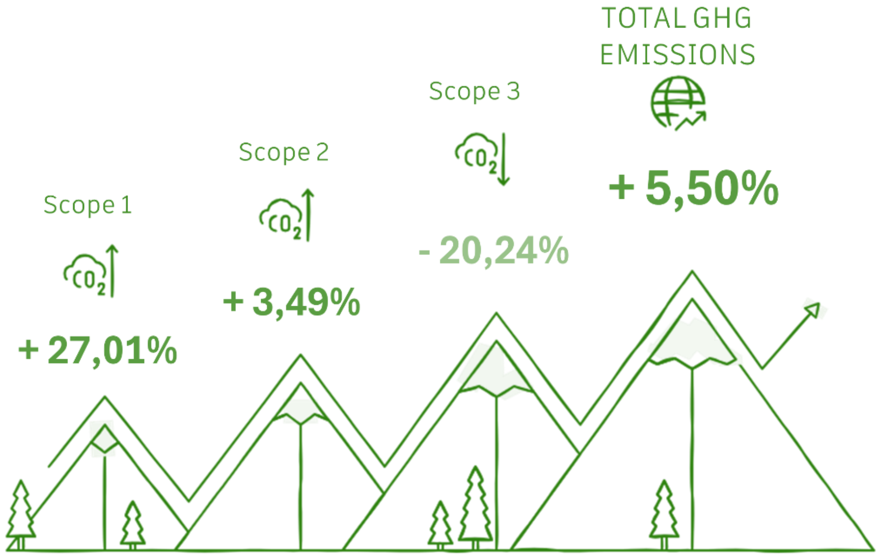
In order to standardise the climate impact of each of these gases and enable their correct aggregation and comparability, all emissions are expressed in tonnes of carbon dioxide equivalent (**tCO_2e**). To this end, the Global Warming Potentials (GWP) set out in the Sixth Assessment Report (**AR6**) of the Intergovernmental Panel on Climate Change (**IPCC**) have been applied; this is currently regarded as the international scientific benchmark.



Trend in annual GHG emissions

This approach ensures that the carbon footprint accurately reflects the **actual climate impact** of the organisation's activities and guarantees methodological alignment with widely accepted standards for calculation and transparency in the field of climate change.

The total footprint shows an **increase of 5.52%** compared to the previous financial year, as a result of increases observed in Scopes 1 and 2, which partially offset the reduction achieved in Scope 3.



Change in the carbon footprint compared to the previous financial year

This increase in the carbon footprint compared to the previous financial year is mainly due to the **acquisition of the LPG plants** from Aliara GLP, a company belonging to the same business group. This organisational change has led to an increase in emissions, as these facilities have been reincorporated into the scope of the carbon footprint calculation.

Regarding the **comparison with the base year,** given that the base year defined by the company corresponds to the sum of emissions from the financial years **2021 and 2022**, the analysis of the evolution of the full carbon footprint relative to that base year was carried out for the first time last financial year, considering the years 2023 and 2024. In the current financial year, it is not possible to make this comparison, as it is necessary to have a consolidated series of two consecutive years (**2025 and 2026)** to ensure methodological consistency and the comparability of the results.

For more detailed information on emissions, please refer **to** the **Madrileña Red de Gas Carbon Footprint Annex**, which provides a detailed breakdown of the results obtained.

Emissions intensity

Madrileña Red de Gas regularly monitors its **emission intensities** in order to assess its environmental performance in relation to its operations. In this regard, emission intensities are calculated in relation to three key operational variables: the **GWh of gas transported**, the **length of the gas network in kilometres**, and **turnover in thousands of euros**.

This approach facilitates the analysis of environmental efficiency in both gas transport operations and infrastructure management and maintenance, enabling consistent and comparable monitoring of emissions trends over time.

	2023	2024	2025
Emissions intensity per GWh of gas transported (tCO2e/GWh)	4.05	3.35	3.32
Emissions intensity per km of network (tCO2e/km)	5.73	4.89	5.05
Emissions intensity per turnover (tCO2e/k€)	0.24	0.21	0.21

Trends in GHG emission intensity ratios

Once the carbon footprint calculation has been completed, Madrileña Red de Gas has the data verified by an independent third party, ensuring transparency, methodological rigour and the reliability of the results obtained. These results are subsequently reported to the **Spanish Office for Climate Change (OECC),** enabling the organisation to maintain the official record of its carbon footprint and demonstrate the progress achieved.

Along with the annual reports submitted, Madrileña Red de Gas submits an emissions reduction plan to the OECC, setting out the main measures implemented and under development to minimise the environmental impact of its activities. As a result of the effective reductions achieved compared to previous years, the organisation has been awarded **the official "Reduzco" seal**, thereby reinforcing its commitment to the active management of greenhouse gas emissions.

Furthermore, throughout 2025, Madrileña Red de Gas has carried out a new **comparative** assessment **of its carbon footprint against other organisations in the sector**, the findings of which show that its emission levels are in line with those of its peers.

In addition, an **awareness-raising** initiative **on carbon footprints** was carried out, aimed at helping employees gain a better understanding and awareness of this key area of sustainability, through the distribution of an informative video designed to facilitate understanding of the basic concepts, their relevance and the individual and collective role in reducing emissions.

Screenshot from the carbon footprint awareness video

Through these initiatives, the company not only complies with current regulations but also reinforces its commitment to the progressive decarbonisation of its operations and to actively contributing to **national and international climate targets**.

Other significant emissions

Madrileña Red de Gas also monitors the atmospheric pollutant emissions generated by its activities, both those from **fixed combustion installations** and those from its **vehicle fleet**. These emissions include, amongst others, nitrogen oxides (NO_x), sulphur oxides (SOx) and particulate matter (PM).

To calculate emissions from stationary sources, the **EMEP/EEA** methodology (Air Pollutant Emission Inventory Guidebook) is applied, calculating emissions based on fuel consumption and emission factors for the various pollutants, both of which depend on the technology used.

Furthermore, the methodology used to calculate combustion emissions from mobile sources is based on that set out in the European Environment Agency's technical report: **COPERT IV** (Computer Program to Calculate Emissions from Road Transport), which is based on the application of emission factors for the various pollutants, classified by vehicle type, category (Euro standards) and fuel used.

Other air pollutants present in the emissions of Madrileña Red de Gas

Furthermore, Madrileña Red de Gas is required to report to the Community of Madrid the **estimates of fugitive methane emissions associated with the distribution network**, within the framework of the regional authorities' powers regarding the control of atmospheric emissions and greenhouse gas inventories. At regional level, this information feeds into the Community of Madrid's Emissions Inventory and is essential for environmental monitoring, improving air quality and designing climate change mitigation policies.

	2023	2024	2025
Estimated fugitive methane emissions from the distribution network (t_{CH_4}/year)	604.24	567.65	724.95

Estimated methane emissions in the distribution network

Progress towards Net Zero

VSME-C3-(54 a, b, c, d), VSME-C3-55

As part of its climate strategy, Madrileña Red de Gas has drawn up a **projection of greenhouse gas (GHG) emission reduction targets towards the Net Zero objective**, taking into account the RCP 8.5 and RCP 2.6 climate scenarios proposed by the IPCC. This exercise is essential for defining a coherent decarbonisation roadmap, aligned with science and capable of integrating the various operational and organisational factors that influence the evolution of emissions.

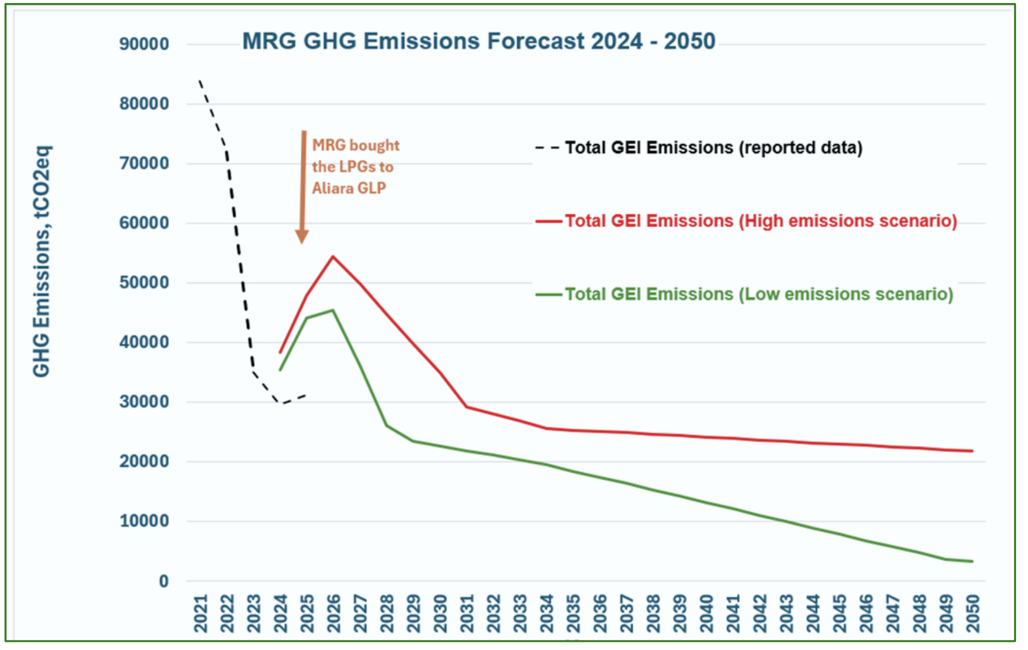
In this context, the projection incorporates the impact arising from the acquisition of LPG plants carried out in **2025**. In that year, the effect on the carbon footprint is relatively moderate, as the transaction took place in the middle of the year, which limits its impact on the annual total of emissions.

However, this factor is expected to have a greater impact in **2026**, as emissions from these facilities will be accounted for over the entire financial year, which is likely to result in a more pronounced increase in the carbon footprint.

From this turning point onwards, and in direct correlation with the progressive conversion of LPG points to natural gas, the projection anticipates that emissions will resume a downward trend from **2027**, aligning with the reduction and climate neutrality targets set by the company.

In this way, **the GHG emissions reduction projection** not only guides the planning of mitigation measures and investment decisions, but also enables the anticipation of climate risks, the response to emerging regulatory frameworks, the facilitation of access to sustainable finance, and the maintenance of competitiveness in an environment that is increasingly demanding in terms of climate commitment.

"Madrileña Red de Gas has drawn up a projection of greenhouse gas (GHG) emission reduction targets towards the Net Zero objective"



Projected targets for total GHG emissions reductions at Madrileña Red de Gas (2021–2050*)*

The estimates for emissions reductions by 2050 have been drawn up by considering, in the **high-emissions scenario**, the phasing out of LPG by 2035, a high dependence on fossil fuels, which would account for 75% of the global energy mix by 2060, and the absence of a shift from natural gas to hydrogen. Furthermore, this scenario projects limited penetration of electric vehicles, reaching only 14% of the fleet by 2040, alongside a moderate contribution from renewable energy, which would stand at 30% in 2050 and 36% in 2060.

In contrast, **the low-emissions scenario** incorporates more ambitious decarbonisation assumptions, including the early phase-out of LPG by 2030, a drastic reduction in the share of fossil fuels to 2% of the global energy mix by 2060, and the gradual replacement of natural gas with hydrogen from 2035 onwards, in line with methane emission reduction plans such as the OGMP. This scenario also envisages greater electrification of transport, with electric vehicle penetration reaching 46% by 2040, as well as a strong push for renewable energy, which would account for 70% by 2050 and 83% by 2060.

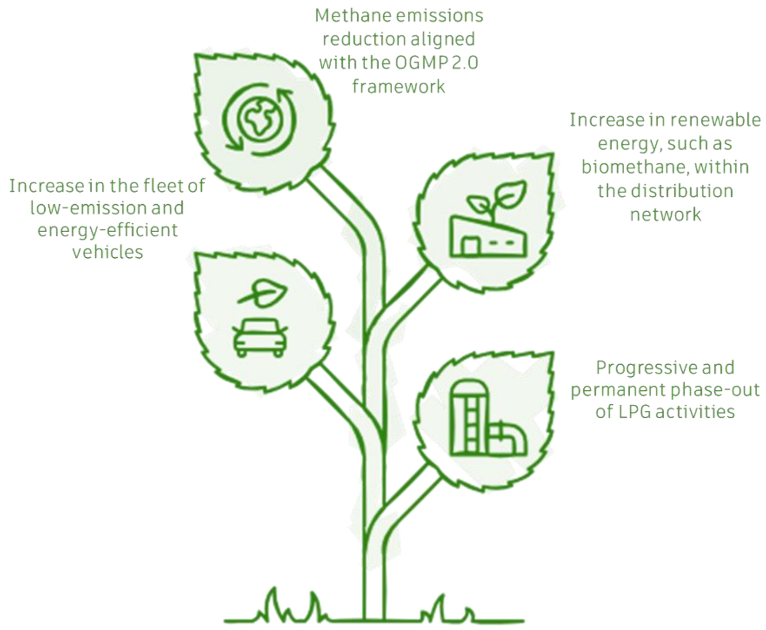
Taken together, these two scenarios enable **an assessment of the impact of different rates of energy transition on emissions**, providing a framework for the company's strategic planning and climate risk management.

The estimated **evolution of emissions by scope**, using 2021 as the base year and comparing both the situation reached in 2025 and the targets set for 2050 under high- and low-emission scenarios, is as follows:

	2021	2025	2050 High-emissions scenario	2050 Low-emissions scenario
Scope 1	100%	+23.72%	-22.38%	-99.70%
Scope 2	100%	-6.96%	-47.05%	-77.31%
Scope 3	100%	-84.02%	-86.73%	-95.11%

Estimated trend in GHG emissions by scope (2021–2050)

As mentioned previously, Madrileña Red de Gas expects to meet these targets by relying on a series of **key decarbonisation levers**, including the gradual and definitive phase-out of the LPG business, the expansion of the fleet of more efficient and less polluting vehicles, an increase in the proportion of energy from renewable sources, such as biomethane, integrated into the distribution network, as well as the reduction of methane emissions within the framework of the OGMP 2.0 initiative, as will be seen below.



Key levers for decarbonisation at Madrileña Red de Gas

Innovation and commitment to green energy

VSME-B2-26a

Madrileña Red de Gas is firmly committed to the promotion and development of green gas projects, particularly hydrogen and biomethane, as a key lever for decarbonisation and the transition to a more sustainable energy model, promoting their integration into existing infrastructure and the gradual replacement of fossil fuels with renewable alternatives.

For further information on green gases, please watch the following explanatory video produced by Madrileña Red de Gas:

https://www.youtube.com/watch?v=I1yphQwaePA

"Gas Verde Sí" Green Gas initiative

The "Gas Verde Sí" Green Gas initiative, of which **Madrileña Red de Gas is a member**, was established with the aim of promoting the development of green gas or **biomethane** in Spain as a viable and strategic renewable energy alternative. Green gas, produced from organic waste, is a stable, storable and competitive energy source that contributes to decarbonisation, the reduction of external energy dependence and the economic development of rural areas.

Spain has significant potential to become a European leader in green gas, although it currently lags behind other countries. The platform argues that the energy transition must **incorporate this renewable source** as a complement to solar and wind power, allowing citizens and businesses to choose the energy solution best suited to their needs.

Gas Verde Sí calls for an **energy policy and regulatory framework** that recognises the value of biomethane, facilitates its deployment and removes administrative barriers. Key proposals include increasing its share in the energy mix, establishing progressive quotas, prioritising the industrial sector, streamlining permits, promoting its use in new buildings and improving waste management.

Green gas offers specific **benefits** for households, by enabling efficient decarbonisation without additional installation costs; for industry, by providing a stable and competitive renewable energy source in sectors that are difficult to electrify; and for farmers and livestock breeders, by facilitating waste recovery, promoting the circular economy and reducing environmental impacts and potential penalties.

Further information at https://gasverdesi.com/

"NADA Campaign: the Gas Verde Si platform highlights the fact that any natural gas consumer today can use green gas without needing to make any changes to their installation"

ECO Label

The ECO Label initiative for natural gas boilers is a project promoted by Madrileña Red de Gas with the aim of informing domestic consumers about the **decarbonisation potential** associated with their current heating systems.

Inspired by the environmental labels used in the automotive sector, this label is a physical mark that is affixed to domestic natural gas boilers. Its purpose is to communicate clearly and accessibly that **the equipment is compatible with renewable gases**, such as biomethane and green hydrogen (up to a certain percentage).

The label is being affixed during the standard processes for new supply connections, conversion of LPG installations and periodic inspections.

The initiative aims to inform consumers that their natural gas boilers are compatible with more sustainable fuels without the need for additional investment, to facilitate the energy transition in the domestic sphere by highlighting its simplicity and zero cost, and to provide users with technical information via a QR code that allows access to content on renewable gases, such as biomethane and hydrogen, and to find out the degree of compatibility of their equipment.

By visiting https://www.madrilena.es/etiquetaeco/, you can check whether your boiler is compatible with biomethane or even green hydrogen.

For more information on converting your boiler, you can watch the following explanatory video produced by Madrileña Red de Gas:

https://www.youtube.com/watch?v=Z_xhtBLa92U

Special projects

Throughout 2025, Madrileña Red de Gas has continued to develop several special projects linked to hydrogen and decarbonisation, notably the **Inspira Madrid project**, aimed at decarbonising urban mobility in Madrid, which, despite facing administrative and operational difficulties, achieved key milestones such as the approval of the electrolyser's electrical connection and the necessary power reserve. Technical and legal work was stepped up to address local residents' concerns, as was collaboration with the local authorities, including outreach initiatives such as the official visit to the EMT hydrogen plant in Entrevías. At the same time, commercial activity was stepped up to identify potential users of renewable hydrogen in sectors such as logistics and transport. Delays in obtaining permits led to CINEA granting an extension, allowing the project timeline to be extended, with progress set to continue into 2026.

Furthermore, Madrileña Red de Gas has promoted demonstration projects such as the 100% hydrogen domestic boiler, **the Show Room H2 project**, which has been operational for two years in its offices and validated through visits by organisations, companies and universities, demonstrating the technical viability of hydrogen in residential applications. Although the equipment has been removed following the expiry of the agreement with the manufacturer, with a view to 2026, it is planned to continue the collaboration with Vaillant for the provision of a natural gas boiler adapted using a conversion kit that will allow it to operate on 100% hydrogen. This phase represents a further step in demonstrating that current natural gas boilers, designed to accommodate mixtures containing up to 20% hydrogen, can be modified to operate entirely on hydrogen.

Finally, regarding the **Pryconsa project**, which aims to supply hydrogen to a newly constructed building to meet DHW needs, the installation of hydrogen-ready equipment is scheduled for 2026. This boiler is capable of adapting to and operating with different mixtures of hydrogen and natural gas. Connected to the Madrileña Red de Gas distribution network, the unit will begin operating using natural gas and, as it is technologically equipped for hydrogen use, will be able to consume green hydrogen when it is available or when required. This initiative represents a further step in the validation of hybrid technologies and the progressive decarbonisation of heating systems in the residential sector.

Further information at https://www.madrilena.es/nuevas-energias/

OGMP 2.0: Reduction of methane emissions

The **Oil and Gas Methane Partnership 2.0** (OGMP 2.0) is an international initiative led by the United Nations Environment Programme (**UNEP**) whose aim is to establish a global benchmark standard for the measurement, reporting and verification of **methane emissions** in the energy sector. This initiative improves the quality and traceability of data, facilitates the monitoring of emissions and defines action plans aimed at reducing them, ensuring transparency throughout the entire value chain of **the oil and gas industry**. To date, more than 150 companies with assets across five continents have joined the partnership, representing **42% of** global oil and gas **production**. Since 2023, Madrileña Red de Gas has been a member of the OGMP 2.0 initiative, in line with its commitment to transparency and the responsible management of methane emissions.

Furthermore, the OGMP 2.0 project has served as a reference framework for the European Commission in drafting **Regulation (EU) 2024/1787** of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector, which is currently pending transposition into Spanish law.

As part of the OGMP 2.0 initiative, Madrileña Red de Gas has established a specific **Action Plan (2023–2028)** that sets out targets and implements measures aimed at progressively reducing methane emissions from its activities, as well as defining a clear and measurable path for continuous improvement in this area, having obtained **'Gold Standard Pathway'** certification for the third consecutive year.

"Since 2023, Madrileña Red de Gas has been a member of the OGMP 2.0 initiative, in line with its commitment to transparency and the responsible management of methane emissions"

In this regard, within the framework of this action plan, and as part of the measures aimed at progressively improving the detection and quantification of methane emissions, the necessary steps were taken during the final months of the financial year to formalise the implementation of an **initial pilot project for emissions detection** using AMLD (Advanced Mobile Leak Detection) technology, which is scheduled to be carried out in the first few months of 2026.

Furthermore, Madrileña Red de Gas regularly participates in the fortnightly meetings **of the European Union's** group of **distribution** companies, where the guidelines for achieving Level 5 'Gold Standard' certification and the harmonisation of emission quantification criteria are discussed. In parallel, during 2025, the company took part in two technical meetings held in Brussels, in March and December, at which the studies carried out by the university were presented and the joint analysis of the distribution group's data was shared.

Efficiency that transforms resources: responsible and circular management

GRI 302-1, GRI 303-5, GRI 306-2, GRI 306-3, VSME-B3-29, VSME-B7-37, VSME-38 (a,b)

Madrileña Red de Gas remains firmly **committed to the circular economy** as a cornerstone of its sustainability strategy. Within this framework, the company promotes the efficient use of resources through a commitment to durable products, the reduction of waste generation and the reuse of materials in the course of its activities.

This approach not only contributes to environmental protection, but also generates economic and social value, steering decision-making towards a **more responsible, efficient and resilient management** model. In line with these principles, Madrileña Red de Gas has set the following circular economy target for the year 2025.

Circular economy target for *2025*

Efficient resource management

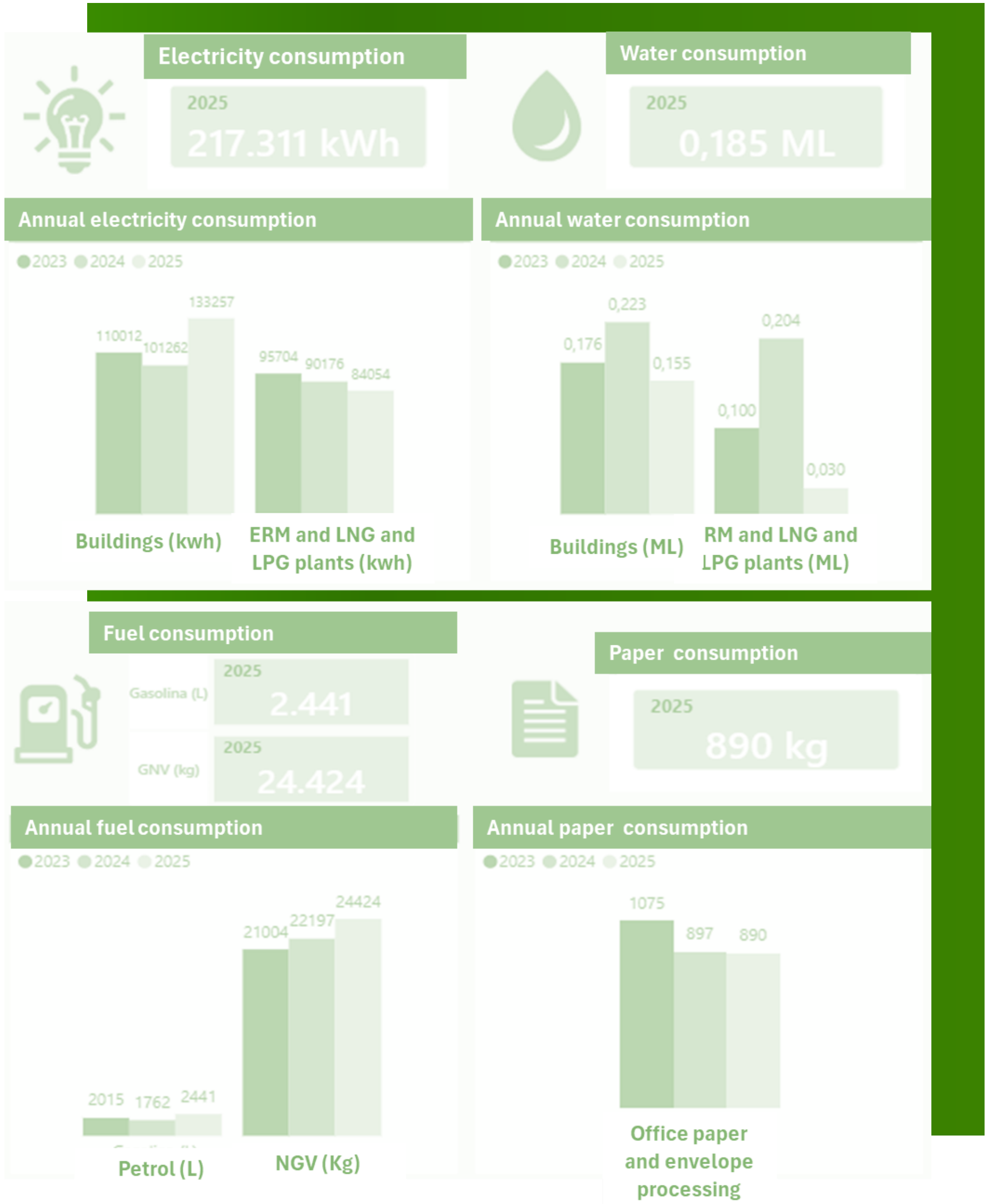
Madrileña Red de Gas integrates resource consumption management into its Integrated Environmental Management System, which enables rigorous and continuous monitoring. This approach facilitates the responsible management of natural resources, energy and fuel consumption, covering both **workplaces** and **industrial facilities** as well as the **vehicle fleet**, thereby contributing to operational efficiency and the reduction of environmental impact.

Between the financial years 2024 and 2025, distinct variations in the consumption of different resources can be observed. In the area of **electricity**, consumption in buildings shows an increase compared to the previous financial year, whilst at the ERMs and the LNG and LPG plants the downward trend continues, reflecting a sustained improvement in the energy efficiency of these facilities.

With regard to **water** consumption, buildings show a reduction, returning to levels similar to those of previous financial years. Meanwhile, LNG and LPG plants show a very significant decrease in consumption.

Paper consumption remains virtually stable between the two financial years, consolidating the low levels achieved following the sharp reduction seen in previous years, in line with the digitalisation processes implemented.

As for **fuel** consumption by the vehicle fleet, petrol consumption increases in 2025 compared to 2024, whilst natural gas consumption continues its upward trend, suggesting greater use of this type of fuel within the fleet.



Trends in resource consumption at Madrileña Red de Gas

Madrileña Red de Gas's total energy consumption reflects the energy used in carrying out its activities during the reference period. This indicator is key to assessing its energy efficiency and environmental impact, and to driving improvements in line with its commitment to sustainability.

	2023	2024	2025
Total energy consumed (MWh)	**984.02**	**1,376.49**	**1,248.47**
Electricity (non-renewable)	195.17	191.44	217.31
Diesel	3.60	218.14	222.91
LPG, butane or propane	377.87	530.70	402.38
Petrol	232.38	127.85	58.90
Natural gas	175.01	308.36	346.97

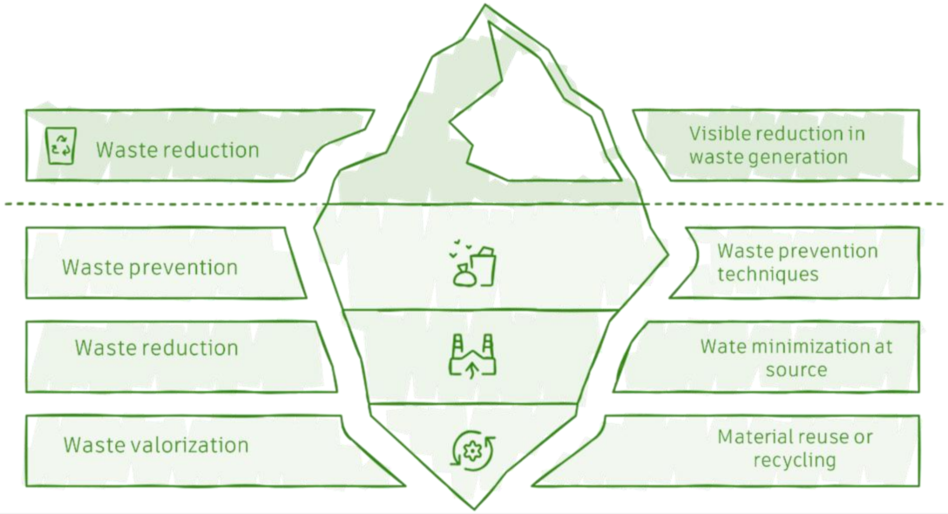
Total energy consumption at Madrileña Red de Gas

Commitment to the circular economy and waste management

With the aim of ensuring compliance with its commitment to the circular economy, Madrileña Red de Gas has, within the framework of its Integrated Environmental Management System, specific procedures for the identification, segregation, storage and proper management of waste generated in the course of its activities.

These procedures are applied throughout the entire operational cycle and are designed to minimise **waste generation, promote its recovery and ensure its proper traceability**, in accordance with current environmental regulations and best practices in the sector. Furthermore, the company carries out regular monitoring of waste management in order to identify opportunities for continuous improvement in its environmental performance.

Whenever possible, Madrileña Red de Gas prioritises measures aimed at **preventing and minimising waste generation** by applying techniques and operational alternatives that reduce waste production at source. Furthermore, the company encourages the recovery of the waste generated, both internally and through authorised waste management operators, promoting its reuse and recycling, in line with **the principles of the circular economy.**



Waste management strategy at Madrileña Red de Gas

The **temporary storage** of waste at Madrileña Red de Gas's facilities is carried out in a controlled manner and in accordance with applicable legal and environmental requirements, with particular attention paid to waste which, by its nature, may pose a risk of environmental degradation.

