

ANNUAL REPORT 2025



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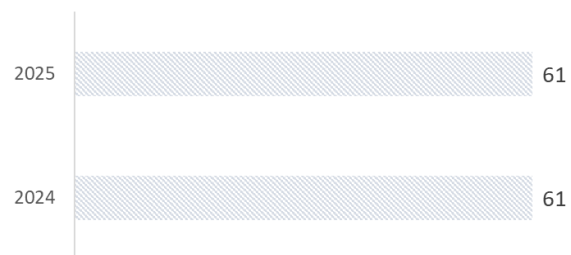
Cash Flow from operations

Investments

1. KEY FIGURES

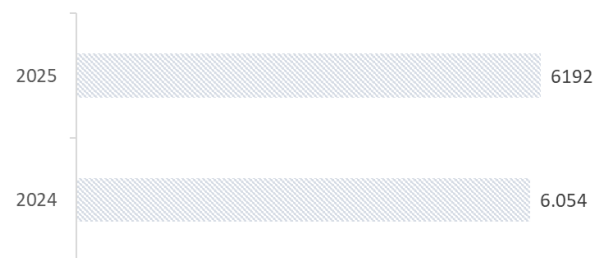
Municipalities

Total No.



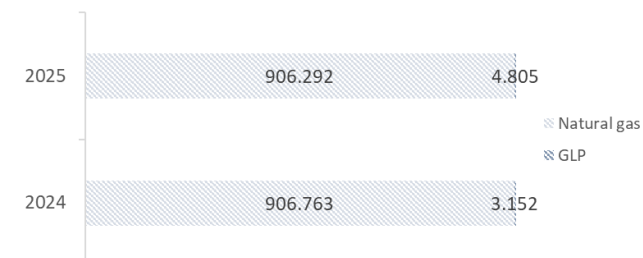
Length of network

Total Km (natural gas and LPG networks)



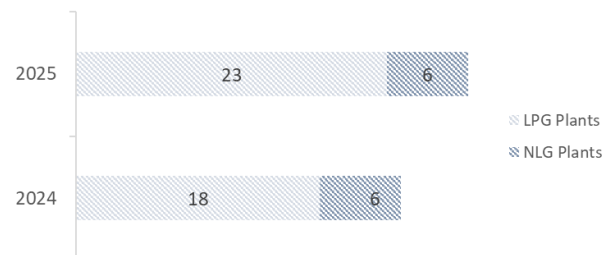
Consumers

Total No.



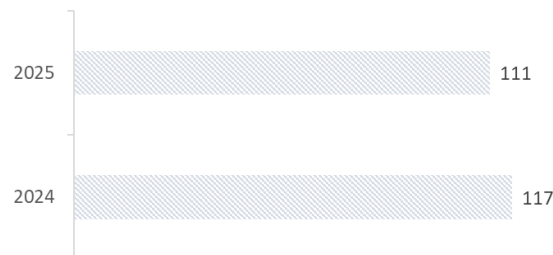
Plants

Total No.



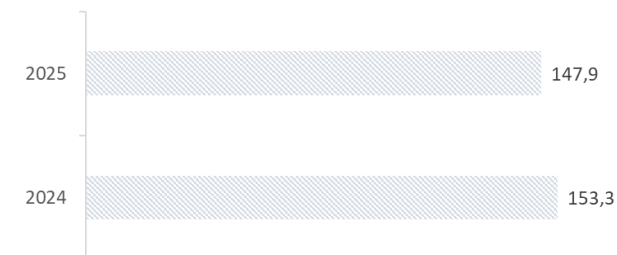
Employees

Total No.



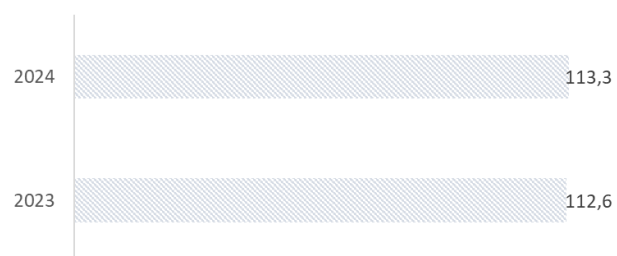
Income

Total €M



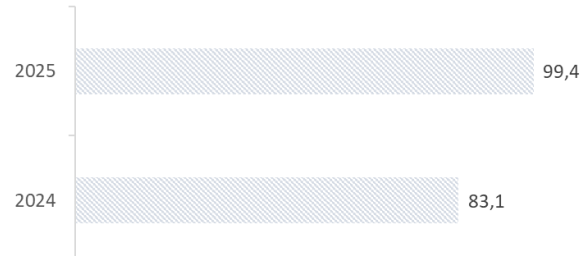
EBITDA

Total €M



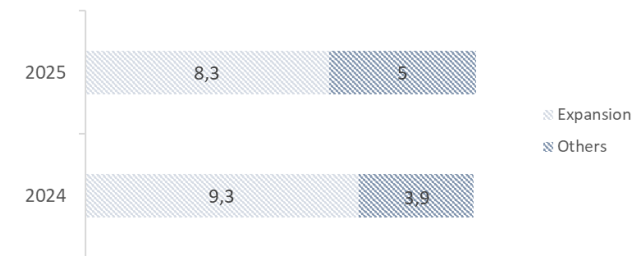
Cash flow

Total €M



Investments

Total €M



2. COMPANY

The 2025 financial year was a pivotal year for Madrileña Red de Gas, both in regulatory and corporate terms, against a backdrop of transition to the third regulatory period and alignment with decarbonization targets. Alongside the intensive regulatory review process driven by the CNMC, the company consolidated its position as a leader in sustainability, achieving the highest overall score in GRESB for the second consecutive year and renewing its five-star rating.

Furthermore, Madrileña Red de Gas made significant progress in cybersecurity and data protection, through the renewal of its ISO 27001 certification, compliance with NIS2 and the effective management of a security incident.

At the same time, the drive towards digital transformation continued through the Turing Project, the consolidation of a data-driven culture, and the cross-functional use of artificial intelligence as a lever for efficiency and productivity.

Board of Directors

Carmen Gómez de Barreda Tous de Monsalve – **chairwoman**

Manuel Nofuentes Caballero – **board member**

Yingqi Liu – **board member**

Daniel Frank Hobson – **board member**

Romain Thierry Victor Bruneau – **board member**

Alexandre Pieyre – **board member**

Kai Chen – **board member**

Jan Matthijs Lakerveld – **board member**

Shankar Krishnamoorthy – **board member**

María Martín – **secretary (non-board member)**

Management Committee

Alejandro Lafarga – **Chief Executive Officer**

Rafael Fuentes – **General Counsel**

Inés Zarauz – **Chief Financial Officer**

David Ortiz – **Director of Expansion**

Félix Blasco – **Director of Network Operations**

Glen Lancaster – **Director of Systems and Customer Operations**

María Vázquez – **Director of Human Resources**



Regulatory framework

Regulatory framework: developments in 2025 and outlook for 2026

The 2025 financial year has been a pivotal year for the evaluation of the second regulatory period, enabling an analysis of the performance of the current model and the start of the process to define the foundations, principles and criteria that will govern the framework for the third regulatory period.

The 2025 financial year was 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 assessing 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.

The National Commission for Markets and Competition (CNMC) published the timetable for regulatory circulars scheduled for 2025 on 3 January 2025. At the close of the 2025 financial year, none of the circulars relating to the gas system included in that timetable had been definitively approved, in accordance with the official schedule which sets the dates for the adoption of the remuneration and toll methodologies for the 2027–2032 period during the second and third quarters of 2026.

Consequently, the regulatory proposals affecting remuneration for distribution and transmission, and the calculation of tolls, are currently being processed or awaiting a public hearing.

Meanwhile, on 30 September 2025, Order TED/1062/2025 of 25 September was published, establishing the charges for the gas system and the remuneration and fees for basic underground storage for the 2026 gas year.

Developments in the remuneration framework for gas distribution

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).

This consultation marks the starting point for the design of the new remuneration framework and opens the debate on structural issues such as the suitability of the current remuneration model and the outlook for the next regulatory period, the recognition of new energy sources, such as renewable gases, and the potential incorporation of remuneration parameters that incentivise investment in digital technologies.

This process is complemented by 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). These guidelines must be taken into account by the CNMC when drafting the circulars for the 2027–2032 period and directly affect the remuneration methodologies for distribution and transmission, prioritising decarbonisation and the penetration of renewable gases.

In parallel, the CNMC published the provisional remuneration for the 2026 gas year (RAP/DE/011/25), the final year of the second regulatory period, 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.

Update of the methodology for calculating the Financial Remuneration Rate (TRF)

During 2025, significant progress was made in reviewing the methodology for the Financial Remuneration Rate applicable to regulated activities in the gas sector (Circular 9/2025). In this context, a public hearing on the amendment of the FIR calculation methodology was held in July 2025, during which the main financial parameters, the weighted average cost of capital and its alignment with the risk profile of the various regulated activities were analysed.

This process culminated at the end of the year with the approval of Circular 9/2025, which amends Circular 2/2019 and updates the methodology for calculating the TRF for the next regulatory period, whilst defining the rate for distribution, transmission and system operation activities in the electricity sector. In this context, the regulations specify that, in the case of gas distribution, this parameter applies only to the setting of the rental price for meters and the limits on connection fees, thereby restricting its impact to strictly regulated assets. The TRF rate applicable to gas activities is expected to be approved during 2026 in a future Circular.

Evolution of gas tolls

As with the remuneration methodology, the regulatory process to review the toll methodology applicable to the third regulatory period (CIR/DE/004/25) began in 2025. Within this framework, the CNMC launched a specific public consultation on the 3PR toll methodology, with the aim of gathering input from industry stakeholders to help define the new tariff framework. This methodology will also be affected by the guidelines set out in Order TED/1318/2025 of 19 November, which establishes energy policy guidelines for the CNMC regarding the processing of new circulars.

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 3PR tariff framework is being defined.

New strategic plan for the roll-out of smart meters

During 2025, the roll-out of smart meters in the natural gas network has also been promoted through the organisation of a public hearing for the approval of the digital meter implementation plan. 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 meter reading, optimise the operational management of the network and enhance the quality of service for consumers, as well as laying the foundations for greater digitalisation and integration of distributors' information systems.

Evaluation reports for the second regulatory period

As a significant development in 2025, the CNMC has published the draft specific evaluation report on gas distribution activity (RAP/DE/026/25) for the second regulatory period (2PR). The evaluation serves as a key reference for the design of the new regulatory framework, as it helps to identify the strengths of the current model, potential inefficiencies and areas for improvement.

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 the aforementioned 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.

What regulatory developments are expected in 2026?

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). The CNMC is expected to hold the first public hearing on the methodology in the first quarter of 2026, with final approval anticipated before the end of the year, with the aim of launching the new remuneration framework with a well-established methodology. In this regard, continuity with the current remuneration methodology is anticipated, allowing for the incorporation of incentives for the development of renewable gases and the digitalisation of networks.

In parallel, the Financial Remuneration Rate is expected to be approved, which will mainly affect activities linked to gas distribution, such as the setting of meter rental prices 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. This Circular will complete the set of regulatory frameworks governing gas distribution activity, providing greater certainty and economic stability for the period 2027–2032.

Criminal offence prevention

Madrileña Red de Gas's risk management system for crime prevention is based on the general principles of:

- ✧ Legality.
- ✧ Due diligence.
- ✧ Integrity and responsible leadership.
- ✧ Compliance monitoring.
- ✧ Review and updating.
- ✧ Systematic risk management adapted to changes.

In accordance with the provisions of Law 1/2015, which further amends the Criminal Code and regulates the criminal liability of legal persons to a greater extent, establishing the duty of commercial companies to implement effective measures within their organisations to prevent crimes within the scope of their activities, Madrileña Red de Gas has a robust criminal offence management system, which comprises:

- ✧ A crime prevention policy.
- ✧ A criminal risk map.
- ✧ Its own prevention protocol.



The person responsible for this system is the criminal compliance officer.

Operational controls determine the information required and the course of action to be taken in situations involving regulatory breaches and/or practices contrary to the values and principles set out in Madrileña Red de Gas's Code of Ethics and Anti-Corruption Policy.

In this regard, Madrileña Red de Gas has a whistleblowing channel (managed by an independent provider) through which any member of our organisation, regardless of their rank or responsibilities, as well as any customer, supplier or third party, is able to report, with the utmost guarantees of confidentiality and protection against reprisals, any irregularity or behaviour contrary to the law or to the rules and procedures established by the company.

Furthermore, in accordance with Law 2/2023 of 20 February, regulating the protection of persons reporting regulatory breaches and combating corruption, the Madrileña Red de Gas whistleblowing channel was updated, in accordance with the advice and monitoring of the independent provider, and the board of directors has drawn up and approved policies and procedures to update the internal system for reporting irregularities, as required by the aforementioned law.

Specifically:

- ✕ The policy for managing reports of irregularities.
- ✕ The procedure for managing reports of irregularities.
- ✕ The appointment of a Head of the Internal Reporting System.

Madrileña Red de Gas updated its Whistleblowing Channel and adapted its system for reporting irregularities, thereby complying with the new Whistleblower Protection Act. As at 31 December 2025, Madrileña Red de Gas continuously monitors the obligations arising from Law 2/2023 of 20 February, specifically regarding the appointment and notification of the Head of the Internal Reporting System.

Furthermore, during 2025, the risk associated with the offences included in the company's risk map was reassessed, with the aim of identifying conduct that may constitute a breach of the relevant regulations and give rise to liability. As a result of this assessment, the annual compliance review report and annual action plans addressing the identified needs were drawn up. In addition, relevant training on the prevention of criminal offences has continued to be provided; this is now delivered upon joining the company as part of the induction programme.

Corporate risk management

Madrileña Red de Gas has a robust risk management system, designed specifically for the company and with a comprehensive approach. This system enables it to identify, prioritise and implement measures and/or controls aimed at recognising, preventing, mitigating or controlling the risks it faces.

The Audit and Risk Committee reports directly to the Board of Directors and operates in accordance with its internal operating 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.

The agenda items discussed at the committee's regular meetings, which are held prior to each meeting of the Board of Directors, are agreed upon internally at the start of each new financial year. Key recurring topics include monitoring the corporate risk map, identifying and tracking the most significant risks, and analysing the controls in place and the mitigation plans that have been established or proposed. It also addresses issues relating to the audit of the accounts, audits of the integrated prevention, environmental and quality system, and other matters linked to sustainability, such as the results of the GRESB report, the preparation of the sustainability report, the assessment of the governing bodies' competencies in sustainability matters, and the self-assessment of their performance in this area.

The agenda also includes the analysis of insurance coverage policies, the criminal offence prevention policy, the monitoring of the progress of deviations identified in previous audits, as well as the review of the results of the carbon footprint report and decarbonisation strategies. In the area of technological risks, particular attention is paid to cybersecurity risk, audits of the information security management system, and the analysis of risk materialisation events, such as significant operational incidents, power cuts, or cyberattacks involving information security breaches.

The integration of the risk management policy within the company has been achieved through the progressive implementation of cross-functional risk analyses, involving the business 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.
- ✦ The combined impact on net present value and reputational impact. The impact on net present value takes into account both the direct economic impact over the next twenty years and potential penalties.



The map addresses emerging risks through regular updates to its content. Furthermore, it establishes new high-level controls in addition to those already in place. The action plans implemented help to mitigate the consequences of these risks.

Building on the work consolidated in the previous financial year, progress was made in 2025 in identifying, defining and assessing various risks, through detailed analyses of their contextual conditions and the potential consequences should they materialise. In parallel, the organisation has developed and strengthened a strategy aimed at preventing and mitigating the potential impacts associated with these risks, with the aim of anticipating them and minimising their effects on operations, people and the organisation as a whole.

Sustainability

After ten years of uninterrupted participation and having achieved outstanding scores in the three previous editions (96, 100 and 100 out of 100), Madrileña Red de Gas has once again reaffirmed its sector leadership in Spain by achieving the highest possible rating in the last financial year: 100 points out of 100 in the GRESB assessment. This result has enabled it to renew, for the fifth consecutive year, the prestigious five-star rating, a distinction reserved solely for the top 20% of companies globally, and which attests to the strength of its performance in sustainability, governance and responsible management.

This result positions Madrileña Red de Gas as an absolute benchmark in sustainability at an international level, a position the company has retained for the second consecutive year. This recognition consolidates its leadership and highlights the strength, consistency and coherence of its management model in an increasingly demanding and competitive environment.

In this edition, and in line with a sustained track record of excellence, Madrileña Red de Gas not only maintains the top five-star rating but is once again ranked number one globally across all sectors, outperforming all participating companies from the various sectors and regions assessed.



Through this recognition, Madrileña Red de Gas reaffirms its commitment to responsible, transparent management focused on generating a positive impact, integrating sustainability as a strategic pillar of its business model. The company views sustainability not as an isolated objective, but as a continuous process of improvement, which makes a decisive contribution to strengthening energy security, operational efficiency and the social and environmental development of its surroundings.

Furthermore, the results provide an overview of both the company's progress compared to previous years and its level of maturity in ESG (Environmental, Social and Governance) best practices, as well as a comparison with other companies in the same sector. Madrileña Red de Gas is working to integrate the 2030 Sustainable Development Goals into its strategy.

Verified Sustainability Report

In 2025, Madrileña Red de Gas produced its fourth Sustainability Report, covering the 2024 financial year, in accordance with GRI (Global Reporting Initiative) standards. This report has successfully passed the independent external verification carried out by an independent third party, which endorses the reliability and quality of the published information. The report comprehensively covers the company's performance in the economic, social, environmental and corporate governance spheres, incorporating, as in the previous financial year, the specific 'Oil & Gas' sector standard.

The preparation of the Sustainability Report addresses various strategic objectives, notably the improvement of reputation risk and corporate image management, the strengthening of the analysis and management of risks and opportunities associated with social responsibility, the provision of relevant and transparent information to stakeholders, and the establishment of a roadmap to address key sustainability challenges, such as climate change and the circular economy, actively contributing to the United Nations Sustainable Development Goals.

Transparency and communication

During 2025, Madrileña Red de Gas significantly strengthened its focus on corporate communication, particularly in the area of sustainability. In this context, and following the excellent result achieved in the GRESB assessment, a coordinated communication strategy was launched involving various areas of the organisation, with particularly active collaboration from the Expansion department and the support of the external communications agency.

This coordination enabled the drafting and publication of a press release on the corporate website, as well as the development of specific content for social media, with a particular focus on dissemination via LinkedIn. Furthermore, and as a new development compared to previous years, the scope of communication was expanded by sending personalised communications to relevant organisations and institutions, as well as to key clients, complemented by the distribution of an explanatory leaflet detailing the recognition received.

As a result of these actions, the news regarding the GRESB result achieved widespread coverage across various digital media, helping to strengthen the Company's external visibility and positioning as a leader in sustainability.

Furthermore, during the first half of 2025, Madrileña Red de Gas submitted the information requested by its shareholder PGGM for the third time, in compliance with the requirements of the SFDR Regulation.

Furthermore, with the aim of publicising the strategies and actions developed in the area of sustainability, Madrileña Red de Gas keeps the content of the "Commitment to Sustainability" section of its corporate website constantly updated. This section has been structured into three main sections, which clearly and accessibly outline the company's priority areas of action in this field: corporate governance, communication and transparency, and social and environmental issues, thereby reinforcing its commitment to responsible, transparent management aligned with best practices in sustainability.