Furthermore, as part of its environmental management approach, Madrileña Red de Gas encourages **contractors to ensure** that **their activities** include the proper management of all waste generated whilst providing their services, with the aim of optimising processes and simplifying the associated procedures.

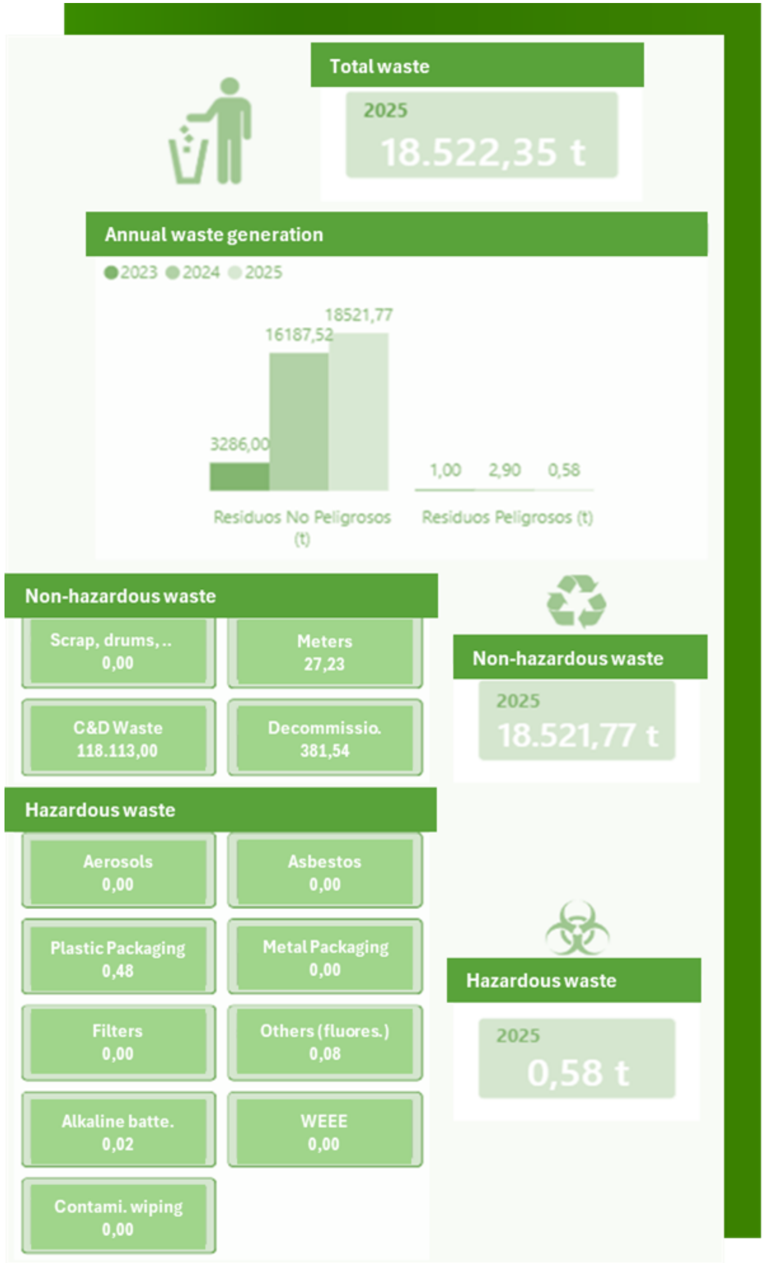
To ensure this approach, the company includes specific clauses in the contracts it signs and requires suppliers and contractors to hold the relevant legal authorisations to carry out such activities, in accordance with current environmental regulations.

With regard to the main **types** of **waste generated at its facilities**, such as regulation and metering stations, as well as LNG and LPG plants, these originate mainly from **operational and maintenance** activities. These include, primarily, waste such as used grease, contaminated rags, used filters and other materials associated with these tasks, the management of which is carried out in accordance with the procedures established in the Integrated Environmental Management System.

Compared with the previous financial year, 2025 saw an increase in total waste generation of approximately **14**%. This increase is almost entirely due to the rise in non-hazardous waste, whilst hazardous waste decreased significantly over the same period.

Specifically, **non-hazardous waste** has increased mainly due to the rise in construction and demolition waste, directly linked to increased operational activity, including renovation, expansion and improvement works on gas infrastructure, etc. At the same time, decommissioning waste has decreased, whilst waste associated with meters shows a slight increase compared to the previous year, remaining at levels consistent with equipment maintenance and replacement activities.

Conversely, **hazardous waste** decreased, with particular emphasis on the management of waste containing asbestos, which accounted for a significant volume in 2024 but did not recur in 2025. This trend confirms the one-off nature of these actions and does not reflect a structural change in the company's ordinary operations.



Trends in waste generation at Madrileña Red de Gas

As regards **waste treatment**, in the case of **non-hazardous waste**, items such as meters, scrap metal and drums, as well as waste from dismantling operations—primarily tanks—are sent for **recycling**. These waste streams enable the recovery of materials and contribute to improving resource efficiency throughout operational activities.

In this regard, one of the year's key milestones has been the **reuse of existing steel and copper networks**, a process that has presented a significant technological and precision engineering challenge, as it required the application of advanced technical cleaning protocols and highly sensitive leak-tightness tests. This approach has enabled the revaluation of high-quality materials, the utilisation of existing infrastructure and the extension of the useful life of assets, contributing directly to the reduction of waste associated with new projects and the minimisation of civil engineering works in established urban environments, thereby reinforcing the company's commitment to sustainability and the circular economy.

Furthermore, all **hazardous waste** generated by Madrileña Red de Gas is sent for **recovery**, managed by authorised operators and in accordance with current environmental regulations, with the aim of minimising final disposal and reinforcing the company's commitment to the circular economy.

	2023	2024	2025
Hazardous waste sent for recovery (t)	0.683	2.901	0.5843
Non-hazardous waste for recycling (t)	496,601	666,517	408,767
Non-hazardous waste sent for disposal (t)	2,789	15,521	18,113

Disposal of waste generated by Madrileña Red de Gas

Nature in balance: biodiversity and environmental protection

VSME-B4-32, VSME-B4-33

Madrileña Red de Gas is firmly committed to the conservation of biodiversity and environmental protection, integrating environmental criteria into the **planning, development and operation of its activities.**

By identifying and preventing potential impacts on ecosystems, implementing protection and restoration measures, and complying with current environmental regulations, the company contributes to the **preservation of natural heritage** and ensures its activities are compatible with the local area.

This approach is complemented by initiatives for continuous improvement, environmental **awareness** and collaboration with stakeholders, with the aim of promoting balanced development that respects the natural environment.

"Madrileña Red de Gas is firmly committed to the conservation of biodiversity and the protection of the environment"

Environmental compliance and prevention

Madrileña Red de Gas maintains a proactive and diligent approach to meeting its legal obligations, systematically integrating the principles **of precaution and prevention** into its operational procedures and environmental management system. This approach enables the company to anticipate risks, minimise potential impacts and ensure an effective response to any environmental contingency, reinforcing the company's commitment to environmental protection and sustainability.

Most LPG plants fall within the scope of current regulations on soil protection and contamination, in particular the provisions of Royal Decree 9/2005 of 14 January and its subsequent regulatory developments, in relation to **Potentially Soil-Contaminating Activities (APCS),** and therefore Madrileña Red de Gas is obliged to submit to the Community of Madrid the corresponding Preliminary Soil Status Reports (IPS), as well as soil condition monitoring reports and, where applicable, detailed characterisation reports associated with the cessation of operations (ICS).

Reports on Potentially Atmospheric Polluting Activities (APCA) submitted	33

APCS reports for LPG plants notified to date

To this end, Madrileña Red de Gas has defined a multi-year work plan, based on technical prioritisation criteria, which focuses actions on those facilities which, due to their characteristics, present a higher potential risk of soil contamination, ensuring regulatory compliance and environmental prevention.

In 2025, the Preliminary Soil Status Report was carried out in accordance with current regulations on contaminated soil, as well as the preparation of various noise reports at the Miraflores de la Sierra LNG plant, with the aim of verifying compliance with applicable legal requirements and assessing the potential environmental impacts associated with the activity.

Furthermore, Madrileña Red de Gas is legally obliged to notify the competent authority—in this case, the Community of Madrid—of its facilities **classified as Potentially Atmospheric Polluting Activities (APCA)**, as well as to comply with the requirements associated with such activities, which include providing technical information, maintaining records, monitoring emissions and, where appropriate, implementing corrective measures. This obligation ensures regulatory compliance and contributes to the protection of air quality and public health, in line with the principles of prevention and environmental sustainability.

In this regard, over recent years, notifications have been submitted to the Community of Madrid regarding APCA matters relating to both LNG and LPG plants. In turn, decisions have been received from the competent authority in relation to these notifications.

Preliminary Soil Reports (IPS) submitted	328
Soil Closure Reports (ICS) notified	328

APCA reports for LPG and LNG plants notified to date

Furthermore, with regard to potential environmental damage arising from the operation of its facilities, Madrileña Red de Gas is subject to compliance with the provisions of **Law 26/2007 on Environmental Liability**. This legislation establishes a framework of strict and preventive liability, which obliges operators to immediately notify the competent authority of any environmental damage or the existence of an imminent threat, as well as to take the necessary measures to prevent, avoid and, where appropriate, remedy the damage caused.

Biodiversity conservation

Madrileña Red de Gas recognises the **preservation of biodiversity** as a fundamental pillar for maintaining the balance of ecosystems and long-term environmental sustainability. The loss of biodiversity poses a significant risk, as it leads to the disappearance of species, the fragmentation of habitats and the deterioration of ecosystem services, which are essential both for the conservation of wildlife and for the well-being of society.

The company currently operates 23 LPG satellite plants and 6 LNG plants, designed to ensure gas supply in areas where the conventional distribution network does not reach. Whilst most of its infrastructure is located in urban and peri-urban areas, some of these facilities are situated in areas of particular environmental sensitivity. Specifically, **2 LNG plants** and **13 LPG plants are situated in protected areas or areas of high ecological value**.

REGIONAL PARK	Manzanares Upper Basin Regional Park	4·244 m^2
NATURA 2000 NETWORK	Special Protection Area (SPA) for the Cereal Steppes of the Jarama and Henares Rivers	573.44 m^2
	SAC/SCI Basins of the Jarama and Henares rivers	573.44 m^2
	SAC/ SAC Manzanares River Basin	4,244 m^2
BIOSPHERE RESERVE	Upper basins of the Manzanares, Lozoya and Guadarrama rivers	7,884 m^2

Area occupied by Madrileña Red de Gas facilities within protected natural areas

The largest area **of** occupation is located in the **Biosphere Reserve** of the upper basins of the Manzanares, Lozoya and Guadarrama rivers, followed by the Upper Manzanares Basin Regional Park and the Special Area of Conservation (**SAC**) of the Manzanares River Basin.

Within the **Natura 2000 network**, the European network for the protection of biodiversity, the impact is significantly lower, ^{2} in the Special Protection Area (**SPA**) for the Cereal Steppes of the Jarama and Henares rivers and in the SAC of the basins of these rivers.

Overall, these figures reflect limited exposure in terms of area, although the **presence within protected areas** highlights the importance of maintaining rigorous environmental management and specific measures aimed at preserving biodiversity.

This situation reinforces Madrileña Red de Gas's commitment to protecting the natural environment and the need to implement specific environmental management measures. In this regard, the company implements stringent environmental criteria and best practices throughout the entire life cycle of its assets, from design and construction through to operation, maintenance and eventual decommissioning, with the aim of preventing, minimising and, where necessary, mitigating potential impacts on surrounding ecosystems and biodiversity.

For any work carried out in **environmentally sensitive areas**, the company conducts a prior assessment of the potential impacts on flora, fauna and habitats. As a result of this analysis, preventive, corrective and, where appropriate, compensatory measures are incorporated into the projects, aimed at minimising the impact on the natural environment.

Furthermore, all **decommissioning activities** are supervised by a Project Manager, who is responsible for approving, at the start of works, the construction and demolition waste management plan drawn up by the contractor, as well as for signing the final works certificate. This process ensures the proper management of the waste generated, in line with current regulations and best environmental practices.

This proactive approach to environmental management forms part of Madrileña Red de Gas's commitment to sustainability and corporate responsibility, and is implemented through its **Integrated Environmental Management System**, aligned with the principles of environmental protection and biodiversity conservation.

7. Social impact through our commitment as an energy distributor

GRI 3.3.; GRI 203-1; GRI 203-2, VSME-C1-47 d

In 2025, Madrileña Red de Gas actively participated in a report commissioned by SEDIGAS from PwC, with the aim of analysing the role and positioning of gas infrastructure and the evolution of the regulated sector (https://www.sedigas.es/new/actualidad-articulo/informe-new-deal-para-espana).

Among its conclusions, **the report emphasises the essential role of natural gas** in the Spanish energy system, both **for its contribution to security of supply** and for its **capacity to support the decarbonisation process**.

According to the report, **for around 85% of domestic consumers, natural gas remains the most efficient option today**, either due to technical limitations in accessing other solutions or due to financial constraints that make replacing existing equipment and systems unfeasible. This reality makes natural gas a key element in ensuring a fair, affordable and gradual energy transition.

It also points out that**,** for the majority **of domestic consumers, decarbonisation based on biomethane is the most cost-effective option** and, in many cases, the only one that is technically feasible without requiring significant investment in replacing equipment and internal infrastructure.

As for the **industrial sector**, natural gas plays a **critical role** in numerous energy-intensive **industries**, which rely on gas for technical reasons (high-temperature processes, continuity of supply, product quality) and lack, in the short and medium term, viable alternatives at reasonable costs, contributing directly and indirectly to a significant percentage of GDP and employment.

In the **services sector** (healthcare, hospitality, retail, SMEs, etc.), gas is also a **key energy carrier for ensuring the operation of basic and critical services**, providing flexibility, rapid response and reliability in meeting peak demand.

In these industrial and service applications, alongside the gradual injection of renewable gases into the existing network, it enables emissions to be reduced at a lower social and economic cost than other alternatives, whilst preserving security of supply.

Taken together, natural gas and renewable gases form an essential lever for reconciling decarbonisation targets with economic competitiveness, territorial cohesion and the protection of vulnerable consumers.

The report highlights the **strategic importance of Spain's gas infrastructure**, which is one of the most comprehensive and robust in Europe, with a high degree of diversification in supply sources and routes. This facilitates the rapid adaptation of the supply mix in the face of geopolitical changes, occasional disruptions or crisis episodes, helping to ensure a continuous supply to households, businesses and critical facilities.

Similarly, it highlights how **the meshed configuration of the distribution** and transmission **networks**, together with storage capacity and operational management capabilities, endows the system with remarkable resilience against adverse weather events, seasonal demand peaks and contingencies in the electricity system, whilst enabling combined-cycle power stations to perform an essential back-up and flexibility function for the electricity system.

In **the field of decarbonisation**, the gas network is presented as the ideal vehicle for transporting renewable gases, avoiding the need to build entirely new infrastructure, and highlighting how Spain has great potential for biomethane production, opening the door to a gradual replacement of fossil gas with renewable gas by taking advantage of the capillarity and extent of the current networks.

In this way**, the gas infrastructure fulfils a threefold role: it guarantees security of supply, enables efficient decarbonisation via renewable gases, and helps reduce external energy dependence,** positioning Spain as a potential clean energy hub within the European context.

In line with the findings of this report, Madrileña Red de Gas continues to work to meet the energy needs of the population and support the economic development of the Autonomous Community of Madrid.

In 2025, Madrileña Red de Gas has reinforced its strategy with a clear objective: to provide convenient, efficient, reliable, competitive and safe energy to more homes, businesses and institutions.

The strategy focuses on network expansion and rigorous maintenance, alongside a service centred on the needs and expectations of current and potential users and customers.

To this end, Madrileña has continued to invest in the extension, maintenance and digitalisation of the network, ensuring access and the reliability of supply.

	Investment in network expansion (millions of euros)	Investment in network maintenance and digitalisation (millions of euros)
2023	9.5	3.8
2024	8.7	7.2
2025	11.6 (1)	5.2

GRI 203-1 Investments in infrastructure and supported services 2016

Note (1): The figures include 3.9 million for the acquisition of LPG supply points for subsequent conversion to natural gas.

Bringing energy opportunities closer: Network expansion

GRI 3.3, GRI 203-1, GRI 203-2; GRI 2-29; VSME-C1-47 (a, b, c and d)

During 2025, more than 14 km of new network extensions were laid on public roads. This effort focused on reaching inhabited properties which, despite being within the distributor's catchment area, lacked a connection at the front of the building.

These pipelines have been designed to the latest standards, ensuring that each new section installed is fully compatible with the future distribution of renewable gases, such as biomethane and green hydrogen.

Looking towards new municipalities

GRI 203-1

During this year, work continued on extending the network and connecting supply points **in both Casarrubuelos and Moralzarzal**.

In the municipality of Casarrubuelos, where supply began the previous year, a total of 4,292 metres of network have been laid, and the scheme has been very well received by residents: there are already 276 customers connected and a further 90 who have signed up but are still awaiting installation, representing a penetration rate of 20% of households in the municipality in just one year.

In Moralzarzal, construction of the connection from Collado Villalba—which is essential for the distribution of natural gas in the municipality—has been successfully completed. We are now awaiting the municipal licence to begin construction of the internal network, which will consist of a main trunk line and two main branches.

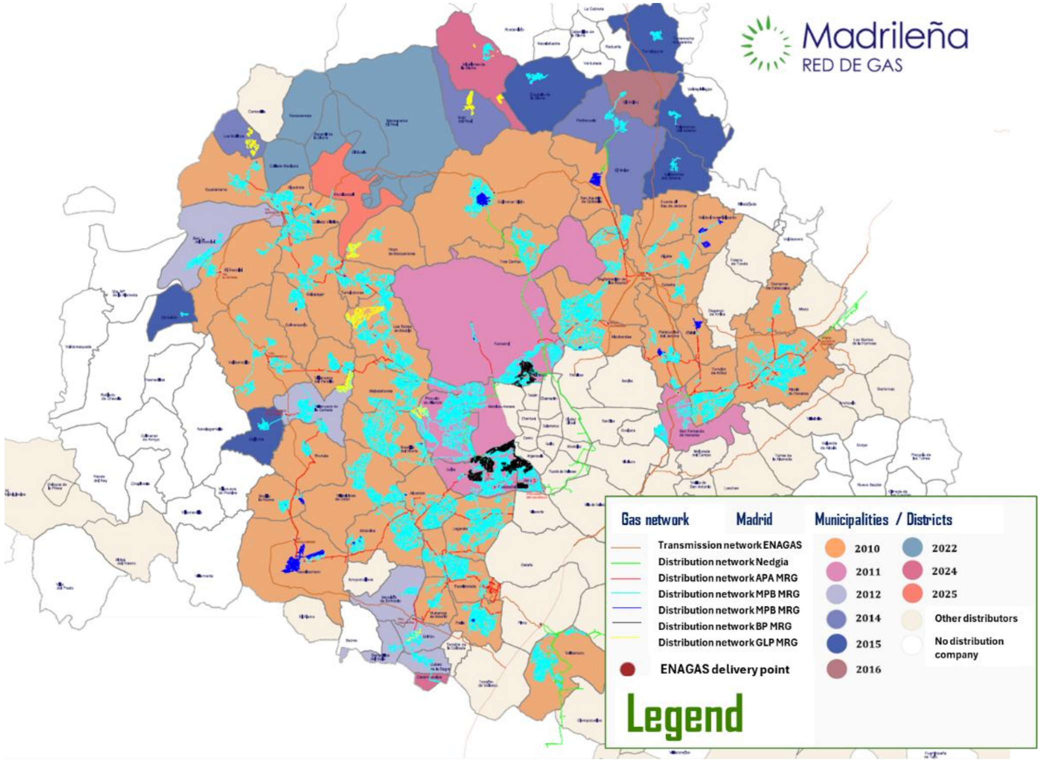
In both municipalities, a digital campaign was launched to announce the arrival of natural gas and its benefits, alongside various advertising initiatives such as videos and banners, which have yielded very positive results, boosting interest and sign-ups in the area.

As for its next objectives, Madrileña Red de Gas is working on projects for Soto del Real and Los Molinos, with significant progress already made in the relevant administrative procedures.

In Soto del Real, permission is pending for the construction of an LNG (Liquefied Natural Gas) plant. Following the successful model implemented in Miraflores de la Sierra, this plant will be built alongside the existing LPG (Liquefied Petroleum Gas) plant, ensuring an efficient and safe transition.

In Los Molinos, steady progress has continued throughout 2025 in managing the necessary permits and administrative procedures, and we are now close to the objective of commencing construction and subsequent supply.

Meanwhile, preliminary steps have been taken in the municipality of El Boalo, with initial contacts made with the local council. In parallel, we have commenced engineering work on the design of the necessary facilities and infrastructure that will enable us to supply this town in the near future.



Working on the new-build market

GRI 203-1; VSME-C1-47 a,47 b

Throughout 2025, Madrileña Red de Gas has continued to work closely with the main housing developers, holding individual meetings with each of them.

The main aim of these meetings is to position the current use of natural gas as the fundamental infrastructure and gateway to biomethane or even green hydrogen in the future. In this context, the hybridisation of aerothermal and natural gas systems is actively promoted as an efficient transitional solution.

It should also be noted that during the current financial year, more than 3,500 metres of third-party networks have been constructed for future urban developments. It is important to point out that this infrastructure is already fully prepared for the distribution of green gases, which will significantly facilitate the integration of future hydrogen networks.

Municipality	Project name	Number of homes	Network length
ALCORCON	RETAMAR DE LA HUERTA	3,500	11,500
BRUNETE	SR1 FIRST RING	3,300	11,800
CUBAS DE LA SAGRA	UE 11	90	1,300
POZUELO DE ALARCON	A.P.R. 3.4-11 MANZANA COCHERAS LLORENT	170	400
POZUELO DE ALARCON	APR 2.6-02 MONTEGANCEDO PRYCONSA	1,050	4,200
TORREJÓN DE ARDOZ	PERI SAN BENITO	640	1,200
VILLANUEVA DE LA CAÑADA	SECTOR-1 "LOS POCILLOS"	3,000	1,700
	TOTAL	**11,750**	**32,100**

Planned projects in the new-build market

Throughout 2025, partnership agreements have been signed for various urban development projects in different municipalities across the region.

These agreements will enable the construction of a 32 km network which, in the future, will supply more than 11,000 homes.

Promoting socio-economic development: Large-scale consumption market

GRI 203-2; VSME-C1-47 (a, b, c and d)

In the Large-Scale Consumption market, it has been a year full of challenges successfully overcome, closing the year with 361 supply points and 130 GWh/year of consumption. These results confirm the confidence of various sectors in the advantages and competitiveness of natural gas.

Industrial market

Major industrial clients are reinforcing their confidence in Madrileña Red de Gas and its commitment to natural gas, incorporating this energy source into their new production lines, as is the case with Martinrea Honsel, the Patatas La Santa María factory and ABN.

Similarly, the segment comprising **garages with paint booths** has been identified as a strategic market for 2025. In line with the commitment to drive its growth, a specific campaign was launched to convert paint booths from diesel to natural gas, with a financial contribution provided for the replacement of burners. This initiative has facilitated the commissioning of 16 new workshops, notably including two large centres with a combined consumption of nearly 2 GWh/year. The success of this campaign reaffirms the intention to continue it, supporting the modernisation and energy efficiency of the vehicle repair and maintenance sector.

Commercial market

As regards the commercial market, self-service laundrettes continue to perform well, with the opening of 42 new outlets in our distribution area, reaffirming the competitiveness of natural gas for this business model.

Institutional market

Meanwhile, in the institutional market, progress has been made in supplying natural gas to essential services, with the commissioning of two new crematoria (M40 and Leganés) and the connection of a total of 23 educational establishments. Madrileña Red de Gas has proactively positioned itself to offer viable alternative solutions using natural gas and biomethane to educational establishments.

In this same vein of collaboration with the public administration, we have worked closely with local councils to facilitate their access to grants aimed at replacing their heating systems with natural gas in schools, offering bespoke technical studies to modernise their facilities by taking advantage of the Regional Investment Plan.

One of the most notable milestones of the financial year was the project to convert the heating system at Alfonso X El Sabio University (UAX) in Villanueva de la Cañada from propane to natural gas. This project posed a significant challenge due to the large number of boiler rooms to be converted, which required the involvement of a large number of companies, resources and excellent coordination to ensure the continuity of supply at all times and avoid disrupting the centre's activities. It has undoubtedly been a fine example of teamwork and responsiveness.

Boiler rooms

With regard to the boiler rooms market for owners' associations, commercial activity during 2025 was intense and productive, resulting in contracts being signed with 17 associations. It is important to highlight the company's adaptation to new efficiency trends; in three of these associations, hybrid systems have been planned, where natural gas provides between 60% and 80% of the total power, demonstrating its perfect compatibility with other forms of energy.

Furthermore, we have secured the loyalty of homeowners' associations, representing approximately 1,500 homes, through our advisory services, demonstrating that upgrading their boiler rooms with new, more efficient natural gas boilers was the safest option to ensure the well-being of residents.

Meanwhile, Madrileña Red de Gas is working proactively on the biomass-powered district heating network in Móstoles, where it has capitalised on the expiry of long-term contracts and the existence of discontent in many communities over comfort issues, such as a lack of heating capacity or the availability of hot water. In light of this situation, the company is actively working with building managers and chairpersons to offer them the switch to natural gas

Resilience in a mature market

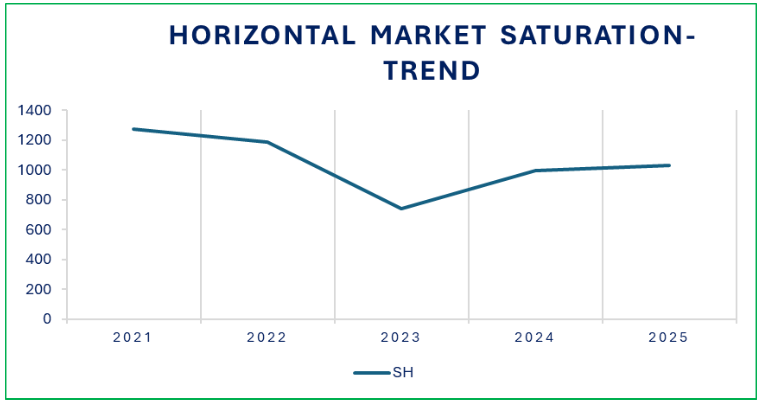
GRI 203-1; VSME-C1-47 a, 47 b

In 2025, the trend of recent years has continued, with steady and sustained growth in the acquisition of new supply points. This year's success is particularly noteworthy given the extreme maturity of the company's distribution area, where the penetration rate now exceeds 80%. In this context, growth does not depend on large-scale expansion into undeveloped areas, but rather on 'precision mining' and high-level commercial management to tap into the remaining potential within established residential estates.

The CNMC has published the data for the first and second quarters of 2025 from the "Quarterly Report on the Natural Gas Market in Spain", in which it analyses certain aspects (growth trends, market share, etc.) of Supply Companies and DSOs in relation to the natural gas market in Spain.

The conclusions are that MRG has become the gas distributor with the most supply points in the Community of Madrid, with over 906,292 active natural gas supply points and 4,805 LPG customers.

The strategy has focused strongly on horizontal market saturation, through network expansion and prioritising capillarity, accompanied by campaigns and intensive work by the sales team.



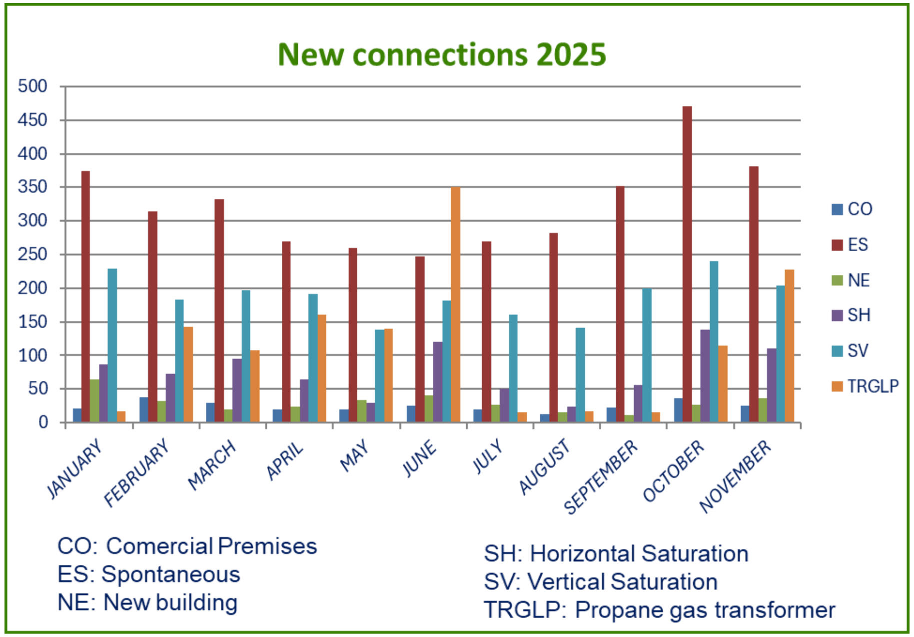
Trends in the horizontal saturation market

A significant effort has been made to market natural gas to properties previously supplied with Liquefied Petroleum Gas (LPG), converting them to natural gas, unifying the regional energy infrastructure and offering users an immediate improvement in safety, end-customer pricing and supply continuity with a significantly cleaner gas.