Further information: <https://www.madrilena.es/sostenibilidad/>

Cybersecurity

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

Throughout the financial year, eight key milestones were implemented that have significantly strengthened the organisation's overall protection framework:

- ✕ Disaster recovery simulation.
- ✕ Network penetration and external intrusion testing.
- ✕ 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.

In September 2025, a security incident was detected in the company's IT infrastructure. The established internal protocols were immediately activated, leading to urgent checks and a thorough review of the affected systems. As a result of this analysis, it was confirmed that certain customer identification and contact details, including the CUPS number, had been leaked; however, under no circumstances were bank details, access credentials or passwords compromised.

The company immediately informed all potentially affected customers via email and SMS, supplementing this action by publishing the relevant information on its corporate website. Furthermore, the incident was promptly reported to the relevant authorities, including the National Cybersecurity Institute (INCIBE), the Spanish Data Protection Agency and the Civil Guard, with transparent, proactive and continuous communication maintained at all times. As an additional measure, the security of the Virtual Office was strengthened through the implementation of a two-factor authentication system.

The incident, which was managed effectively and satisfactorily, has provided a further boost to the company's commitment to the continuous improvement of its security systems. The experience has highlighted the need to expand coverage in certain layers of the existing defence model, based on device encryption, SIEM-SOC, multi-factor authentication (MFA), endpoint detection and response (EDR), network isolation and penetration testing, thereby enabling the acceleration of actions already outlined in the strategic roadmap.

In this context, third-party monitoring mechanisms have been strengthened, systems' exposure to the internet has been reduced, data retention on auxiliary systems has been limited, and the use of multi-factor authentication has been extended to all environments. Similarly, controls over privileged users have been strengthened, collaboration with the SOC has been reinforced, the updating of obsolete software has been prioritised, and response protocols have been adjusted with the aim of optimising reaction times to potential future incidents.

At Madrileña Red de Gas, cybersecurity is viewed not only as a regulatory obligation, but as a strategic responsibility and an ongoing commitment to customers and society as a whole. The 2025 financial year has been a year of progress, learning and consolidation, during which internal capabilities have been significantly strengthened with the aim of ensuring the company's security, operational continuity and resilience.

Information security and personal data protection

In 2025, Madrileña Red de Gas successfully completed the certification of its Information Security Management System in accordance with the current ISO 27001 standard, thereby reinforcing its framework for information control and protection. This system is fully aligned with the Company's Integrated Management System and incorporates the personal data protection management model within its scope, ensuring consistent and robust information security management.

Furthermore, certification has been achieved by extending the initial scope to include the logistics facility in Alcorcón, reinforcing the organisation's commitment to information protection and the continuous improvement of its management systems.

During the 2025 financial year, and in line with the previous year, Madrileña Red de Gas has continued to allocate financial, technical and human resources to the development of various initiatives aimed at strengthening the system.

Throughout the financial year, information security performance remained stable, although two significant incidents occurred that required specific management. Firstly, the nationwide power cut in April, and secondly, an information security breach in September. Both incidents were managed in accordance with established procedures, enabling lessons to be learnt and preventive and response measures to be strengthened, with the aim of continuing to improve the system's resilience and robustness.

During 2025, the management of personal data protection has focused primarily on addressing data subjects' rights, resolving enquiries and managing incidents, many of which were linked to the interpretation of current regulations.

Madrileña Red de Gas has appointed a Data Protection Officer, who acts as the highest authority on this matter within the organisation and participates actively in the main governing bodies.

In addition, the company has appointed a Head of the Information Security Management System, as well as a Head of Technical Security, supported by a team of specialist administrators, ensuring a robust and appropriate governance structure for the comprehensive management of information security and personal data protection.

Furthermore, based on the information security and personal data protection policies, Madrileña Red de Gas has management manuals comprising more than eighteen information security and personal data protection procedures. These procedures are subject to periodic reviews to ensure their content remains up to date.

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

- ✧ Publication on the website of the 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.
- ✧ Employee awareness and training activities.
- ✧ Interaction with bodies and authorities, such as the Spanish Data Protection Agency (AEPD) and the National Cybersecurity Institute (INCIBE).

- ✧ Furthermore, the following actions, amongst others, are fully integrated into the management system:
- ✧ Establishment of specific contractual clauses regarding information security and personal data protection, and identification of critical suppliers from an information security perspective.
- ✧ Coordination with data controllers on data protection matters through meetings, standardisation of criteria and agreements on best practice.
- ✧ Monitoring of information security and data protection performance across the supply chain via the supplier portal, including the assessment of the maturity of their privacy policies and the corresponding audit reports.
- ✧ Recording and investigating information security and data protection incidents, as a basis for implementing continuous improvements.
- ✧ Reassessment of the risks associated with the processing of personal data as a result of the security breach that occurred.
- ✧ Commencement of the review of the cybersecurity contingency plan, incorporating the improvement measures derived from the drill carried out and the experience gained following the actual activation of the plan.
- ✧ Continuation of work to bring the management model into line with the requirements of the NIS 2 Directive.

Nationwide power cut

In April 2025, a nationwide power cut occurred, affecting Spain, Portugal and parts of southern France as a result of an abrupt interruption in electricity generation. This incident had an impact on the operations of Madrileña Red de Gas, although no significant information security incidents were recorded.

The main impact centred on access to certain corporate systems, without significantly affecting the operations or data integrity of critical systems, with the exception of the SCADA system, which experienced access limitations. Essential services, such as the emergency call centre and the SAP system, remained operational, albeit with occasional restrictions on remote access. Field services continued to operate with minimal disruption.

Customer service was maintained through the activation of contingency plans, with only a temporary reduction in the volume of interactions being detected. The incident highlighted the robustness of Madrileña Red de Gas's technological infrastructure, in particular the support provided by cloud services and the use of backup power systems, as well as the need to strengthen internal and external communication protocols in the face of this type of situation. As a result of the analysis carried out, it was agreed to adopt additional measures aimed at strengthening the organisation's resilience.

Security breach

In September 2025, Madrileña Red de Gas identified a security breach involving unauthorised access to personal data of customers and users. The procedures established in the Information Security Management System (ISMS) were immediately activated, including the measures set out in the cybersecurity emergency plan, thereby containing the incident, complying with applicable legal obligations and notifying the relevant authorities.

The 2025 financial year closed without any new incidents affecting information security or the protection of personal data, nor any additional requests for information from the AEPD. This positive development is reflected in the ISMS management indicators for the end of 2025.

Project Turing: towards a data-driven organisation

In 2024, Madrileña Red de Gas launched the Turing Project, a strategic initiative aimed at consolidating the company as a fully data-driven organisation. The project has the firm backing of senior management and a Data Governance Committee reporting directly to the CEO, reflecting the strategic importance attached to advanced information management.

The main objective of the Turing Project is to strengthen data-driven decision-making, increase operational efficiency and contribute to enhancing the business's competitiveness.

The initiative is being implemented through a three-year master plan and is led by a multidisciplinary team, with active participation from all business units. During the first year, efforts focused on defining and consolidating the data strategy, making progress on key milestones such as:

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

This first year of deployment has laid the foundations for a robust model that not only organises and structures corporate information, but also significantly transforms the way data is managed and used in the company's day-to-day operations.

This progress has been achieved through the gradual migration of the main financial and economic, commercial, project, billing, distribution, asset management and other key areas to a corporate data lake. In the 2025 financial year, the 18 main reporting structures were developed within this environment, the ETL (extract, transform and load) architecture was defined and implemented, and a significant proportion of the business's critical data is now integrated into the new ecosystem.

The new architecture enables the automated daily ingestion of information from multiple sources, consolidating the data into a single, robust and scalable environment. As a result, existing reporting solutions that had become redundant have been phased out. In many cases, data processing times for report generation have been reduced from several days to just minutes.

The adoption of this model has led to a substantial improvement in data governance and quality, reducing inconsistencies, increasing data traceability and facilitating more agile, reliable and consistent access to corporate information.

Thanks to this transformation, processes that previously required several hours of preparation and calculation can now be carried out in a matter of minutes, which has significantly increased team productivity and enabled more advanced, dynamic and decision-oriented analyses.

Likewise, performance in data utilisation and reporting has been significantly optimised, including reports intended for regulatory bodies and external entities.

Overall, this project represents a key milestone in the evolution towards a more digital and data-driven organisation, with greater capabilities to anticipate, control and respond to future challenges.

Artificial Intelligence as a productivity tool across the organisation

Beyond specific use cases, Madrileña Red de Gas has taken a further step in 2025 with the deployment of Artificial Intelligence as a cross-functional productivity tool.

Throughout the year, an internal campaign of workshops and short training sessions has been developed to train teams in the responsible and efficient use of AI as an assistant in day-to-day tasks. Key areas of application include:

- ✦ Analysis of documents and regulations.
- ✦ Drafting of documents and reports.
- ✦ Executive summaries and structuring of complex information.
- ✦ Exploratory data analysis and forecasting.
- ✦ Information search and synthesis.

This initiative not only boosts individual efficiency but also fosters a new working culture supported by intelligent tools, freeing up time for activities with greater added value.

Towards a mature and decentralised model

The third year of the Turing Project will focus on deepening advanced analytical capabilities and evolving towards a decentralised model, in which the business units themselves take a leading role in driving data-driven initiatives, with a greater degree of autonomy and supported by staff with progressively greater expertise in strategy and analytics.

Through the Turing Project and the progressive integration of Artificial Intelligence into both its processes and its organisational culture, Madrileña Red de Gas reinforces its commitment to innovation, operational excellence and informed decision-making. This approach lays the foundations for a more efficient and competitive management model, equipped to successfully tackle the future challenges facing the business and the energy sector.



3. BUSINESS

In 2025, Madrileña Red de Gas operated in a highly mature and strictly regulated environment, consolidating its leadership with over 906,000 supply points and a network of 6,192 km. Growth was driven by horizontal expansion, the conversion of over 1,800 LPG points to natural gas, and the deployment of over 14 km of new network, fully equipped for renewable gases.

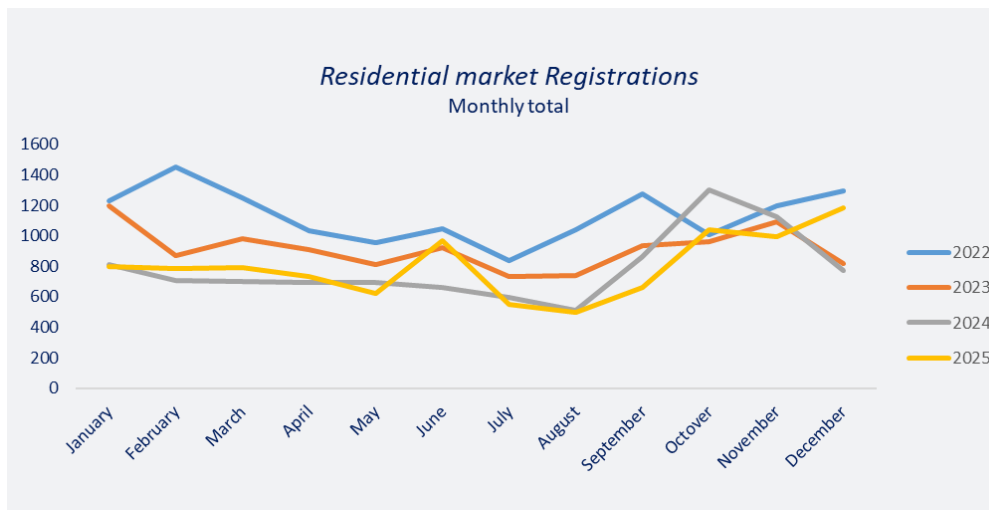
Furthermore, the company achieved 100% compliance with preventive maintenance, carrying out over 11,000 technical interventions, improvements to SCADA, remote metering and operational control, and ensuring a high level of supply reliability.

Emergency management maintained high standards, with effective average response times for priority alerts, reinforcing a robust and resilient technical model.

Residential market

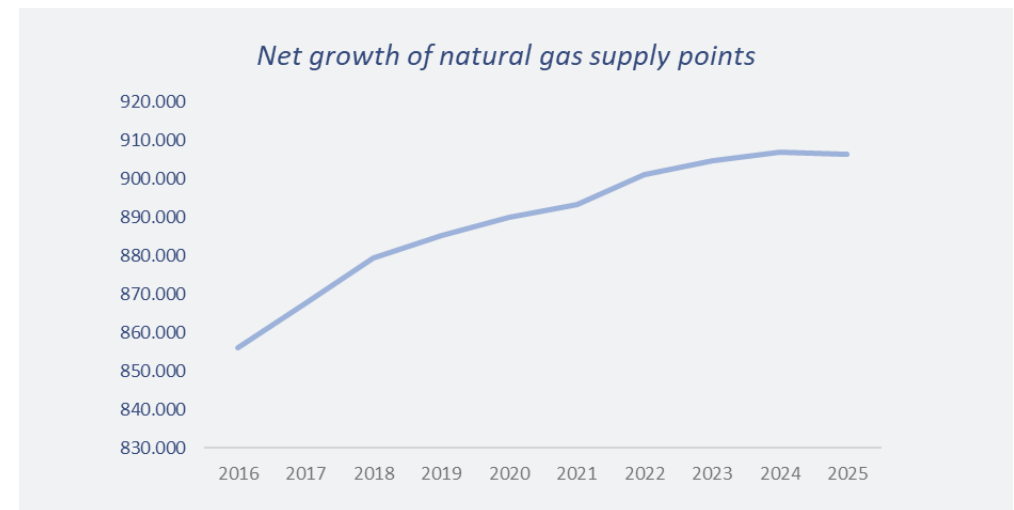
During the 2025 financial year, Madrileña Red de Gas operated in a highly complex environment, characterised by an increasingly demanding regulatory framework and an institutional narrative focused on electrification. Despite these challenges, the company has succeeded in reaffirming the relevance of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

In 2025, Madrileña Red de Gas maintained the trend observed in recent years, consolidating steady and sustained growth in the acquisition of new supply points. The success achieved during this financial year is particularly noteworthy given the high degree of maturity of its distribution area, where the penetration rate now exceeds 80%.



In this context, growth is not based on expansions into large areas or new developments, but on a genuine process of ‘precision mining’, underpinned by highly specialised commercial management, aimed at identifying and capturing the remaining potential within established residential areas.

According to the findings of the “Quarterly Report on the Natural Gas Market in Spain”, published by the CNMC in 2025, which analyses issues such as growth trends, market share, etc., of supply companies and DSOs in the Spanish natural gas market. The conclusions confirm that Madrileña Red de Gas has established itself as the gas distributor with the highest number of supply points in the Community of Madrid, exceeding 906,000 active supply points.



Customer acquisition and property value

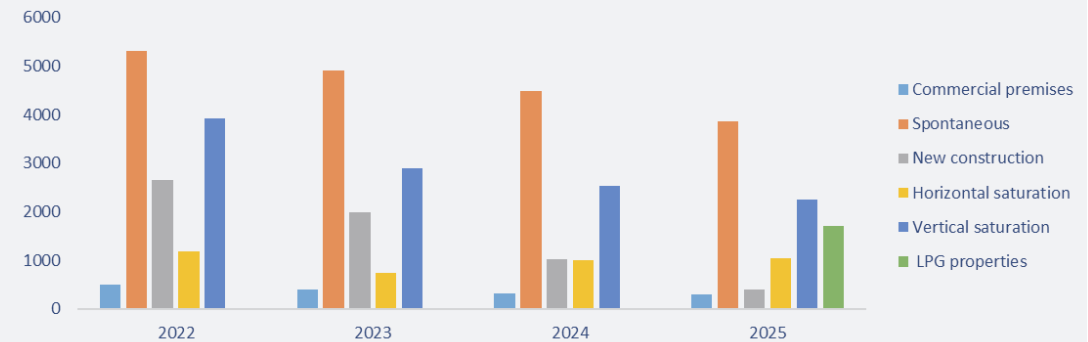
Given market saturation, Madrileña Red de Gas has diversified its growth drivers towards strategic segments where natural gas represents a significant competitive advantage, including the marketing of properties supplied with LPG. The company has launched a specific programme to acquire properties connected to Liquefied Petroleum Gas (LPG) networks, with the aim of unifying the regional energy infrastructure and providing users with substantial improvements in terms of safety, final price and continuity of supply.

Milestone in Horizontal Saturation

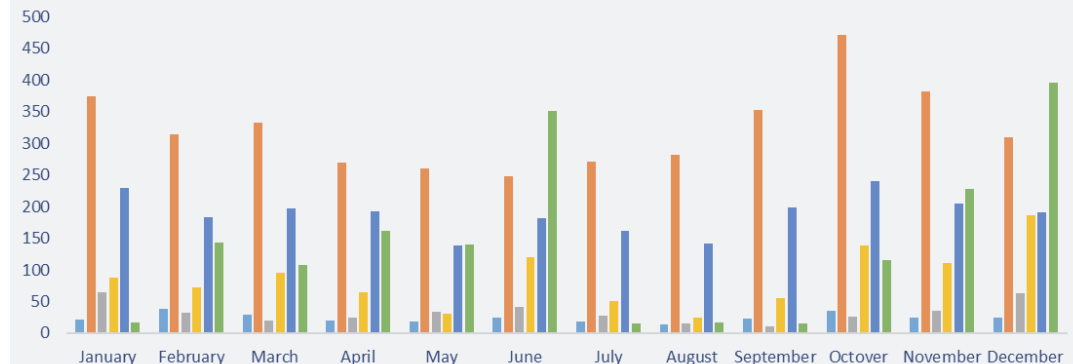
Madrileña Red de Gas's expansion activity has focused on horizontal saturation, a strategy that prioritises capillarity and efficiency over the dispersion of assets. In the commercial sphere, the company has launched various initiatives aimed at generating a stable portfolio of new customers, enabling this market to play a significant role in the company's overall growth.

One of the key factors behind the strong performance of the Horizontal Saturation market is Madrileña Red de Gas's firm commitment to investment and economic development in the Community of Madrid. Thanks to this ongoing commitment, new municipalities are connected to the gas network every year, with more than 15 municipalities having been incorporated over the last eight years.

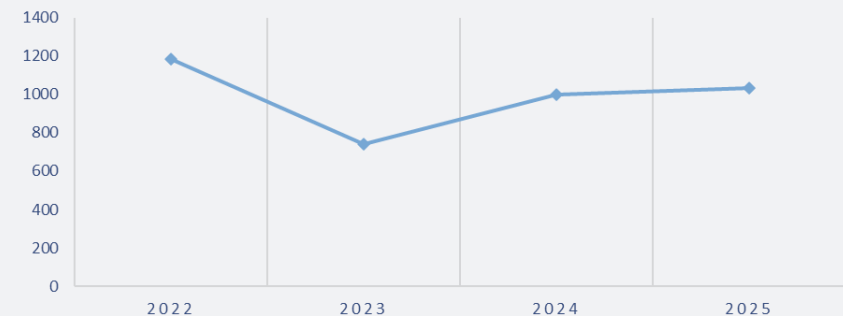
*Annual evolution of new contracts
Totals by market type*



*New Contracts 2025
Monthly totals by market type*



HORIZONTAL SATURATION – TREND



Investment in new infrastructure

Madrileña Red de Gas has installed over 14 kilometres of new network extensions on public roads. This roll-out has focused primarily on connecting occupied properties which, although located within the distributor's catchment area, had previously lacked a connection at the front of the building.