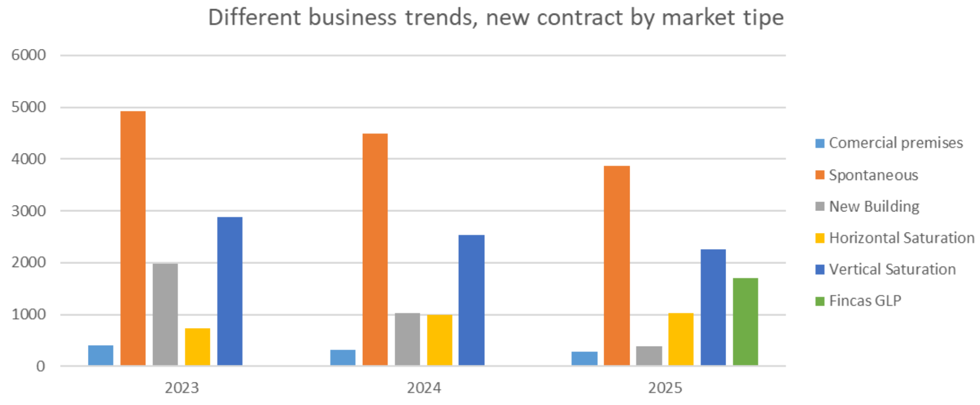
Similarly, campaigns have been carried out to attract consumers with centralised supplies to individual points, thereby granting the user complete autonomy over consumption, whilst increasing the company's resilience.

Finally, it is worth highlighting the progress made in the construction of low-penetration Community Reception Facilities (IRC), thereby enabling buildings where supply is limited to a small number of dwellings to have natural gas as an energy solution for households.

Our summary by type of new connection as at the end of November 2025 can be seen in the following chart.



New connections 2025 by market



Our sales efforts **have been accompanied by campaigns** which, as always, have targeted specific market sectors, **tailoring our offers to ensure that each customer receives a bespoke proposal**, thereby enhancing customer satisfaction and the effectiveness of our current sales channels.

The main themes and incentives for these campaigns have been as follows:

- Campaign to support decentralisation with contributions of up to €650 per supply point, with the aim of bringing back all those homes that choose not to rely on a centralised system and thus improve their energy independence.
- Renewal of the multi-family housing campaign with grants of up to €450 per supply point, with the aim of reaching all high-rise buildings.
- Expansion of the single-family home campaign with grants of up to €500 per supply point, enabling these homes to install a convenient, safe, economical and modern system.

Teamwork

GRI 2-29

Teamwork is absolutely essential to achieving the objectives set for securing new supply points in such a saturated market.

Madrileña Red de Gas maintains close collaboration with authorised installation companies and their main association, AGREMIA.

In 2025, the partnership with this group was strengthened, with the company acting as a technical and commercial facilitator. The installer has been the key player in recouping the costs of the more than 14 km of network extended through ‘door-to-door’ marketing, identifying renovation opportunities and advising individual customers on the benefits of switching to natural gas.

In 2025, 131 installation companies signed up to Madrileña Red de Gas’s public offer, demonstrating, once again, the loyalty of companies in the sector to the company’s commercial strategy.

In line with this approach, as every year, the financial year began with the customary **“Growing Together” event**, held on 6 February 2025.

During the event, participants were able to attend various presentations and round-table discussions where the commercial campaigns for 2025 were presented, as well as the organisational structure of the Expansion Department.

The round-table discussions were used to discuss the challenges and opportunities facing the gas sector in an increasingly competitive environment with other energy systems.

Representatives from the sector’s leading companies shared their concerns, knowledge and experiences with Madrileña Red de Gas, creating a dynamic and enriching atmosphere of exchange.

One of the main focuses of the event was the **collaboration between Madrileña Red de Gas and the companies**, with the presentation of the public offering.

At Madrileña Red de Gas, we emphasise the importance of continuing with this type of meeting, which fosters ongoing communication and adaptation to market criteria and demands.

The event helped to reinforce the importance of cooperation within the sector, enabling participating companies to continue moving forward together in a constantly changing environment.

As a reward for their loyalty, three prizes were raffled off among the participants to the companies with the best results of the year.

Growing Together Event, February 2025

Progress on the Technical Building Code

In keeping with the spirit of teamwork, it is important to highlight the efforts being made regarding the Technical Building Code (CTE).

During November, the Ministry of Housing and Urban Agenda opened a public consultation and information process on the Draft Royal Decree amending the CTE, approved by Royal Decree 314/2006, with the aim of gathering comments on this initiative subject to public consultation and information.

The Ministry of Housing and Urban Agenda's proposed amendment to the CTE is being put out for consultation to partially transpose the EPBD (Energy Performance of Buildings Directive).

Through SEDIGAS, Madrileña Red de Gas has led a joint and coordinated response from the gas sector to highlight its strategic role in the process of decarbonising the economy. In the current energy transition scenario, it is imperative to analyse the reality of Spain's energy balance, where total demand stands at 1,274 TWh/year.

On this basis, submissions and technical comments have been presented, focusing on updating the Royal Decree (DB-HE on Energy Saving) to align the regulations with technical and climatic realities. The most relevant points are:

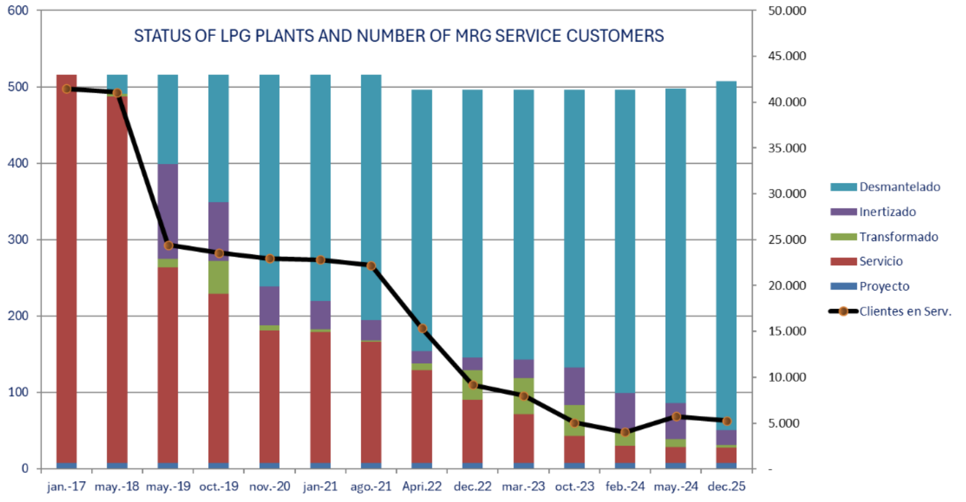
- Inclusion of Biomethane
- Definition of Zero-Emission Buildings
- Review of heat pump efficiency (DHW)
- Efficient Urban Systems

LPG Market

GRI 203-1; VSME-C1-47 (a, b, c and d)

The conversion of Liquefied Petroleum Gas (LPG) facilities to Natural Gas represents a historic and fundamental growth driver for Madrileña Red de Gas (MRG). This ambitious strategic plan reached a turning point in 2016 with the acquisition from Repsol Butano of more than 40,000 supply points, an asset base that the company has been systematically transforming.

The 2025 financial year has continued along the same lines, reinforcing this long-term vision, which is geared towards the unification of infrastructure and the modernisation of the regional energy sector.



Trends in the status and customer base of LPG plants

A significant milestone in this process took place in 2025 with the acquisition and transformation of assets from Aliara GLP : This acquisition has involved the incorporation of over 3,500 LPG supply points, with the aim of converting them to natural gas. This operation underscores Madrileña Red de Gas's intention to lead the energy transition across all its areas of influence and to complete the expansion process begun almost a decade ago.

A testament to the company's operational agility is the fact that, during the 2025 financial year alone, 740 of these supply points from Aliara GLP have already been successfully converted and fully integrated into the natural gas network. This figure contributes to the year's overall total, in which more than 1,800 supply points have been converted, maintaining the strength of the company's organic growth.

As part of this transformation and improvement process, we have successfully converted 23 km of a distinctly heterogeneous network, which comprised copper, steel and polyethylene pipelines, presenting a significant technological challenge, as detailed in Chapter 6, in the section **"Efficiency that transforms resources: Responsible and circular management"**

Benefits of the Transformation: Value for Users and the Region

The switch from LPG to Natural Gas brings structural benefits for all stakeholders:

- **Safety and Continuity**: It eliminates dependence on local storage facilities and the transit of tanker lorries, ensuring an uninterrupted supply via the network.
- **Sustainability:** Natural gas significantly reduces CO_2 emissions compared to propane, aligning municipalities with decarbonisation targets.
- **Economic Efficiency**: Users gain access to more affordable energy, with individualised metering systems and access to digital management services.
- **Prepared for the Future**: The upgraded networks are compatible with the future distribution of green gases, such as biomethane and hydrogen.
- **Completion of Comprehensive Projects**: Villanueva de la Cañada and Miraflores de la Sierra.

Miraflores de la Sierra (Madrid)

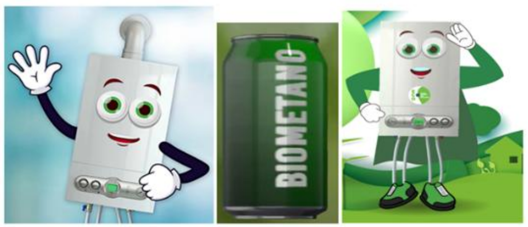
As a testament to this ability to resolve complex environments comprehensively, it is worth noting the comprehensive transformation of the municipalities of Villanueva de la Cañada, with 2,200 installations converted (the final 500 in 2025), and Miraflores de la Sierra, where 1,150 customers have been converted (520 in 2025). This milestone symbolises Madrileña Red de Gas's effectiveness in completing large-scale operational cycles, converting old distribution networks into modern, efficient and future-proof natural gas infrastructures.

The outcome of the conversion project by 2025 reaffirms Madrileña Red de Gas's position as a leader in smart asset management. The acquisition and subsequent integration of the new Aliara GLP points, alongside the successful technical upgrading of 23 km of network comprising various materials, demonstrates that the company is not only maintaining its growth momentum, but is doing so with technical expertise capable of transforming existing infrastructure into an energy network fit for the future.

Marketing Strategies - Brand Evolution: From Calderín to Caldegreen

Following the launch of "Calderín" in 2024, this year the character has evolved into "Caldegreen", a superhero symbolising the power of biomethane and the resulting decarbonisation of the natural gas boiler.

The aim is to raise awareness of the energy transition and renewable gases.



Two videos, three blog posts and a dedicated landing page, https://caldegreen.es/_ , have been created, focused on combating misinformation and explaining how green gases work in conventional boilers. The campaign has been promoted through media outlets aligned with the message, such as digital newspapers including *marca.com*, *elmundo.es* and *elpais.com*, and the data from the digital campaign has shown very positive performance indicators.

With the following overall results:

- Total impressions: 4,068,110 with a stable CTR (Click-Through Rate) of 0.12%
- Total clicks to the Caldegreen landing page: 5,036
- Efficiency in hot audiences: Retargeting leads the CTR (0.19%), ideal for consideration phases.
- YouTube's contribution: around 25% of the campaign's total impressions, boosting brand awareness.
- Interaction rate on the YouTube video of almost 50% (half of those who reached the video watched it, clicked on the link or shared it)

Service that never stops: Safety, reliability and continuity of supply

Madrileña Red de Gas, as a distributor operating within a regulated environment and subject to rigorous service and safety requirements, reinforces these standards with high levels of self-imposed standards, prioritising reliability and continuity of supply as strategic priorities.

Maintaining and modernising the network for a safe and reliable supply

GRI 3.3; GRI 11_11.8; VSME-C1-47d

In 2025, we have continued to carry out all preventive maintenance activities and have performed corrective tasks effectively and efficiently, whilst working hard on the continuous improvement of processes and the network.

In line with our commitment to reliability and continuity, it is worth highlighting, among the corrective actions carried out in 2025, the work performed on two LNG plants. At both plants, a loss of containment capacity was detected, caused by a small crack resulting from the thermal contraction of the materials, although this did not result in an actual loss of containment.

Detecting a microscopic crack in a vacuum chamber is complex; to do so, a precision technique known as the Helium Test was used, which involves introducing helium gas into the system. Due to their tiny size, helium molecules seep through the smallest pores, and their presence is detected using special sensors.

To repair a fault of this type, the tank must be completely emptied and inerted. As both plants had a single tank, it was essential to find a solution so that the repair would not interrupt the supply to users.

Consequently, Madrileña Red de Gas **activated an emergency plan**:

- **Tanker Supply**: An LNG tanker was permanently stationed at the plant. This tanker served as the storage tank.
- **Temporary Connections:** Connections were made using special hoses to carry the gas from the lorry directly to the plant, which was monitored at all times, ensuring the gas supply to the municipal network.
- **24-hour security:** As this was a temporary, manually operated installation, constant on-site surveillance was established to monitor pressures and levels, ensuring that the service was not interrupted at any time.

Repair work on the outer casing of the Talamanca de Jarama tank

With regard to the **preventive maintenance** plan, **which was implemented in full,** we can summarise as follows:

- **Scheduled Operations**: over 11,000 technical interventions carried out.
- **Pressure Monitoring**: Management of the correct operation of the regulation systems across all ranges.
- **Network Monitoring**: Leak testing across 3,353 km of infrastructure.

- **Asset Reliability**: Operation and testing of over 7,200 valves.
- **Structural Protection**: 3,500 cathodic protection measurements carried out on steel networks and 1,000 painting and cleaning operations.
- **Rigorous gas quality control** (THT) through around 100 monthly visits to our networks, thereby ensuring that THT concentrations in our gas distribution system remain within the limits established by current regulations (18–22 $^{mg/m^3}$). A graph is presented showing the measurements taken annually and the concentration values obtained.
- **And a cost of 1,019,788 million euros**.

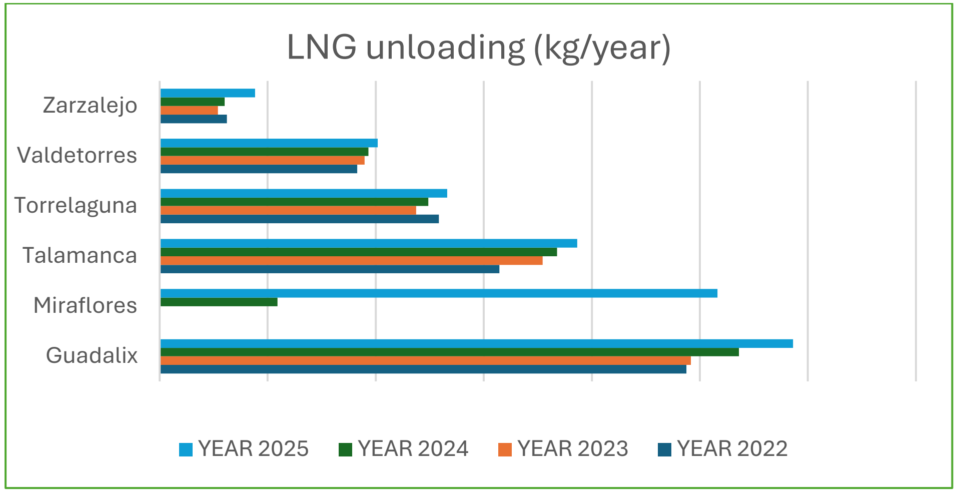
Finally, among the **network improvement works,** we would like to highlight a few key elements:

- Modernisation involving the **replacement of old materials** (steel and copper) with polyethylene across 2,000 metres of the network
- The **renewal of the network** along the two kilometres affected by the works to bury the A-5 motorway.
- The **upgrading of lighting** at seven key sites (such as Leganés, Móstoles and Fuenlabrada) to ensure maximum safety for our technicians
- The **installation of solar panels at five ERMs**, as part of our commitment to responsible energy consumption.

Ensuring fuel availability at our LNG plants

GRI 3.3; GRI 11_11.8; VSME-C1-47d

Ensuring supply across our entire network is an absolute priority. During this financial year, the Control Centre successfully managed the logistics of over 2 million kg of LNG, ensuring the comfort of thousands of families in towns such as Guadalix, Miraflores and Torrelaguna, through unloading operations coordinated down to the last detail.



Trend in LPG unloading per plant in kg LNG/year

Digital transformation: Technology at the service of efficiency

GRI 3.3; GRI 11_11.8; VSME-C1-47d

Distribution Control Centre:

Digitalisation is at the heart of our operations. This year has seen a qualitative leap in network monitoring:

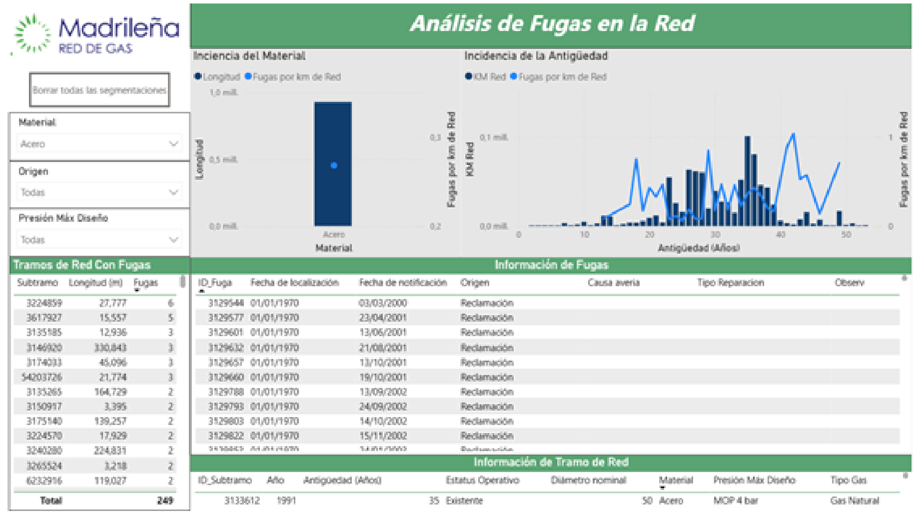
- Upgrade of the SCADA system to a new version. This software change is a commitment to robustness that will enable data to be managed with unprecedented precision.
- Smart Connectivity (IoT) by upgrading the Unectic server and the firmware of field equipment. Thanks to this new cloud infrastructure and a more intuitive interface, incidents are resolved remotely, reducing the need for on-site visits and increasing agility.
- Preventive control in LNG networks, to provide more field data, by installing new network points that allow pressure monitoring at the most remote locations. This translates into something vital: shorter response times to any unforeseen event.
- Commitment to Maintenance, having achieved 100% compliance with the remote management plan, with almost 600 interventions (preventive and corrective).

Mapping: The map of our excellence

Madrileña Red de Gas's infrastructure is located underground, so knowing its exact location is essential. For this reason, work has continued on updating the mapping of the region, completing the mapping in strategic municipalities such as Alcalá de Henares, Leganés and Valdemoro, alongside the mapping of over 32 kilometres of new network and nearly 1,900 connections.

Innovation in leak detection:

Leak detection is a key objective in our commitment to safety and the fight against climate change. **In 2025, a pioneering** spatial analysis **project was launched**, **enabling the cross-referencing of historical data to identify the most vulnerable points in the network.** In other words, the use of 'Big Data' to anticipate problems.



Leak analysis using Big Data tools

Mobility Project:

Finally, with the aim of drastically streamlining maintenance management, Madrileña Red de Gas is developing a solution that allows technicians to record any incident in real time using their mobile devices.

Emergency Service: Our 24/7 response

GRI 3.3; GRI 11_11.8; VSME-C1-47d

If there is one thing that defines Madrileña Red de Gas's commitment to service, it is its ability to be there when it is needed most. As part of its firm commitment to safety and operational excellence, the emergency service operates 24 hours a day, 365 days a year.

Customer Service and Incident Management from the Call Centre handled **18% more calls** in 2025 than in the previous year. Despite this increase in advisory activity, the efficiency of our protocols enabled us to handle 9,586 emergency calls, optimising resources and achieving a 3% reduction in actual incidents compared to 2024.

A total **of 1,191 top-priority alerts** were handled with an average response time of **just 27 minutes**, maintaining a response time that outperformed the 30-minute quality target. Furthermore, 98.3% of actions were completed in under an hour, far exceeding the sector's most demanding standards.

As for the 3,886 priority 2 alerts, these were handled within an average of 41 minutes, demonstrating consistent responsiveness across all levels of criticality and once again improving results compared to the target of a response time of less than 60 minutes.

Emergency response	2023	2024	2025
Total P1 alerts	1,249	1,154	1,191
Total P2 notices	4,410	3,952	3,886
Average P1 response time (min)	27	26	27
Average P2 response time (min)	37	38	41

Trends in emergency response: number of calls and average response time

This year, Madrileña Red de Gas has promptly resolved 109 reports of damage caused by third parties. Thanks to exemplary coordination, the average response time has been reduced to 29 minutes (2 minutes less than last year), minimising the environmental impact and achieving cost recovery in virtually all cases, despite a gas leak of 1.09 GWh.

A key highlight of this financial year, and the result of our commitment to internal talent, is that for the first time in recent years, the volume of reports handled by our own staff has exceeded that of our partner companies. This figure underscores the strengthening of our internal structure and the high level of commitment shown by our professionals.

Implementation of the SEVESO III Directive: Major Accidents Management System

GRI 3.3; GRI 11_11.8; VSME-C1-47d

In addition to the general safety management carried out by Madrileña Red de Gas across all its assets, Liquefied Petroleum Gas (LPG) plants with storage capacity in their tanks exceeding 50 tonnes are required to comply with the SEVESO III Directive, transposed via Royal Decree 840/15.

Royal Decree 840/2015 establishes two levels of requirements depending on the quantity of LPG present at the facilities: a lower level, applicable to plants with quantities of 50 tonnes or more but less than 200 tonnes, and a higher level, for plants with quantities of 200 tonnes or more. All the company's plants to which Royal Decree 840/2015 applies fall within the lower level.

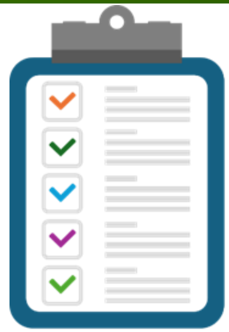
Madrileña Red de Gas has a Major Accident Management System that complies with the requirements set out in Royal Decree 840/15, specifically Annex II, having revised its Major Accident Prevention Policy in 2025.

In recent years, the strategy of gradually converting supply points to natural gas and decommissioning LPG plants has significantly reduced the number of plants affected by the Directive, with the aim of phasing them out by 2025. The acquisition of the LPG plants from Aliara GLP has added four new facilities to which this Royal Decree applies.

These four LPG plants are:

- Conjunto la Berzosa (located in Hoyo de Manzanares, with 432,000 litres of storage capacity)
- Molino de la Hoz Estate (located in Las Rozas, Madrid, with a capacity of 174,200 litres)
- Nuevo Club de Golf (located in Las Rozas, Madrid, with a capacity of 232,000 litres)
- Conjunto Villafrancha del Castillo (Villanueva de la Cañada, 190,800 litres)

Chronologically, the most significant actions in 2025 were as follows:



1. Internal Audit in accordance with Royal Decree 840/15
2. Review of the files for the four facilities originating from Aliara LPG
3. Refresher Training; Emergency Drills
4. Emergency Drills
5. Regulatory Inspections under Article 21 of Royal Decree 840/15 and of the drills by an Authorized Control Body (OCA)

The year began with the conduct of an **internal audit** in accordance with the regulations. The conclusions deemed the Major Accident Management System to be adequate in accordance with the requirements of the regulations, identifying one non-conformity, three observations and one opportunity for improvement, as well as three strengths, with particular praise for operational control, the video surveillance systems in place at the plants and the cooperation of all staff during the audit.

The acquisition of the plants from Aliara GLP, as a first step, led to a **review of the files**, including notifications regarding the facilities affected by Royal Decree 840/15, reviews of the internal emergency plans, and documentary inspections of these plans by an Authorised Control Body (OCA).

In accordance with the management system, **refresher training** on the emergency plan was provided to **in-house staff** via an online course designed for this purpose. The contents of the emergency plans were also disseminated to **staff of the maintenance contractors** for these facilities through online initiatives.

In November, **emergency drills** took place with the participation of in-house staff and contractors.

The year concluded with the **statutory inspections under Article 21 of Royal Decree 840/15 and the drills, carried out by an Authorised Control Body (OCA).** The results of these inspections were favourable, with only minor defects identified.

In addition to these tasks, the Madrileña Red de Gas plant in Villanueva de la Cañada, which was subject to SEVESO regulations, was decommissioned (in mid-2025), emptied and inerted by the end of 2025, following the completion of the conversion from LPG to natural gas in this municipality. The procedures for deregistration from SEVESO were not processed until early 2026.

Risk and resilience in the face of general incidents

GRI 3.3; GRI 11_11.8; VSME-C1-47d

As already noted in Chapter 4 of this report, in 2025 a massive power cut occurred, affecting Spain, Portugal and parts of southern France, and impacting 70 million people, including services and infrastructure. The analysis of the causes is not 100% complete, nor has the possibility been ruled out that such events could happen again, even though preventive measures have been put in place.

Analysing the impact of the blackout on the Madrileña Gas Network Service, significant **strengths** were identified, such as the response and decision-making capabilities of frontline staff, or the fact that most business solutions remained operational, due to the extensive use of hyperscale cloud data centres across our region. However, negative impacts did occur and **weaknesses** were **identified**, such as the duration of the autonomous backup system and voice and data communications in the field, which were completely disrupted with no contingency solution, further highlighting that the emergency plan was not sufficiently geared towards scenarios involving key national-level issues with transport, communications and supply.

Following an analysis of the incident by Madrileña Red de Gas, corrective and preventive measures were identified:

Ten actions to increase the **resilience** of the **head office** facilities associated with the UPS (Uninterruptible Power Supply) and connectivity.

One measure to increase the **resilience of network monitoring**.

Thirteen actions to increase the **resilience of remote users**.

In 2025, a review of the incident resilience analysis was carried out.

The current business risk assessment has focused on risks related to Madrileña Red de Gas, such as individual system failures or cyberattacks specifically targeting the Company. For these cases, both prevention and mitigation procedures and services have been implemented.

In light of the nationwide power cut in April 2025, the Filomena snowstorm in January 2021 and the COVID-19 pandemic, the need to consider general risks and contingency planning is becoming increasingly evident.

General incident	Potential risks
Regional /Nacional Power outage	Over time, a loss of communications occurs. Complications for field operations mobility, loss of electrical autonomy, and loss of the chain of command.
Regional/National communications: telephone service disruption	Complications in coordination with field operations. Loss of IoT signals from SCADA and smart metering systems. Loss of the chain of command.
Possible demand saturation, damage to infrastructure and individual installations, and complications for field operations mobility	Possible demand saturation, damage to infrastructure and individual installations, and complications for field operations mobility.
Unusual pandemic medical incident at regional/national level	Restrictions on mobility and non-essential activities and processes

General incidents and potential risks

These risks often have fewer mitigation options and must address global situations that are likely to worsen over time, requiring very different response procedures throughout the duration of the incident.

Madrileña Red de Gas has carried out a thorough resilience analysis in the face of potential general incidents, focusing specifically on:

- **The gas network**, taking into account the natural gas network and the networks of remote municipalities supplied by LNG and LPG plants.
- **The** Emergency **Operations Centre** (EOC)
- **The systems**

Identifying our capacity to act, potential risks, and determining and developing solutions that ensure the reliability and continuity of supply, which is the very reason for our existence and our commitment to customers and users.

Verification and measurement: accuracy and reliability

GRI 3.3

The accuracy and traceability of measurement data are key to building trust with customers and users, particularly when dealing with high-consumption sites. The technical roll-out achieved in 2025 stands out, a year in which 100% of the industrial infrastructure was updated and over 3,300 telemetry equipment replacements were managed. This effort is not merely a matter of regulatory compliance; it is a massive transition towards operational efficiency and data reliability.

The technological upgrade is divided mainly into three critical areas: legal requirements, platform migration and the proactive updating of secondary equipment. The breakdown of field operations in 2025 was as follows:

Type of Work	Volume of Operations	Technological Impact
Industrial Meters	+1,300 replacements	100% compliance with current regulations.
Mandatory Remote Metering	Complete replacement	Integration of new communication protocols.
Non-mandatory remote metering	+2,000 units	Migration to modern technologies and wider coverage.

Breakdown of field verification and metering operations in 2025

The change is not just about hardware, but about the ecosystem. By moving away from legacy systems, the new metering platform eliminates 'blind spots' in the network, achieving:

- **Accuracy:** Flawless readings reduce discrepancies in billing and energy balance.
- **Connectivity:** New protocols ensure that remote metering remains robust even in areas with poor coverage.
- **Trust:** Full data traceability is ensured from the point of consumption to the central platform.

The replacement of the 2,000 non-mandatory remote metering devices demonstrates a commitment to digitalisation that goes further.

Collaboration and teamwork to strengthen the security and reliability of the supply

GRI 2-29

Madrileña Red de Gas works alongside various industry stakeholders, participating in relevant working groups, helping to resolve common challenges and developing proposals to ensure sectoral supply objectives are met.

Given the changes that the energy transition will bring to the Operations and Maintenance area, ensuring the necessary skills are in place is an essential activity on which the company has been working for some time. One of the lines of work in this regard is participation in sectoral working groups. In this context, the company is currently involved in two interesting initiatives:

- A working group with gas transmission and distribution companies, whose aim is to define the criteria for renewable gas connections.
- A working group with transporters, distributors, suppliers and producers of renewable gases, aimed at establishing the protocol for the issuance and management of guarantees of origin for these gases.