100% of the installed infrastructure has been designed in accordance with state-of-the-art standards, ensuring full compatibility with the future distribution of renewable gases, including biomethane and green hydrogen. In this way, each new section of pipework is ready to operate with gases from sustainable sources.

Decentralisation and individual autonomy

Madrileña Red de Gas has responded effectively to growing consumer demand to move from centralised models towards systems with individual supply points (CUPS). This transition enables the acquisition of new customers within the existing network, granting full consumption autonomy to each end user. This approach also helps to increase the resilience of the customer base.

Promoting low-penetration Community Gas Reception Facilities (IRC)

Madrileña Red de Gas has achieved notable commercial success in the development of Community Receiving Installations (IRC) in buildings where uptake is limited to a small percentage of dwellings. This has enabled the creation of a specific commercial product, designed to facilitate access to the supply in inhabited properties where other solutions were not viable.

The installer channel: a strategic partner

Success in securing new supply points in a highly saturated market would not have been possible without close collaboration with authorised installation companies and their leading trade association, AGREMIA.

Madrileña Red de Gas has strengthened its alliance with this group, playing an active role as a technical and commercial facilitator. Installers have established themselves as a key element in maximising the performance of the more than 14 km of network extended through 'door-to-door' marketing, identifying renovation opportunities and advising end customers directly. Their work has been crucial in conveying to users the benefits of switching to natural gas, particularly compared to less efficient alternatives.

A model of sustainable growth

The results for the financial year highlight the strength and resilience of Madrileña Red de Gas in the face of a particularly adverse environment. The expansion of the network by more than 14 kilometres within a market with a saturation level exceeding 80% is a clear indicator of the company's ability to continue generating growth even in conditions of intense competition and sector maturity.

Madrileña Red de Gas has not only increased its asset and customer base but has also consolidated a comprehensive, modern network that is fully prepared for present and future challenges. In this context, natural gas is confirmed as the most realistic and efficient alternative for advancing the energy transition in the Community of Madrid, enabling progress towards decarbonisation without compromising coverage or leaving behind the existing residential stock.

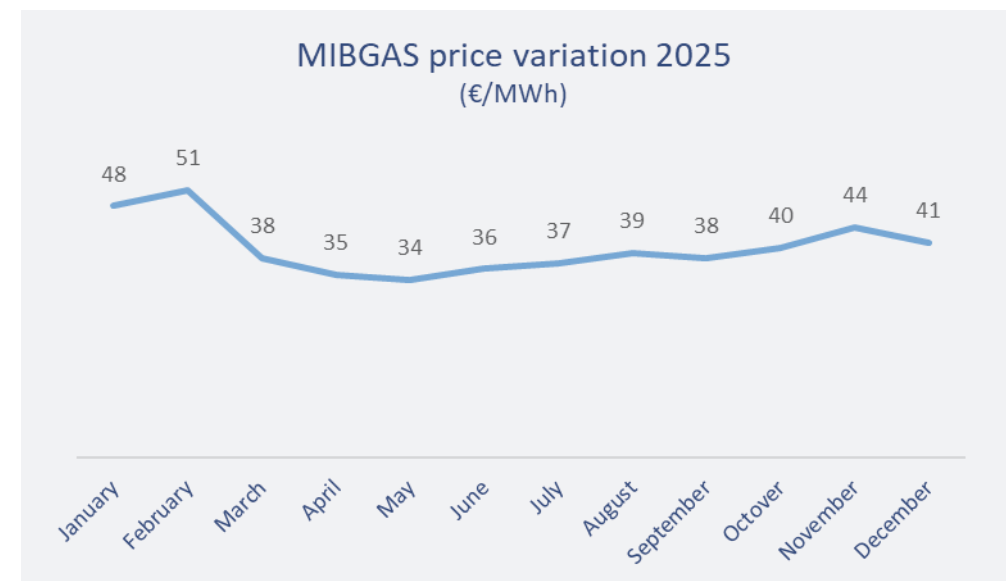
Furthermore, the majority of the network is modern and constructed from polyethylene, a material that offers high levels of safety, durability and operational efficiency. Unlike the situation in the electricity sector, the current gas infrastructure presents no limitations to the addition of new connections, as it maintains a capacity that would allow for the conveyance of up to three times the flow currently distributed.

This robustness makes the network a safe, meshed and highly resilient infrastructure, particularly in critical situations such as power cuts, geopolitical crises or episodes of extreme cold, such as those experienced during Storm Filomena.

Large-scale consumption

In the large-scale consumption market, Madrileña Red de Gas has faced a year characterised by multiple challenges, which it has successfully overcome. The company ends the year with a total of 361 supply points and an annual consumption of 130 GWh. These results reinforce the confidence of various sectors in the advantages and competitiveness of natural gas.

Furthermore, the excellent results achieved by Madrileña Red de Gas in this market during 2025 are largely attributable to the gradual stabilisation and downward trend in natural gas prices throughout the year, as shown in the following graph.



Industrial market

This confidence is reflected and reinforced by the renewed commitment of several of Madrileña Red de Gas's industrial customers to natural gas, using this energy in their new production lines. This confirms that it is the most competitive and efficient option for their industrial processes. Leading companies such as Martinrea Honsel, the Patatas La Santa María factory and ABN have chosen to maintain and expand their natural gas-based facilities, thereby consolidating their commitment to this energy source.

As anticipated in the previous financial year, the paint booth workshop segment has established itself as a strategic market by 2025. In line with Madrileña Red de Gas's commitment to driving its development, a specific campaign was launched aimed at converting paint booths from diesel to natural gas, providing a financial contribution towards the cost of replacing the burner. This initiative, supported by intensive commercial efforts and direct collaboration with the company's sales force, has effectively communicated to customers the competitive advantages of natural gas over other fuels.

As a result of this campaign, 16 new workshops were brought into service in 2025, notably including two large-scale centres which, together, consume nearly 2 GWh per year. The success of this initiative reinforces Madrileña Red de Gas's commitment to continuing it over time, thereby contributing to the modernisation and improved 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 Madrileña Red de Gas's distribution area. This growth reaffirms the competitiveness of natural gas as an energy solution for this business model.

Institutional market

In the institutional market, Madrileña Red de Gas has made progress in extending the supply of natural gas to essential services, commissioning two new crematoria (M40 and Leganés) and connecting a total of 23 educational establishments. Furthermore, the company has identified a key opportunity in new educational developments. Faced with the technical difficulties and delays associated with other technologies, such as aerothermal energy, in the delivery of electrical power, Madrileña Red de Gas has proactively positioned itself to offer viable alternative solutions based on natural gas and biomethane.

In this same vein of collaboration with the public administration, Madrileña Red de Gas has worked closely with various local councils to facilitate their access to grants aimed at replacing heating systems with natural gas-based solutions in educational establishments. To this end, the company has provided these bodies with bespoke technical studies enabling them to modernise their facilities by taking advantage of the opportunities offered by the Regional Investment Plan.

As one of the most significant milestones of the financial year, the project to switch from propane to natural gas at the Alfonso X El Sabio University (UAX) in Villanueva de la Cañada deserves a special mention. This project presented a major challenge due to the large number of boiler rooms that needed to be adapted, which required the coordinated involvement of numerous companies and resources.

The success of the operation was based on the effective coordination between the network conversion works and the work on the internal installations, an essential aspect for ensuring the continuity of supply at all times and avoiding any disruption to the centre's academic activities.

This is undoubtedly a clear example of Madrileña Red de Gas's ability to coordinate multidisciplinary teams and provide an effective response to projects of this scale.



Boiler rooms

With regard to the market for boiler rooms in owners' associations, Madrileña Red de Gas carried out intensive and highly productive commercial activity throughout 2025. During the financial year, visits were made to nearly 70 associations, resulting in contracts being signed with 17 of them.

It is worth highlighting the company's ability to adapt to new trends in energy efficiency. In this regard, three of the housing estates have incorporated hybrid systems in which natural gas provides between 60% and 80% of the total installed capacity, thus demonstrating its full compatibility with other energy sources and its key role in the transition towards more efficient and sustainable energy solutions.

Furthermore, Madrileña Red de Gas has carried out essential work to build loyalty among residents' associations, representing approximately 1,500 homes, which had received proposals to replace their current systems with aerothermal installations. Thanks to the technical and energy advice provided by the company, it has been demonstrated that renovating their boiler rooms by incorporating new, more efficient natural gas solutions is the safest option for ensuring residents' comfort, whilst avoiding potential performance issues associated with other technologies.

This decision, which involves a significant investment by the homeowners, ensures that these communities remain long-term customers, consolidating both the continuity of supply and the stability of their future consumption.

Meanwhile, Madrileña Red de Gas is taking a proactive approach to the Móstoles district heating network, currently fuelled by biomass, where it has identified a key opportunity coinciding with the expiry of long-term contracts. Furthermore, numerous housing communities have expressed their dissatisfaction with comfort issues associated with the system, such as insufficient heating capacity or limitations in the availability of hot water.

In light of this situation, the company is actively working with property managers and community chairpersons to offer a switch to natural gas as the only alternative capable of guaranteeing the level of service and well-being that users demand.

Towards a smart model: data, control and green gases

To support all this market activity, Madrileña Red de Gas has introduced a number of new initiatives this year in the area of marketing campaigns, aimed at driving growth. Among these, the introduction of a commission scheme for new connections stands out; this initiative has proved a resounding success by significantly speeding up the activation of new supply points.

In parallel with the commercial initiative, and thanks to the team's fieldwork and detailed knowledge of the customer portfolio, various instances of fraud among large consumers were detected and rectified. The team's direct intervention has been crucial in minimising losses and ensuring the correct accounting of associated consumption.

Taking a further step in optimising its processes, Madrileña Red de Gas has made significant progress in data analysis thanks to the systematic recording of file information on its internal platforms. This progress has enabled the development of a Portfolio Report in Power BI, a tool that provides an accurate overview of market forecasts and facilitates strategic decision-making based on real-time, up-to-date information.

Finally, and with an eye to the future, the company is actively working on the development of decarbonisation solutions for its customers. Madrileña Red de Gas is currently negotiating strategic agreements with various gas suppliers to offer biomethane as an alternative, responding to the growing need for businesses to reduce their carbon footprint and reaffirming that its infrastructure is fully prepared to transport renewable gases.

New-build

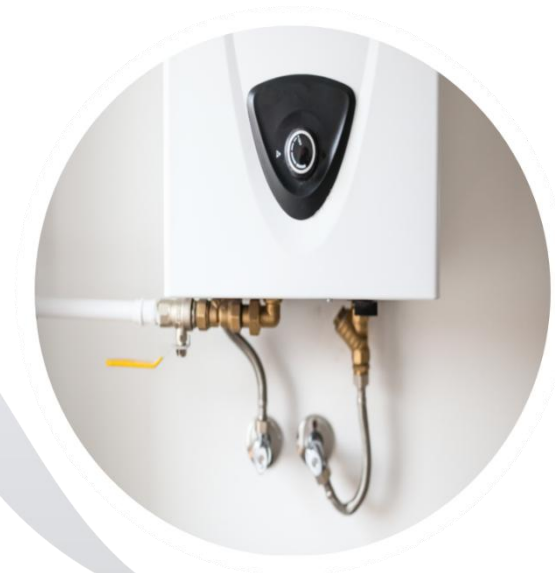
By 2025, the new-build market has consolidated the transition towards heat pump systems (aerothermal energy), driven by compliance with the Technical Building Code (CTE) and other factors that directly influence this market.

In this context, the current framework of the Technical Building Code (CTE), relating to the design of new buildings, places a very strong emphasis on electrification via heat pumps as the virtually exclusive solution for meeting primary energy consumption and emissions requirements.

However, this approach does not adequately recognise that a conventional gas boiler can operate entirely on biomethane, a renewable gas produced from organic waste with a carbon-neutral, or even negative, carbon footprint, thus constituting a 100% renewable alternative. By failing to consider this possibility, the CTE effectively creates technological discrimination against solutions that could contribute to decarbonisation by utilising existing infrastructure.

Despite this situation, Madrileña Red de Gas has maintained close collaboration with the main housing developers, holding various individual meetings with each of them.

The main objective of these meetings is to consolidate the current use of natural gas as an essential infrastructure and as a gateway to biomethane and, in the future, even green hydrogen. In this context, Madrileña Red de Gas actively promotes the hybridisation of aerothermal and natural gas systems as an efficient and transitional solution.



It is also worth noting that during the current financial year, Madrileña Red de Gas has installed over 3,500 metres of third-party networks linked to future urban developments. These infrastructures are fully prepared for the distribution of renewable gases, thereby facilitating the gradual integration of future hydrogen networks.

Madrileña Red de Gas is installing distribution networks for renewable gases in 100% of new urban developments within its distribution area in the Community of Madrid. The exception is the city of Madrid, where this alternative is not being pursued.

In developments such as 'Madrid Nuevo Norte', the decision has been taken not to deploy gas distribution networks or to provide infrastructure ready for biomethane or renewable hydrogen. This decision limits future technological flexibility and hinders a diversified and resilient energy strategy, reducing the system's flexibility and the complementarity between electrification and renewable gases for a carbon-neutral transition based on the complementarity between electrification, renewable gases and smart grids.

Throughout 2025, Madrileña Red de Gas has formalised collaboration agreements to promote various urban development projects in different municipalities across the region.

Thanks to these agreements, the construction of 32 kilometres of network is planned, an infrastructure that will enable the supply of more than 11,000 homes in the future.



Updates on the Technical Building Code

During November, the Ministry of Housing and Urban Agenda launched a public consultation and information process regarding the Draft Royal Decree amending the Technical Building Code, approved by Royal Decree 314/2006. The aim of this procedure is to gather comments and contributions on the initiative submitted for public consultation.

The proposed amendment to the Technical Building Code (CTE) promoted by the Ministry of Housing and Urban Agenda is being put out for consultation with the aim of partially transposing the Energy Performance of Buildings Directive (EPBD), introducing regulatory adjustments designed to strengthen requirements regarding energy efficiency, sustainability and decarbonisation in the building sector.

SEDIGAS has led a joint and coordinated response from the gas sector, in which Madrileña Red de Gas has actively participated, with the aim of highlighting its strategic role in the process of decarbonising the economy. In the current context of the energy transition, it is essential to analyse the reality of Spain's energy balance, with total demand amounting to 1,274 TWh/year.

The importance of the gas infrastructure is clearly reflected in the fact that the electricity system covers only 17.2% of this demand, whilst natural gas accounts for 27.3% of the total. These figures not only demonstrate the scale and significance of the gas system, but also consolidate it as an essential energy vector and a key pathway to achieving climate targets in an efficient, competitive and safe manner.

Based on this analysis, technical submissions and comments have been put forward with a view to updating the Royal Decree, specifically the Basic Energy Saving Document (DB-HE), in order to bring the regulations into line with the country's technical and climatic realities. The most significant aspects of these contributions are as follows:

✧ **Inclusion of biomethane:** A request has been made for the explicit inclusion of biomethane in the formal definition of energy from non-fossil renewable sources, in order to ensure its proper recognition within the regulatory framework.

✧ **Definition of zero-emission buildings:** It is proposed that energy generated from the combustion of renewable fuels produced on-site be expressly recognised as renewable energy for the purpose of covering annual primary energy use, thereby aligning the regulatory definition with the actual capabilities of these technologies.

✧ **Review of heat pump efficiency for DHW:** It is proposed that the current seasonal average efficiency requirement (set at 2.5) be supplemented by an additional minimum efficiency requirement under real winter conditions, adapted to each climate zone, in order to more accurately reflect their energy performance under normal operating conditions.

✧ **Efficient district heating and cooling systems:** In the assessment of these systems, consideration should be given to both security of supply and the limitations they may impose on consumers' freedom to choose their supplier, which are essential aspects for ensuring a fair and competitive framework.

LPG market

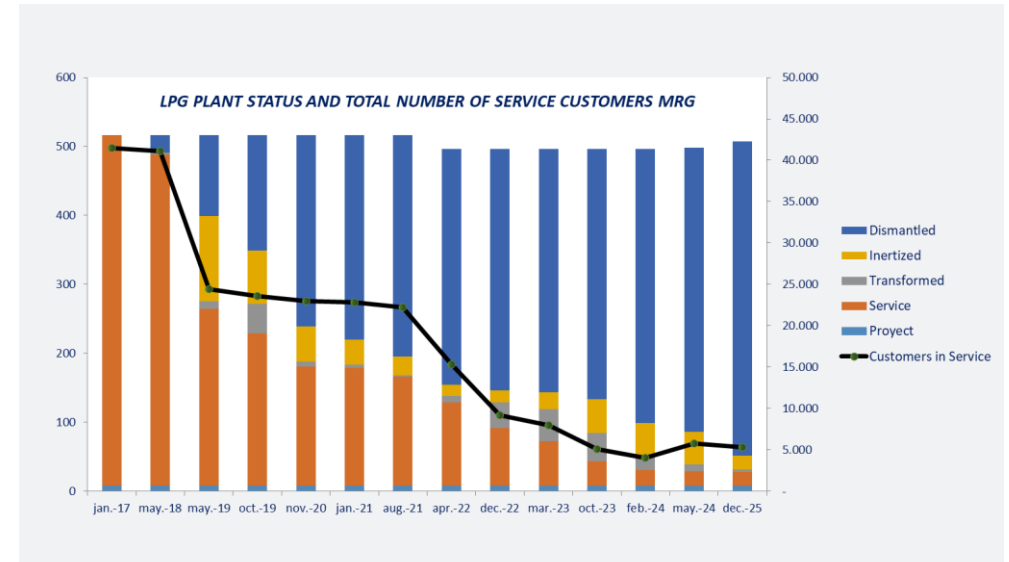
The LPG conversion: a model of sustained growth

The conversion of Liquefied Petroleum Gas (LPG) installations to Natural Gas is a historic and essential growth driver for Madrileña Red de Gas. This ambitious, long-term strategic plan reached a significant milestone in 2016 with the acquisition from Repsol Butano of more than 40,000 supply points, an asset that the company has been systematically transforming ever since. During the 2025 financial year, the business has maintained a consistent approach that consolidates this strategic vision, aimed at unifying infrastructure and modernising the region's energy assets.

Acquisition and transformation of Aliara GLP assets

As part of the completion of this strategic plan, Madrileña Red de Gas has reached a new milestone through the acquisition of more than 3,500 piped LPG supply points from Aliara GLP. This operation reinforces the organisation's firm commitment to consolidating its leadership in the energy transition across all its areas of influence, as well as to completing the expansion process begun almost a decade ago.

A testament to the company's operational agility is that, during the 2025 financial year itself, 740 of the points acquired from Aliara GLP have already been successfully converted and are now fully integrated into the natural gas network. This figure adds to the year's overall total, in which more than 1,800 supply points have been converted, thereby maintaining the organisation's solid organic growth.



Technical complexity: 23 km of network and reuse of materials

During the 2025 financial year, Madrileña Red de Gas's key differentiating factor lay in its ability to execute projects with a high level of technical complexity, achieving the comprehensive conversion of a total of 23 kilometres of network. The significance of this milestone lies in the diversity of the infrastructure involved, which included networks constructed from copper, steel and polyethylene.