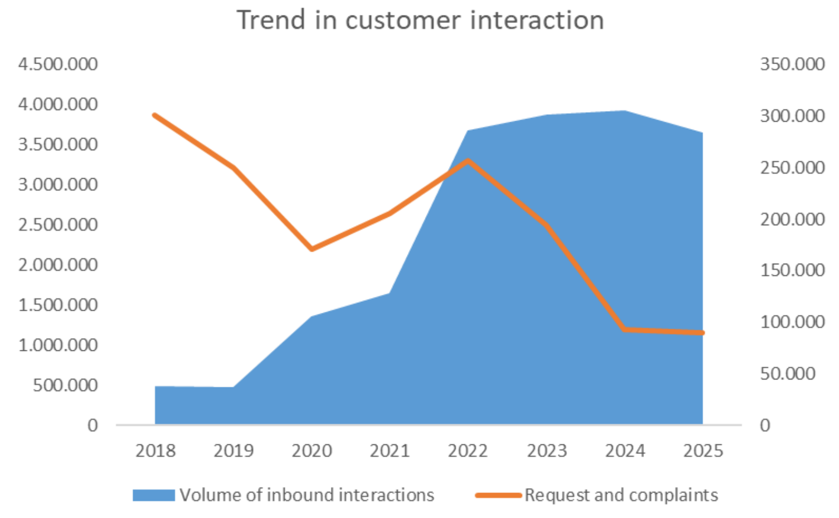
In addition, the Control Centre is involved in an interesting working group, which also includes transport operators, distributors and suppliers, whose aim is to draw up an **emergency plan to be implemented in crisis situations where there are restrictions on gas demand**.

Proximity with a purpose: Customer and end-user focus

GRI 3.3; GRI-2-16, GRI 2-25; GRI 2-26, VSME-C1-47c-47d

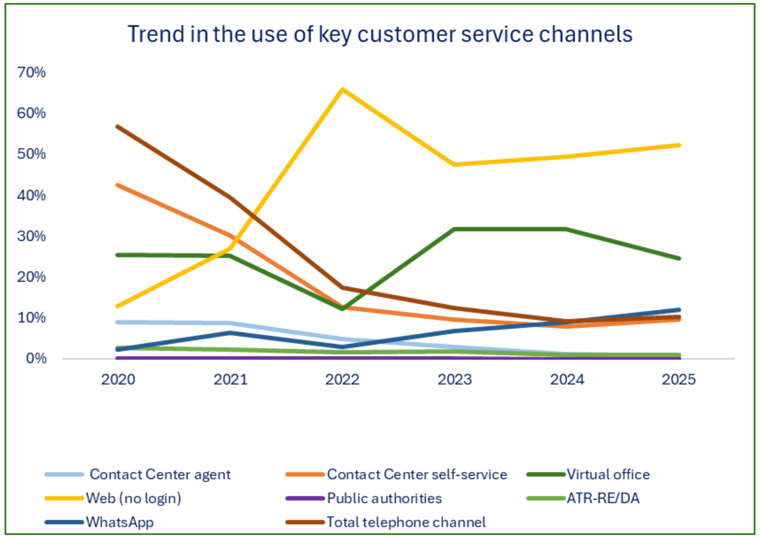
2025 has been a very interesting year for Madrileña Red de Gas in its efforts to provide an effective response to customers and end users at every stage of the relationship.

A clear reflection of the results of our efforts to focus our customer and user service processes can be seen by examining how, although the total number of incoming customer interactions has increased by more than 160% over the last 5 years, the total number of customer complaints and claims has decreased by 48% over the same period.



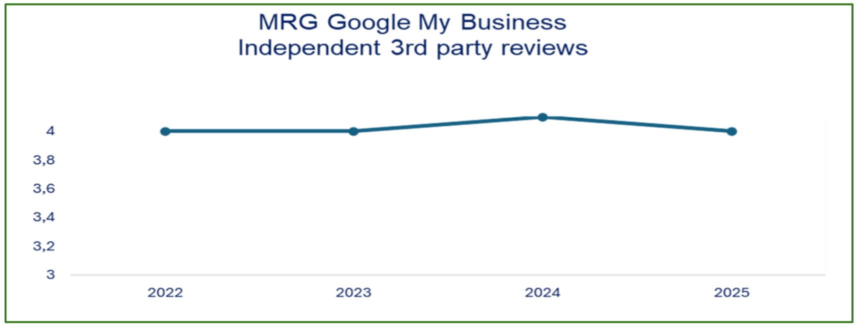
Contrast in the trend in the number of customer interactions versus the number of complaints and claims

Interaction capacity across the various channels has steadily improved, and the relative weight of each channel has gradually shifted; in this regard, a continuous decline in the proportion of telephone calls can be observed, falling to below 10% of total incoming calls by 2025.



Trend in the percentage share of established channels for customers and users

Empowering users with more channels and increasing self-service functionality has been crucial to maintaining a high level of customer satisfaction, both in external KPIs such as GMB (4.0) and in internal CSAT surveys. Self-service continues to improve across all channels, with an impressive 98% overall self-service success rate.



Trend in service ratings on Google My Business (GMB)

These excellent results are the fruit of our efforts, notably the consolidation of the changes implemented in 2024 to the customer service model, the strong push to use AI to resolve any needs more efficiently and effectively, and our training platform.

Added to this is the drive to continuously improve processes and channels, having held an interesting meeting this year with other distributors to seek solutions to common problems through collaborative work.

A new standard in our customer experience: consolidation of the Call Centre

In 2025, ATECLI's new model was consolidated, linking telephone support and the WhatsApp channel with the various Business Units.

What began as an ambitious project to improve the quality of direct contact with customers is now a reality that is transforming the company's value proposition.

The transition to an in-house model has not only strengthened the brand identity, but the data also supports a substantial improvement in operational efficiency. Thanks to the team's commitment, Madrileña Red de Gas has achieved:

- **Optimised Efficiency Ratios:** achieving productivity levels that exceed initial targets, reducing waiting times and improving first-contact resolution (FCR).
- **CSAT at All-Time Highs:** customer satisfaction has seen a significant increase. The **CSAT (Customer Satisfaction Score)** shows that users value the personalisation and in-depth product knowledge that only an in-house team can offer.
- **Excellence in Customer Service:** humanising the service, transforming it from a cost centre into an experience centre where every interaction counts.
- By integrating customer service within the company's own structure, direct feedback has been established between the customer and other departments. This allows us to be more agile, identify areas for improvement in real time and, above all, handle every enquiry with the empathy and rigour that define the company.

Service indicators	2023	2024	2025
Telephone agent FCR	85.0%	84.3%	89.6%
Agent FCR (WhatsApp)	99%	99%	93.6%
Telephone agent CSAT	7.83	8.15	8.76
CSAT for WhatsApp agents	5.2	8.02	8.5

Trends in call centre customer service indicators

Success in innovation: The new AI agent

AI supporting and transforming the call centre

Among this year's successes, the implementation of a new Artificial Intelligence Agent integrated into the CRM for customer/user telephone support stands out. This tool has not been introduced to replace, but to enhance the human talent of the support teams.

Unlike conventional tools, this system acts as a real-time 'co-pilot' for agents, enabling:

- **Instant Diagnosis:** Accurately identifies the technical status of the gas supply point.
- **Causal Analysis:** Automatically determines the exact reason for the contact associated with the specific process (Periodic Inspection, supply cut-off, recorded meter readings, supply connection, etc.), i.e. it contextualises the call.
- **Solution Proposals:** Suggests the best course of action based on current protocols.
- **Strategic Guidance:** Guides the agent on how to conduct the conversation in the most efficient and empathetic manner.

The scenarios in which it has been implemented in 2025 relate to the top 10 cases with the highest number of customer contacts:

- Periodic inspection with defects
- Missed Periodic Inspection
- Reopening following closure due to the IP not being valid
- Confirmation / change of IP appointment
- Request for an appointment to connect to the supply

With an accuracy rate of 56%, a figure that will increase with the progressive training of this AI

The highlight of this technology is that it draws on and is underpinned by the accumulated knowledge and experience of the agents themselves and the processes in place. We have succeeded in combining the speed of data processing with the expert judgement that only the Madrileña Red de Gas team possesses.

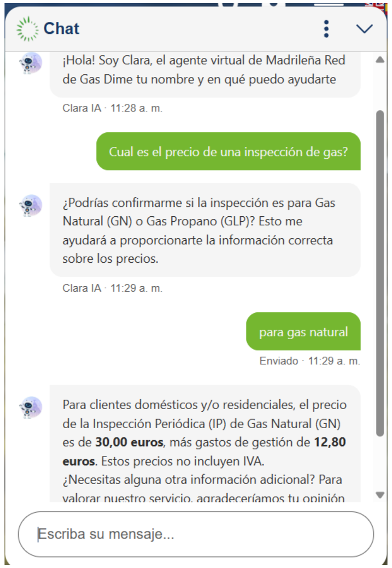
This implementation reduces response times and ensures that every customer receives an accurate solution on first contact.

This milestone is just the first step in the implementation of AI in Customer Service.

The current success serves to consolidate the functioning of AI and lay the foundations for future phases, in which Madrileña Red de Gas plans to expand its scope to new scenarios and processes as a gas distributor, as well as to integrate this intelligence into written and voice channels involving direct interaction with the customer, taking the customer experience to a higher level.

Deployment of "Clara":

A virtual agent on https://www.madrilena.es, which responds in natural language to customers' frequently asked questions, such as prices, regular inspections, meter readings and even about green gases such as hydrogen or biomethane, improving access to information and reducing the operational burden on traditional channels.



Conversation via Clara

AI as a quality control tool:

In terms of quality control, Madrileña Red de Gas now regularly uses AI to detect issues recorded in free-text observations by field agents, which were previously difficult to analyse.

In this context, a use case based on the automated analysis of texts that technicians include as observations in work orders for periodic inspections and domestic operations was rolled out in 2025. Using natural language processing techniques, the system identifies patterns, inconsistencies and potential recurring errors that require corrective action by the company.

Gaining a better understanding of published reviews with the help of AI

Finally, it is worth noting that, in the area of customer experience, analysis models have been incorporated into reviews published on Google My Business, where Madrileña Red de Gas currently has over 15,000. This enables the systematic identification of the main reasons for satisfaction and complaints, thereby allowing the prioritisation of improvement actions.

One-click customer service training platform

As part of our commitment to innovation and operational excellence, the new ATECLI Online 2025 Training Platform has been launched.

This project was created with a clear objective: to democratise the technical and process knowledge of our gas distributor. The complex call centre operating manuals have been transformed into an intuitive and dynamic digital learning experience that is now available to all teams, comprising around 30 hours of training.

A learning model has been designed based on specific modules, each corresponding to a key company process. It is not just about reading; the aim is to create a robust learning process.

This platform is a strategic resource for everyone:

- **New recruits:** It will be the cornerstone for new Customer Service agents to settle in with confidence and autonomy, and acquire the knowledge needed to manage their work to the highest standard
- **Experienced staff and other departments:** It is also useful for those who wish to better understand customer service processes or the gas distribution sector. This is the place to keep up to date, resolve specific queries or broaden your business perspective.

This platform will serve as a reference point and aid in understanding how every aspect of Madrileña Red de Gas's service works, thereby strengthening the company.

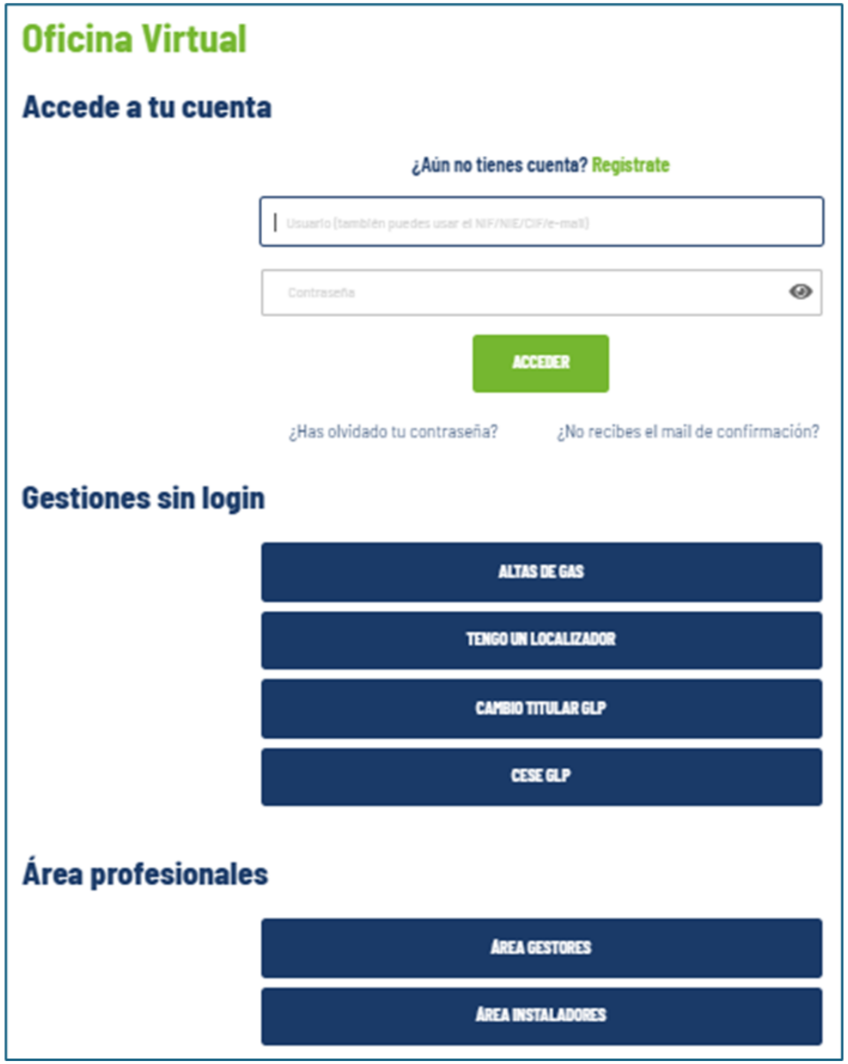
Virtual Office for multiple installations "OV B2B"

With the aim of simplifying management for companies that process or manage multiple supply points, Madrileña Red de Gas (MRG) has launched a B2B Virtual Office for organisations, companies and management firms, https://ov.madrilena.es/gestores/login, with two objectives:

- To have the autonomy to check whether a supply point is active or available for contracting
- To be able to guide/manage customer requests, by accessing their Virtual Office to view information about their supply point, subject to their prior authorisation, in order to manage/process requests regarding periodic inspections, billed meter readings, direct debit transactions, etc.

This platform is designed with a simple interface to ensure user-friendliness, with 24/7 availability, which provides freedom and autonomy, without the need to contact Madrileña Red de Gas via traditional channels.

Furthermore, as the processing of a request from a private customer requires their prior authorisation, we have established a secure environment for customers, ensuring the necessary protection for such processing.



Meeting between Gas Distributors as part of the "Customer Service" initiative

GRI 2-29

Madrileña Red de Gas is proud to have promoted and led a pioneering event in the sector, the "1st Customer Service Meeting", a forum designed exclusively for the leading natural gas distribution companies to share challenges, solutions and the future of customer service.

The following distributors took part in the event: Nortegas, Redexis and Gas Extremadura.

To explore the reality of the service in greater depth, the event was structured around three strategic workshops that allowed the customer experience to be analysed from every angle:

- **Workshop 1: How are we doing?** An exercise in collective honesty where the current situation and position of each company were analysed. Identifying strengths and, above all, the sticking points that the sector must resolve together.
- **Workshop 2: A 360-degree view of customer service**, a session focused on identifying *best practice* and designing potential initiatives. Looking beyond the technical process to understand customer service as a comprehensive ecosystem that accompanies the user at every point of contact.
- **Workshop 3: How do we do it?** Closing the day by putting the lessons learnt into practice. This practical workshop served to define the technical and operational roadmap needed to implement the improvements identified during the day.

This meeting has enabled the sharing of knowledge and the consolidation of an unprecedented collaborative network among distributors. Madrileña Red de Gas gained:

- A clear picture of the sector's competitive position.
- A catalogue of best practices ready for implementation.
- A commitment to promoting joint initiatives that simplify life for the end user.

This is just the beginning. The aim is to hold this kind of event at least once a year, as they help us to share our best practices and our vision of continuous improvement, with the aim of making life easier for our users.

Commitment and transparency

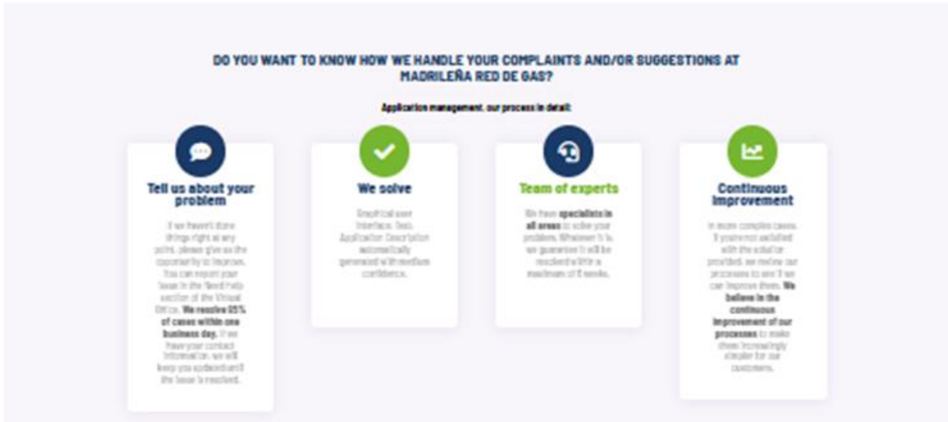
GRI 2-16, GRI 2-25; VSME-C7-2-C

Our commitment to service is absolute, and in line with this is our effort to facilitate the channels for submitting complaints and to streamline their handling as much as possible; in fact, on working days, issues are resolved in under 24 hours in 94% of cases. The channels are diverse : from the telephone helpline (Call Centre), registration via IOGas for those handled by supply companies, the general customer service inbox, the virtual office via the website, the WhatsApp channel and written correspondence (both official and from customers), all of which are recorded in SAP, either directly or via two platforms implemented in recent years: Call Centre CRM and Ticketing.

To handle claims, complaints and reports of irregularities, Madrileña Red de Gas has defined a process, set out in general procedure PGSG-130, revised in 2021 to adapt it to the options offered by new technologies.

A Customer **Service Code** (updated in 2023) has also been made available to users to inform them of the channels for contacting Madrileña Red de Gas, as well as to explain, in simple terms, how the main processes and services operate. https://www.madrilena.es/compromiso-de-atencion-al-cliente/

The Customer Experience team is responsible for ensuring, across the entire Company, that the customer service process is managed correctly, although each Business Unit is responsible for handling any type of enquiry that cannot be managed by the Call Centre or WhatsApp channel, or automatically via any of the other active customer service channels.



https://www.madrilena.es/compromiso-de-atencion-al-cliente/

In 2025, Madrileña Red de Gas launched **a corporate initiative**, led by the Customer Experience team, **aimed at reinforcing excellence in the management of complex complaints** through the structured analysis of actual customer journeys.

The project focuses on identifying and reviewing cases that are particularly significant due to their impact on the customer experience, characterised by: prolonged resolution times, repeated contact across various channels —telephone, WhatsApp, technical visits or incidents referred by suppliers— and the need for coordination between multiple areas of the company.

Using a systematic methodology, **representative complaints are selected** that require the joint intervention of units such as Expansion and Commissioning, Emergencies, Periodic Inspections, Residential Operations, Meter Readings, or Billing and Collections. For each case, the customer and supply history is comprehensively reconstructed, analysing communications, visits, interaction records and conversations, in order to draw up a complete timeline of the customer journey.

The **results are discussed in cross-functional workshops with the relevant departments,** enabling the identification of critical issues, opportunities for improvement and lessons applicable to processes. This approach has fostered a **shared vision** on how to anticipate incidents, improve consistency in responses and reduce friction points in the customer relationship.

As a tangible result, the initiative has enabled the identification of more than 60 areas for improvement and the implementation of 40 specific actions, contributing to more efficient, coordinated and customer-focused management. Furthermore, the project has strengthened internal collaboration, consolidating a corporate culture based on cross-functional communication and the continuous improvement of the service experience.

Madrileña Red de Gas also continues to publish key indicators associated with the complaints management process on a quarterly basis: https://www.ma d rilena.es/como-lo-estamos-haciendo/

Alongside the key indicators, the Top Complaints and Madrileña's actions to resolve them are always included in an up-to-date format.

OUR TOP COMPLAINTS AND WHAT WE'RE DOING ABOUT THEM*

01 - Disagreement with the intervention

02 - Toll Rates

What are we doing? Regarding toll-related tariffs, we are working to optimize communication on the Virtual Office platform to explain the tariff change process to customers in detail. At the same time, we are working with energy suppliers on their legal obligation, according to Circular 6/2020, to process toll change requests through internal messaging to avoid erroneous referrals to the distribution company.

03- Disagreements with the Periodic Inspection

04 - Billing and Readings

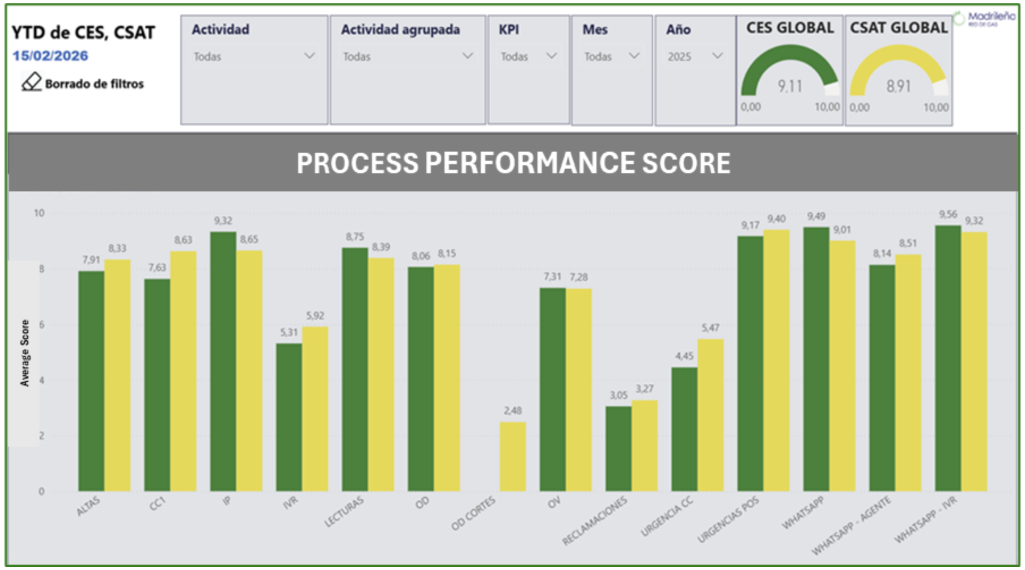
*Corresponding to the last quarter

Over the past two years, Madrileña Red de Gas has worked in various areas to improve customer service, resulting in a decrease in the total number of contacts. During this period, we have focused on providing customers with better solutions and clearer explanations of processes, continuously reviewing our responses and dedicating resources to deliver a more optimal service.

Top complaints and claims: https://www.madrilena.es/como-lo-estamos-haciendo/

Efforts and results by service: Field operations

2025 has been a year in which the company has clearly continued to achieve excellent results, thanks to its efforts to meet the expectations of customers and users. Before detailing the main improvements and results for each service, the following chart shows the scores by process for the satisfaction indicators:



Satisfaction indicators by process (data as at early 2026)

Commissioning

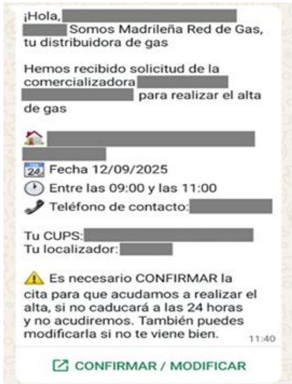
The efforts made to expand the network and attract new supply points must be accompanied by a commissioning process that makes everything easy and efficient for users and installation companies, and that meets their needs and availability.

As already announced at the close of 2024, much of this financial year has been spent working intensively on the complete restructuring of the company's account registration process.

On the one hand, in 2025 a system was implemented that groups all interventions carried out on the same request into a single work order. This includes a record of all communications, visits, photos, etc., facilitating easy access to information and simplifying the consultation of history, calculations and metric monitoring.

Furthermore, provided the customer's mobile phone number and/or email address is available, an appointment is automatically allocated to them the moment the supplier sends the notification. Depending on availability, this appointment may be scheduled directly for the following day, but it will never be more than three working days from the date the request was received.

In the message customers receive, whether via WhatsApp or email, they are able to confirm or change the appointment. This streamlines the process by eliminating the need to wait for a phone call to arrange the visit.

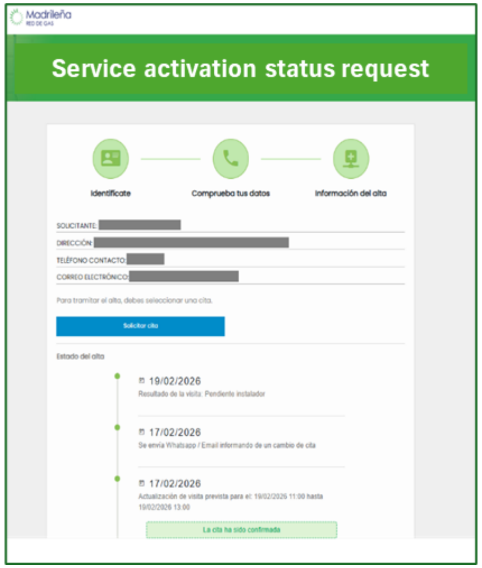


WhatsApp for appointment confirmation

If, for any reason, it has not been possible to leave the property with the gas supply on during the work and the appointment has to be postponed, the customer receives a message notifying them of the issue, so they can book a new appointment.

All these procedures are carried out via a landing page in the Virtual Office, prior to their final registration as customers once their gas supply has been connected.

The messages received not only allow them to access the calendar to confirm or change an appointment, but they can also view the entire process in chronological order from the moment their request was received, and even update their contact details if they deem it necessary.



Chronological tracking of the process by the customer

In an effort to minimise customer waiting times as much as possible, in 2025 the processing time for new connection applications has been kept to under 3 days. Unfortunately, it is not always possible to connect the property to the gas supply during that visit, as a large proportion of older installations have faults that need to be rectified. Nevertheless, thanks to direct liaison with installation companies and the ability to repair minor faults during the inspection, the average time taken to connect the property to the gas supply is under 5 working days.

The volume of projects managed by the department for network extensions and new connections remained very consistent in 2025 compared to 2024, reaching almost 500. Similarly, in estates that were already connected to the supply network, there were over 120 requests to extend communal facilities and bring gas to homes and premises that did not yet have it, the same volume as last year.

Madrileña Red de Gas's efforts in service provision are viewed positively by customers. In customer satisfaction surveys conducted on the service, an average rating of 4.6 out of 5 stars was achieved.

Safety and regular inspections

One of the most important processes from the customer's perspective is the annual campaign of periodic gas installation inspections, with the clear aim of maximising safety. In 2025, the high standards and results of previous years were maintained.

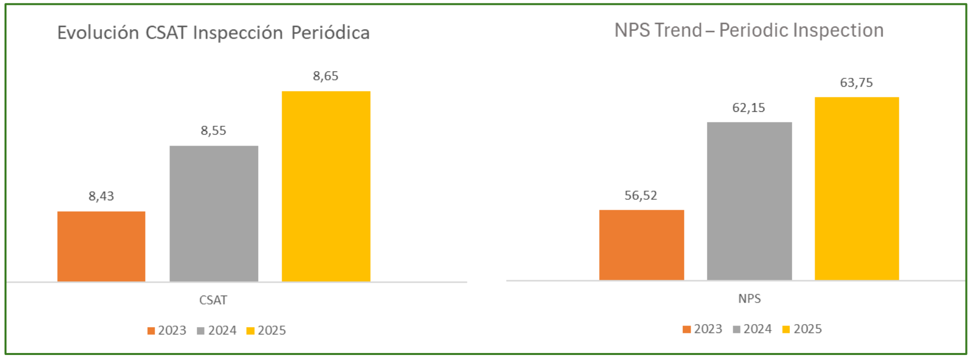
The number of inspections carried out by Madrileña Red de Gas was 125,418 periodic inspections (domestic and industrial). The success rate of the national campaign reached 98.6%. The non-compliance rate for visits was less than 1% (0.45% excluding the week in which the company suffered a cyberattack).

This year, gas flow tests were continued as part of the Periodic Inspection process for cases with outstanding meter checks, achieving an 87% completion rate and detecting 0.74% of incidents, all of which have been rectified.

In Industrial Inspections, we have worked hard to minimise customer disconnections due to faults, collaborating proactively with local authorities (DGTEEC of the Community of Madrid) and gas installers' associations to ensure that installations in public facilities in the Community of Madrid (schools, medical centres, sports facilities, etc.) resolve their issues to avoid disconnection.

The quality control rate stood at 99% throughout the year, with no significant cases detected.

Furthermore, the year ended with 99.85% of complaints resolved within a single day, with a ratio of 28.51 complaints per 1,000 work orders for the entire integrated service (IP, OD and new connections).



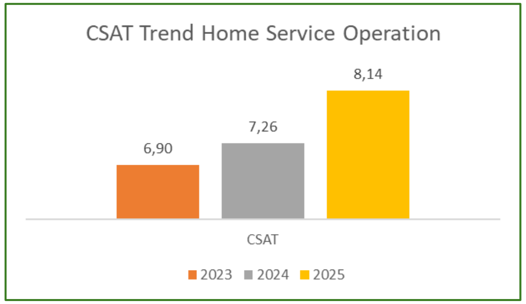
Trends in service indicators for Periodic Inspections

In addition to the ease with which users can reschedule appointments to suit their availability, one of the keys to the positive results remains the ongoing communication between customers and the company, through the various channels provided. These communications have been constantly evolving in recent years, adapting to customer demands identified through complaints, reviews and surveys. Finally, a CSAT of 8.65 has been achieved for 2025, in line with 2024 (8.55).

Quality and proactivity in home delivery operations

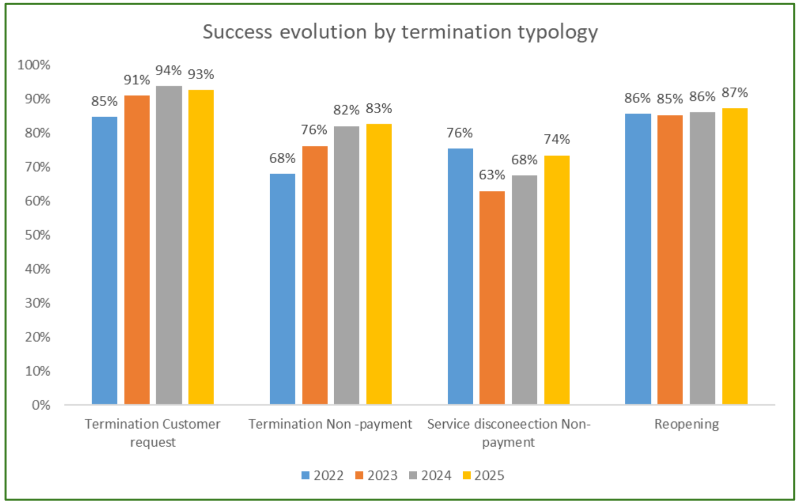
An analysis of the 2025 results shows that, despite the demanding challenges each year presents, the company continues to overcome them and make its customers' lives a little easier.

Direct evidence of the success of these efforts is the achievement of improvement targets in customer satisfaction levels for a service as important as home delivery operations. We achieved a CSAT of 8.14 for the year, compared to 7.26 in 2024.



Trends in home delivery service indicators

It is also interesting to consider the trend in transactions successfully completed on the first attempt.



Trend in the proportion of 'Successful Transactions' by transaction type

These figures have been achieved with a 15.48% increase in direct debit orders for reactivations, cancellations at the customer's request and other transactions.

These successes are the result of efforts made to collect customer data, as well as improvements in communications and engagement to secure a higher percentage of transactions.

It is also important to highlight the speed of claims processing, which has never fallen below 99% processed within a day, as well as the field quality control rate, which stood at 99% throughout the year, with no alarming cases detected.

In the area of administrative cancellations, it is very significant to note the developments since the last revision of the regulations by the CNCM in 2017. This revision allowed customers to terminate their gas contracts with their suppliers without having their meter removed; this is known as an administrative disconnection. Madrileña Red de Gas is acting swiftly in response to these disconnections, eliminating potential issues of fraud and, in particular, safety. Over recent years, corrective measures have been implemented in the management of the administrative process and in the field, reducing the number of outstanding cases and closing 2025 with the lowest figures since the regulatory change. We have implemented corrective measures both administratively and in the field to reduce these cases, closing the year with 1,051.

	2025	2024	2023	2022
Volume of admistrative cancellations administrativas of 31 December	1.051	1.449	2.012	3.599

Trend in the volume of administrative disconnections at year-end

Finally, we would like to highlight the Common Reception Facility (CRF) maintenance service, where 481 maintenance or repair jobs were carried out in 2025, with supply cuts, when required by the operation, always lasting less than 72 hours, and in the majority of cases less than 24 hours.

Metering service

In 2025, Madrileña Red de Gas successfully rolled out a new multi-protocol smart meter platform for industrial and high-consumption customers, which will also serve as the basis for the future roll-out of domestic smart meters, scheduled for 2026. The six-month implementation coincided with the replacement of 100% of existing remote communication models and the adoption of LoRaWAN as the primary network solution for communication with meters.

The new remote metering platform transforms our distribution network into a smart infrastructure. It enables better analysis of remotely metered consumption, the elimination of inefficiencies associated with manual reading, and a reduction in operating costs.

This is an approach to operational efficiency: "the transition to an advanced remote metering platform marks the end of estimation in favour of accuracy."

In any case, both today and in the coming years, bi-monthly manual reading of domestic meters will continue to be a significant part of the metering service for customers.

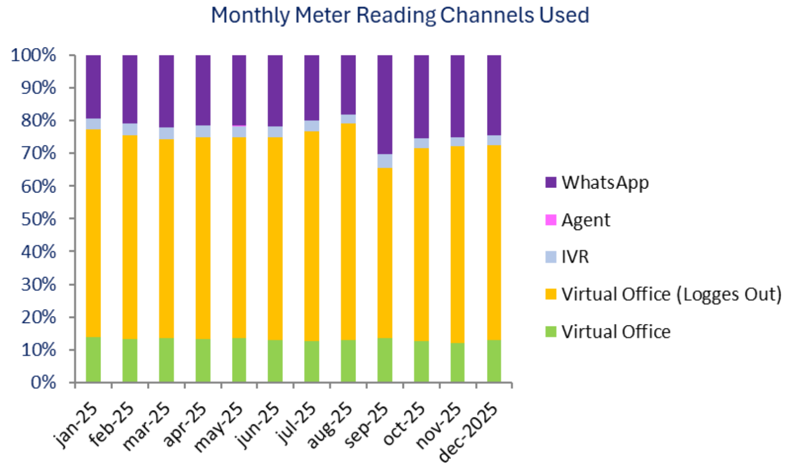


Chart showing the channels used to facilitate meter reading over the last 12months

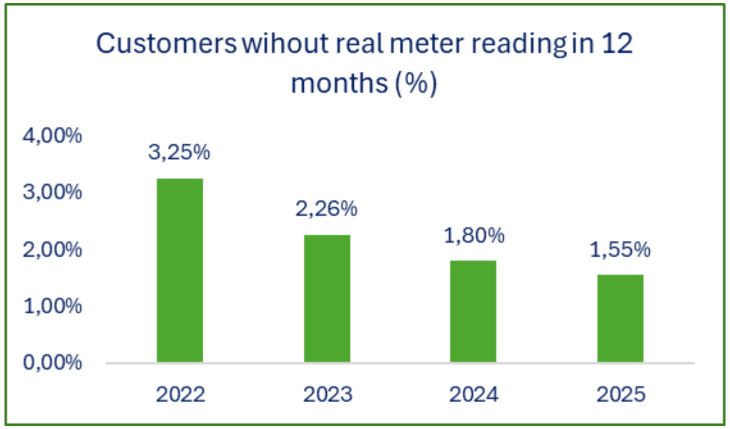
Satisfaction indicators point to an excellent service, generating fewer than 2 complaints per 1,000 meter readings and with an overall CSAT rating for the metering process of 8.39, an improvement on the 2024 figure of 8.29.

Madrileña Red de Gas provides several different channels for customers to submit meter readings in the event they cannot access their meter. 95% of meter readings submitted by customers are done via the new digital channels.

The reward of a bill based on actual readings encourages customers to submit their reading by attaching a photo.

Specifically, in the customer-provided reading process, the use of WhatsApp with photo readings has increased significantly (rising from 17.66% to 22.47%). The use of telephone calls to a Madrileña Red de Gas agent has virtually ceased (falling from 0.18% to 0.05%).

It is important to highlight how the ratio of customers without an actual reading has decreased over the past year (the last 12 months), standing at 1.61%. This has contributed to a reduction in the complaints ratio, falling from 1.67‰ in December 2024 to 0.94‰ in the same month of 2025.



Driving greater positive impact: Social action

2025 has been a year of significant developments in Madrileña Red de Gas's commitment to creating and participating in initiatives that promote diversity and the integration of vulnerable groups.

The Human Resources department has sought ways to raise awareness and provide training for company staff on diversity issues. This awareness-raising promotes understanding and integration.

The A la Par Foundation is an organisation that works to promote the rights and opportunities of people with intellectual disabilities; it invited Madrileña Red de Gas to take part in an immersive day at its facilities in the Montecarmelo neighbourhood of Madrid.

Sixty-four members of staff took part in the event, sharing inclusive workshops, working in the vegetable garden and enjoying wonderful moments with the foundation's users, culminating in a paella competition to round off the day.

The experience was a resounding success in terms of the awareness-raising objectives set by the company, highlighting the enormous potential of people with intellectual disabilities.

The visit left an indelible impression; as it was the first time such an event had been organised, the result could not have been better: sixty-four participants and a phrase that perfectly sums up the experience: "Thank you for taking us to a place where you can breathe nothing but happiness".

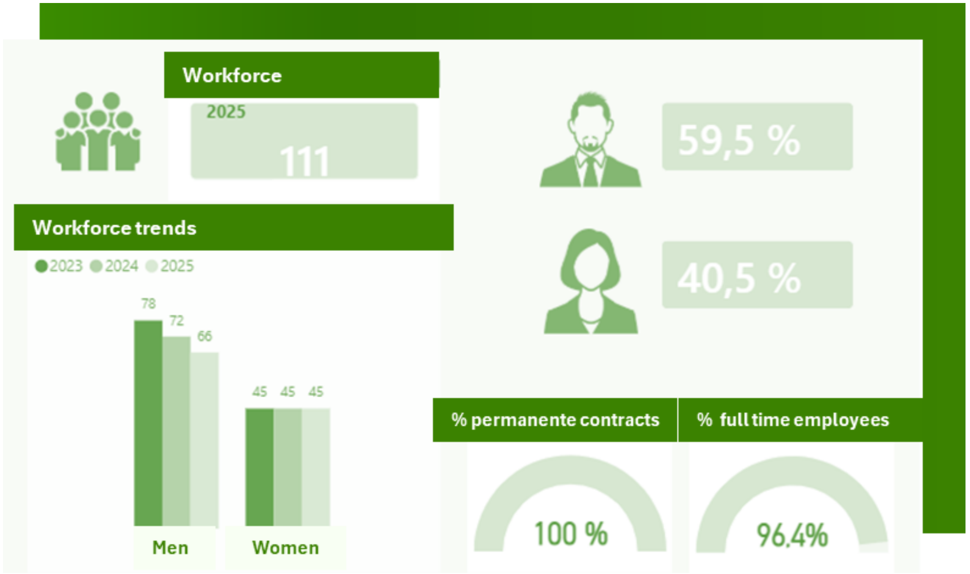
This has been a first step, and activities are already being organised to continue this process of training and raising awareness.

Furthermore, it is important to remember that the Company remains committed to workplace inclusion, and in this regard has maintained contracts with the CEE PRODIS FOUNDATION, a charity working with people with intellectual disabilities, primarily in the processes of printing invoices, notifying periodic inspections and debt collection.

8. Connected with people

Madrileña Red de Gas recognises that the people who make up its organisation are its main driving force in moving towards a sustainable, innovative and competitive business model. For this reason, it promotes **responsible human capital management** based on equal opportunities, diversity and inclusion, fostering safe, healthy working environments geared towards continuous professional development.

Furthermore, Madrileña Red de Gas fosters the development of its professionals through training and collaborative leadership, whilst prioritising well-being and **work-life** balance with measures that support **a healthy work-life balance.** This comprehensive approach to human capital management strengthens team engagement, consolidates a sustainable culture and enables the company to tackle current and future challenges with confidence.



Human capital figures 2025

Talent that drives the future: human capital

GRI 2-7, VSME B1-24 e v, VSME B8-39 (a,b)

Madrileña Red de Gas's workforce has shown a downward trend in recent financial years. Specifically, over the last two years there has been a **reduction of more than 5%,** reaching 111 employees at the end of the 2025 financial year, a figure that does not include the two employees on partial retirement at that date.

	Number of employees	Number of employees on permanent contracts	Number of temporary employees	Number of full-time employees	Number of part-time employees	Number of employees on reduced hours
Women	45	45	0	44	1	3
Men	66	66	0	63	0	0
Total	111	111	0	107	1	3

Data as at the end of 2025. Two male employees on partial retirement are excluded. The entire workforce is based in the Community of Madrid.

Well-being that inspires culture: Labour relations, workplace atmosphere and work-life balance

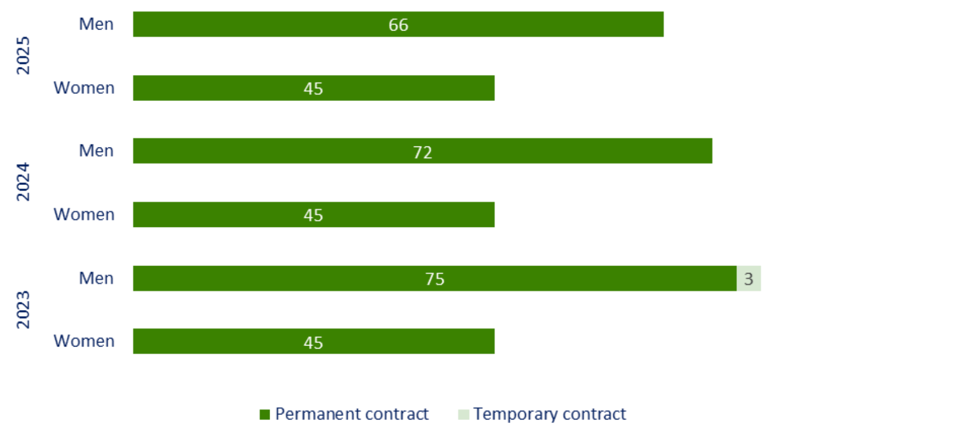
Madrileña Red de Gas fosters a working environment that prioritises the well-being of its workforce, promoting labour relations based on respect and a **positive internal atmosphere**. The company reinforces this commitment through initiatives that facilitate work-life balance and encourage a healthy balance between professional and personal life, thereby consolidating a people-centred organisational culture.

Labour relations

GRI 2-7, GRI 11-10, GRI 11-11, GRI 2-30, GRI 202-2, GRI 402-1, VSME B8-39 (a,b), VSME B10-42 (a,c)

For Madrileña Red de Gas, promoting job security for its workforce, as part of a firm commitment to offering opportunities for professional development, is a strategic priority.

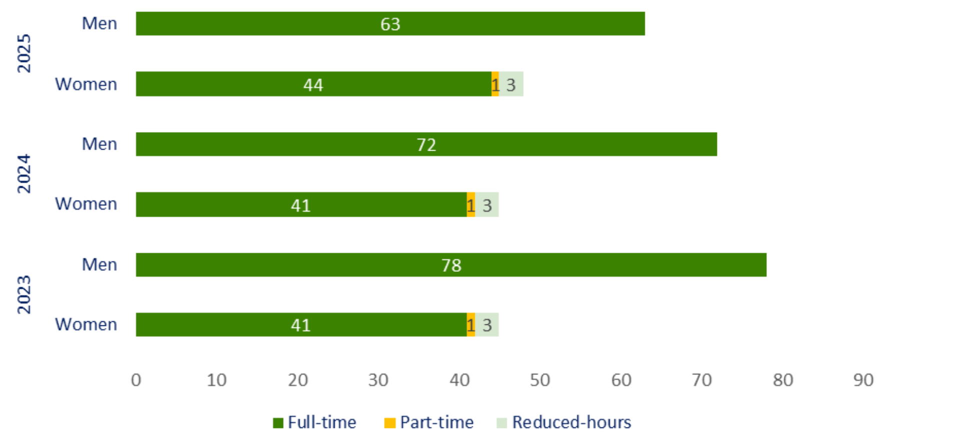
By the end of 2025, **100% of Madrileña Red de Gas's workforce will be on permanent contracts**, thereby reaffirming the company's commitment to stable, high-quality employment.



Workforce trends by contract type, broken down by gender

With regard to working hours, **96.4% of the workforce** continues **to work full-time**, whilst only 0.9% work part-time. In 2025, 2.7% of Madrileña Red de Gas's staff will be on reduced working hours.

These figures confirm the stability of the organisational structure and the predominance of working arrangements that promote operational continuity and professional development.



Workforce trends by working hours, broken down by gender

"100% of Madrileña Red de Gas's workforce is on permanent contracts, thus reaffirming the company's commitment to stable, quality employment"

The proportion of senior executives at Madrileña Red de Gas's key operational sites represents 0.93% of the total full-time workforce.

Furthermore, 23.4% of Madrileña Red de Gas's workforce (excluding employees on partial retirement) is covered by a **Collective Agreement**. The remaining 76.6% are governed by the provisions of the Workers' Statute, supplemented by specific conditions agreed individually at the time of their recruitment.

Furthermore, in the event of any **significant operational changes**, the organisation communicates these processes to employees and their representatives with a standard minimum notice period of two weeks, and always within the limits established by applicable regulations and the relevant regulatory bodies. Where such changes result from collective bargaining processes, the details and notice periods are explicitly set out in the relevant agreement.

Workplace climate

GRI 2-29

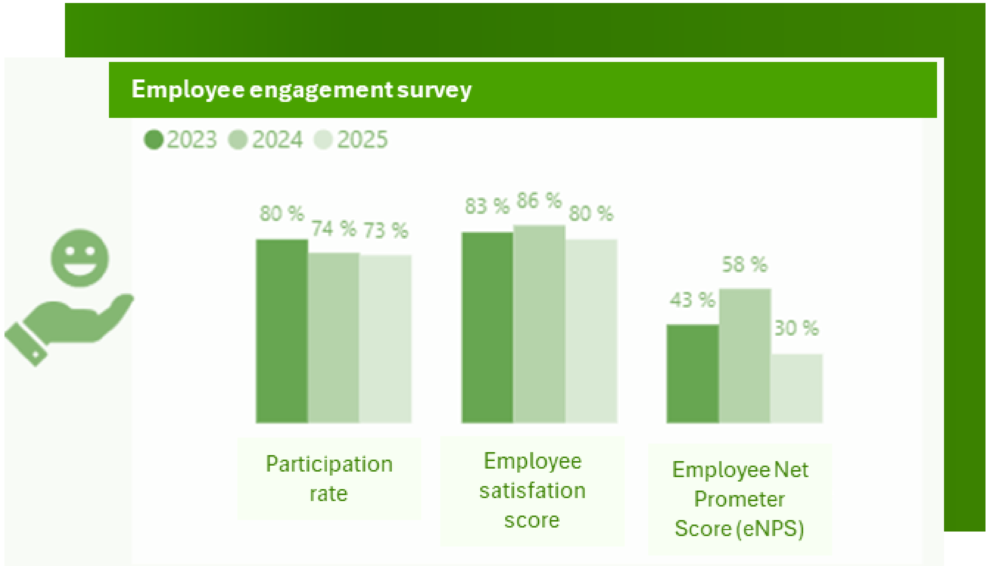
In 2025, a **new workplace climate survey** was conducted by an independent body. The results once again highlight Madrileña Red de Gas's commitment to its staff and the joint effort of the entire organisation to maintain a positive working environment.

The people who form part of Madrileña Red de Gas express **pride in belonging to the company**, demonstrate a strong commitment and stand out for the autonomy with which they carry out their responsibilities.

The results reflect a healthy organisation with solid indicators. The survey achieved an **80% satisfaction rate,** a figure that demonstrates the workforce's strong sense of belonging and their alignment with the company's objectives. This result is directly linked **to** the **positive assessment of teamwork and the perception of a safe and healthy working environment.**

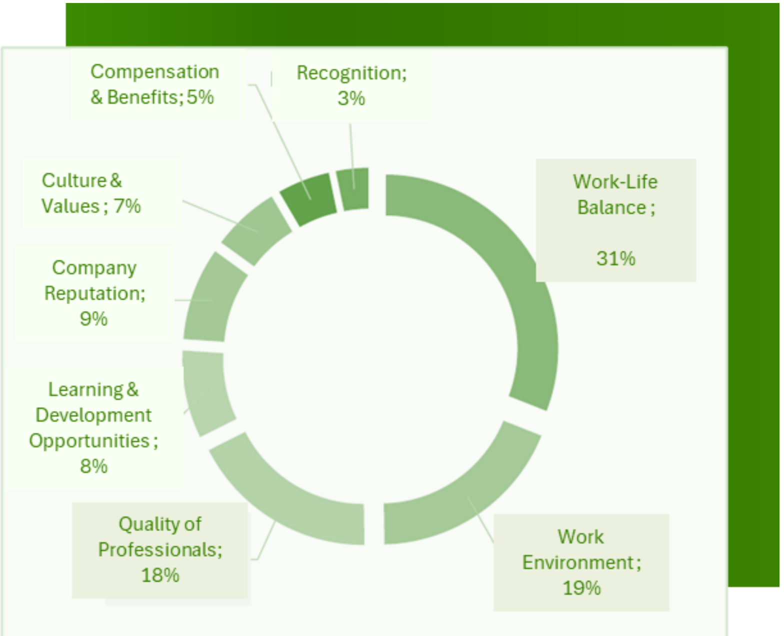
Furthermore, **the response rate reached 73%,** which reinforces the reliability of the data and confirms that this result is representative of the general sentiment within the organisation.

The **eNPS** (Employee Net Promoter Score), an indicator that measures the level of loyalty, commitment and willingness of employees to recommend the company as a good place to work, reached a **value of 30.12** in 2025. A score of this level is technically considered "Very Good", reflecting the workforce's strong commitment and their positive assessment of the working environment at Madrileña Red de Gas.



Overall results of the workplace climate survey

Work-life balance, the working environment and the quality of colleagues are the **three aspects most valued** by Madrileña Red de Gas staff in the 2025 survey, thus maintaining the trend observed in recent years' results. Once again, the three aspects most valued by Madrileña Red de Gas staff remain unchanged.



Most highly rated aspects in the workplace climate survey

"Once again this year, the three aspects most valued by Madrileña Red de Gas professionals remain the same"

Following the results of the workplace climate survey, Madrileña Red de Gas intends to implement a series of **improvement measures** aimed at further consolidating a positive working environment.

Continue fostering active listening to employee needs through the "Breakfast with the Manager" initiative.

Leadership development programme for managers: strengthening their ability to deliver effective feedback and provide clarity on objectives and career development plans.

Promote cross-functional collaboration by continuing company-wide events.

Roll out a communication strategy aimed at enhancing transparency, mutual understanding and collaboration.

Improvement actions based on the workplace climate survey

Well-being and work-life balance measures

GRI 401-2, GRI 401-3

People's well-being is one of the central pillars of Madrileña Red de Gas's corporate strategy. The company recognises that its sustainable growth is inseparable from the commitment, satisfaction and development of its team. For this reason, Madrileña Red de Gas promotes measures **that support work-life balance**, fostering flexible working environments geared towards holistic well-being.

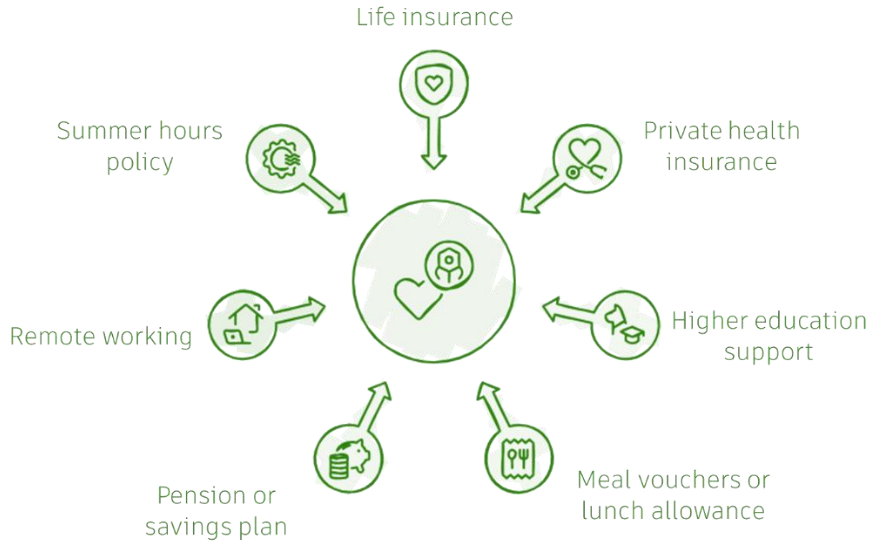
In this regard, **remote working** remains a key tool for facilitating work-life balance and strengthening the attraction and retention of talent. Currently, 100% of roles suitable for remote working have a formalised agreement in place, representing **70% of the total workforce**.

In addition, the company implements a summer working day for a period of approximately three months, thereby contributing to better time management and a more balanced working environment.

Madrileña Red de Gas believes that professional excellence must go hand in hand with robust employment and social protection. In line with this commitment, the company has a **highly competitive benefits policy** that guarantees stability, security and well-being for the entire workforce.

100% of Madrileña Red de Gas's staff have a benefits package that includes private health insurance, life insurance and employer contributions to pension or provident schemes, amongst other things.

Furthermore, all staff working split shifts receive direct allowances for food expenses, reinforcing the company's vision of offering **fair and high-quality working conditions.**



Staff benefits and wellbeing measures

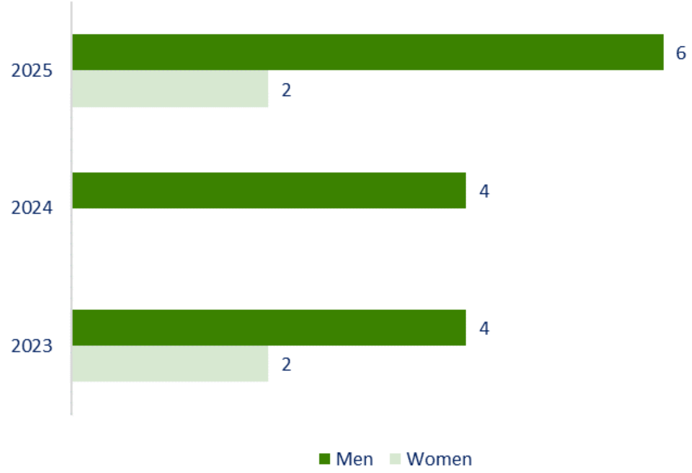
Furthermore, Madrileña Red de Gas actively promotes initiatives aimed at ensuring rest after the working day, recognising the right to digital disconnection as an essential pillar for the proper organisation of working time. This measure helps **to protect personal and family life, facilitate** work-life **balance and enhance the health and wellbeing** of the entire workforce.

In 2023, the company adopted the Madrileña Red de Gas **Digital Disconnection Policy**, which sets out the principles and measures necessary to ensure that all staff can effectively exercise this right. The policy guarantees respect for rest time, personal and family privacy, and limits work-related communications outside working hours, except in justified exceptional circumstances.

"Madrileña Red de Gas promotes measures that support work-life balance and the harmony between personal and professional life, fostering flexible working environments focused on holistic wellbeing."

With regard to parental leave, Madrileña Red de Gas has observed a sustained trend over recent years: the **number of paternity leave cases** consistently exceeds that of maternity leave. During the 2025 financial year, the organisation recorded a total of eight cases of parental leave, of which six were taken by male employees and two by female employees.

Furthermore, all employees who have taken this type of leave have returned to their jobs under the same working conditions once the relevant period has ended. Consequently, the company has achieved **100% return-to-work and retention rates,** demonstrating the effectiveness of its work-life balance policies and the continuity of employment following these periods of absence.



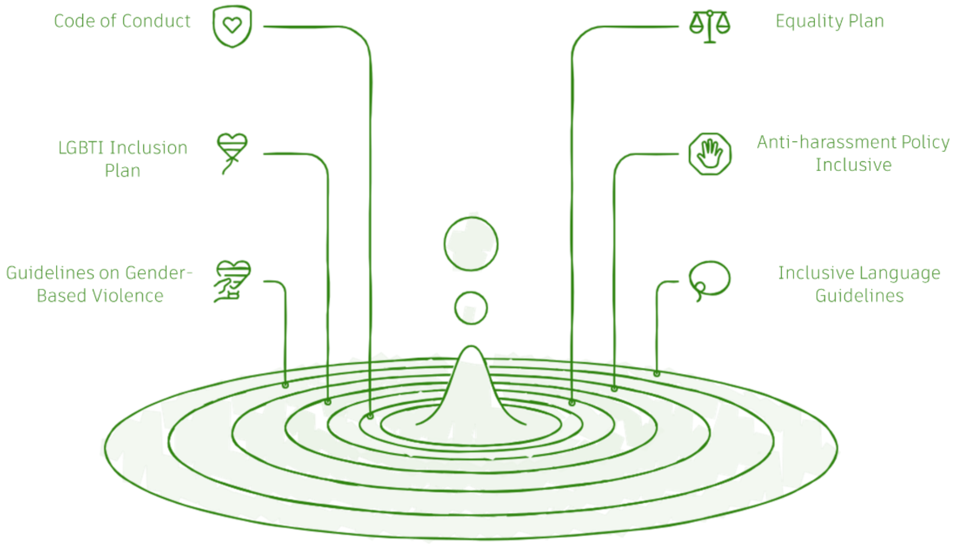
Trends in parental leave

A perspective that adds value: Diversity, equity and inclusion

GRI 3-3, GRI 11-11, GRI 406-1

Madrileña Red de Gas believes that building a cohesive working environment equipped to tackle current challenges requires fostering a diverse, equitable and inclusive culture. The organisation understands that, when equal opportunities are guaranteed and each person's differences are valued, team cohesion is strengthened, a sense of belonging is fostered, and work becomes more humane and efficient. Madrileña Red de Gas maintains a firm commitment to diversity, equity and inclusion, convinced that these values strengthen its capacity for adaptation and resilience, and that people are, without doubt, the company's most valuable resource.

To ensure the effective application of these principles, Madrileña Red de Gas has a Code of Ethics, an Equality Plan, a Protocol for the prevention of workplace, sexual and gender-based harassment, a Guide on gender-based violence, a Guide to inclusive language and an LGTBI Plan, from which **concrete actions** emerge **that guarantee the genuine**, consistent and effective **integration** of these values into the organisational culture.