The most significant technological challenge of the period was the reuse of existing steel and copper networks. This process required the application of high-precision engineering solutions, as well as the implementation of advanced technical cleaning protocols and highly sensitive leak-tightness tests.

Adopting this approach has made it possible to repurpose high-quality materials and optimise the existing infrastructure, reinforcing Madrileña Red de Gas's commitment to sustainability and the circular economy. In this way, the useful life of existing assets has been extended and the need for civil engineering works in established urban areas has been substantially reduced.

Benefits of the transformation: value for users and the region

The migration from LPG to natural gas carried out by Madrileña Red de Gas in 2025 has generated structural benefits for all stakeholders:

- ✦ Security and continuity of supply: eliminating dependence on local storage tanks and tanker lorries ensures a continuous supply via the network.
- ✦ Sustainability: the use of natural gas represents a significant reduction in CO₂ emissions compared to propane, helping local authorities align with decarbonisation targets.
- ✦ Cost-effectiveness: customers gain access to more competitive energy, with individualised metering systems and digital management tools.

- ✦ Future-proof infrastructure: the upgraded networks are designed to ensure compatibility with renewable gases, such as biomethane and hydrogen.
- ✦ Completion of comprehensive projects: such as those in the municipalities of Villanueva de la Cañada and Miraflores de la Sierra.

In this context, by 2025, Madrileña Red de Gas has demonstrated its ability to tackle complex environments through the comprehensive implementation of projects. In Villanueva de la Cañada, 2,200 installations have been upgraded, 500 of them during 2025, whilst in Miraflores de la Sierra, 1,150 customers have been connected, 520 in the same period. These results reflect the company's effectiveness in converting old distribution networks into modern, efficient energy infrastructures that are fully prepared for future challenges.

The results of the transformation project for the 2025 financial year reaffirm Madrileña Red de Gas's position as a leader in smart asset management. The acquisition and subsequent integration of the new points from Aliara GLP, together with the appropriate technical adaptation of 23 kilometres of network comprising various materials, demonstrates that the company not only maintains a solid growth rate, but also accompanies it with a high level of technical excellence, capable of transforming the existing infrastructure into a state-of-the-art energy network.

Commissioning and digitalisation

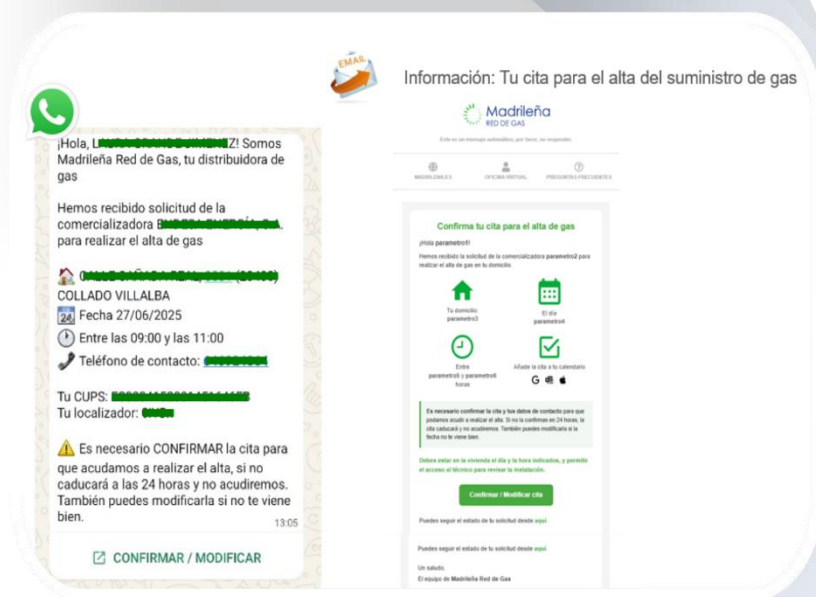
As announced at the close of the 2024 financial year, throughout much of 2025 Madrileña Red de Gas has implemented a new comprehensive gas commissioning process, resulting from a complete optimisation of the previous model. The main objective has been to optimise the customer experience whilst improving operational efficiency, reducing manual tasks and increasing the process's success rate.

The new approach begins the moment the registration request is received from the supplier, automatically triggering an appointment notification for the customer. This system allows the user to confirm the proposed appointment or easily change it, eliminating unnecessary steps and providing greater convenience: if the appointment suits them, they do not need to take any further action.

Throughout the entire process, a model of continuous, automated communication via WhatsApp and email has been incorporated, ensuring close, agile and effective monitoring. Furthermore, automatic validation of contact details, telephone numbers and email addresses has been implemented, requesting updates in advance in the event of inconsistencies, which reduces incidents and prevents delays.

As a key element of transparency, a unique reference number has been generated, allowing the customer to check the status of their registration at any time via the Virtual Office, with a timeline clearly showing which stage the process is at.

Operationally, the entire process is consolidated into a single work order, incorporating provisional statuses such as 'customer absent' or 'installation with defects', which facilitates comprehensive and structured control of each case.



All these procedures are carried out via a landing page integrated into the company's Virtual Office, which the customer accesses before completing their final registration as a user once their installation has been connected to the gas supply.

The communications sent to the customer not only provide direct access to the calendar to confirm or change the assigned appointment; they also allow the customer to view, in chronological order, all the actions taken since their request was received. Additionally, the system offers the option to update contact details should the user wish to make any changes.

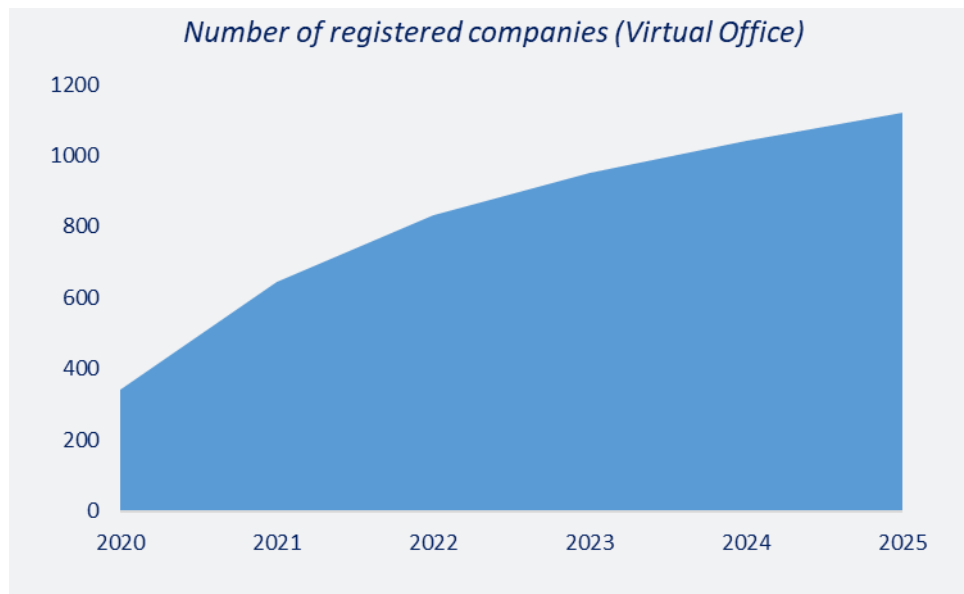
These improvements have generated direct benefits for both customers and the company. For customers, they have meant greater ease of use, increased visibility of information, greater peace of mind and significant time savings. For the organisation, they have contributed to a reduction in call volumes and manual tasks, as well as an increase in the overall efficiency of processes.

Thanks to this transformation, customer satisfaction levels have improved significantly. Specifically, the average customer satisfaction score (CSAT) for connection processes has reached 8.5, compared to 8.2 in the previous financial year. Similarly, the company has achieved an average rating of 4.6 out of 5 in reviews published on Google My Business.

Furthermore, with the aim of minimising waiting times, Madrileña Red de Gas has managed to maintain its ratio for processing connection requests at under 3 working days in 2025. However, on certain occasions it is not possible to complete the gas connection during the initial visit due to the existence of a significant proportion of older installations with defects. Nevertheless, thanks to direct coordination with installation companies and the technical staff's ability to resolve minor issues during the inspection, the company has managed to keep its average time for gas connection below 5 working days.

The volume of projects managed by the department relating to network expansion and the installation of new connections has remained at levels very similar to those of the previous financial year. In 2025, almost 500 projects were processed, a figure comparable to that achieved in 2024. Furthermore, in properties that already had a gas supply, more than 120 applications were received to extend communal installations in order to bring gas to homes and premises that did not yet have it. This volume is virtually the same as that recorded the previous year.

At the same time, the number of installation companies registered with the Madrileña Red de Gas Virtual Office continues to grow steadily. During 2025, 76 new companies joined, bringing the total number of registered installation companies to 1,121.



These indicators show that the gas sector continues to evolve and is not stagnating, contrary to what certain forums may suggest. There are still municipalities with scope to increase their penetration rate, and the data show that there are customers who continue to opt for this supply with a forward-looking approach. This reflects the increasingly widespread recognition that natural gas plays a fundamental role in the green transition, as it forms the basic infrastructure for the gradual integration of renewable gases, such as biomethane and green hydrogen.

New municipalities

During the 2025 financial year, Madrileña Red de Gas has maintained and strengthened its commitment to the growth and expansion of its natural gas network. The company's strategic objective remains to bring a convenient, efficient and competitive energy source—namely natural gas—to a growing number of homes and businesses.

In the municipality of Casarrubuelos, where the supply was launched the previous year, 4,292 metres of new network have been laid, reflecting a very positive response from the public. At the end of the financial year, 276 customers were already using the service and a further 90 had signed up, with their installations pending completion.

In the municipality of Moralarzal, Madrileña Red de Gas has successfully completed the construction of the link from Collado Villalba, an essential piece of infrastructure for enabling the distribution of natural gas in the area. The company is currently awaiting the municipal licence that will allow it to begin construction of the internal network, designed to comprise a main trunk line and two main branches.

In the municipalities of Casarrubuelos and Moralarzal, a digital campaign has been launched to announce the arrival of natural gas and promote its benefits. This initiative has yielded very positive results, helping to boost interest and sign-ups for the service in both areas.

These developments reaffirm Madrileña Red de Gas's commitment to extending a competitive, modern and essential energy source to new municipalities, driving the development of gas infrastructure.



Commercial initiatives

Growing Together 2025 event

As every year, Madrileña Red de Gas kicked off the financial year with its regular “Growing Together” event, held on 6 February 2025 at the hotel designated for the occasion.

Throughout the day, attendees had the opportunity to participate in various presentations organised in a round-table format, during which the commercial campaigns planned for 2025 were presented. The organisational structure of the Expansion Department was also outlined, providing a comprehensive and up-to-date overview of the strategic lines that will guide activities during the new financial year.

During the sessions held at the various round tables, the main challenges and opportunities facing the gas sector were addressed in an environment characterised by growing competition with other energy systems.

Representatives from the sector’s leading organisations shared their concerns, knowledge and experiences, fostering a dynamic and enriching space for professional 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 tender.

Madrileña Red de Gas emphasises the importance of holding such meetings, which are essential for fostering ongoing communication and facilitating adaptation to market criteria and demands.

The successful staging of the event once again highlighted the importance of cooperation within the sector, enabling participating companies to continue moving forward together in an environment characterised by constant change.

In recognition of the loyalty and commitment shown, a prize draw was held amongst the attendees, with three prizes awarded to the companies that achieved the best results for the financial year.



Generic campaigns and installer network

In 2025, Madrileña Red de Gas presented its new commercial campaigns, which represent significant growth opportunities for the company. As they are targeted at specific market sectors, the aim is to tailor value propositions to ensure that each customer receives an offer tailored to their needs. This approach improves customer satisfaction and increases the effectiveness of current sales channels.

The main strategic lines, as well as the incentives associated with these campaigns, are detailed below:

- ✦ Madrileña Red de Gas remains committed to decentralisation processes, offering grants of up to €650 per supply point, with the aim of winning back those homes that choose not to rely on a centralised system and wish to increase their energy independence.
- ✦ The campaign targeting multi-family buildings has been renewed, offering grants of up to €450 per supply point, with the aim of expanding Madrileña Red de Gas's presence in high-rise buildings.
- ✦ Furthermore, the campaigns targeting single-family homes are being expanded, with grants of up to €500 per supply point, thereby facilitating the installation of more convenient, safe, economical and modern energy systems.

Marketing strategies

Brand evolution: from Calderín to Caldegreen

Following the launch of “Calderín” in 2024, during 2025 the character has evolved into Caldegreen, a “superhero” symbolising the potential of biomethane and its contribution to the decarbonisation of natural gas boilers.

The main objective of this initiative is to raise awareness of the role of clean energy in reducing emissions, as well as to promote knowledge about the use of green gases in conventional systems.

During this period, Madrileña Red de Gas has produced two corporate videos, three blog posts and a dedicated landing page, aimed at combating misinformation and clearly explaining how renewable gases work and their benefits in conventional boilers.



"Boiler ready for green gases" campaign

The digital campaign has delivered highly satisfactory performance indicators, reflecting a wide reach and significant levels of engagement.

The main overall results are summarised below:

- ✧ Total impressions: 4,068,110
- ✧ Total clicks to the Caldegreen landing page: 5,036
- ✧ Top by click volume: marca.com / elmundo.es / mundodeportivo.com / as.com / okdiario.com
- ✧ Top by CTR ($\geq 20k$ impressions): marca.com / elespanol.com / elconfidencial.com / elnacional.cat / elpais.com.

Key positives to highlight are:

- ✧ Media aligned with the message: The campaign achieved significant coverage in high-performing general and technology media (see previous rankings).
- ✧ Scale and consistency: over 4 million impressions were achieved whilst maintaining a stable CTR of 0.12%, demonstrating sustained performance throughout the campaign period.
- ✧ Efficiency with warm audiences: Retargeting actions led the click-through rate, with a CTR of 0.19%, demonstrating their suitability for consideration phases.
- ✧ YouTube's contribution: The platform accounted for approximately 25% of total impressions, boosting the campaign's reach.

- ✧ High engagement with audiovisual content: The campaign's main video on YouTube achieved an engagement rate of nearly 50%, indicating that half of the users who viewed the content watched it, clicked on the link or shared it.
- ✧ Significant engagement: Over 5,000 clicks were generated and a view-through rate (VTR) of 60% was recorded for the campaign's main video.
- ✧ Key platforms: The media outlets that drove the most traffic were marca.com, elmundo.es and elpais.com.

All information available at <https://caldegreen.es/>



Es un combustible ecológico producido a partir de residuos orgánicos y energías verdes:

- Biometano**
Se obtiene de residuos agropecuarios y urbanos. Su composición es similar al gas natural, pero sin emisiones de CO₂ adicionales.
- Hidrógeno verde**
Se produce mediante electrólisis del agua con energía solar o eólica. Al utilizarlo, sólo emite vapor de agua.

Los gases verdes son muy similares al gas natural convencional en términos de uso y eficiencia, pero más respetuosos con el medio ambiente. De hecho, se trata de un combustible clave para alcanzar el objetivo europeo de ser climáticamente neutros en 2050.

Actualmente, ya se está utilizando en el sector industrial y transporte profesional, y ahora ya está listo para llegar a tu vivienda. ¡sin necesidad de realizar ningún cambio en tu instalación!

¿Qué son los gases verdes?

Billboard poster

During 2025, Madrileña Red de Gas produced various promotional materials designed both to inform the public and for advertising purposes. These materials were displayed on the construction hoardings of network contractors, including their contact details, with the aim of facilitating access to information and reaching out to all potential customers within the company's distribution area.

Digital campaign for new municipalities

In collaboration with the agency TMH, Madrileña Red de Gas rolled out various hyperlocal campaigns, designed to reach users within a radius of up to 100 metres around strategic points of interest. The aim of these initiatives was to promote the arrival of natural gas in new municipalities, offering advantageous contract terms and raising awareness of the future transition to green gases and sustainable energy.

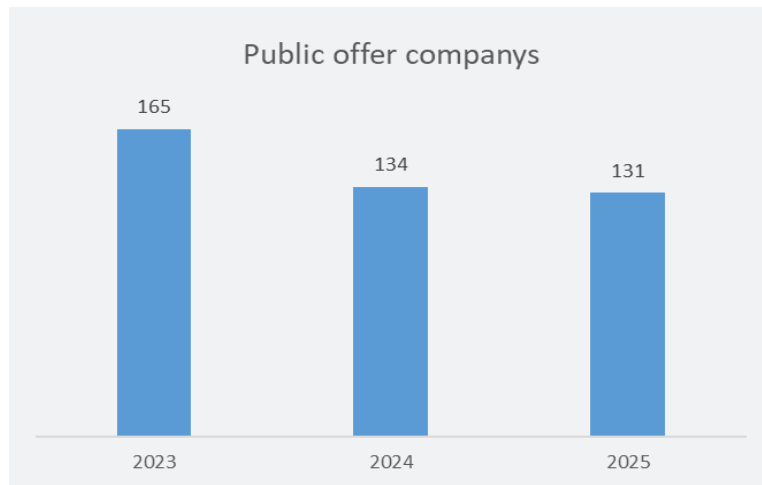
The main pillars of the strategy were as follows:

- ✦ **Audience and reach:** People aged between 30 and 65 living in the municipalities of Moralarzal and Casarrubuelos, reached through hyperlocalisation techniques within a 100-metre radius.
- ✦ **Channels:** Distribution via video formats, static and dynamic banners, as well as Native Prime placements in high-visibility media, with the aim of maximising traffic to the landing page.



2025 Public offer

In 2025, a total of 131 installation companies signed up to Madrileña Red de Gas's Public Offer, demonstrating, once again, the loyalty and commitment of the installation sector to the company's commercial proposal.



Further information: <https://www.madrilena.es/colaboradores>

Other initiatives

Marketing of the municipality of Moralarzal

During 2025, Madrileña Red de Gas began marketing the municipality of Moralarzal, handling the necessary licences and permits for the construction of the planned distribution network. These preparatory works will enable the construction of this infrastructure to begin during 2026.

In this first phase, Madrileña Red de Gas is carrying out the prospecting and commercial work necessary to enable the roll-out of natural gas in the municipality.

Consolidation of the municipality of Casarrubuelos

During 2025, Madrileña Red de Gas consolidated the natural gas network in the municipality of Casarrubuelos, laying over 4,000 metres of pipework and enabling the supply of gas to more than 300 homes, representing a penetration rate of 20% of households in the municipality in just one year.

The investments made by the company in Casarrubuelos are detailed below:

- ✦ **Infrastructure:** A net investment of over one million euros was made in networks and connections.
- ✦ **Commercial initiatives:** At the same time, customer acquisition initiatives were carried out in the area, including direct contributions aimed at boosting customer sign-ups and strengthening both the commercial presence and service coverage in the municipality.

Distribution network

During the 2025 financial year, Madrileña Red de Gas achieved 100% completion of its Preventive Maintenance Plan, ensuring the proper upkeep and safety of the 6,192 km distribution network, as well as the auxiliary facilities and the LNG and LPG satellite plants.

The implementation of the Preventive Maintenance Plan during the financial year included, amongst other significant actions:

- ✂ **Scheduled operations**, involving the completion of more than 11,000 technical interventions, aimed at ensuring the correct functioning of the infrastructure.
- ✂ **Pressure control**, ensuring the proper performance of the regulation systems across their entire operating ranges.
- ✂ **Network monitoring**, through leak testing of 3,353 km of infrastructure, contributing to the safety and reliability of the supply.
- ✂ **Asset reliability**, with the operation and verification of over 7,200 valves.
- ✂ **Structural protection**, through the performance of 3,500 cathodic protection measurements on steel networks, as well as 1,000 painting and cleaning operations, aimed at preserving the long-term integrity of the assets.

In the area of corrective actions, all necessary repairs and renovations have been carried out to address the incidents detected, in strict compliance with applicable regulatory and legislative standards. The primary objective of these actions has been to maintain the highest levels of network safety and ensure the continuity of supply to all customers.

Sustainability and environmental commitment

Madrileña Red de Gas has continued to make progress with its plan for the gradual decommissioning of LPG facilities, developed in coordination with the municipalities of the Community of Madrid, with the aim of reducing the environmental impact of obsolete infrastructure and improving the network's integration into the urban environment.

The main actions carried out during the financial year were:

- ✂ **Removal of infrastructure**, through the decommissioning of 27 plants and 52 storage tanks, contributing to the safe disposal of out-of-service facilities.
- ✂ **Avoided emissions**, through the coordination of 50 transport operations with Repsol for the transfer of gas, preventing its release into the atmosphere and reducing fugitive emissions.
- ✂ **Circular economy**, ensuring the proper transport and treatment of waste at authorised plants, minimising environmental impact and effects on the local community.

Urban development and infrastructure safety

In parallel, the company has continued to promote initiatives aimed at modernising the network, adapting to new urban developments and improving operational safety, in line with criteria for sustainability, infrastructure resilience and occupational risk prevention.

Among the most significant initiatives are:

- ✦ **Modernisation of the network**, by replacing traditional materials (steel and copper) with polyethylene across nearly 2,000 metres of infrastructure, thereby increasing the safety and service life of the assets.
- ✦ **Adaptation to public infrastructure**, with the relocation of 3,000 metres of network as a result of new urban developments and the construction of hospitals.
- ✦ **Burying the A-5 motorway**, with the renewal of over 2 kilometres of network affected by works commissioned by Madrid City Council, ensuring the continuity and safety of supply during their execution.
- ✦ **Safety**, with all work associated with these projects carried out without any accidents, reinforcing the company's commitment to occupational and operational safety.

Technical milestone: management and repair of vacuum loss in LNG tanks

During the 2025 financial year, a progressive loss of thermal insulation capacity was detected in two LNG satellite plants, each equipped with a single tank.

The cause of this incident was a natural physical phenomenon of thermal contraction. The passage of very low-temperature gas through the filling pipe caused longitudinal contraction of the metal material, generating tensile stresses which, in specific instances, resulted in a microscopic crack in the weld joint between the filling pipe and the tank. Consequently, air entered the vacuum chamber, negating the insulating effect of the double-walled thermos-type tank.

At all times, the tank remained airtight, and the safety of the installation was not compromised.

Locating a crack of this nature in a vacuum chamber is highly technically complex. To identify it, a high-precision testing technique was used: the helium leak test, which involves introducing this gas into the system. Due to the small size of its molecules, helium is able to pass through micro-defects imperceptible by other methods, and is subsequently detected using specific, highly sensitive equipment.

The permanent repair of this type of fault requires the complete emptying and inerting of the tank, which would have meant interrupting the supply for several days to the municipalities served by these plants.

To avoid this disruption, Madrileña Red de Gas activated a specific emergency plan aimed at ensuring continuity of service:

- ✂ **Supply via an LNG tanker**, by installing a fixed tanker truck at the plant, which temporarily took over the functions of the storage tank.
- ✂ **Temporary connections**, using hoses specially designed to transport the gas directly from the tanker to the plant, keeping the installation monitored at all times and ensuring the supply to the network of the affected municipalities.
- ✂ **24-hour security**, establishing continuous on-site surveillance due to the temporary and manual nature of the solution, with constant monitoring of pressures and levels, ensuring that the service was provided without interruption and under conditions of maximum safety.

Control Centre

During the 2025 financial year, Madrileña Red de Gas has made a qualitative leap in the monitoring and control of its networks, through the implementation of technological improvements aimed at enhancing safety, operational efficiency and the proactive management of infrastructure.



The main actions carried out were as follows:

- ✧ **Upgrading of the SCADA system** by updating to a new version of AVEVA's SCADA system, which has resulted not only in improved software but also in a significant advance in terms of robustness, reliability and accuracy in the management and utilisation of operational data.
- ✧ **Smart connectivity (IoT)**, achieved through the upgrade of the Unectic server and the firmware update of equipment deployed in the field. This new cloud infrastructure, combined with a more intuitive interface, enables remote incident resolution, reducing unnecessary travel and improving operational efficiency.
- ✧ **Preventive monitoring of LNG networks**, through the installation of new measurement points that allow for more detailed monitoring of pressures in the most remote sections of the network, enabling early detection of deviations and a reduction in response times to potential incidents.
- ✧ **Commitment to maintenance and remote management**, achieving 100% compliance with the remote management plan, with the execution of nearly 600 actions, both preventive and corrective, consolidating a predictive and proactive asset management model.
- ✧ **Gas quality control**, through approximately 100 monthly visits to the network to verify tetrahydrothiophene (THT) concentrations. These actions ensure that odourisation levels remain within the limits set by current regulations (18–22 mg/m³).

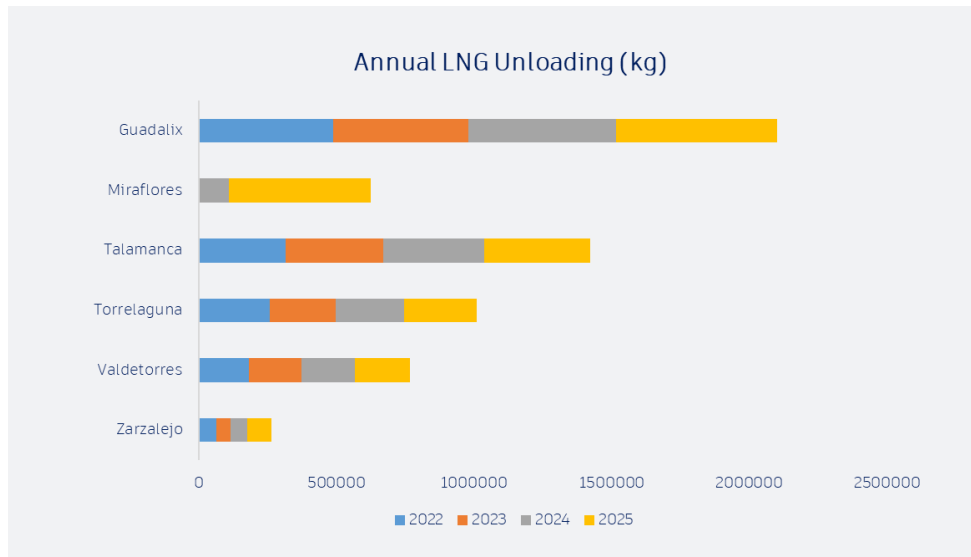
Furthermore, in line with its policy of continuous improvement of working environments, Madrileña Red de Gas has, during the financial year, upgraded the lighting systems at seven strategic facilities, with the aim of enhancing safety and working conditions for technical staff.

Furthermore, the company has made progress in its commitment to the transition towards more sustainable energy sources by installing photovoltaic self-consumption systems at five regulation and metering stations (ERMs), designed to power communications systems efficiently and with a lower environmental impact.

LNG logistics management

Guaranteeing supply across the entire network is a strategic priority for Madrileña Red de Gas. In this context, throughout the 2025 financial year, the Control Centre successfully managed the logistics of over two million kilograms of LNG, ensuring a continuous and reliable supply to thousands of households in towns such as Guadalix de la Sierra, Miraflores de la Sierra and Torrelaguna.

This operation was underpinned by exhaustive planning and coordination of unloading operations, carried out to high standards of precision, safety and operational efficiency.



Mapping: the map of excellence

Given that Madrileña Red de Gas's infrastructure is mainly located underground, the accurate and up-to-date identification of its route is a critical factor in ensuring operational safety and the proper management of assets. In this context, the company has continued to advance its commitment to technical precision, carrying out the following actions during the financial year:

- ✧ **Updating the territory**, through the completion of mapping adjustments in strategic municipalities such as Alcalá de Henares, Leganés and Valdemoro. Additionally, more than 32 kilometres of new network and nearly 1,900 connections have been incorporated into the system, increasing the reliability and level of detail of the available information.
- ✧ **Innovation in leak detection**, with the launch of a pioneering advanced spatial analysis project, which enables the cross-referencing of historical data to proactively identify the most vulnerable sections of the network. This initiative introduces the use of Big Data as a key tool for anticipating incidents and proactive risk management.
- ✧ **Mobility project**, aimed at equipping technical staff with digital solutions to facilitate fieldwork. Within this framework, a platform is being developed that will enable incidents to be recorded in real time from mobile devices, significantly optimising maintenance processes and improving operational efficiency and the traceability of actions.

Verification and measurement: accuracy and reliability

During the 2025 financial year, Madrileña Red de Gas has reached a significant milestone in the field of verification and measurement, consolidating a wide-ranging technical roll-out.

During this period, the upgrade of 100% of the industrial infrastructure was completed and over 3,300 replacements of remote metering equipment were managed, an initiative that goes beyond mere regulatory compliance and represents a structural transition towards greater operational efficiency and improved data reliability.

This process of technological renewal is a key element in enhancing the quality of information, the traceability of measurements and the optimisation of energy management, contributing to more accurate and informed decision-making.

The upgrade of the equipment fleet has been structured around three strategic areas:

- ✂ **Compliance with legal obligations**, ensuring that the equipment fully meets current regulatory and legislative requirements.
- ✂ **Platform migration**, aimed at adopting more advanced and robust systems capable of improving interoperability, security and data utilisation.
- ✂ **Proactive upgrading of secondary equipment**, anticipating technological obsolescence and reinforcing the overall reliability of the metering system.

Type of Action	Scope 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.

The transformation carried out is not limited to a hardware replacement, but represents a comprehensive evolution of the metering ecosystem. The gradual phasing out of obsolete systems and the implementation of a new technological platform have made it possible to eliminate the so-called 'blind spots' in the network, substantially improving the quality, accessibility and traceability of the information.

This upgrade delivers key operational benefits:

- ✂ **Accuracy**, thanks to more reliable and consistent readings, which reduce discrepancies in billing processes and improve energy balance.
- ✂ **Connectivity**, through the adoption of new communication protocols that ensure the robustness of remote metering, even in areas with limited coverage.

✂ **Trust**, by ensuring full data traceability, from the point of consumption to the central management platform.

The replacement of nearly 2,000 telemetry devices, on a non-mandatory basis, demonstrates a firm commitment to digitalisation that goes beyond strict regulatory compliance, reinforcing operational efficiency, data quality and long-term value creation.

Emergencies

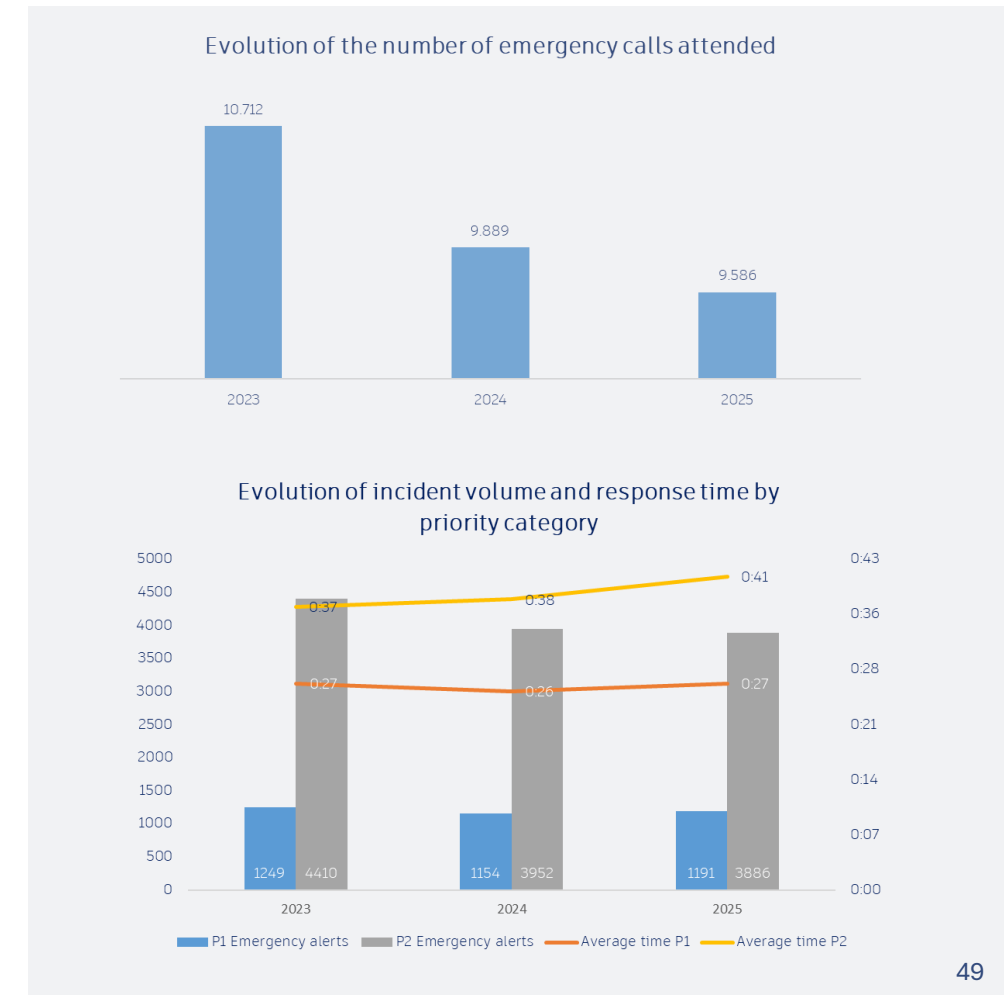
Madrileña Red de Gas's commitment to service is reflected in its round-the-clock responsiveness and its dedication to safety and operational excellence. In this context, the emergency service has maintained continuous 24-hour operation throughout 2025, 365 days a year, ensuring an immediate response to any incident.

Throughout 2025, the company's Call Centre handled a volume of calls 18% higher than in the previous financial year. Despite this increase in advisory activity, the effectiveness of the protocols and procedures in place enabled the handling of 9,586 emergency alerts, optimising the allocation of resources and achieving a 3% reduction in the number of actual incidents compared to 2024.

Speed of response is a key element of Madrileña Red de Gas's safety strategy. During the 2025 financial year, the company handled 1,191 top-priority (P1) alerts, achieving an average response time of just 27 minutes, reflecting the effectiveness of its emergency protocols and its ability to respond to critical situations.

This performance not only exceeds the internal quality target of 30 minutes but also achieves a compliance rate of 98.3% for alerts handled within an hour, far surpassing the sector's most demanding standards.

Regarding efficiency in Priority 2 (P2) alerts, the 3,886 alerts classified in this category were handled with an average response time of 41 minutes, demonstrating an agile and consistent capacity to act across all levels of criticality.



Furthermore, during the 2025 financial year, Madrileña Red de Gas immediately resolved a total of 109 alerts resulting from breaks caused by third parties. Thanks to effective coordination between the various teams involved, the average response time was reduced to 29 minutes, representing an improvement of 2 minutes compared to the previous financial year.

This response capability has made it possible to minimise the environmental impact associated with leaks, as well as to recover the costs incurred by the response in virtually all cases, despite a recorded gas leak equivalent to 1.09 GWh.

As a key milestone of the 2025 financial year, and as a result of the strategic commitment to the development and upskilling of internal talent, for the first time in recent years the volume of emergency calls handled by Madrileña Red de Gas's own staff has exceeded that managed by partner companies.

4. CUSTOMERS

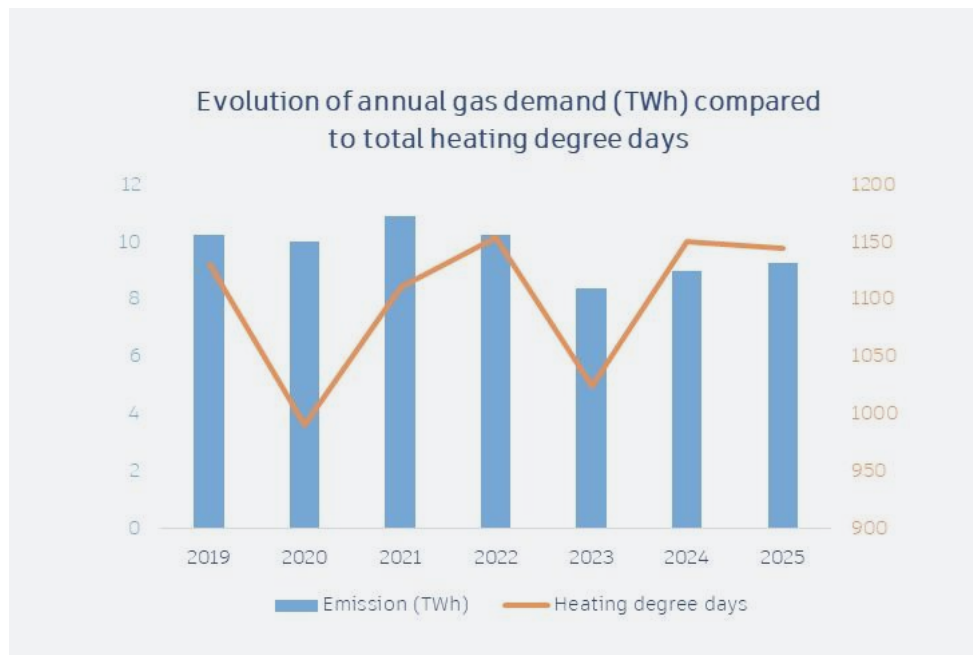
In 2025, Madrileña Red de Gas focused its strategy on improving the customer experience against a backdrop of changing consumption habits. The consolidation of the internal Customer Service model (ATECLI) enabled an improvement in service quality, with record levels of customer satisfaction (CSAT), higher first-contact resolution rates and a sustained reduction in complaints.

Digital channels became established as the main channel of engagement, with growing use of WhatsApp and self-service, which reached 98%.

The implementation of artificial intelligence in customer service processes, quality control and feedback analysis enhanced the service's agility, personalisation and predictive capabilities, consolidating a closer, more efficient and customer-focused relationship model.

Gas demand

With regard to demand forecasting, the 2025 forecast confirms the reduction in heating demand observed in recent years. The comparison between the 2019–2022 period and the most recent three-year period is particularly significant. With comparable levels of heating degree days, and therefore similar weather conditions, a 16% reduction in demand levels is observed. This trend confirms that the determining factor behind the decline is not milder weather, but a structural change in customer consumption patterns.



This decrease is mainly associated with the geopolitical and market changes that began in the 2022 Gas Year, influenced by factors such as the COVID-19 pandemic and the conflict in Ukraine, amongst others.

Natural gas consumption is influenced by various explanatory variables, notably economic factors such as the price of gas and customers' disposable income, sociodemographic variables such as household size and floor area, as well as the current public policy and regulatory framework.

Analysis of data from recent years shows that, to date, the consumer response to these variables has mainly taken the form of a structural shift in natural gas consumption patterns.