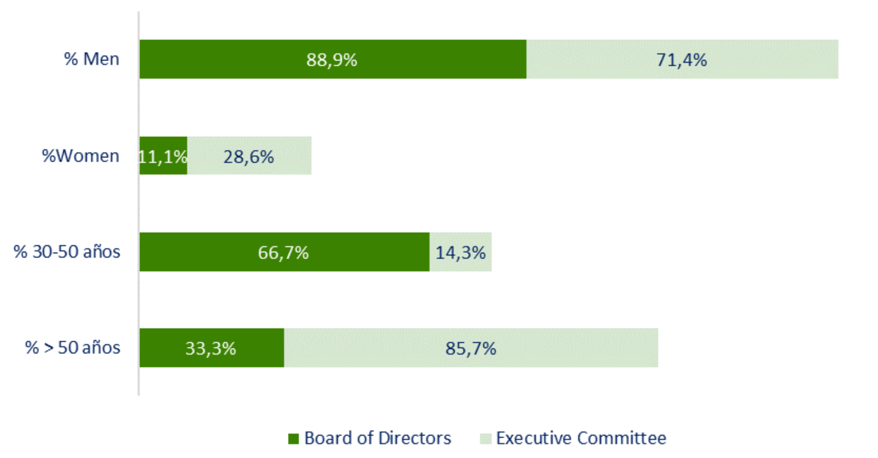


Finally, it is worth noting that, during 2025, as in previous years, **no cases of discrimination have been recorded at Madrileña Red de Gas on the grounds of race, colour, sex, religion, political opinion, national descent or social origin,** in accordance with the definition established by the International Labour Organisation (ILO).

Diversity in corporate governance and the workforce

GRI 405-1, VSME C5-59

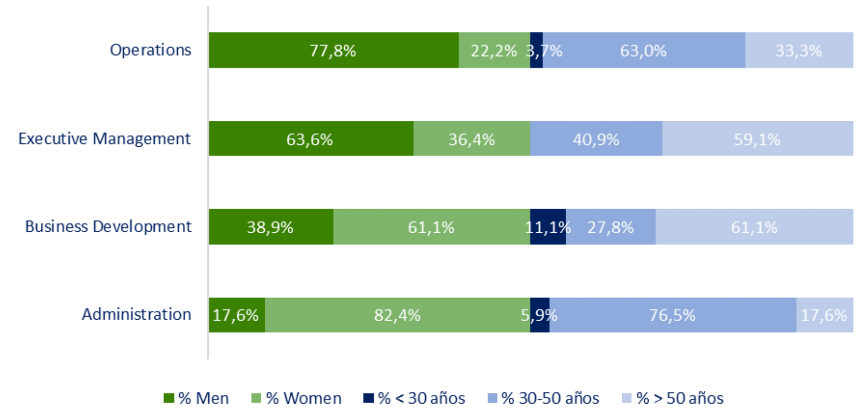
Madrileña Red de Gas maintains a firm commitment to diversity throughout its organisational structure, including both its **governing bodies and the workforce as a whole**. The company promotes balanced representation that incorporates different perspectives, experiences and career paths, recognising that this diversity brings strategic value and fosters more robust and responsible decision-making.



Board Diversity

With regard to the workforce, **Madrileña Red de Gas has succeeded in breaking the mould of a traditionally male-dominated sector** thanks to a sustained effort to attract, develop and retain female talent. The result of this commitment is significant: whilst in 2012 women accounted for 18% of the organisation's workforce, this figure now stands at 40.5%, with a total of 45 female employees, representing a qualitative step forward in terms of balance and representation.

In line with its commitment to diversity, **2.7% of the workforce comes from other countries**, equivalent to three people (two men and one woman), two of whom hold management positions. These figures reflect the company's positive evolution towards a more inclusive and pluralistic model, aligned with the values that strengthen its performance and internal cohesion.



Workforce diversity

Furthermore, Madrileña Red de Gas complies with current regulations on the employment of people with disabilities, ensuring that at least 2% of its workforce consists of **people with disabilities**, in line with applicable legal obligations.

Equality Plan

In 2025, Madrileña Red de Gas implemented a number of significant initiatives aimed at reinforcing its commitment to equality, diversity and work-life balance, as part of its 2022–2026 Equality Plan. Key measures include:

Ensuring equal opportunities in staff training and development.

To this end, the company ensured that all training sessions were held at times compatible with different working hours, guaranteeing equal access for all employees.

Promoting equal treatment and opportunities in recruitment processes and access to the company, avoiding any form of horizontal or vertical segregation.

In line with this, Madrileña Red de Gas reviewed the wording of its job advertisements, ensuring the use of non-sexist job titles, descriptions and entry requirements, as well as the use of neutral or inclusive language. Furthermore, it was ensured that no questions likely to be discriminatory were asked during recruitment interviews.

Improving the identification and analysis of needs regarding equality and prevention.

Notable among the actions taken is the training provided on the prevention of sexual and gender-based harassment, with the aim of strengthening a culture of respect and zero tolerance towards any conduct of this nature.

Establishing a job classification system free from gender discrimination.

This effort included reviewing job titles to remove masculine or feminine references, replacing them with gender-neutral terms. Similarly, Madrileña Red de Gas enhanced transparency in promotion processes by publicising vacancies and ensuring that the entire workforce could access them. Communications included clear information on the requirements, knowledge and skills needed for each role, using the company's usual channels or establishing new means to facilitate their dissemination.

LGBTI Plan

A key development in the 2025 financial year was the approval of **Madrileña Red de Gas's LGTBI Plan**, a strategic instrument aimed at ensuring real and effective equality for LGTBI people within the organisation.

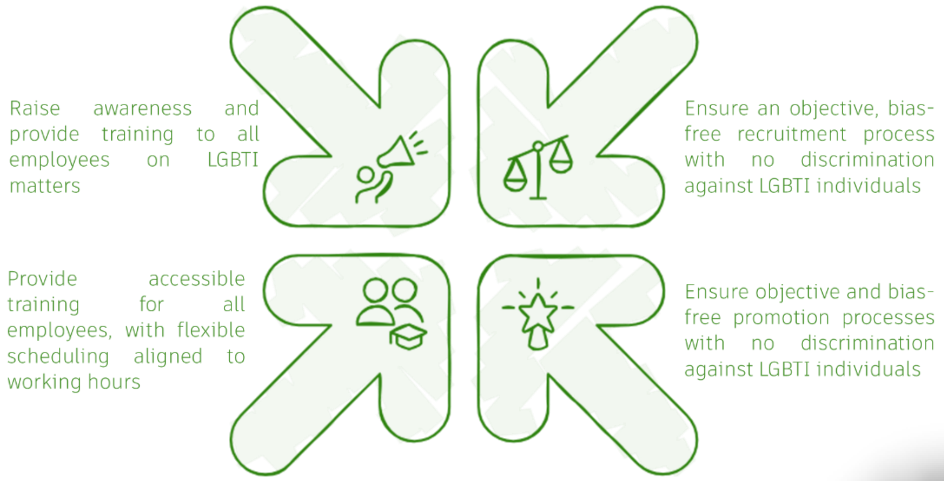
The LGTBI Plan establishes a set of structured measures and specific resources designed to promote real equality for LGTBI people who are part of the company. Its content is fully aligned with current legislation, including **Law 4/2023** of 28 February on the real and effective equality of transgender people and the guarantee of LGTBI rights, as well as **Royal Decree 1026/2024** of 8 October 2024.

"Madrileña Red de Gas maintains a firm commitment to diversity throughout its organisational

With its implementation, Madrileña Red de Gas reaffirms its commitment to developing policies that ensure equal treatment and opportunities for its entire workforce, **preventing any form of direct or indirect discrimination**. It also promotes initiatives that help to foster an inclusive working environment, in which respect for diversity is a cornerstone of its corporate culture.

Throughout all stages of the employment lifecycle—including recruitment processes, training, promotion, working conditions, harassment prevention, non-discriminatory language, and internal and external communication and advertising—**Madrileña Red de Gas applies the principle of equality and non-discrimination on grounds of sexual orientation, gender identity or gender expression across the board.**

The strategic objectives of Madrileña Red de Gas's LGTBI Plan include the following:



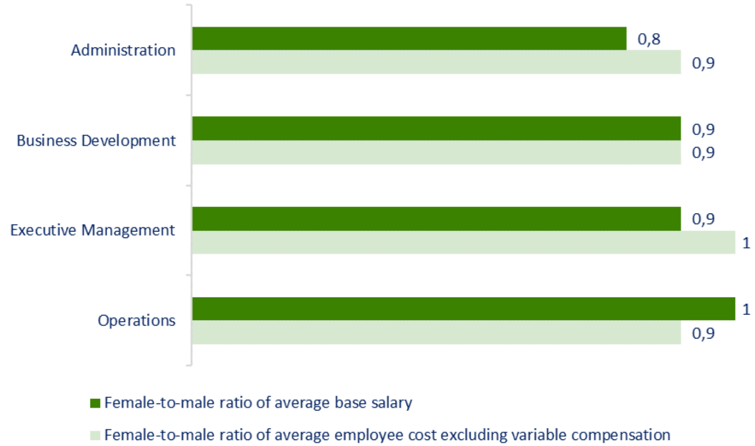
Remuneration

GRI 2-21, GRI 405-2, VSME B10-42 (a, b)

With regard to pay policies, Madrileña Red de Gas maintains a **remuneration model based on objective and uniform criteria**, focusing on professional skills, the achievement of objectives, accumulated experience and job category.

In order to analyse pay equality between women and men, Madrileña Red de Gas calculates the **ratio of female to male pay**. To determine this ratio, the calculation takes into account the fixed salary and total remuneration, excluding supplementary payments, comparing the average for the 2025 financial year between women and men in each of the professional categories.

In the case of part-time, reduced-hours or partial retirement staff, the company applies an adjustment to the full-time equivalent to ensure the comparability of the data.



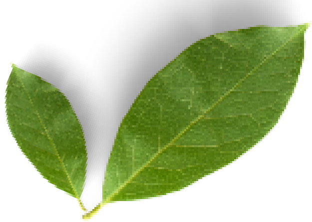
Ratio of base salary and total remuneration for women compared to men

Furthermore, in 2025, **the pay gap** at Madrileña Red de Gas stood at 11.9%, based on a comparative analysis of average pay between women and men

With regard to **the total annual compensation ratio**, in 2025 the highest-paid individual at Madrileña Red de Gas received compensation equivalent to 4.7 times the median of the rest of the workforce. Furthermore, **the ratio corresponding to the percentage increase in total annual compensation** between that individual and the median of the rest of the employees, including the management category, stood at 0.88.

Finally, Madrileña Red de Gas confirms that none of its employees receive remuneration based on the rules applicable to the minimum wage.

"Madrileña Red de Gas reaffirms its commitment to developing policies that ensure equal treatment and opportunities for its entire workforce"



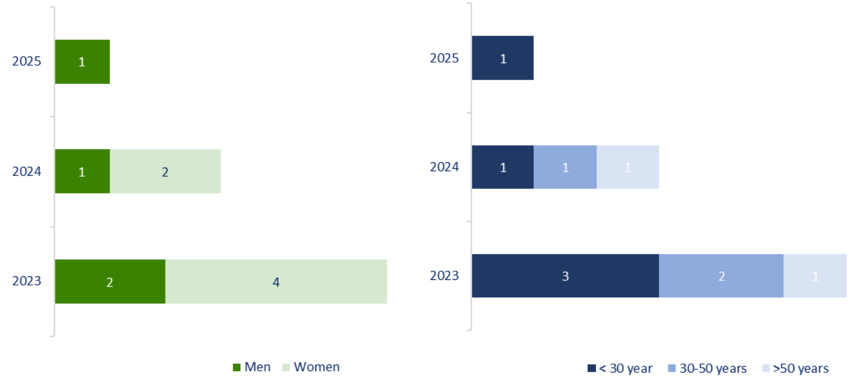
Transforming development: Talent management

Attracting and retaining talent

GRI 2-8, GRI 401-1, VSME B8-40, VSME C5-60

Against a backdrop of increasing complexity and technical demands, Madrileña Red de Gas has **strengthened its talent attraction and retention processes** to ensure the recruitment of highly qualified candidates. The company's ability to adapt is underpinned by the professionalism and versatility of its workforce, whose experience drives new opportunities for development and growth within the organisation.

In the 2025 financial year, **only one person**, a man under the age of 30, joined the company. This recruitment highlights the importance of continuing to attract new talent and strengthening the generational transition necessary to ensure the continuity and future development of Madrileña Red de Gas.



Recruitment by gender and age

Madrileña Red de Gas maintains a highly significant **retention rate** of 92.3%, which demonstrates the effectiveness of its talent retention practices. **Voluntary turnover** stood at just 0.9% in the last financial year, whilst **involuntary turnover** has remained at 0% consistently throughout the 2020–2025 period. Furthermore, when a vacancy arises, Madrileña Red de Gas coordinates with the head of the department to define the profile required and advertises the position internally, resorting to external recruitment only if necessary.

To ensure this stability, **Madrileña Red de Gas has developed a Succession Plan** that identifies key roles and ensures that individuals with the potential to fill them receive the necessary training to guarantee operational continuity and internal development.

In this regard, **partial retirement** is managed in a planned manner months or even years in advance, allowing for the organisation of a gradual and effective knowledge transfer. This handover is facilitated both through training initiatives in which the person nearing retirement shares their experience and best practices, and through daily support for their colleagues or whoever is to take over their duties, thereby ensuring the preservation of internal knowledge.

Furthermore, Madrileña Red de Gas has for years maintained its commitment to promoting young talent through **agreements with various universities in the Community of Madrid**. In 2025, a total of four students, two men and two women, undertook work placements with the company. In the area of temporary recruitment, Madrileña Red de Gas works primarily with a temporary employment agency, through which a single person was employed in 2025.

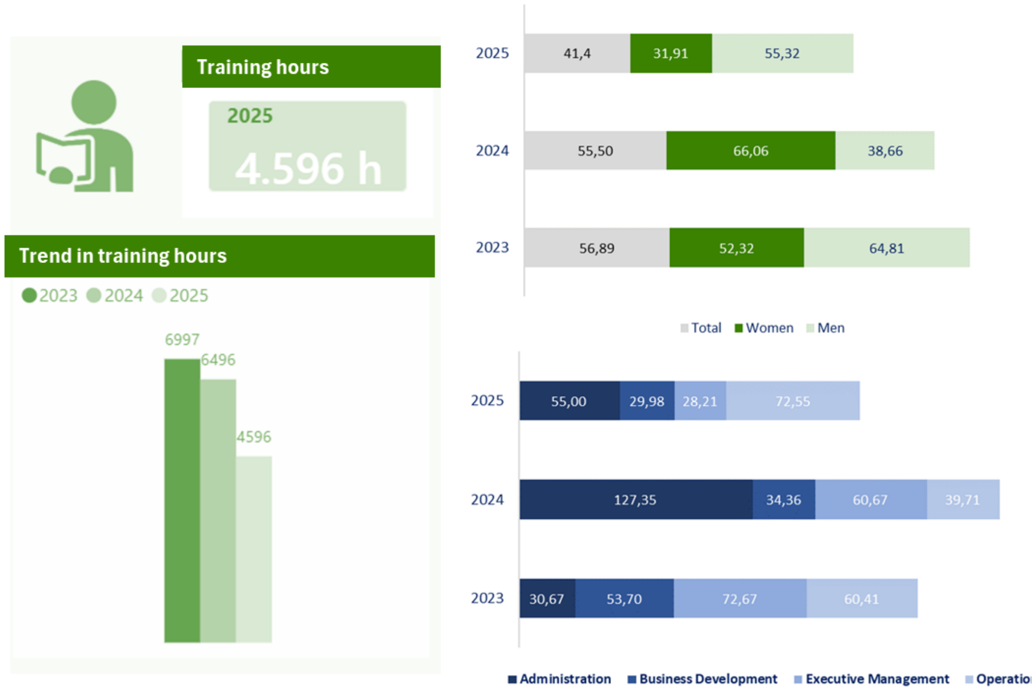
"Madrileña Red de Gas has developed a Succession Plan that identifies key roles and ensures that individuals with the potential to fill them receive the necessary training"

Talent development

GRI 2-24; GRI 404-1, GRI 404-2, GRI 404-3, VSME B10-42 d

Madrileña Red de Gas constantly promotes the development of its professionals' skills through training programmes focused on individual and collective growth. The company promotes dynamic and accessible learning, combining technical training, the development of cross-functional skills and leadership programmes that enable its team to tackle new challenges with greater confidence. This commitment is reinforced through corporate initiatives that help to consolidate the internal culture, nurture talent and strengthen cohesion between departments.

Thus, in 2025, a **total of 4,596 training hours** were achieved, spread across 40 training initiatives. This training volume raises the ratio of training hours to 41.40 per employee, reflecting the Company's ongoing commitment to professional development and the continuous updating of its workforce's skills.



Trend in training hours at Madrileña Red de Gas

Aware of the challenges specific to the sector, the incorporation of data analysis and artificial intelligence-based solutions has enabled the company not only to optimise internal processes, but also to raise customer service quality standards and identify new opportunities for value creation.

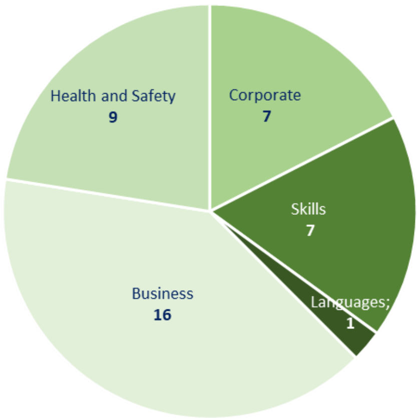
In this context, investment in training related to **data and the ethical use of artificial intelligence** was stepped up during the 2025 financial year. In total, three specific training initiatives were carried out, including an AI workshop aimed at the entire workforce, which together accounted for 14% of the total training hours delivered during the year.

However, 'Corporate' specialist training once again accounted for the largest share of training hours, reaching 40%. A key development in this area was the launch in 2025 of one of the initiatives arising from the workplace climate survey, aimed at improving internal communication: **'Breakfasts with the Director'**. These sessions addressed, among other topics, "The Future of Gas". This initiative has not only strengthened communication between management and staff, providing key information on the evolution of the sector and the company, but has also helped to foster interaction and collaboration between departments.

Likewise, the development of middle managers has continued to be promoted through **the "Management Development** Programme", a pathway designed to consolidate their role within the organisation and prepare them to lead future challenges. This programme helps to provide them with a global vision of the business, strengthen their decision-making capabilities and foster effective leadership aligned with corporate strategy.

Furthermore, the specialised "Business" training continues to play a significant role within the annual training plan, accounting for 21% of the total hours delivered. In this area, training initiatives have been geared towards **reinforcing technical skills essential to the business.** These include training in polyethylene welding, Guarantees of Origin (GoO) and Regulation and Metering Stations (RMS).

	Hours
Corporate	1848
Skills	951.5
Languages	575
Business	975
PRL	246.5



Training activities by area of specialism

At Madrileña Red de Gas, **100% of employees take part in an individual performance appraisal process**, which takes place at least once a year through one-to-one interviews with their line managers. This mechanism enables performance to be assessed, objectives to be set and the professional development of the entire workforce to be promoted.

Furthermore, **during the first year of every new hire**, the Human Resources department carries out specific monitoring. This includes meetings both with the new employee, to assess their access to resources, their relationship with the team and their adaptation to the organisation, and with their line manager, who evaluates their integration, punctuality, ability to learn and level of responsibility.

Upon completion of the probationary period, which ranges from 2 to 6 months depending on the role profile, the line manager must complete a formal questionnaire to assess whether the employee has successfully passed this stage.

Finally, it should be noted that as part of its commitment to collaborative working and the fundamental principle of equality, Madrileña Red de Gas organises annual events that promote internal communication and team building. In 2025, coinciding with **Madrileña Red de Gas's 15th anniversary,** the workforce took part in a gathering held in a stunning setting, featuring a day of activities designed to foster cooperation, solidarity and joint development.

Specifically, Madrileña Red de Gas collaborated with the **A La Par Foundation** by organising a countryside retreat that combined professional development with a strong social commitment. These initiatives not only reinforce the corporate purpose but also consolidate a culture focused on talent development, responsibility and cohesion across the entire organisation.

"Madrileña Red de Gas organises annual events that promote internal communication and team building"

Protection at every step: occupational health and safety

GRI 3-3, GRI 403-1, GRI 403-8, GRI 11-9

Madrileña Red de Gas recognises the importance of ensuring a safe, healthy and sustainable working environment **for its entire workforce**. In this regard, the company considers health and safety to be fundamental pillars for the well-being of its people and for the creation of long-term value.

In line with this commitment, it adopts a **preventive and proactive** approach, focused on the identification, assessment and mitigation of risks, with the aim of anticipating potential situations that could result in harm or injury to its staff. In this way, Madrileña Red de Gas reinforces its safety culture, integrating it across all its operations and processes.

With the aim of ensuring effective compliance with the principles set out in its Industrial Safety and Occupational Risk Prevention Policy, Madrileña Red de Gas has a robust, structured **Occupational Health and Safety Management System**, certified in accordance with the international standard **UNE-EN ISO 45001:2018**. This system is applied comprehensively to the entire workforce, to all workplaces, and to all activities carried out by the organisation.

The implementation of this management model drives compliance with legal requirements regarding occupational health and safety, whilst also promoting a robust, cross-cutting culture of prevention aligned with best practices in the sector, integrating risk management at all operational and decision-making levels.

Furthermore, in compliance with the obligations arising from **Law 31/1995** on Occupational Risk Prevention and in accordance with the provisions of **Royal Decree 39/1997**, which approves the Regulations on Prevention Services, Madrileña Red de Gas has adopted an organisational model based on the contracting of an **External Prevention Service (SPA)**.

Through this management framework, Madrileña Red de Gas reaffirms its commitment to continuous improvement, the minimisation of occupational risks and the promotion of safe, healthy and sustainable working environments, thereby contributing to people's well-being and the creation of responsible value for all its stakeholders.

"Madrileña Red de Gas has an Occupational Health and Safety Management System in accordance with the international standard UNE-EN ISO 45001:2018. This system is applied comprehensively to the entire workforce, to all workplaces, as well as to all activities carried out by the organisation"

Consultation and engagement

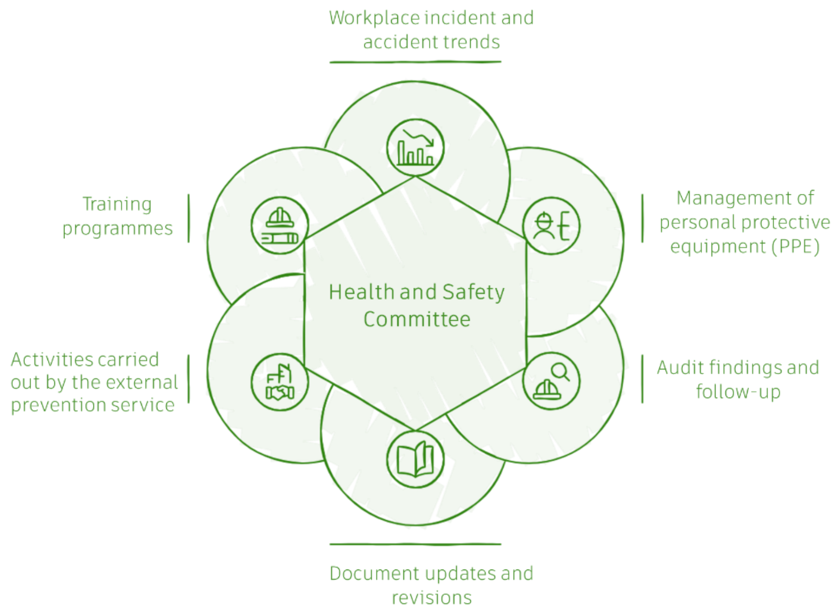
GRI 2-29; GRI 403-4

Madrileña Red de Gas recognises that the active participation of its workforce is a key element in ensuring effective occupational health and safety management. In this regard, the company systematically encourages consultation and the involvement of its staff in all aspects related to prevention, not only as a recognised right, but as a **strategic lever for the continuous improvement of working conditions.**

To this end, Madrileña Red de Gas provides its workforce with the mechanisms, resources, time and training necessary to facilitate effective and structured participation. Among the tools implemented are **internal collaborative platforms**, which provide access to documented, clear and up-to-date information, as well as the regular dissemination of specific communications and reports on occupational health and safety.

Furthermore, the company ensures participation through **employee representatives and health and safety delegates**, in compliance with current regulations and established internal provisions. Within this framework, the Health and Safety Committee acts as the joint and collegiate body for institutionalised participation in preventive matters, with defined operating rules and functions that ensure its proper operation and representativeness.

During the financial year, **three meetings of the Health and Safety Committee** were held, at which the main aspects relating to the prevention of occupational risks were monitored.



Key health and safety issues addressed by the Committee

Through this participatory approach, Madrileña Red de Gas reinforces its culture of prevention, promoting shared responsibility and contributing to the creation of **safer, healthier and more sustainable working environments** for all its staff.

Workplace accident rates

GRI 2-28, GRI 403-9, GRI 403-10, VSME B8-41 (a,b)

Madrileña Red de Gas systematically collects and analyses information relating to workplace accidents, both among its **own staff and among staff belonging to contractors** who have carried out work for the company.

This continuous monitoring allows for an objective assessment **of** the **effectiveness of the preventive measures implemented**, as well as the identification of areas for improvement aimed at strengthening safety standards across all operations. Furthermore, the analysis of this data is a **key element in decision-making** regarding occupational risk prevention, facilitating the definition and updating of action plans, as well as the design of training programmes tailored to the identified risks.

In this way, Madrileña Red de Gas reinforces its approach based on continuous improvement and proactive safety management, contributing to the **reduction of accidents** and the consolidation of safe and healthy working environments for all professionals involved.

Since the start of its operations, **Madrileña Red de Gas has not recorded any workplace accidents with serious or fatal consequences**, either among its own staff or among the staff of the contractors who have provided services for the company.

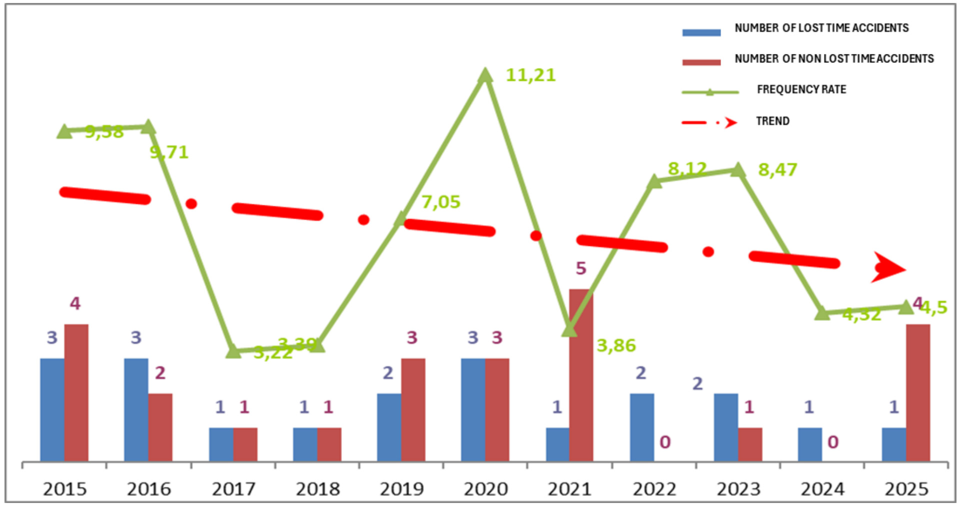
Furthermore, **no occupational illnesses** associated with the activities carried out **have been identified**. These results highlight the robustness and maturity of the preventive management system in place, as well as the rigour applied in the planning, execution and supervision of the work.

In this context, the company maintains an approach based on prevention, continuous monitoring of working conditions and the ongoing improvement of its practices, with the aim of safeguarding the health and safety of all professionals involved and establishing safe and sustainable working environments.

	2023	2024	2025	2023	2024	2025
	Own staff			Contractors		
Non-Commuting Lost Time Accidents	2	1	1	0	1	0
Non-Commuting Non-Lost Time Accidents	1	0	4	1	1	0
Commuting Lost Time Accidents	1	0	0	0	0	1
Commuting Non-Lost Time Accidents	0	0	0	0	0	0
Frequency Rate	8.47	4.32	4.5	0	2.21	0
Severity Rate	0.94	0.13	0.06	0	0.02	0
Incidents	1	1	3	101	81	65
Occupational diseases	0	0	0			

Frequency rate: number of non-commuting accidents resulting in sick leave per million hours worked.
Severity rate: number of days lost due to non-commuting accidents per thousand hours worked.

Workplace accident data for Madrileña Red de Gas and its contractors for 2025



Trend in the number of non-commuting accidents at Madrileña Red de Gas over the last 10 years

With regard to **workplace incidents** recorded during the 2025 financial year, it is noted that a significant proportion of these were reported by contractors carrying out work for Madrileña Red de Gas. Although most of these incidents are minor in nature, their analysis is essential to **strengthen the culture of prevention** and reduce the likelihood of recurrence.

Among the **most frequently** identified **causes** are tripping, the adoption of poor ergonomic habits, superficial cuts, collisions with objects and, in certain cases, incidents resulting from external assaults by third parties. These results highlight the need to continue promoting specific awareness-raising, training and supervision initiatives, particularly in environments where external personnel are involved.

At Madrileña Red de Gas, it is understood that every accident and incident represents an **opportunity for learning and continuous improvement**. Within this framework, the organisation adopts a proactive, systematic and rigorous approach to **investigating all incidents**, including those that have not resulted in personal injury, with the aim of identifying root causes, preventing their recurrence and strengthening preventive controls.

Furthermore, in compliance with current regulations, the company reports workplace accidents to the competent authority, ensuring the traceability and transparency of the information. In addition, Madrileña Red de Gas actively contributes to sectoral knowledge by **regularly submitting accident statistics** to SEDIGAS, thereby participating in joint analysis and the promotion of best practices in health and safety.

Through this approach, the organisation reinforces its commitment to transparency, continuous improvement and collective progress in the prevention of occupational risks, consolidating a management model geared towards **excellence in safety**.