The slight upturn in consumption observed in 2025, amounting to a 3% increase to 9.27 TWh compared to 2024, could be interpreted as an indication of possible 'savings fatigue' on the part of consumers or, alternatively, as a technical stabilisation following the attainment of minimum consumption levels.

During 2025, Madrileña Red de Gas incorporated this new demand behaviour variable into a revised predictive model, with the aim of improving the representativeness and accuracy of the forecasts.

In the analysis carried out, a comparison of days corresponding to a range of between 9.8 and 10.9 degree-days of heating during the month of February in recent years clearly identifies a turning point in the evolution of demand from the 2022 gas year onwards. This behaviour highlights a significant reduction in consumption and demonstrates the existence of a structural change in consumption patterns.

Customer service

In 2025, a historic milestone was reached in the field of customer service, which is of strategic importance to the company: the definitive consolidation of the new Customer Service model (ATECLI). This model effectively integrates telephone support and the WhatsApp channel with the various business units, acting as a strategic lever for the continuous improvement of service quality and its alignment with corporate objectives.

What began as an ambitious project aimed at improving the quality of direct customer contact has now established itself as a reality that is significantly transforming the company's value proposition.

The transition to an in-house management model has not only strengthened the brand identity but also delivered substantial operational improvements, as reflected in the key performance indicators.

Thanks to the team's strong commitment, the following achievements have been made:

- ✦ **Optimisation of efficiency ratios:** productivity levels have exceeded the initially defined targets, with a reduction in waiting times and a notable improvement in first-contact resolution (FCR).
- ✦ **CSAT at all-time highs:** customer satisfaction levels have seen significant growth. The CSAT (Customer Satisfaction Score) indicator highlights users' positive assessment of more personalised service and greater product knowledge, attributes characteristic of a specialised in-house team.
- ✦ **Excellence in customer service:** The service has evolved from a traditional cost-centre approach to an experience-centre model, in which every interaction contributes directly to the perception of the brand's value.

The integration of customer service into the company's internal structure has also facilitated direct and continuous feedback between the customer and other departments. This approach enables greater operational agility, the early identification of areas for improvement and, above all, the handling of every enquiry based on empathy, rigour and the quality standards that characterise the organisation.

Artificial intelligence at the service of the customer

Madrileña Red de Gas has successfully completed the implementation of a new Artificial Intelligence Agent integrated into its CRM for telephone support for customers and users. This solution is not intended to replace people, but rather to reinforce and enhance the talent and expertise of the customer service teams.

Unlike conventional tools, this system acts as a real-time co-pilot, assisting agents during call handling and facilitating more efficient, accurate and empathetic service through the following features:

- ✦ **Instant diagnosis:** precise identification of the technical status of the gas supply point.
- ✦ **Causal analysis:** automatic determination of the exact reason for the contact, linked to a specific process (Periodic Inspection, supply cut-off, recorded meter readings, supply connection, etc.), allowing the call to be contextualised from the outset.
- ✦ **Solution proposals:** recommendation of the most appropriate resolution method in accordance with current protocols.
- ✦ **Strategic guidance:** guidance for the agent on how to conduct the conversation in the most efficient and empathetic manner.

During 2025, Madrileña Red de Gas has implemented scenarios linked to the Top 10 cases with the highest volume of customer contacts, including:

- ✦ Periodic inspection with defects.
- ✦ Periodic inspection due to absence.
- ✦ Re-connection following disconnection due to lack of a valid Periodic Inspection.
- ✦ Confirmation or change of appointment for a Periodic Inspection.
- ✦ Request for an appointment for new supply connections.

Currently, the system has a success rate of 56%, a figure that is expected to increase progressively thanks to continuous training and the evolution of the Artificial Intelligence model.

One of the key strengths of this technology is that it draws on the knowledge and experience accumulated by Madrileña Red de Gas's own staff, as well as the processes already in place within the organisation. In this way, Madrileña Red de Gas has succeeded in combining real-time data processing capabilities with the expert judgement of its teams.

This implementation enables Madrileña Red de Gas to reduce response times, improve first-contact resolution and ensure that every customer receives an accurate and appropriate solution.

Furthermore, in the area of quality control, Madrileña Red de Gas currently makes regular use of Artificial Intelligence to detect incidents recorded in free-text comments by field agents, which until now were impossible to analyse using traditional methods.

In this context, during 2025 a use case was rolled out based on the automated analysis of the text that technicians include as comments in work orders relating to periodic inspections and home visits. By applying natural language processing techniques, the system identifies patterns, inconsistencies and potential recurring errors that require corrective action by the relevant business units. As a result of this initiative, for example, nearly 1,500 meters that were not measuring correctly have been identified.

In the area of customer experience, sentiment analysis models have been implemented to analyse reviews published on Google My Business, a platform on which the company has over 15,000 reviews. This analytical capability enables the systematic identification of the main factors driving customer satisfaction and complaints, facilitating the prioritisation of improvement actions aimed at enhancing service quality.

In addition, Clara, a virtual agent available on the corporate website (<https://www.madrilena.es>), has been rolled out. She provides answers in natural language to customers' main queries, such as prices, periodic inspections, consumption readings or information relating to renewable gases such as hydrogen or biomethane. This solution helps to improve access to information and reduce the operational burden on traditional customer service channels.

ATECLI online 2025 platform: a digital training model for Customer Service

As part of its commitment to innovation and operational excellence, Madrileña Red de Gas has launched the new ATECLI Online 2025 Training Platform. This project was created with a clear objective: to democratise access to the technical knowledge and processes specific to the gas distributor, providing consistent, high-quality training for all teams.

To this end, the company has transformed the complex call centre operating manuals into an intuitive and dynamic digital learning experience, now available to all professionals involved in customer service. The platform comprises approximately 30 hours of training, structured to facilitate the progressive assimilation of the content.

The training programme has been designed in specific modules, each linked to a key business process. The approach goes beyond simply consulting documents and is geared towards ensuring solid and effective learning, underpinned by the following pillars:

- ✦ **Up-to-date content aligned with actual operations:** All training materials are based on the current process manuals that govern day-to-day Customer Service activities.
- ✦ **Self-assessments:** At the end of each module, there are question-and-answer quizzes that allow learners to check their understanding and reinforce their knowledge independently.

- ✂ **A dynamic and evolving tool:** Given the dynamic nature of the sector, the platform is designed to be updated regularly, incorporating regulatory or technical changes and ensuring access to the official and current version of the processes at all times.

The ATECLI Online 2025 Training Platform is thus established as a cross-functional strategic resource, with clear benefits for different roles within the organisation:

1. New recruits

The platform forms the cornerstone of the induction and training process for new Customer Service agents, facilitating their gradual integration, the development of operational autonomy and the acquisition of the knowledge necessary to deliver a quality service from the very outset.

2. Experienced professionals and other departments

It also serves as a reference and refresher tool for more experienced staff and for other departments wishing to gain a deeper understanding of customer service processes or the day-to-day operations of a gas distributor, thereby broadening their overall view of the business.

Through this initiative, Madrileña Red de Gas aims for the platform to become the benchmark training resource for understanding how each process and every part of the organisation works, strengthening internal cohesion and contributing to greater team strength and efficiency.

1st Customer service meeting for gas distributors

For the first time, Madrileña Red de Gas hosted the 1st Customer Service Meeting, an event designed as an exclusive forum where the leading natural gas distribution companies could share challenges, solutions and reflections on the future of customer service.

Various distributors from the sector took part in this event, fostering an environment of open dialogue focused on the exchange of experiences and best practices.

The aim of the meeting was clear: to raise the sector's quality standards through transparency, cooperation and joint learning. To gain a deeper understanding of the reality of the service offered to customers, the day was structured around three strategic workshops, which enabled the user experience to be analysed from a comprehensive perspective:

Workshop 1: How do we do it?

A collaborative analysis exercise aimed at assessing the current situation and the position of each participating company. The main strengths were identified, as well as the areas of friction that the sector must address collectively.

Workshop 2: A 360° view of customer service

This session focused on identifying best practices and designing potential improvement initiatives. Customer service was addressed beyond the technical process, viewing the service as a global ecosystem that accompanies the user at all touchpoints.

Workshop 3: How can we do better?

The day concluded with a practical workshop in which the key learnings were consolidated. During this session, a technical and operational roadmap was defined, aimed at implementing the improvements identified during the session.

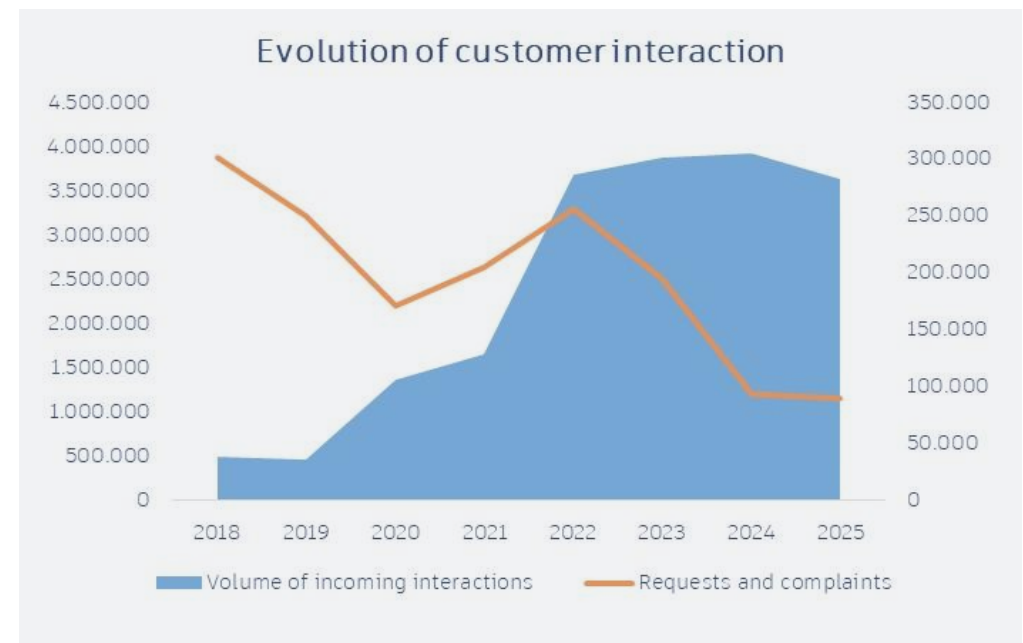
This initiative enabled not only the exchange of knowledge among participants but also the consolidation of a sectoral collaboration network, aligned with the principles of continuous improvement promoted by Madrileña Red de Gas. The main conclusions of the meeting yielded the following results:

1. A clear overview of the sector's current situation and competitive landscape.
2. A catalogue of best practices suitable for implementation in the short and medium term.
3. A shared commitment to promoting initiatives aimed at simplifying and improving the end-user experience.

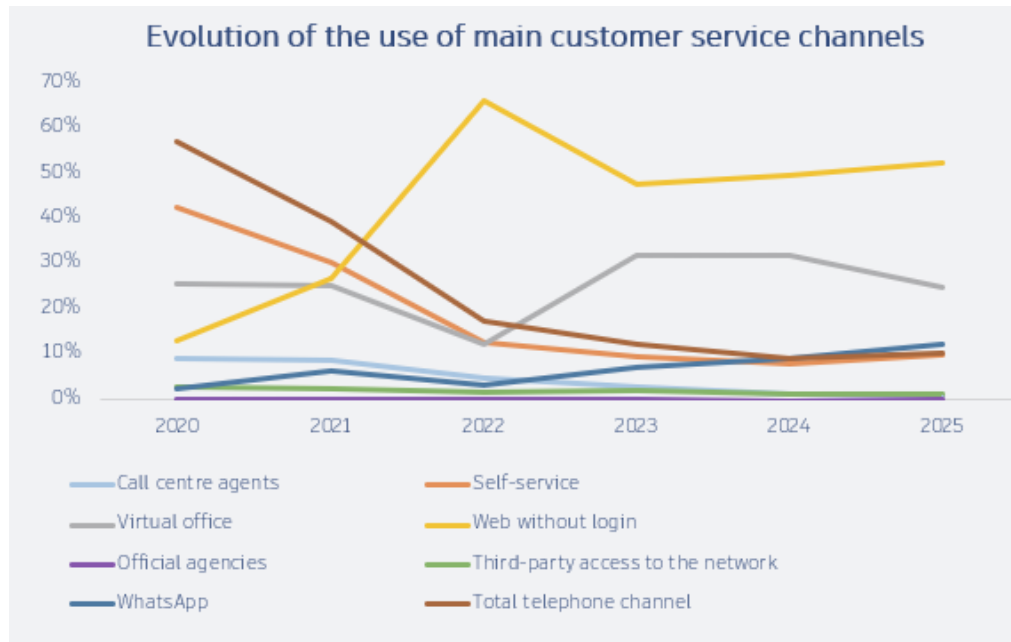
The holding of this meeting marks the start of a line of work focused on service excellence. Madrileña Red de Gas's objective is to continue holding this type of meeting on an annual basis, fostering the exchange of best practices and a shared vision of constant improvement, with the ultimate aim of making life easier for users and enhancing the quality of the service provided.

Customer relations and communication

Madrileña Red de Gas maintains active and ongoing engagement with consumers, whilst strengthening its efforts to improve the quality and user experience of end-users. This positive trend is evident in the fact that, although the total volume of incoming customer interactions has increased by more than 160% over the last five years, the total number of customer complaints or formal requests has fallen by 48% over the same period.



With regard to Madrileña Red de Gas's customer service channels, it is evident that over recent years there has been a significant shift in users' preferences regarding the means of contacting the company.

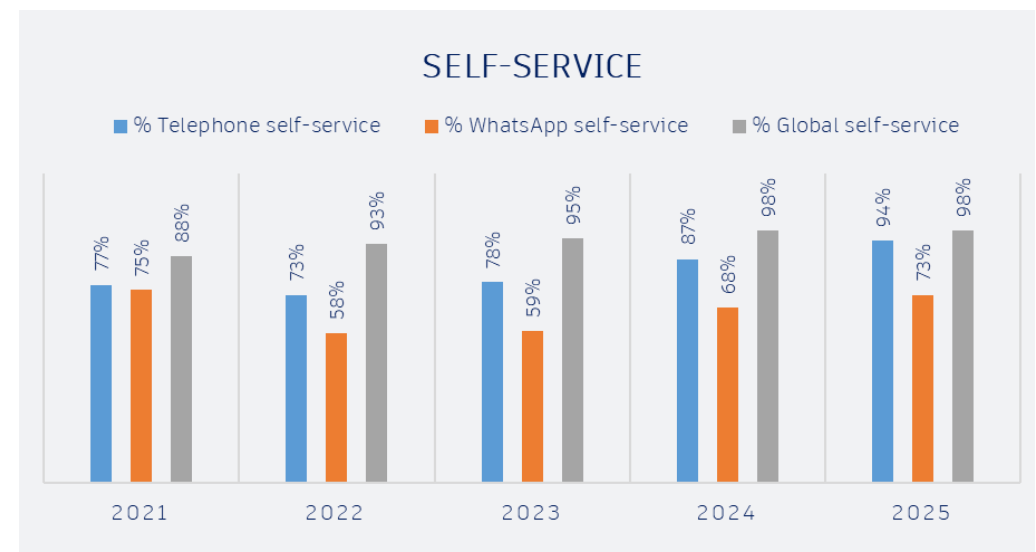


The contribution of the various customer service channels has evolved significantly over time, with a notable continuous decline in the share of the telephone channel, which in 2025 stands at around 10% of total incoming interactions.

There is significant growth in the 'Web without login' channel, which rises from 13% in 2020 to over 50% in 2025, remaining the dominant channel. This trend indicates a clear preference for quick and accessible solutions that do not require authentication. The WhatsApp channel also shows sustained growth, albeit to a lesser extent.

More traditional channels, such as agents and government bodies, remain at low and relatively stable levels, reflecting a structural shift in customer service habits, with a greater inclination towards digital and automated solutions.

User empowerment through the expansion of channels and the strengthening of self-service has been a key factor in maintaining high levels of customer satisfaction. Self-service continues to improve consistently across all channels, reaching an overall score of 98%.

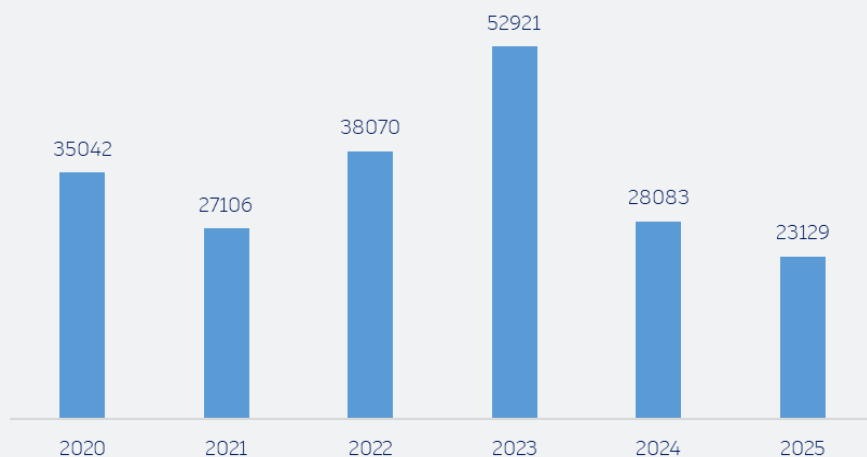


Complaints

With regard to the number of complaints received, following a period of steady growth and the peak recorded in 2023, the measures taken have had a positive impact on the management and resolution of incidents, resulting in a sustained decline in the number of complaints. The year 2025 stands out particularly positively in terms of the trend in the number of complaints received, as it reached the lowest level of the entire period analysed.

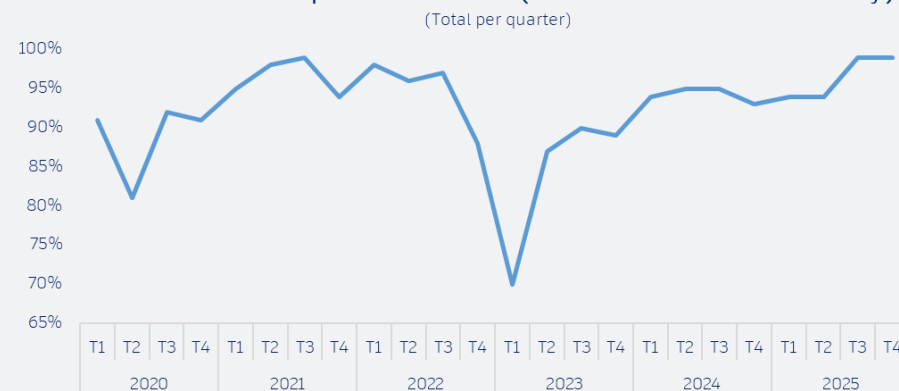
The trend observed over the last two financial years therefore points to a gradual improvement in service quality and the customer experience.

Evolution of the number of complaints received



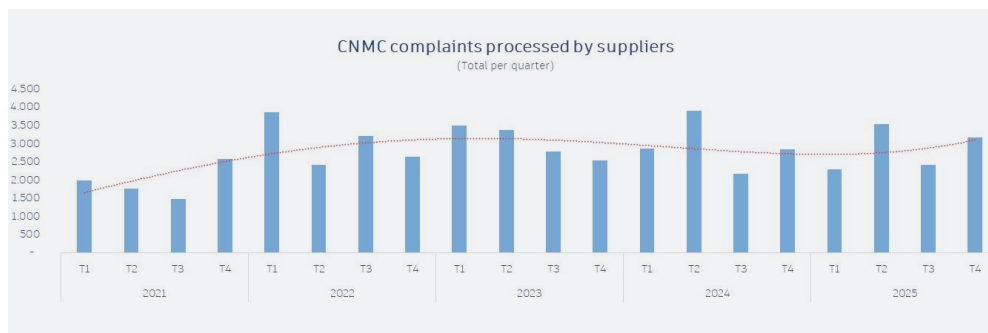
As for the resolution of complaints received, the majority are resolved quickly, usually on the same day or the following day. In recent financial years, and particularly in 2025, the results have been very high, reflecting a clear improvement in customer management and service.

Evolution of complaint resolution (% resolved same or next day)



With regard to the requests the distributor receives from supply companies, in recent financial years, complaints have remained consistently above initial levels, reflecting increased activity and monitoring of the complaints process, as well as a consolidation of the channels of communication between supply companies, the distributor and the regulatory body.

It is important to note that this refers exclusively to complaints made by retail companies and sent directly to the distribution company, without direct customer involvement at this stage of the process.

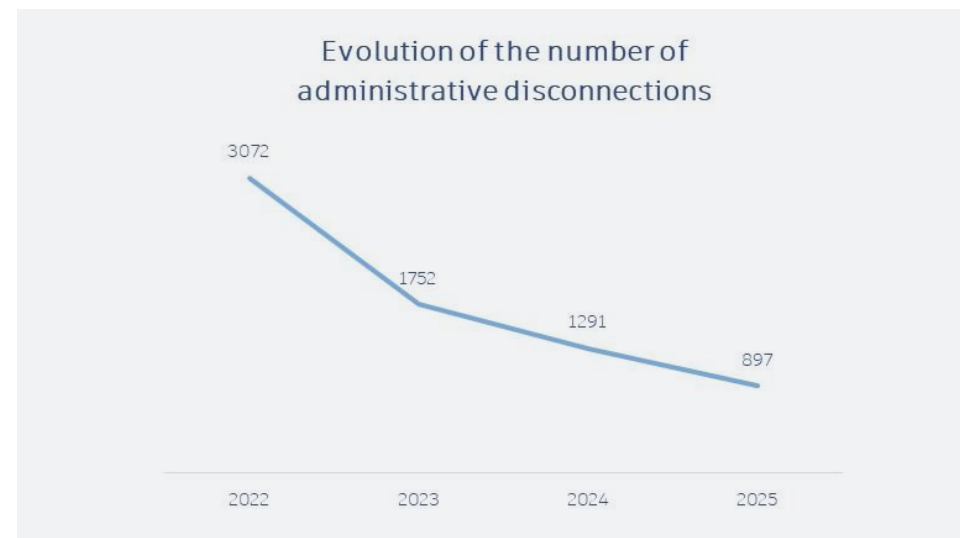


Administrative cancellations

The latest regulatory review carried out in 2017 by the National Commission on Markets and Competition (CNMC) introduced the possibility for customers to terminate their gas contracts with suppliers without the meter being removed, a situation known as administrative disconnection. This new regulatory framework has given rise to certain issues which, if not managed properly, may pose operational and safety risks.

In this context, Madrileña Red de Gas has adopted a proactive and decisive approach to mitigate the effects of this regulatory situation. Throughout the financial year, corrective actions have been implemented, both administrative and in the field, aimed at identifying, controlling and reducing these cases.

Thanks to these measures, the 2025 financial year closed with a total of 897 administrative disconnections, consolidating an improvement in the management of such situations and reinforcing the company's commitment to safety, regulatory compliance and service quality.



B2B Virtual Office

With the aim of facilitating management for companies, organisations and service providers that process or manage multiple supply points, Madrileña Red de Gas has launched its B2B Virtual Office: <https://ov.madrilena.es/gestores>.

This platform has been designed with the following main objectives:

- ✂ It allows users to check directly whether a supply point is active or available for connection, streamlining decision-making and planning.
- ✂ It enables access to the customer's Virtual Office, subject to the customer's express authorisation, to view information associated with their supply point and manage requests relating to periodic inspections, metered readings, direct debit transactions and other routine procedures and administrative tasks.

The platform has been designed with a simple and intuitive interface, facilitating quick use and a user-friendly experience. Furthermore, it is available 24/7, providing greater freedom and autonomy in managing affairs, avoiding the need to contact Madrileña Red de Gas via traditional channels.

Furthermore, as the processing of requests from private customers requires their prior authorisation, the platform provides a secure and controlled environment, guaranteeing at all times the protection of customer information and compliance with the security and confidentiality requirements necessary for the correct processing of such procedures.

Customer loyalty

Madrileña Red de Gas continues to publish key indicators of customer experience and satisfaction on its website on a quarterly basis, in line with its commitment to transparency, continuous performance monitoring and the improvement of service management. The published indicators include:

- ✂ **Customer Satisfaction Score (CSAT):** to measure satisfaction with each interaction and gauge general opinion of us, on a scale from 0 (not at all satisfied) to 10 (extremely satisfied).
- ✂ **Customer Effort Score (CES):** to measure the perception of how easy the process was, from 0 (very difficult) to 10 (extremely easy).
- ✂ **Net Promoter Score (NPS):** to measure whether you would recommend our service to a friend or family member, from 0 (not at all likely) to 10 (extremely likely).
- ✂ **Google My Business (GMB):** we ask customers to leave us a 1 to 5-star rating in a transparent and independent space.

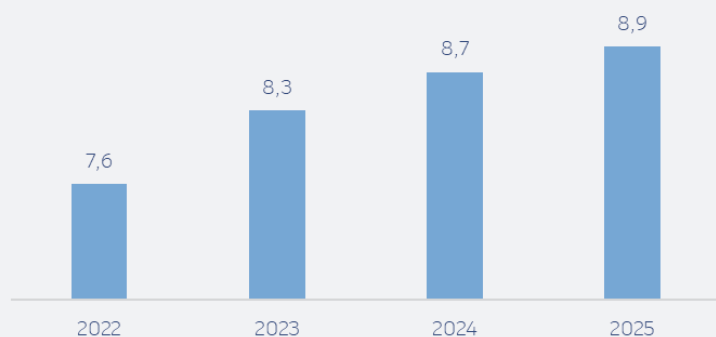
In this regard, the overall CSAT index shows a clear upward trend in customers' perception of the service, whilst the GMB index remains stable. This sustained improvement is the result of a strategic approach focused on operational excellence, user-centred digitalisation and increasingly personalised, proactive and multi-channel customer service.



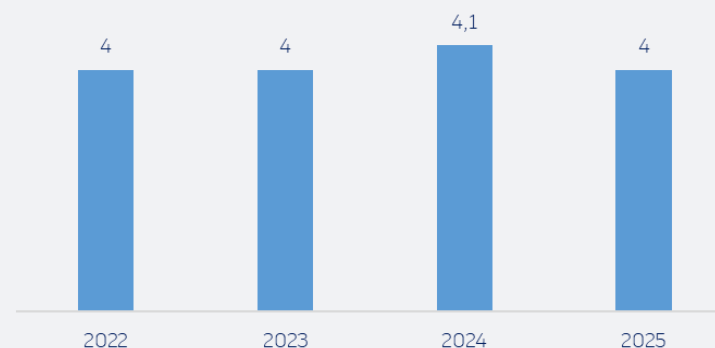
Likewise, the quarterly complaint handling indicators reflect a high level of efficiency in customer service. These indicators are published quarterly on the website, in line with the company's commitment to transparency and customer access to information.



Global CSAT Evolution



GMB Evolution



Customer operations

Positive balance of losses in 2025

In the 2025 gas year, Madrileña Red de Gas reports a net loss of gas greater than zero, with a 3% increase in gas losses compared with the previous “gas year”, 2024.

One of the key factors behind this development is the correction of erroneous measurements at the carrier’s delivery point, which historically benefited the company. This adjustment has allowed the loss balance to be reflected more realistically in the 2025 gas year, as a result of greater technical precision in measurement. This demonstrates that the negative balance recorded in 2024, interpreted as a gas gain, was fictitious.

As for the correlation between supply and losses, whilst in the domestic customer segment higher consumption tends to increase the percentage of losses, the growth observed in supply is not, on its own, sufficient to justify the increase in the loss balance recorded in the current financial year.

From the point of view of operational efficiency, loss control is not a matter of chance. The policies implemented to detect abnormal consumption, together with the roll-out of remote metering systems, act as a genuine ‘firewall’ against gas losses.

It should be noted that these measures entail a high and recurring cost, particularly for a distributor with a predominantly domestic customer base, where the effort required—both on-site and digital—is considerably more expensive than in industrial segments. Nevertheless, this effort is essential to ensure the sustainability of the system.

Finally, the gradual transition from estimated readings to actual readings not only contributes positively to controlling the loss balance, but also improves the end customer’s perception of transparency and reduces the risk of future complaints.

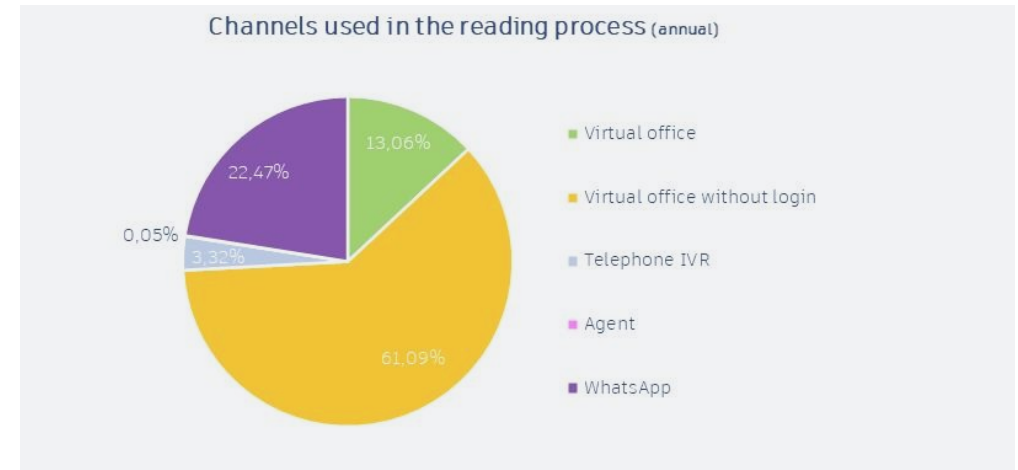
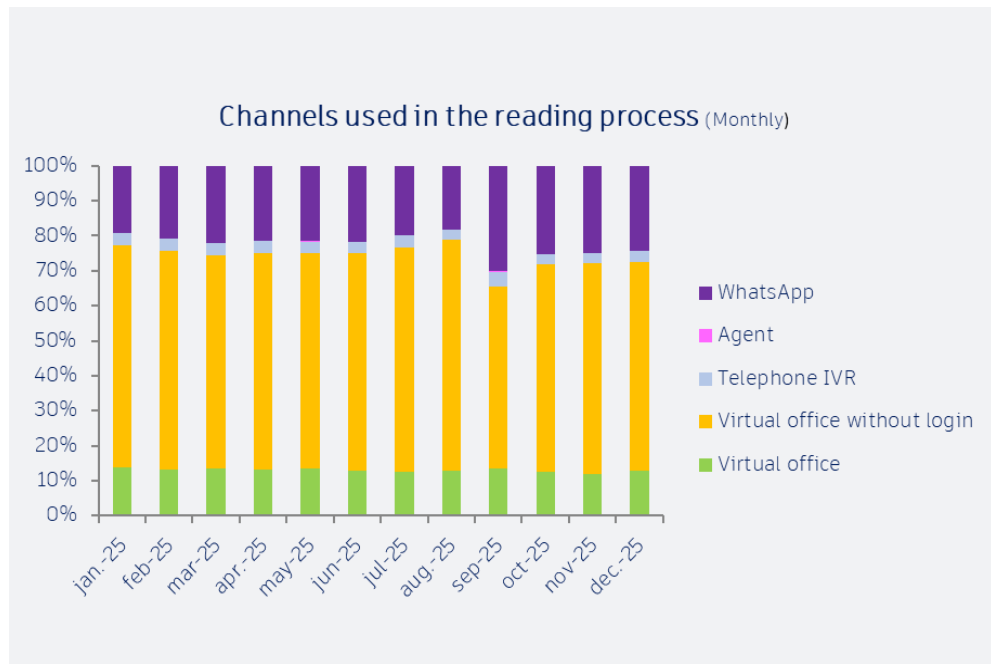
Proactive customer in the meter reading process

In 2025, Madrileña Red de Gas successfully implemented a new multi-protocol smart meter platform aimed at industrial and high-consumption customers. This platform also forms the technological basis for the future roll-out of smart meters in the domestic sector, scheduled for 2026.

The six-month project was carried out simultaneously with the replacement of 100% of existing remote communication models, as well as the adoption of LoRaWAN technology as the primary network solution for communication with metering equipment.

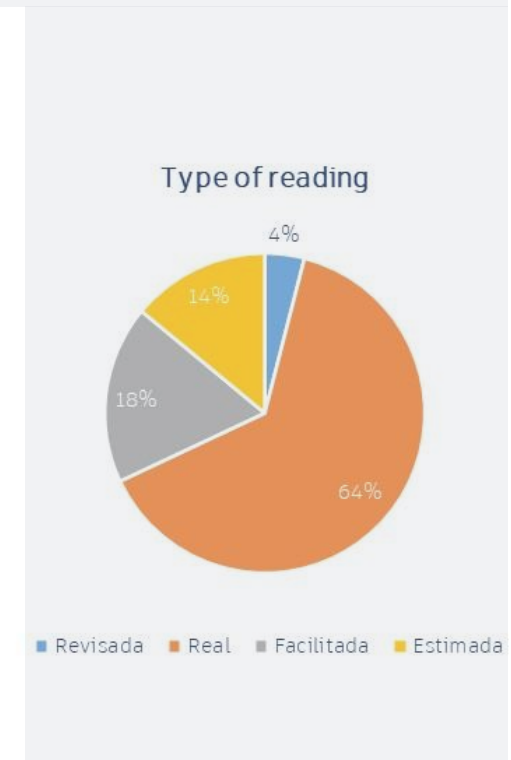
Although Madrileña Red de Gas anticipates that legislation will drive the roll-out of smart meters in the domestic sector in the near future, the bi-monthly manual reading of domestic meters will continue to be a significant part of the metering service it provides to its customers for the next 10 years or even longer.

Madrileña Red de Gas offers its customers various channels to facilitate the submission of meter readings in cases where it is not possible to physically access the meter. Thanks to this multi-channel offering, 95% of meter readings provided by customers are submitted via the new digital channels, reflecting a high degree of adoption and effectiveness of the digital solutions implemented.



Specifically, among the channels used for the customer-provided meter reading process, there has been a significant increase in the use of WhatsApp with photo reading, which has risen from 17.66% to 22.47%. Conversely, telephone calls to a Madrileña Red de Gas agent are now used only marginally, falling from 0.18% to 0.05%.

The possibility of receiving a bill based on actual meter readings acts as an incentive for customers to provide their meter readings.



The handling of inconsistent meter readings by Madrileña Red de Gas's specialist staff has seen a 5% reduction, reflecting the continuous improvement in the quality of the data captured and the efficiency of the meter reading processes.



Furthermore, Madrileña Red de Gas remains firmly committed to minimising the percentage of customers whose meters have not been read by professional staff in the sector. As a result of this ongoing effort, this indicator has seen a gradual reduction year on year.

Furthermore, during 2025 there was a significant and sustained reduction in the number of monthly complaints related to the meter reading process. In this context, Madrileña Red de Gas continues to offer a high level of service to its customers, recording fewer than two complaints per 1,000 meter readings.

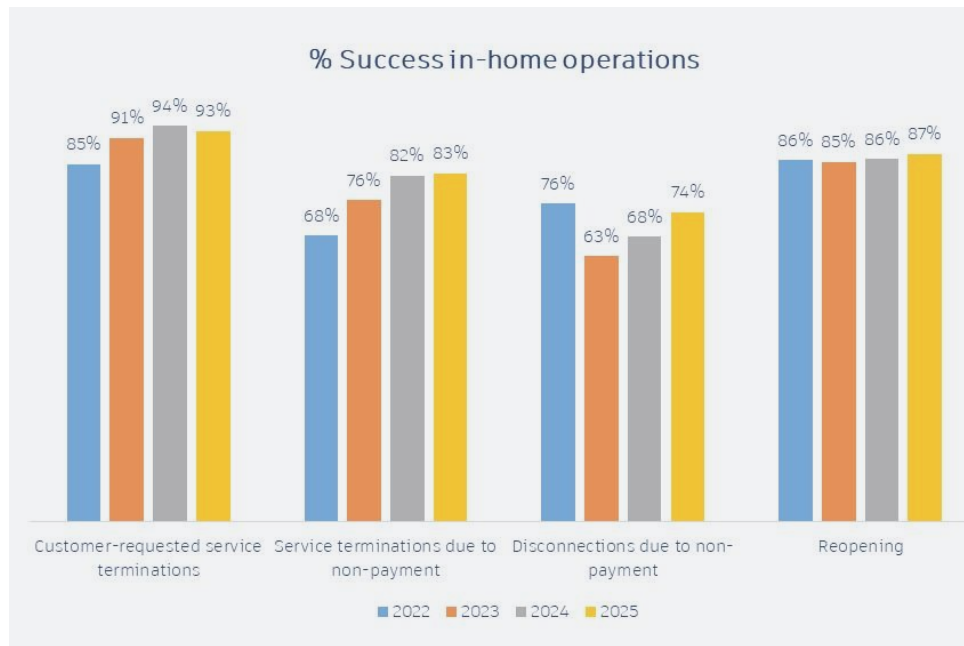
Specifically, the complaints ratio fell from 1.67‰ in December 2024 to 0.94‰ in December 2025. Furthermore, customer satisfaction regarding the metering process shows a positive trend, reaching an overall CSAT score of 8.39, compared to 8.29 in the previous financial year.



In-home operations and IRC maintenance

During the 2025 financial year, a total of 6,117 in-home operations orders were processed, representing 15.48% of all in-home operations relating to reconnections, disconnections at the customer's request and other types of operation, expressly excluding disconnections and terminations due to non-payment.

Madrileña Red de Gas maintained high levels of success in the execution of key direct in-home operations throughout 2025, consolidating efficient and customer-focused management.



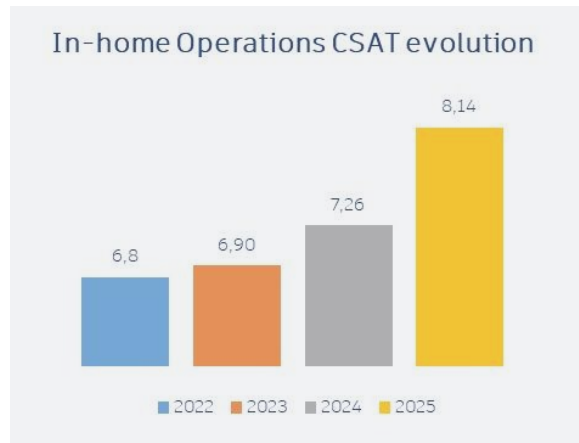
These results are a direct consequence of the efforts made to collect and update customer data, as well as the continuous improvement of communications and engagement strategies, which have enabled a higher percentage of planned operations to be completed.