Coordination of business activities

GRI 2-8, GRI 403-7, VSME C7 62c

Madrileña Red de Gas has a large number of **contractors and subcontractors** who carry out a significant part of its activities, some of which are of particular importance to the development of the business.

With the aim of ensuring the health and safety of workers at all times, the company has implemented specific control measures designed to enforce and monitor compliance with established work procedures and safety standards. In this regard, Madrileña Red de Gas requires all relevant contractors and subcontractors to register on its **IT platform for the coordination of business activities**. This measure applies to all those operating in workplaces, including offices and industrial units, as well as LNG/LPG plants, network facilities, construction sites and customer operations. In this way, all workers involved in carrying out activities relevant to Madrileña Red de Gas are duly registered on the platform.

Managers of contractor companies have access to the platform, from which **they manage and monitor** the documentation required for the execution of the work. This document control is complemented by on-site inspections carried out by an external company, which verifies both compliance with occupational risk prevention requirements and the validity of the registered documentation, thereby ensuring compliance with established safety standards.

Throughout 2025, Madrileña Red de Gas has worked with a total of **47** contractors and subcontractors **registered on the** document management **platform**. In total, **531 professionals** from these organisations have been involved in carrying out the assigned work.

Furthermore, Madrileña Red de Gas works with several engineering firms that act as **Health and Safety Coordinators (HSCs)**. The presence of HSCs in Madrileña Red de Gas's projects and operational activities is essential to ensure the proper integration of occupational risk prevention at all stages of execution. Their work enables the identification, assessment and control of risks, ensuring compliance with current regulations and promoting safe environments for all workers.

Health monitoring and promotion

GRI 403-3, GRI 403-6

In the field of health surveillance, Madrileña Red de Gas carries out a systematic annual assessment of the health status of its workforce, based on the specific risks associated with each job role. This process is carried out by **suitably qualified healthcare personnel** from the External Prevention Service that collaborates with the company, ensuring compliance with applicable technical and regulatory requirements.

During the 2025 financial year, a total of **79 medical examinations** were carried out. The results of these assessments are handled in strict confidence.

In addition, the company promotes the overall well-being of its workforce through the implementation of voluntary health promotion initiatives aimed at preventing non-occupational risks. Notable among these initiatives are the **ophthalmology service** and the **early detection** programme **for colorectal cancer**, aimed at employees over the age of 50.

Training and information

GRI 403-5

During the 2025 financial year, Madrileña Red de Gas has reinforced its commitment to the continuous training of its workforce in the areas of Industrial Safety and Occupational Health and Safety, developing **training initiatives aimed at the different groups** within the organisation.

The company has a **specific training plan**, drawn up on the basis of a detailed analysis of the training needs associated with each job role, as well as employees' training history from previous financial years. This approach allows for the precise identification of areas for improvement and the definition of the necessary or recommended training actions for each financial year.

Furthermore, with the aim of broadening the scope and accessibility of training initiatives, Madrileña Red de Gas has diversified its offering, incorporating **different delivery methods**.

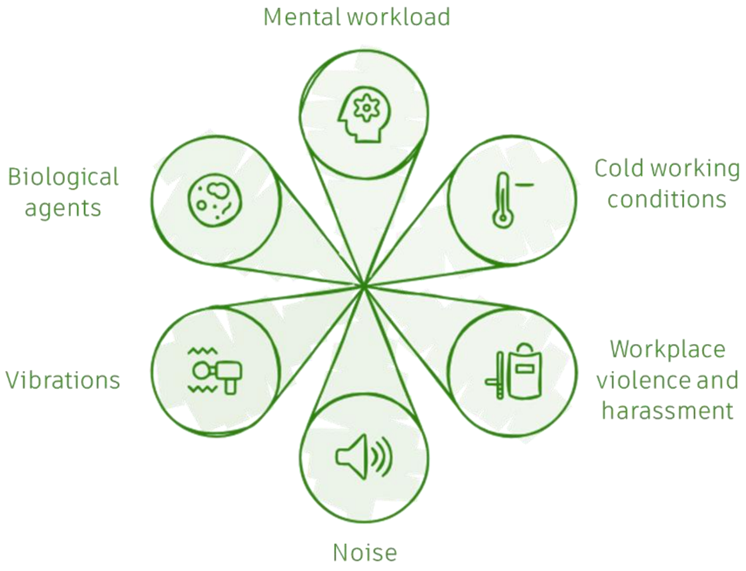
In line with this commitment, during the 2025 financial year the following **training initiatives**, amongst others, were carried out in the areas of Industrial Safety and Occupational Health and Safety:

- **Safety in gas-related work and access to confined spaces**: a course that integrates training previously delivered separately, optimising participation and facilitating staff attendance.
- **Risk prevention for field work**: essential training for field-based roles, delivered by the External Prevention Service.
- **Advanced driving**: aimed at a broad group within the company, with the aim of strengthening practical skills and promoting good driving practices, contributing to the reduction of risks associated with work-related travel (commuting and on business trips).
- **Risks and preventive measures in offices:** online training designed to facilitate participation by administrative staff.
- **Emergency plan.** Action guidelines for designated personnel, aimed at workplace emergency response teams.
- **First aid:** training aimed at operational staff, particularly relevant given the nature of the risks associated with their activities.
- **Emergency plans at LNG and LPG plants**: aimed at staff working at these facilities, with the aim of ensuring an effective response to potential emergency situations.
- **Emergency plans for distribution networks:** designed to strengthen the response capacity of Network Operations staff in critical situations.

These initiatives reflect Madrileña Red de Gas's commitment to the professional development of its workforce and to the continuous improvement of safety standards across all its activities.

Furthermore, during the 2025 financial year, Madrileña Red de Gas produced a range of **information leaflets** focusing on various topics related to occupational risk prevention, which were distributed to the entire workforce.

Furthermore, the company has continued to disseminate **specific information campaigns tailored to each job role**, developed by the External Prevention Service. In this context, approximately 20 campaigns were carried out throughout the financial year, aimed at raising awareness, promoting safe behaviour and improving knowledge of the risks associated with each activity.



Key health and safety awareness initiatives in 2025

9. About this report

Reporting principles

GRI 2-2, GRI 2.3, GRI 2-14, VSME 8-20

This is the fourth annual report published by Madrileña Red de Gas, covering the year 2025, published in June 2026.

This report has been prepared in accordance with the GRI Standards, taking into account the *GRI* Universal Standards *1: Fundamentals 2021*, *GRI 2: General Content 2021* and *GRI 3: Material Topics 2021*, the applicable Thematic Standards in accordance with the material topics, and the *GRI-11 Oil and Gas Sector* Standard *2021*.

Furthermore, in preparing the report, the requirements of the voluntary standard for the presentation of sustainability information for small and medium-sized enterprises, in accordance with the European Commission's recommendations of 30 July 2025 (VSME), have been taken into account under Option B, addressing the requirements of the general, basic and full modules.

The Board of Directors of Madrileña Red de Gas, as the highest governing body, has reviewed and approved this report through its chair and representative.

The principles for the preparation of this report, as set out in *GRI Standard 1: Fundamentals 2021*, are described below.

Accuracy

The information contained in the report has been verified and is sufficiently detailed to enable an assessment of the impacts caused by the activities carried out by Madrileña Red de Gas.

All the information provided covers the reporting period, as well as its evolution over the last three years (2023, 2024 and 2025).

Balance

The information presented provides a fair representation of the organisation's positive and negative impacts, without bias. Trends are also presented, allowing for an understanding of how different issues have evolved over time.

The priority of each issue is reflected in the level of detail provided for each aspect.

Clarity

The information is presented in an accessible and understandable manner, structured in the form of tables and diagrams and including graphical information to simplify reading and comprehension.

Comparability

The information provided allows for the analysis of changes that have occurred within the company over time, as well as the analysis of impacts in relation to other organisations.

Comprehensiveness

The information provided is sufficient to assess the impacts of Madrileña Red de Gas during the reporting period.

Sustainability context

The report has been prepared based on the materiality review carried out in 2025, taking into account the internal and external sustainability context, alongside the views of stakeholders. The structure and content present Madrileña Red de Gas's impacts across the sustainability pillars: society, the environment and the economy, alongside the policies, strategy and actions undertaken, always within the framework of its commitment to sustainable development.

Timeliness

This report covers Madrileña Red de Gas's activities for the period from 1 January to 31 December 2025. It is published annually, coinciding with the financial reporting period.

Verifiability

The information collected is recorded, compiled and analysed in such a way as to ensure its accuracy and quality. This ensures the application of the reporting principles set out above.

The contact point for matters relating to this report and the information presented is as follows: sostenibilidad@madrilena.es

The principles set out in the VSME standard of July 2025 have also been taken into account in the preparation of the report, ensuring compliance with and consistency with the requirements set out in Articles 8 to 20 of the standard.

Information update

GRI 2-4

GRI 2-6 Following the update of the procurement process and regulations, the methodology for classifying critical and relevant suppliers has been revised, incorporating their categorisation in terms of cybersecurity as an additional criterion.

GRI 204-1: Regarding information on local suppliers, it was not possible to collect the necessary data in the 2024 financial year. During the current financial year, this data collection has been resumed and completed, improving the availability of information. However, the absence of data for 2024 will still be evident in the trend charts.

VSME-B4-33: During this financial year, the information reported on biodiversity has been reviewed, revealing that in previous years it had not been taken into account that one of the LNG plants is located in an area covered by the Natura 2000 network. This omission was due to an incomplete interpretation of the analysis boundaries. The information has been corrected.

GRI Content Index

Statement of Use	*Madrileña Red de Gas S.A.U has prepared this report in accordance with the GRI Standards for the period from 1 January 2025 to 31 December 2025.*
GRI 1 used	*GRI 1: Core 2021*
Applicable GRI Sector Standards	*GRI 11: Oil and Gas Sector 2021*

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
General disclosures				
GRI 2: Disclosures 2021	2.1 Organisational details	5 https://www.madrilena.es/quienes-somos/	*A grey cell indicates that the information is not applicable. This applies only to the 'Omission' and 'Ref. No. of the GRI Sector Standard".*	
	2.2 Entities included in the organization´s sustainability reporting	5		
	2.3 Reporting period, frequency and contact point	126–127		
	2.4 Restatements of information	127		
	2.5 External assurance	146		
	2.6 Activities, value chain and other business relationships	5–6, 49–50		
	2.7 Employees	106, 107		
	2.8 Workers who are not employees	536 workers (4 trainees + 1 agency worker + 531 workers from contractors) 117–123		
	2.9 Governance structure and composition	23–24–28–up to 30	Partial omission 2-9c iv. Information not available or incomplete	
	2.10 Nomination and selection of the highest governance body	24–25		
	2.11 Chair of the highest governing body	24		
	2.12 Role of the highest governance body in overseeing the management of impacts	11–27		
	2.13 Delegation of responsibility for managing impacts	28 to 30		
	2.14 Role of the highest governance body in sustainability reporting	3–126		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
	2.15 Conflicts of interest	33		
	2.16 Communication of critical concerns	27–28		
	2.17 Collective knowledge of the highest governance body	26		
	2.18 Evaluation of the performance of the highest governance body	26	Information not available or incomplete. In the final quarter of 2025, a performance self-assessment methodology was established and implemented. The results were obtained in 2026 and have led to an Action Plan. Information on these results and the resulting actions will be included in the 2026 report.	
	2.19 Remuneration policies	29–30		
	2.20 Process to determine remuneration	29–30	Partial omission. 2.20 b. Confidentiality restrictions.	
	2.21 Annual total compensation ratio	115–116		
	2.22 Statement on sustainable development strategy	3 – 6 – 9 to 17		
	2.23 Policy commitments	6–11–21–32 to 35–45–54 https://madrilena.es/sostenibilidad/		
	2.24 Embedding policy commitments	9–15–16–31–36–117–119		
	2.25 Processes to remediate negative impacts	99–100 https://www.madrilena.es/compromiso/ https://www.madrilena.es/compromiso-de-atencion-al-cliente/ https://www.madrilena.es/como-lo-estamos-haciendo/		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
	2.26 Mechanisms for seeking advice and raising concerns	18–19–37–94–up to 97–99–100 https://www.canaldedenuncias.com/es/madrilena https://www.madrilena.es/denunciar-irregularidades/		
	2.27 Compliance with legislation and regulations	33		
	2.28 Membership of associations	22		
	2.29 Approach to stakeholder engagement	11–12–19 to 22–37–44–50–83–93–98–108		
	2.30 Collective bargaining agreements	108		
Material topics				
GRI 3: Topics Material 2021	3-1 Process for determining material topics	11 -12 -13		
	3-2 List of material topics	13 - Appendix IV		
Governance and corporate culture				
GRI 3: Issues Materials 2021	3-3 Management of material topics	23 to 37 – Appendix IV		
GRI 2: General Disclosures 2021	2.12 Role of the highest governance body in overseeing the management of impacts	11–27		
	2.13 Delegation of responsibility for managing impacts	28–29–30		
	2.24 Embedding policy commitments	9 -15 -21 -31 -36 -117 -119		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Supplier relationship management				
GRI 3: Topics Materials 2021	3-3 Management of material topics	49 to 58 - Appendix IV		**11.10.1 11.12.1 11.13.1**
GRI 308: Suppliers Environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	56–57–58		
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	55		**11.13.2**
GRI 408: Child labour 2026	408-1 Operations and suppliers at significant risk for incidents of child labor	55		
GRI 409: Forced or compulsory labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	55		**11.12.2**
GRI 414: Suppliers Social assessment 2016	414-1 New suppliers that were screened using social criteria		Information not available or incomplete. We will endeavour to collect this information for the next report.	**11.10.8 11.12.3**
	414-2 Negative social impacts in the supply chain and actions taken	56 -57-58		**11.10.9**
Creating value for shareholders and investors				
GRI 3: Topics Material 2021	3-3 Management of material topics	9–40–41–42 – Appendix IV		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	42		
Own	Net turnover (€ thousands)	40		
	EBITDA (€ thousands)	40		
	GREBS assessment results	9		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Gas market and regulated business				
GRI 3: Topics Materials 2021	3-3 Management of material topics	37 -101 to 105 - Appendix IV		
Own	Customer satisfaction (CSAT) indicators in home care services	103		
	Number of administrative terminations at year-end	104		
	Number of customers without an actual reading in 12 months	105		
Cybersecurity				
GRI 3: Topics Material 2021	3-3 Management of material topics	43 to 48 - Appendix IV		
Own	Cybersecurity Plan (Plan Progress)	46		
	Progress in Madrileña Red de Gas's cybersecurity maturity level	47		
Transition and adaptation to climate change				
GRI 3: Topics Material 2021	3-3 Management of material topicss	59–60–61, 67–68–69, 151 to 155 – Appendix IV		**11.2.1**
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change		Information not available or incomplete. No information is available on the costs of the measures taken to manage the risk or opportunity. We will endeavour to gather this information for the next report.	**11.2.2**
Own	Identification and assessment of climate-related risks and opportunities	61 – Annex III		
	Green energy promotion and innovation projects	67–68–69		**11.2.4**

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Climate change mitigation				
GRI 3: Topics Materials 2021	3-3 Management of material topics	59 to 67 -69-Appendix II - Appendix IV		**11.1.1; 11.3.1**
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	72	.	**11.1.2**
	302-2 Energy consumption outside the organisation		Information not available or incomplete. No information is available to answer this item. We will endeavour to collect this information for future reports.	**11.1.3**
	302-3 Energy intensity		Information not available or incomplete. The organisation's energy intensity ratio has not been calculated. We will endeavour to calculate this figure for future financial years.	**11.1.4**
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	62-Appendix II		**11.1.5**
	305-2 Energy indirect (Scope 2) GHG emissions	62-Appendix II		**11.1.6**
	305-3 Other indirect (Scope 3) GHG emissions	62-Annex II	There are no biogenic emissions at Madrileña Red de Gas	**11.1.7**
	305-4 GHG emissions intensity	63		**11.1.8**
	305-5 Reduction of GHG emissions	63–64		**11.2.3**
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	64–65		**11.3.2**
Own	Estimated trends in GHG emissions (2021–2050)	65 to 67		
	OGMP 2.0 Reduction of methane emissions	69		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Asset safety				
GRI 3: Topics Materials 2021	3-3 Management of material topics	78–87 to 93 – Appendix IV		**11.8.1; 11.11.1**
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	87 to 93 - 102		**11.3.3**
GRI 306: Effluents and waste 2016	306-3 Significant spills	No significant spills occurred in 2025.		**11.8.2**
Own	Investment in network maintenance and digitalisation	78		
	Emergency response time	90		**11.8.3**
	Implementation of the SEVESO III Directive	91		
	Preventive maintenance plan (% and actions carried out)	87		
Impact on local communities				
GRI 3: Topics Materials 2021	3-3 Management of material topics	77 to 86 – Appendix IV		**11.14.1**
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	42		**11.14.2**
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	78		**11.14.4**
	203-2 Significant indirect economic impacts	80–81		**11.14.5**
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	108		**11.11.2 11.14.3**
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	53		**11.14.6**

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Customer experience				
GRI 3: Topics Materials 2021	3-3 Management of material topics	94 to 105 - Appendix IV		
GRI 2: General Disclosures 2021	2.25 Processes to remediate negative impacts	99–100 https://www.madrilena.es/compromiso/ https://www.madrilena.es/compromiso-de-atencion-al-cliente/ https://www.madrilena.es/como-lo-estamos-haciendo/		**11.15.4**
Own	Trends in Call Centre Service Indicators	95		
	Contrast in the trend in the number of customer interactions compared to the number of complaints and claims	94		
Working conditions				
GRI 3: Issues Materials 2021	3-3 Management of material topics	107 to 110 – Annex IV		**11.10.1; 11.11.1**
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	117		**11.10.2**
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	110		**11.10.3**
	401-3 Parental leave	111		**11.10.4 11.11 3**
GRI 402: Labour-management relations 2016	402-1 Minimum notice periods regarding operational changes	108		**11.10.5**
Own	Results of the satisfaction survey	108–109		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Equal treatment and opportunities				
GRI 3: Topics Materials 2021	3-3 Management of material topics	112 to 116 – Appendix IV		
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governing bodies and employees	24 -113		**11.11.5**
	405-2 Ratio of basic salary and remuneration of women to men	115		**11.11.6**
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	112		**11.11.7**
Own	Approval of the LGTBI Plan	114–115		
Talent management				
GRI 3: Topics Materials 2021	3-3 Management of material topics	116 to 119 - Appendix IV		**11.10.1**
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	118		**11.10.6** **11.11.4**
	404-2 Programs for upgrading employee skills and transition assistance programs	118–119		**11.10.7**
	404-3 Percentage of employees receiving regular performance and career development reviews	119		

GRI STANDARD / OTHER SOURCE	CONTENT	LOCATION	OMISSION	STANDARD REF. NO. STANDARD SECTOR GRI
Occupational health and safety				
GRI 3: Topics Materials 2021	3-3 Management of material topics	120 to 125 – Appendix IV		**11.9.1**
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	120		**11.9.2**
	403-2 Hazard identification, risk assessment and incident investigation		Information not available or incomplete. We will attempt to calculate this figure for future financial years.	**11.9.3**
	403-3 Occupational health services	124		**11.9.4**
	403-4 Worker participation, consultation and communication on occupational health and safety	121		**11.9.5**
	403-5 Worker training on occupational health and safety	119-124		**11.9.6**
	403-6 Promotion of workers' health	124		**11.9.7**
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	123		**11.9.8**
	403-8 Workers covered by an occupational health and safety management system	120		**11.9.9**
	403-9 Work-related injuries	122		**11.9.10**
	403-10 Work-related ill health	122		**11.9.11**

Topics from the applicable GRI Sector Standards considered non-material		
Title GRI Sectoral Standard	**Topic**	**Explanation**
GRI 11: Oil and Gas Sector 2021	11.17 Rights of indigenous peoples	Given the scope of operations of Madrileña Red de Gas, in the Autonomous Community of Madrid, where even its suppliers are primarily local, we consider that there can be no material impact.
	11.19 Anti-competitive behavior	Madrileña Red de Gas's business is regulated; unfair competition would be directly linked to corruption.
	11.21 Payments to governments	Given the regulations applicable to Madrileña Red de Gas in Spain, we would again be referring strictly to corruption.
	11.22 Public policy	Spanish legislation does not permit the direct promotion of public policy by private companies. As with the two previous requirements, we would be dealing with cases of corruption.
	11.15 Local communities	The positive impacts linked to the organisation's ability to supply energy, create jobs and contribute through tax payments have been identified as material to local communities; these aspects are covered by other indicators (such as 11.14 or 11.10). With regard to material negative impacts on the community, these are mainly linked to the risk of explosion and fire, associated with the integrity of assets and the capacity to respond to potential emergencies (indicator 11.8). The management of complaints, suggestions and claims from the community is also material; this is carried out through the channel set up for this purpose, as described in the relevant section, in accordance with GRI Standard 2-25. No other impacts relating to local communities have been found to be material.
	11.4 Biodiversity	Following the double materiality assessment and prioritisation process, in accordance with Madrileña Red de Gas's methodology, these topics proposed by the GRI 11 sector standard: Oil and Gas Sector 2021 and initially identified as relevant, have not been found to be material for the company
	11.5 Waste	
	11.6 Water and effluents	
	11.7 Closure and rehabilitation	
	11.16 Land and resource rights	
	11.18 Conflict and security	
	11.20 Anti-corruption	

VSME Standard Table of Contents

VSME STANDARD	Disclosure requirement	Paragraph	CONTENT BASIC MODULE	LOCATION	APPLICATION/OMISSION
Environmental parameters	B3	29	Energy and greenhouse gas emissions. Total energy consumption MWh	72	
	B3	30	Energy and greenhouse gas emissions. tCO2eq (scope 1,2)	62-Annex II	
	B3	31	Energy and greenhouse gas emissions. Greenhouse gas intensity	63	
	B4	32	Air, water and soil pollution	65, 75	The exact quantification of pollutants released into the soil is omitted, as this type of information is not recorded in the mandatory reports to the authorities
	B5	33	Biodiversity. Number and area of sites in sensitive areas	76	
	B5	34a	Biodiversity. Land use parameters (ha or m^2).		Omitted
	B5	34b	Biodiversity. Total sealed area		Omitted
	B5	34c	Biodiversity. Total nature-oriented area at the site		Omitted
	B5	34d	Biodiversity. Total area outside the site, classified by nature		Omitted
	B6	35	Water. Amount of water extracted		N/A
	B6	36	Water. Water consumption in production processes		N/A
	B7	37	Resource use, the circular economy and waste management. Application of circular economy principles.	70–73	
	B7	38a	Resource use, circular economy and waste management. Total waste (hazardous and non-hazardous)	72.73	
	B7	38b	Resource use, circular economy and waste management. Waste diverted for recycling or reuse.	74	
	B7	38c	Resource use, circular economy and waste management. Intensive use of material flows.		N/A

VSME STANDARD	Disclosure requirement	Paragraph	CONTENT BASIC MODULE	LOCATION	APPLICATION/OMISSION
Social parameters	B8	39a	Workers – General characteristics. Number of full-time employees by contract type, gender and country, if the company operates in more than one country	106	
	B8	39b	Workers – General characteristics. Number of full-time employees by gender.	106	
	B8	39c	Workers – General characteristics. Number of full-time employees by country	106	
	B8	40	Workers – General characteristics. Employee turnover rate	117	
	B9	41a	Workers – Health and safety. Number and rate of recordable workplace accidents.	122	
	B9	41b	Workers – Health and safety. Number of work-related deaths	122	
	B10	42a	Workers – Pay, collective bargaining and training. Pay equal to or above the minimum wage	115–116	
	B10	42b	Workers – Remuneration, collective bargaining and training. Percentage of the gender pay gap.	115–116	
	B10	42c	Workers – Remuneration, collective bargaining and training. Percentage of total employees covered by a collective agreement	108	
	B10	42d	Workers – Remuneration, collective bargaining and training. Training hours per employee, broken down by gender	118	
Governance indicators	B11	43	Convictions and fines for corruption and bribery	33	

VSME STANDARD	Disclosure requirement	Paragraph	CONTENT FULL MODULE	LOCATION	APPLICATION/OMISSION
General Information	C1	47a	Strategy: business model and sustainability – Related initiatives. Key elements of the business model, strategy and stakeholders, and services offered.	5, 6, 18 to 21, 78, 79, 80, 83, 84	
	C1	47b	Strategy: business model and sustainability – Related initiatives. Significant markets in which the company operates	5, 6, 78 to 81, 84, 85	
	C1	47c	Strategy: business model and sustainability – Related initiatives. Key business relationships (suppliers, customers, distribution channels)	5, 6, 50, 51, 77 to 86, 94 to 100	
	C1	47d	Strategy: business model and sustainability – Related initiatives. Key elements of the strategy addressing sustainability issues	9 to 13, 16, 17	The various chapters cover the management of the material topics and sub-topics identified, in accordance with GRI
	C2	48	Description of practices, policies and future initiatives for the transition to a more sustainable economy. Policy descriptions	32	
	C2	49	Description of practices, policies and future initiatives for the transition to a more sustainable economy. The highest-ranking executive responsible for sustainability.	24, 28	

VSME STANDARD	Disclosure requirement	Paragraph	CONTENT FULL MODULE	LOCATION	APPLICATION/OMISSION
Environmental parameters	C3	50	Relevant considerations for reporting GHG emissions in B3 (Basic Module). Scope 3 GHG emissions.	62, Annex II	
	C3	51	Relevant considerations for reporting GHG emissions in B3 (basic module). GHG emissions arising from the value chain	62, 63 Annex II	
	C3	52	Relevant considerations for reporting GHG emissions in B3 (basic module). Types of GHG emissions.	61, 61, 63, Annex II	
	C3	53	Relevant considerations for reporting GHG emissions in B3 (basic module). Entity-specific information on Scope 3 emissions.	-	This information is omitted
	C3	54a	GHG reduction targets and climate transition Scope 3 GHG emission reduction targets.	66, 67	
	C3	54b	GHG reduction targets and climate transition. Base year and baseline.	66,67	
	C3	54c	GHG reduction targets and climate transition. Units Targets	66	
	C3	54d	GHG reduction targets and climate transition. Percentage of emissions 1, 2 and 3.	67	
	C3	54e	GHG reduction targets and climate transition. Key actions for targets	59, 67–70	
	C3	55	GHG reduction targets and climate transition. Transition plan	65–67	
	C3	56	GHG reduction targets and climate transition. If not a transition plan, then when	-	N/A
	C4	57a	Climate risks (description of hazards and events)	Annex III	
	C4	57b	Climate risks (asset exposure)	60–61	
	C4	57c	Climate risks (time horizons)	Annex III	
	C4	57d	Climate risks (climate change adaptation measures)	61	
	C4	58	Climate risks (may indicate adverse effects impacting financial performance)		This information is omitted

VSME STANDARD	Disclosure requirement	Paragraph	CONTENT FULL MODULE	LOCATION	APPLICATION/OMISSION
Social parameters	C5	59	C5 – Additional (general) characteristics of employees. Ratio of women to men at management level	24, 113	
	C5	60	C5– Additional (general) characteristics of employees. Number of self-employed and temporary workers	107	Partial omission of number of *self-employed* workers *(information unavailable or incomplete)*
	C6	61a	Additional information on own staff – Human rights policies and processes	31–37	
	C6	61bi	Additional information on own staff – Human rights policies and processes. Code of conduct or human rights policy. Child labour (YES/NO)	31-37	YES
	C6	61b ii	Additional information on own personnel – Human rights policies and processes. Forced labour (YES/NO)	31–37	YES
	C6	61b iii	Additional information on own staff – Human rights policies and processes. Trafficking in human beings (YES/NO)	31–37	YES
	C6	61b iv	Additional information on own staff – Human rights policies and processes Discrimination (YES/NO);	31–37	YES
	C6	61b v	Additional information on own staff – Human rights policies and processes. Accident prevention (YES/NO)	31–37	YES
	C6	61b vi	Additional information on own staff – Human rights policies and processes. Other (Yes/NO – if yes, please specify).	31-37	YES
	C6	61c	Additional information on own staff – Human rights policies and processes. Grievance management mechanism for own staff? (YES/NO)	31-37	YES
	C7	62a	Incidents among your own staff relating to child labour? (YES/NO)	31-37	NO
	C7	62a i	Incidents among your own staff relating to child labour? (YES/NO)	31-37	NO
	C7	62a ii	Incidents among your own staff relating to forced labour? (YES/NO)	31-37	NO

VSME STANDARD	Disclosure requirement	Paragraph	CONTENT FULL MODULE	LOCATION	APPLICATION/OMISSION
Social parameters (continued)	C7	62a iii	Incidents among your own staff relating to human trafficking? (YES/NO)	31–37	NO
	C7	62a iv	Incidents among your own staff relating to discrimination? (YES/NO);	31-37	NO
	C7	62a v	Incidents among your own staff relating to 'others'? (YES/NO – if yes, please specify).	31-37	NO
	C7	62b	Please describe the actions being taken to address the incidents	-	NO
	C7	62c	Serious adverse human rights impacts in the value chain	34, 36; 123	NO
Governance criteria	C8	63a	Revenue from certain activities and exclusion from EU reference indices. Activities in: - controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons);	31	N/A
	C8	63b	Revenue from certain activities and exclusion from EU reference indices. Activities in: - the cultivation and production of tobacco		N/A
	C8	63c	Revenue from certain activities and exclusion from EU reference indices. The fossil fuels sector [coal, oil and gas, i.e. if the company derives revenue from prospecting, mining, extraction, production, processing, storage, refining or distribution, including the transport, storage and marketing of fossil fuels	40	
	C8	63d	Revenue from certain activities and exclusion from EU benchmark indices. Activities in: - chemical production if the company produces pesticides and other agrochemicals		N/A
	C8	64	Revenue from certain activities and exclusion from EU benchmarks. The company shall disclose whether it is excluded from any EU benchmark that complies with the Paris Agreement,	Pursuant to Article 12(1) of Delegated Regulation (EU) 2020/1818, MRG is excluded from EU benchmarks harmonised with the Paris Agreement	N/A
	C9	65	Gender diversity index in the governing body	24	

External Assurance

GRI 2-5

Sustainability report verification

Bureau Veritas Certification declares that the Sustainability Report of:

MADRILEÑA RED DE GAS S.A.U.

Certificate number:
ES145807

Issue date:
08-06-2026

Version Nº: 4

has been verified, with regard to its structure, content and sources of information in accordance with the requirements and principles established in the Guide for the preparation of Sustainability Reports in its version "GRI Standards 2021" prepared by the Global Reporting Initiative (GRI).

And, as result of this verification process, Bureau Veritas Certification states that:

- The content of the information is based on and supported by data and records that are proven to be true. Likewise, the information, its treatment, calculations, graphs and associated information have been duly checked and verified according to the procedure established by Bureau Veritas Certification
- The traceability and relevance between basic information and the content of the report is adequate.

Issue date 08-06-2026

Signed: Marta Pascual

Lead verifier
Bureau Veritas Certification

This certificate is subject to the general and particular terms and conditions of the certification services

Bureau Veritas Iberia S.L.
Avda. de Europa 1 - Edificio B, Planta Baja - Parque empresarial Avenida de Europa - 28108, Alcobendas - Madrid, España

1/1

Verification of sustainability information

Bureau Veritas Certification has verified the sustainability information, with regard to its structure, content and sources of information of the Organization

Certificate Number:
ES164632

Date of issue:
09-06-2026

Version No.: 1

MADRILEÑA RED DE GAS, S.A.U.

CL VIRGILIO (ED. 1 CT EMPRESARIAL), 2-B, POZUELO DE ALARCÓN (MADRID 28223)

and that as a result of this verification process Bureau Veritas Certification states that

- The content of the sustainability information report complies with the requirements established in the VSME standard version December 2024 complete module.
- After the sample verification carried out, no issue has been identified that indicates that the information included in the report for the year 01.01.2025 to 31.12.2025 contains material misstatements

Issue date 09-06-2026

Signed: Marta Pascual

Chief Verifier
Bureau Veritas Certification

This certificate is subject to the general and particular terms and conditions of the certification services

Bureau Veritas Iberia S.L.
C/ Valportillo Primera 22-24, 28108 Alcobendas - Madrid, Spain

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9. APPENDICES

APPENDIX I: Geolocation of sites

APPENDIX II: Carbon footprint of Madrileña Red de Gas

APPENDIX III: Identification and assessment of climate-related risks and opportunities

Appendix IV: List of material topics, subtopics and impacts 2025

Appendix I: Geolocation of sites

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SITE	TYPE	LOCATION
OFFICES (HEADQUARTERS OF MADRILEÑA RED DE GAS)	BUILDING	POZUELO DE ALARCÓN
WAREHOUSE	BUILDING	ALCORCÓN
ZARZALEJO LNG PSR	LNG PLANT	ZARZALEJO
TORRELAGUNA LNG PSR	LNG PLANT	TORRELAGUNA
VALDETORRES DE JARAMA LNG PSR	LNG PLANT	VALDETORRES DE JARAMA
TALAMANCA DE JARAMA LNG PSR	LNG PLANT	TALAMANCA DE JARAMA
GUADALIX DE LA SIERRA LNG PSR	LNG PLANT	GUADALIX DE LA SIERRA
PSR LNG MIRAFLORES DE LA SIERRA	LNG PLANT	MIRAFLORES DE LA SIERRA
COM PROP LAS SUERTES 33 TO 36	LPG PLANT	COLLADO VILLALBA
EL MIRADOR DE LA SIERRA	LPG PLANT	COLLADO VILLALBA
LA BERZOSA COMPLEX	LPG PLANT	HOYO DE MANZANARES
MOLINO DE LA HOZ ESTATE	LPG PLANT	LAS ROZAS, MADRID
NEW GOLF CLUB	LPG PLANT	LAS ROZAS, MADRID
LOS MOLINOS MUNICIPALITY	LPG PLANT	LOS MOLINOS
RB SA URB MAJALASTABLAS	LPG PLANT	LOS MOLINOS
URB LUZ SIERRA	LPG PLANT	LOS MOLINOS
PINAR DE LA PEÑOTA	LPG PLANT	LOS MOLINOS
LOS SIETE ABANICOS	LPG PLANT	MIRAFLORES DE LA SIERRA
RB LOS PINAREJOS	LPG PLANT	MIRAFLORES DE LA SIERRA
URB SOL Y CAMPO	LPG PLANT	MIRAFLORES DE LA SIERRA
MONTECLARO COMPLEX (ABETOS)	LPG PLANT	POZUELO DE ALARCON
MONTECLARO COMPLEX (MIMOSAS)	LPG PLANT	POZUELO DE ALARCON
MONTECLARO COMPLEX (TILOS)	LPG PLANT	POZUELO DE ALARCON
MONTECLARO COMPLEX (ÁLAMOS)	LPG PLANT	POZUELO DE ALARCON
MONTECLARO COMPLEX (EUCALIPTOS)	LPG PLANT	POZUELO DE ALARCON
COM PROP CL CALVO SOTELO 2 TO 6	LPG PLANT	SOTO DEL REAL
COM PROP PRADO REAL	LPG PLANT	SOTO DEL REAL
PRADO REAL URBAN AREA	LPG PLANT	SOTO DEL REAL
COM PROP CL CALVO SOTELO 1 TO 7	LPG PLANT	SOTO DEL REAL
SOTO DEL REAL MUNICIPALITY	LPG PLANT	SOTO DEL REAL
VILLAFRANCA CASTILLO COMPLEX	LPG PLANT	VILLANUEVA DE LA CAÑADA

Appendix II: Carbon Footprint of Madrileña Red de Gas

GRI 3-3, GRI 11-1, GRI 305-1, GRI 305-2, GRI 305-3, VSME-B2-30, VSME-C3-(50-52)

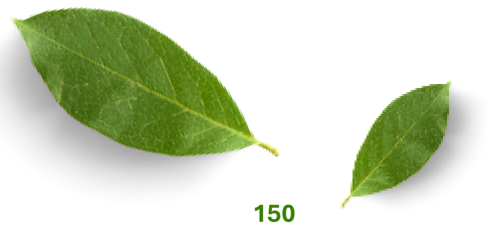
GHG EMISSIONS BY CATEGORY ISO 14064-1

CATEGORY	2023	2024	2025
		tCO2e	
CATEGORY 1: DIRECT GHG EMISSIONS AND REMOVALS	**17,045.94**	**16,113.71**	**20,465.55**
Combustion emissions from stationary sources	88.73	181.01	155.35
Fugitive emissions due to gas losses	16,858.35	15,837.54	20,226.18
Fugitive emissions of refrigerants from air conditioning systems	0.00	0.00	1.94
Combustion emissions from mobile sources	98.86	95.15	82.08
CATEGORY 2: INDIRECT GHG EMISSIONS FROM IMPORTED ENERGY	**50.55**	**54.18**	**56.07**
CATEGORY 3: INDIRECT GHG EMISSIONS FROM TRANSPORT	**89.40**	**115.00**	**112.50**
Indirect emissions from business travel	4.95	7.51	11.25
Indirect emissions from travel between home and work	84.45	107.49	101.25
CATEGORY 4: INDIRECT GHG EMISSIONS FROM PRODUCTS USED BY THE ORGANISATION	**3,899.03**	**3,925.96**	**4,031.75**
Indirect emissions due to the life cycle of fuels consumed and gas sold (upstream)	1,100.67	605.51	459.84
Indirect emissions due to the transport and treatment of waste generated	0.90	0.29	0.37
Indirect emissions from the procurement of goods and services	2,797.46	3,320.15	3,571.53
CATEGORY 5: INDIRECT GHG EMISSIONS ASSOCIATED WITH THE USE OF THE ORGANISATION'S PRODUCTS	**13,512.10**	**9,424.80**	**6,596.66**
Indirect IRC emissions from customers	3,250.66	4,076.42	2,784.40
Indirect emissions from the use of marketed gas	10,261.44	5,348.38	3,812.26
CATEGORY 6: INDIRECT GHG EMISSIONS FROM OTHER SOURCES	**0.00**	**0.00**	**0.00**

TOTAL Direct GHG emissions	**17,045.94**	**16,113.71**	**20,465.55**
TOTAL Indirect GHG emissions	**17,551.08**	**13,519.93**	**10,796.98**
TOTAL GHG emissions	**34,597.02**	**29,633.64**	**31,262.53**

GHG EMISSIONS BY GHG PROTOCOL CATEGORY

CATEGORY	2023	2024	2025
	tCO2e		
SCOPE 1: Direct GHG emissions	17,045.94	16,113.71	20,465.55
SCOPE 2: Indirect GHG emissions from purchased electricity, steam, heating and cooling **market**-based	50.55	54.18	56.07
SCOPE 2: Indirect GHG emissions from purchased electricity, steam, heating and cooling **location**-based		15.39	18.69
SCOPE 3: Other Indirect Emissions (Value Chain)	17,500.53	13,465.76	10,740.91
Cat 1: Goods and services purchased	2,797.46	3,320.15	3,571.53
Cat 2: Capital goods			
Cat 3: Fuels and energy not included in Scope 1 and 2			
Cat 4: *Upstream* transport and distribution	1,100.67	605.51	459.84
Cat 5: Waste generated by operations	0.90	0.29	0.37
Cat 6: Business travel	4.95	7.51	11.25
Cat 7: Employee travel (to work)	84.45	107.49	101.25
Cat 8: *Upstream* leased assets			
Cat 9: Downstream transport and distribution	3,250.66	4,076.42	2,784.40
Cat 10: Processing of products sold			
Cat 11: Use of products sold	10,261.44	5,348.38	3,812.26
Cat 12: End-of-life treatment of products sold			
Cat 13: Downstream leased assets			
Cat 14: Franchises			
Cat 15: Investments			
TOTAL GHG emissions	**34,597.02**	**29,633.64**	**31,262.53**



Annex III: Identification and assessment of climate risks and opportunities

VSME-C4-(57 a, c), VSME-C4-58

PHYSICAL CLIMATE RISKS

RISK		DESCRIPTION OF IMPACTS	TIME HORIZON	RISK LEVEL	
				RCP 8.5 SCENARIO	RCP 2.6 SCENARIO
Risks Acute	Extreme wind events (cyclones, hurricanes, windstorms)	Extreme wind events can damage surface infrastructure, disrupt operations and cause service outages, as well as increasing repair and maintenance costs.	Medium term	Riesgo bajo	Riesgo trivial
	Flash flooding	Heavy rainfall leading to flooding can cause damage to facilities (increasing maintenance costs), to workers (increasing insurance costs) or to transmission and distribution lines (increasing costs and causing delays and service interruptions).	Medium term	Riesgo extremo	Riesgo medio
	Hail	The rise in atmospheric temperature caused by human activity leads to more frequent and intense hailstorms. Hail can affect a gas distribution company by damaging above-ground infrastructure, such as stations, equipment or control systems, which can lead to service interruptions and higher maintenance costs.	Short term	Riesgo medio	Riesgo medio
	Fires	An increase in the frequency or intensity of fires, resulting from environmental conditions that favour their spread and severity, can cause disruptions to transport infrastructure, affecting gas supply and availability.	Short term	Riesgo extremo	Riesgo alto
	Snowstorms	Snowstorms, such as the one that occurred in 2021 (Filomena), can cause disruptions to transport, heating, power and communications, as well as significant physical damage to assets.	Short term	Riesgo extremo	Riesgo medio
Chronic risks	Drought	Risk of meteorological droughts caused by rising temperatures, increased evapotranspiration and reduced rainfall, which can lead to damage to human health, an increased risk of fires, inflation, etc. Impact on the future of hydrogen, as water is necessary in the hydrogen production process.	Medium term	Riesgo alto	Riesgo bajo
	Longer and more frequent heatwaves	Longer and more frequent heatwaves can have an impact by increasing thermal stress on infrastructure, accelerating the wear and tear of pipes and equipment, and raising the risk of wildfires that can damage networks or force supply disruptions. They can also reduce demand for natural gas for heating, affecting revenue, and make maintenance operations more difficult due to adverse working conditions, with operational, financial and safety implications.	Medium term	Riesgo extremo	Riesgo alto
	Changes in precipitation patterns	Changes in precipitation patterns can affect a gas distribution company by increasing the risk of flooding, soil erosion or ground instability, which can damage pipelines and other infrastructure. Irregular rainfall can also hamper maintenance activities and access to facilities, whilst extreme events such as severe storms can cause service disruptions and higher repair costs, affecting both operations and financial performance.	Medium term	Riesgo medio	Riesgo medio
	Rising temperatures	Heat stress, increased risk of wildfires, reduced demand for natural gas for heating, and impacts on supply networks due to extreme weather events.	Long term	Riesgo alto	Riesgo medio

Riesgo trivial · Riesgo bajo · Riesgo medio · Riesgo alto · Riesgo extremo

CLIMATE TRANSITION RISKS

RISK		DESCRIPTION OF IMPACTS	TIME HORIZON	RISK LEVEL	
				RCP 8.5 SCENARIO	RCP2.6 SCENARIO
Political and legal	Changes in climate policy and regulation	The progressive strengthening of climate policy in Spain and the EU, including binding climate neutrality targets for 2050 and interim decarbonisation targets, will gradually reduce the role of natural gas in the energy mix. Policies such as restrictions on the use of fossil fuels for heating buildings, stricter emissions standards and long-term decarbonisation roadmaps create structural uncertainty regarding gas demand. For Madrileña Red de Gas, this may result in lower infrastructure utilisation rates and a greater risk of stranded assets, requiring a strategic shift towards low-carbon energy solutions.	Medium to long term	Riesgo alto	Riesgo medio
	Climate disclosure regulations	New reporting requirements in Spain and the EU impose increasing obligations on companies to disclose detailed information on greenhouse gas emissions (Scopes 1, 2 and 3) and climate risks. These requirements necessitate improvements to data collection, verification and governance processes. Non-compliance or inaccuracies in the information may lead to regulatory penalties, reputational damage and greater scrutiny from investors and stakeholders.	Short term	Riesgo extremo	Riesgo extremo
	Mandates and regulations on existing products and services	Developments in European regulations on methane emissions, in particular the possible reduction of mitigation obligations in the revision of Regulation (EU) 2019/942, introduce regulatory uncertainty. Although a relaxation of requirements could reduce costs in the short term, it could also generate transition risks if stricter requirements are reintroduced or market perception shifts towards companies less aligned with climate objectives.	Short to medium term	Riesgo extremo	Riesgo extremo
	Exposure to litigation	There is a growing trend of climate-related litigation against energy companies globally and within the EU. Gas distribution companies may face lawsuits relating to their role in fossil fuel consumption, alleged misalignment with climate targets, or insufficient disclosure of climate risks. Although this risk is currently lower than for upstream producers, it could increase over time, leading to financial and reputational consequences.	Medium term	Riesgo bajo	Riesgo trivial
Technology	Advances in renewable energy	Continuous improvements in renewable generation are accelerating the transition away from fossil fuels. As electricity becomes cleaner and more competitive, it is displacing gas in multiple applications, particularly in heating and integrated energy systems. This reduces the role of gas in the energy mix and indirectly affects distribution volumes.	Medium to long term	Riesgo medio	Riesgo trivial
	Technological uncertainty surrounding hydrogen and renewable gases	Although hydrogen and biomethane are considered key enablers for the future of gas networks, their technological maturity, scalability and cost remain uncertain. This creates a risk of misaligned investments, where infrastructure adaptation may not deliver the expected returns or become obsolete if alternative technologies prevail.	Medium term	Riesgo bajo	Riesgo trivial
	High cost of new technologies and infrastructure adaptation	The transition to low-carbon energy systems requires significant investment in new technologies, such as the adaptation of networks for hydrogen and biomethane, digitalisation and advanced methane monitoring systems. The high and still uncertain cost of these technologies, coupled with evolving standards and unclear cost-recovery mechanisms, creates the risk of increased investment without guaranteed returns. This may put pressure on profitability and require regulatory support to ensure economic viability.	Short to medium term	Riesgo extremo	Riesgo medio

Riesgo trivial Riesgo bajo Riesgo medio Riesgo alto Riesgo extremo

RISK		DESCRIPTION OF IMPACTS	TIME HORIZON	RISK LEVEL	
				RCP 8.5 SCENARIO	RCP 2.6 SCENARIO
Market	Decline in demand for natural gas	The transition to a low-carbon economy will reduce global demand for natural gas, particularly for residential and commercial heating. Consumer preferences and regulatory incentives favouring electrification will lead to lower sales volumes, directly impacting revenue.	Medium to long term		
	Price volatility and energy affordability	Fluctuations in energy prices, particularly during periods of crisis, can affect the affordability of natural gas for end users. High prices may accelerate the switch to other energy sources or reduce consumption, whilst regulatory interventions may limit the stability of distributors' revenues.	Short term		
	Increased competition from alternative energy sources	Heavy reliance on raw materials entails supply risks, high prices and high volatility, which increases competition from more stable or cheaper alternative energy sources.	Medium to long term		
Reputation	Negative perception of natural gas as a fossil fuel	Natural gas is increasingly perceived by society, investors and regulators as a fossil fuel incompatible with long-term climate goals. This shift in perception may reduce stakeholder confidence and affect the company's social licence to operate, even if it positions itself as a transition fuel.	Medium to long term		
	Pressure from stakeholders (investors, customers, NGOs)	Growing pressure from ESG-focused investors, customers and civil society organisations may influence corporate decisions and accelerate decarbonisation expectations. Failure to respond adequately could damage the company's reputation and reduce its attractiveness to investors and partners.	Short to medium term		

Riesgo trivial Riesgo bajo Riesgo medio Riesgo alto Riesgo extremo

CLIMATE OPPORTUNITIES

RISK		DESCRIPTION OF IMPACTS	TIME HORIZON	RISK LEVEL	
				RCP 8.5 SCENARIO	RCP 2.6 SCENARIO
Resource efficiency	Reduction in operating costs through network efficiency	Improving the efficiency of gas distribution networks through leak detection, predictive maintenance and flow optimisation reduces gas losses and operating costs. This directly improves margins whilst strengthening environmental performance and meeting methane reduction targets.	Short term	Oportunidad alta	Oportunidad muy alta
	Optimising resource use through digitalisation	The implementation of digital tools (smart metering, data analytics, remote monitoring) enables a more efficient use of energy and operational resources. This reduces unnecessary consumption, improves asset utilisation and lowers total operating costs.	Short to medium term	Oportunidad alta	Oportunidad muy alta
	Efficient waste and materials management	Optimising the use, reuse and recycling of materials (e.g. pipes, components or maintenance equipment) reduces procurement needs and waste management costs. Applying circular economy principles improves cost efficiency and reduces dependence on raw materials.	Short term	Oportunidad baja	Oportunidad media
Energy source	Use of renewable energy for own operations	The transition to renewable electricity (e.g. solar or wind) in operations and facilities reduces exposure to energy price volatility and lowers Scope 1 and 2 emissions. This improves cost predictability and environmental performance.	Short term	Oportunidad alta	Oportunidad muy alta
	Alignment with decarbonisation pathways to attract investment	Adapting operations and assets to align with the EU's climate targets (e.g. the Paris Agreement) improves access to sustainable finance (green bonds, ESG-linked loans). This can reduce the cost of capital and facilitate financing for the transformation of the grid.	Short to medium term	Oportunidad media	Oportunidad muy alta
	Development and integration of biomethane	Injecting biomethane into the network allows existing infrastructure to continue to be used whilst reducing carbon intensity. This generates new revenue opportunities, maintains asset utilisation and positions the company as a facilitator of the energy transition.	Short term	Oportunidad alta	Oportunidad muy alta
	Preparing for hydrogen integration	Adapting infrastructure to allow for the blending of hydrogen or its future distribution represents a long-term opportunity to repurpose assets. Although there is uncertainty, early preparation can reduce future transition costs and strengthen strategic positioning.	Medium to long term	Oportunidad baja	Oportunidad alta

Oportunidad muy alta · Oportunidad alta · Oportunidad media · Oportunidad baja · Oportunidad trivial

RISK		DESCRIPTION OF IMPACTS	TIME HORIZON	RISK LEVEL RCP 8.5 SCENARIO	RISK LEVEL RCP 2.6 SCENARIO
Products and services	Development of services related to renewable gases (biomethane and hydrogen)	Madrileña Red de Gas can expand its service offering by providing connection, injection, certification and monitoring services for biomethane and, in the future, hydrogen. These services position the company as a key player in the renewable gas markets, generating new sources of revenue whilst making use of existing infrastructure.	Medium to long term	Oportunidad alta	Oportunidad alta
	Energy efficiency and optimisation services for customers	Providing customers with tools and advisory services to optimise energy consumption (e.g. consumption analysis, efficiency recommendations or demand management) enables the generation of additional value beyond gas distribution. This strengthens the relationship with customers and helps to reduce costs and emissions.	Short term	Oportunidad alta	Oportunidad muy alta
	Digital and data-driven services	The use of smart metering and advanced analytics enables the creation of new services such as real-time consumption monitoring, predictive maintenance or personalised energy solutions. These services improve customer relationships, generate additional revenue and increase operational efficiency.	Short term	Oportunidad alta	Oportunidad muy alta
Markets	Access to biomethane and hydrogen markets	The growing demand for low-carbon gases such as biomethane and hydrogen in sectors such as industry, transport and energy is creating new market opportunities. Madrileña Red de Gas can play a key role by facilitating the injection, transport and distribution of these gases, as well as connecting producers with end consumers. This allows the company to leverage existing infrastructure and position itself strategically in emerging markets, securing new sources of revenue in the long term.	Medium to long term	Oportunidad alta	Oportunidad alta
	Access to sustainable financing	Alignment with climate targets enables access to green financing instruments, such as green bonds or sustainability-linked loans, reducing the cost of capital and supporting investment in low-carbon infrastructure.	Short term	Oportunidad media	Oportunidad muy alta
Resilience	Diversification towards low-carbon gases	The transition from natural gas to alternative gases such as biomethane and hydrogen enables diversification of the energy mix and reduces exposure to the decline of fossil fuels. This strengthens the business's long-term resilience under various climate and regulatory scenarios.	Medium to long term	Oportunidad alta	Oportunidad muy alta
	Improved regulatory and strategic positioning	Companies that anticipate and align with climate policies and decarbonisation pathways are better positioned within the regulatory framework. This can translate into more stable remuneration, preferential treatment in policy development and greater long-term certainty.	Short to medium term	Oportunidad media	Oportunidad alta
	Adapting infrastructure to future energy needs	Proactive modernisation of networks to accommodate renewable gases or hybrid energy systems increases the ability to adapt to changing market conditions and the regulatory environment. This reduces long-term transition risks and ensures that assets retain their value across different future scenarios.	Medium to long term	Oportunidad alta	Oportunidad alta

Oportunidad muy alta · Oportunidad alta · Oportunidad media · Oportunidad baja · Oportunidad trivial

Annex IV: List of material topics, subtopics and impacts 2025

GRI 3-2, GRI 3-3

Topic	Sub-topic	Impact	Description	Own / value chain / both	Positive / Negative	Potential / Actual
Business conduct	Governance and corporate culture	Comprehensive and transparent information for stakeholders.	Existence of a framework of trust with stakeholders, with established communication channels that ensure transparency by sharing accurate, relevant, clear and useful information.	Own	Positive	Real
		Protection of the whistleblower against potential security breaches in the reporting channel	Protection of confidentiality, security and the option of anonymity in the handling of information communications through the reporting channel managed by an external and independent third party responsible for the effective and secure receipt of information.	Own	Positive	Actual
		Leadership, capacity and commitment of the Governing Bodies in mitigating negative impacts	Involvement, capacity and commitment of the Governing Bodies in assessing and making decisions regarding impacts on stakeholders, society and the environment, supported by a robust governance structure, ensuring the availability of policies, actions and resources to facilitate the mitigation of negative impacts and the enhancement of positive impacts.	Own	Positive	Actual
		Prompt, independent and objective investigation of incidents of corporate misconduct.	The implementation and compliance with the policy and procedure for managing reports of irregularities, amongst others, as well as the anonymous whistleblowing channel accessible to all stakeholders, are mechanisms available to the company to detect, report and investigate issues related to unlawful conduct or conduct contrary to the Code of Ethics in a swift and satisfactory manner.	Own	Positive	Actual
	Supplier relationship management	Promoting a culture of responsible management among suppliers, encouraging a positive impact on the environment, people and the community	Promoting the development and support of suppliers to improve their ESG capabilities and minimise their risks, particularly with regard to carbon footprint, the circular economy, compliance, occupational health and safety, and cybersecurity, through contractual information, assessment and pre-qualification tools, approval processes and/or audits.	In-house	Positive	Actual

Topic	Sub-topic	Impact	Description	Own / value chain / both	Positive / Negative	Potential / Actual
Business Development	**Value creation for shareholders and investors**	Sustained financial returns for shareholders (and their investors)	Financial return on investment in infrastructure development and business management in the short, medium and long term through efficient business and operational processes, with viability and future prospects.	Own	Positive	Real
		Reputational impact on the shareholder based on the results of indices such as GREBS, investment in sustainable infrastructure	Reputational impact on shareholders due to the high degree of integration of ESG criteria into the company's strategy and management, a robust and effective compliance system, and strong results in the GREBS Index.	Own	Positive	Real
		Maintenance of asset value throughout the investment cycle	Capacity for investment with long-term returns through investment in gas distribution infrastructure, maintaining asset value	Own	Positive	Real
		Capacity for investment with long-term returns through innovation projects (renewable energy)	Investment capacity with long-term returns through innovation projects related to the energy transition process via renewable gases	Both	Positive	Actual
	Gas market and regulated business	Service conditions regulated by law (service guarantee, reference prices, etc.)	Regulated service conditions for gas distribution to customers and users, ensuring security of supply, safety of installations, etc., and penalties in the event of non-compliance	Both	Positive	Actual
	Cybersecurity	Personal data security	Personal data security for our employees and value chain participants (particularly end users and the supply chain)	Both	Negative	Potential

Topic	Sub-topic	Impact	Description	Own / value chain / both	Positive / Negative	Potential / Actual
Climate change transition and adaptation	**Adaptation to climate change**	Security of supply and ability to operate under various extreme weather conditions	Ability to operate under various extreme weather conditions through the adoption of specific measures to protect its resources from the effects of climate change (adaptation measures), ensuring operational capacity and recovery (resilience)	Own	Positive	Potential
	Energy transition	Partnerships for innovation to develop sustainable technologies	Collaborate on a win-win basis with committed suppliers, business partners, customers, industry associations, etc. to foster innovation in the energy transition process.	Both	Positive	Real
		Contribution to the energy market with renewable energy alternatives for use by customers and end-users.	Investment in clean technologies using renewable gases (green hydrogen, biomethane, gas stations, sustainable buildings, sustainable mobility, etc.) enables potential users and consumers to utilise green alternatives in their energy consumption.	Both	Positive	Actual
Climate change mitigation	**Greenhouse gases**	Air pollution and human health impacts from greenhouse gas emissions	MRG's gas distribution networks have an impact on the climate, mainly due to methane leaks, which is a greenhouse gas.	Both	Negative	Actual
		Reduction in greenhouse gas emissions	Reducing the company's greenhouse gas emissions, for example by converting LPG supply points to natural gas, identifying leaks, etc.	Own	Positive	Actual
	Energy Efficiency	Energy efficiency improvement solutions for industrial and domestic customers	The company offers its customers access to innovative technologies and solutions that promote sustainability: smart meters, hydrogen boilers, efficient communal boilers, etc.	Own	Positive	Actual

Topic	Sub-topic	Impact	Description	Own / value chain / both	Positive / Negative	Potential / Actual
Own staff and supply chain workers	**Working conditions**	Staff wellbeing	Employees' quality of life resulting from job security, wages, benefits or remuneration in kind, internal communication and work-life balance through solutions such as remote working	Own	Positive	Real
	Occupational health and safety	Safety culture	Existence of a safety culture through training, awareness-raising, protocols, etc.	Both	Positive	Actual
	Talent management	Staff professional development	Staff professional development arising from training plans tailored to individuals' needs and the company's future plans, and assessment processes	Own	Positive	Real
		Confidence and assurance in carrying out tasks	Confidence and assurance in carrying out tasks, having the necessary knowledge and skills	Own	Positive	Real
	Equal treatment and opportunities	Professional development on an equal footing and the elimination of discriminatory treatment (on any grounds, such as gender, race, etc.)	Professional development on an equal footing, with processes that prevent and monitor any bias or discrimination and the promotion of a culture of equality	Both	Positive	Actual

Topic	Sub-topic	Impact	Description	Own / value chain / both	Positive / Negative	Potential / Actual
Groups affected (consumers, users and local communities)	**Safety**	Potential damage from explosions and/or fires	Personal injury and property damage caused by explosions or fires in the distribution network or at satellite plants (facility safety) in the event of unexpected accidents due to facility failure or maintenance work	Both	Negative	Potential
		Safety ensured by a properly sized and well-maintained distribution network and emergency plans tailored to each area	Public and administrative confidence and safety as a result of the quality of emergency plans and the proper maintenance of the network	Own	Positive	Real
		Speed and ease in emergency management, providing safety and confidence to users and the community	Robust processes with good performance indicators and straightforward information for users, providing safety guarantees and consequently confidence and well-being among users	Both	Positive	Real
	Impact on surrounding communities	Access to energy (continuous, reliable and less polluting), facilitating economic and social development	Access to energy (with a continuous, reliable and clean supply compared to other fuels such as oil) for homes, local services, industry, commerce, etc., in municipalities with limited access to such energy	Both	Positive	Actual
	Complaints management	Efficiency in resolving requests for information about the service and in handling complaints	Resolving any information needs through access to existing information channels, notifications of unexpected network outages, or the handling of complaints or claims via the channels provided for this purpose	Own	Positive	Actual