It is also worth highlighting the handling of complaints, which has consistently maintained a processing rate of over 99% of complaints resolved within one day, reinforcing Madrileña Red de Gas's commitment to service quality, prompt response times and customer satisfaction.

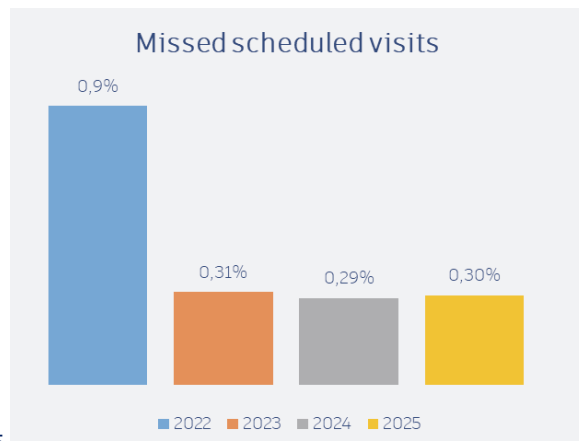
Furthermore, throughout the 2025 financial year, field operations maintained a quality control rate of nearly 99%, sustained consistently throughout the year, with no alarming cases detected.

Finally, in the area of Maintenance of Common Receiving Installations (IRC), Madrileña Red de Gas carried out a total of 481 maintenance or repair operations during the 2025 financial year. In cases where it was necessary to cut off the supply, service was restored within 72 hours, and in virtually all cases within 24 hours.

Madrileña Red de Gas has set as a priority objective the improvement of customer satisfaction in a service as important as in-home operations. As a result of the measures implemented throughout the 2025 financial year, a customer satisfaction score (CSAT) of 8.14 has been achieved, representing a significant improvement on the figure recorded in 2024.



Furthermore, Madrileña Red de Gas continues to provide a transparent service, keeping customers informed at every stage of field visits and strictly adhering to the schedule agreed in advance for each visit.



Periodic Inspection

During the 2025 financial year, Madrileña Red de Gas achieved highly satisfactory results in the context of the Periodic Inspection: no non-compliance and great flexibility in scheduling and meter readings.

These achievements are particularly significant as they were attained in a year considered a low point within the Periodic Inspection cycle.

The total number of inspections carried out amounted to 132,046 periodic inspections, covering both domestic and industrial sectors. Of this total, 125,418 periodic inspections were carried out directly by Madrileña Red de Gas, whilst the remaining 6,628 were carried out by third parties, namely authorised installation companies.

The domestic campaign achieved a success rate of 98.6%, reflecting high operational efficiency and effective coordination of the work. Furthermore, the rate of missed visits stood at under 1%, specifically 0.45%, with missed periodic inspections being rescheduled on the same day, which has enabled a reduction of up to 0.21% in such missed visits.

Furthermore, Madrileña Red de Gas has continued to carry out meter readings as part of the Periodic Inspection process in cases where the meter inspection was pending. As a result of this initiative, 87% of meter readings were completed, with 0.74% of incidents detected, all of which were duly rectified, thereby ensuring the reliability of the measurements and the correct operation of the installations.

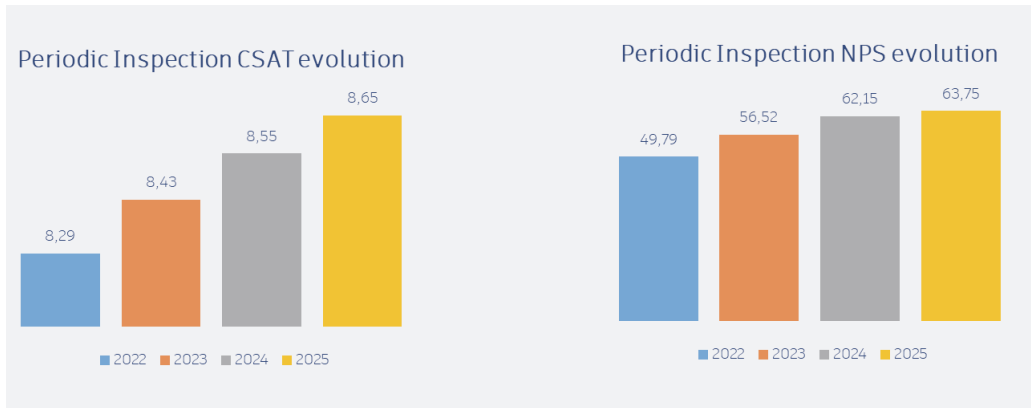
In the field of industrial inspections, a significant preventive effort has been made to avoid the suspension of supply due to the failure to receive the Proof of Rectification of Anomalies (JCA) on time at facilities in the Community of Madrid, such as schools, medical centres and sports facilities. These actions were carried out in close collaboration with the Directorate-General for Energy Transition and the Circular Economy (DGTEEC) of the Community of Madrid, reinforcing service continuity and regulatory compliance at critical facilities.

Throughout the 2025 financial year, field operations recorded a quality control rate of nearly 99%, remaining consistently high throughout the year, with no alarming cases detected.

Furthermore, Madrileña Red de Gas has fully complied with the deadlines set for the management and resolution of complaints, with 99.85% of complaints resolved within one day. The total volume of complaints stood at 28.51‰ (per thousand) across the integrated service, which encompasses Periodic Inspection (PI), Residential Operations (RO) and New Connections, reflecting a high level of operational efficiency and responsiveness.

Likewise, the process for changing appointments has been made easier, with procedures adapted to customers' needs. One of the key factors in achieving these results has been continuous, multi-channel communication with customers through the various channels provided. These communications have evolved steadily, adapting to the demands identified through the analysis of complaints, reviews and satisfaction surveys.

As a result of these measures, the customer satisfaction index (CSAT) stood at 8.65, remaining at levels in line with the results achieved in the previous financial year.



In this regard, concerning appointment management, 33,458 appointment changes were recorded in 2025, meaning that 26.97% of customers who underwent the Periodic Inspection in that financial year altered their originally scheduled appointment, demonstrating the usefulness and high level of utilisation of the flexible options offered.

5. HUMAN RESOURCES

In 2025, Madrileña Red de Gas consolidated a stable, committed and forward-looking organisational model, aligned with the economic context and the effective integration of digitalisation and artificial intelligence into business processes.

Diversity made significant progress, with female representation exceeding 40% for the first time, and the DE&I framework was strengthened with the approval of the LGTBI Plan.

The working environment remained at very solid levels, with 80% satisfaction, an eNPS of 30.1 and high engagement.

Investment in development and leadership resulted in 4,596 hours of training, whilst the commitment to occupational health and safety enabled us to maintain a low accident rate and full compliance with ISO 45001, consolidating the company as a people-focused, safe and future-ready organisation.

A people-focused, stable organisation with a bright future

For Spain, 2025 has been a year of economic consolidation, during which it has maintained remarkable dynamism, with GDP growth of 2.8%, driven by domestic demand and the external sector. AI and digitalisation are no longer ‘projects for the future’ but have become structural components of Spain’s GDP. This has been the year of ‘applied AI’, and Madrileña Red de Gas has recognised this opportunity, integrating these systems into its business processes.

Madrileña Red de Gas has adapted to these new economic realities through versatility, which is evident in our workforce—increasingly enthusiastic about new projects, better equipped to face new challenges—and in our firm commitment to talent management as a guarantee of success.

The key to achieving strong workplace cohesion and enhancing the organisation’s success is fostering a diverse, equitable and inclusive environment. When Madrileña Red de Gas guarantees equal opportunities and values differences, it creates a much more united, human and efficient working front.

The workplace survey highlights Madrileña Red de Gas’s strong and committed approach to people management, underpinned by the joint efforts of the entire organisation. With high participation and an 80% satisfaction rate, the results confirm a healthy and committed organisational culture.

This success reflects the pride of belonging to an autonomous team that views the working environment positively; once again, work-life balance is the most highly rated aspect.

Madrileña Red de Gas has always prioritised the well-being of its staff in all its strategic actions. This is why it boasts a very high and significant retention rate (92.3%), which highlights the company’s best practices in retaining talent.

People’s well-being lies at the heart of Madrileña Red de Gas’s strategy. The company recognises that its growth is inextricably linked to the satisfaction of its team, which is why it continues to champion remote working as a key tool for work-life balance and talent retention.

Furthermore, its commitment to full occupational and social security translates into a highly competitive benefits policy that guarantees stability and protection for the entire team: the company encourages the hiring of professionals on permanent contracts. Key benefits include health insurance, life insurance, and contributions to a pension or provident scheme. 100% of Madrileña Red de Gas’s workforce has a permanent contract and enjoys the social benefits mentioned above.

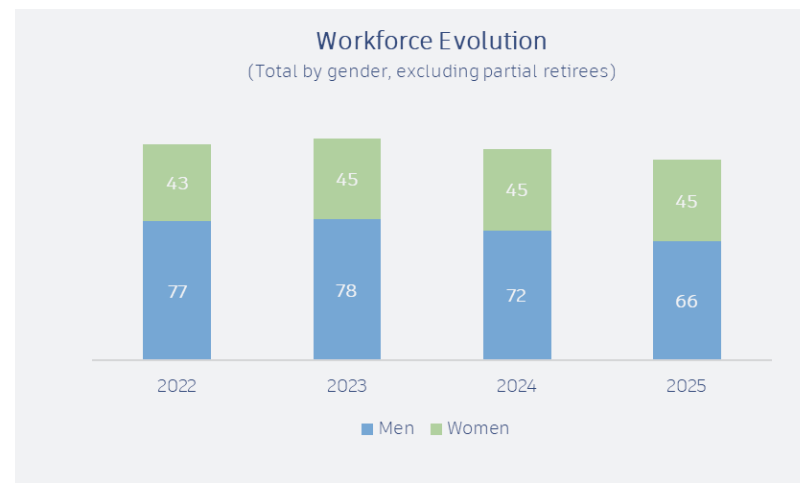
In the area of internal talent management, which acts as our strategic driving force, the Management Development Programme for middle managers has been continued in 2025; this training is designed to consolidate leadership, provide a global business perspective and prepare future managers for the challenges of the sector.

Furthermore, a high-quality working environment is built through communication. For this reason, Madrileña Red de Gas has continued to promote team-building initiatives such as Breakfasts with the Director and cross-departmental events that strengthen relationships and foster an exceptional working atmosphere. In 2025, coinciding with Madrileña Red de Gas's 15th anniversary, the workforce took part in an event held in a stunning setting, featuring a day of team-building activities that successfully combined solidarity and team development.

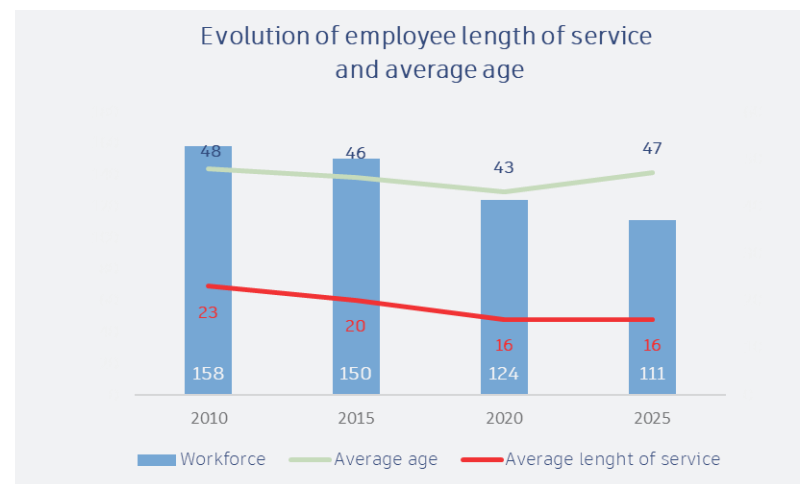
In short, these initiatives consolidate Madrileña Red de Gas not only as a leading energy infrastructure provider, but also as a people-focused, stable organisation with a bright future.

Workforce

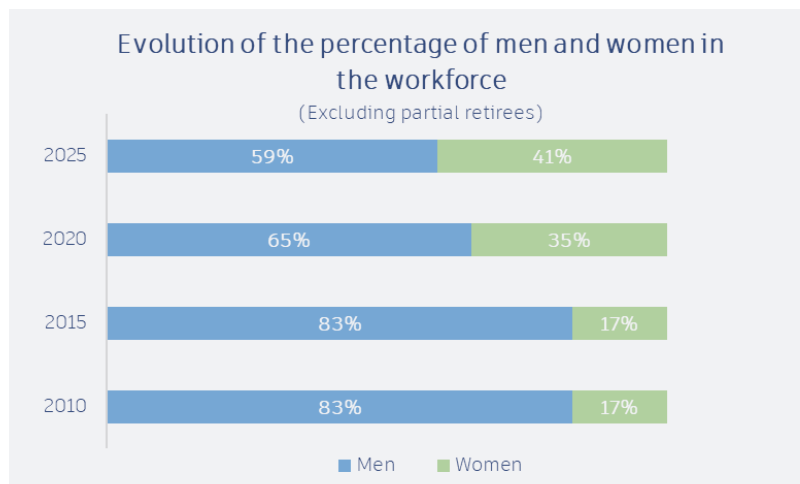
The workforce at Madrileña Red de Gas has shown a downward trend throughout its history. At the close of the 2025 financial year, the company had 111 employees, excluding the two individuals on partial retirement contracts, representing a 5% reduction compared to the previous financial year, 2024.



In the 2025 financial year, the average length of service of Madrileña Red de Gas's workforce stood at 15.7 years, an indicator that highlights the high level of stability and loyalty of talent within the organisation. Similarly, the average age remained at 46.5 years, reflecting an appropriate balance between experience and professional maturity in the composition of the workforce.

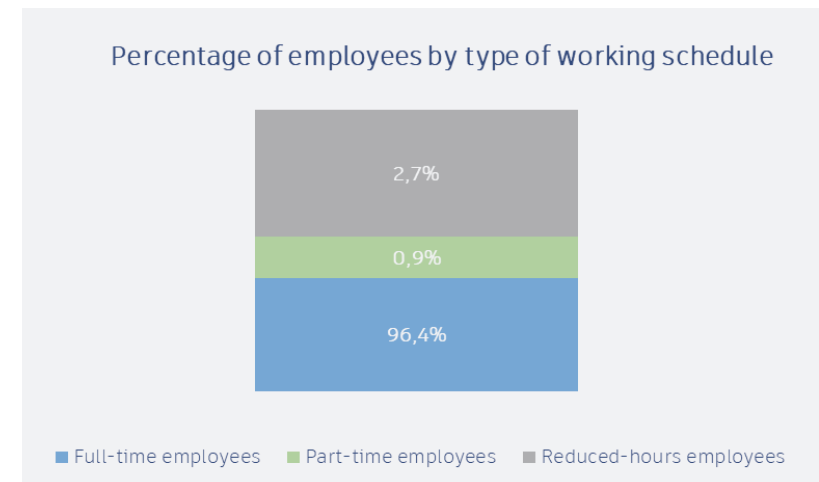


In 2025, Madrileña Red de Gas achieved significant progress in terms of gender diversity, progressively transforming the inertia of a traditionally male-dominated sector through a sustained effort to attract and develop female talent. For the first time, the proportion of women in the workforce has exceeded 40%, reaching 40.5% of the total, with 45 women and 66 men. This development confirms a clear upward trend since the company's inception, rising from 17% female representation in 2010 to over 40% in 2025, representing a significant qualitative leap and reinforcing the organisation's commitment to equal opportunities and diversity in the workplace.

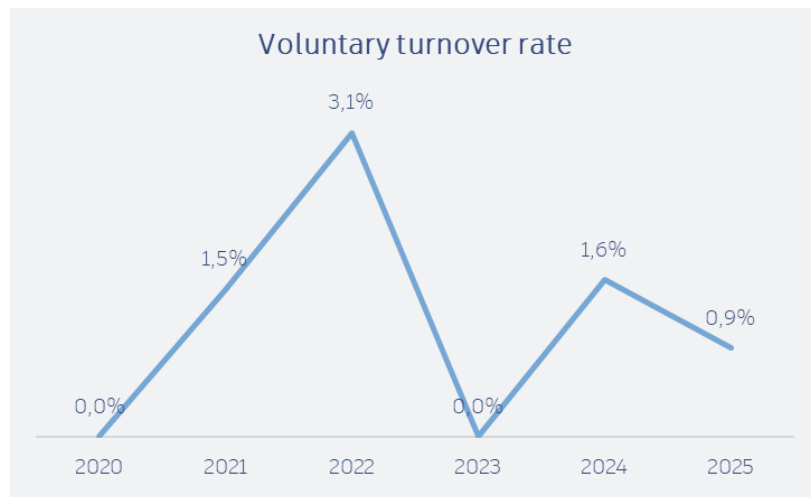


At Madrileña Red de Gas, job security is strongly promoted as a fundamental pillar of people management. In this regard, 100% of the workforce has a permanent contract, reflecting the company's firm commitment to stable, quality employment.

In terms of working hours, 96.4% of employees have a full-time contract, whilst only 0.88% have a part-time contract and 2.7% have opted for a reduced working week. These latter two groups consist exclusively of women, in line with the organisation's work-life balance and shared responsibility policies.



Madrileña Red de Gas maintains a retention rate of 92.3%, a particularly significant figure that reflects the effectiveness of its talent management policies and internal best practices. Voluntary turnover stood at 0.9% in the last year, with an average of 1.2% over the 2020–2025 period, whilst involuntary turnover has remained at 0% for five consecutive years.

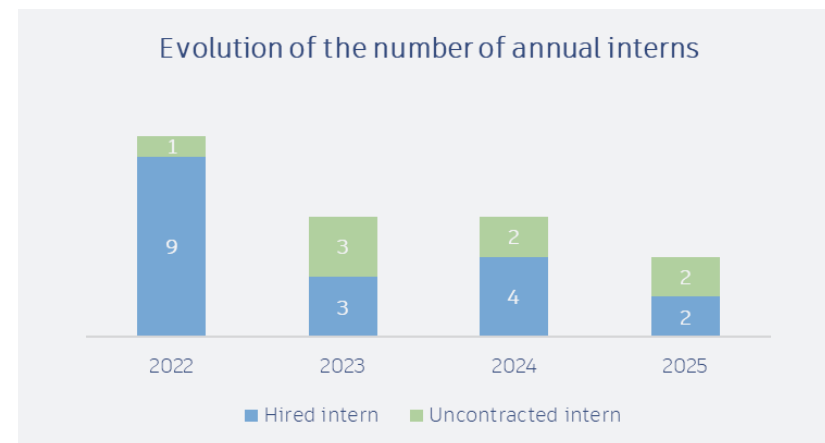


Recruitment and onboarding

Versatility is one of the defining characteristics of Madrileña Red de Gas’s workforce. As reflected in the evolution of the technical profile of its professionals, the company has progressively prioritised versatile, agile and efficient profiles, capable of adapting flexibly to the changing circumstances of the sector and with a clear focus on continuous learning and taking on new challenges and responsibilities.

As a result of this strategy, 54% of the workforce currently holds a higher education qualification, which reinforces the organisation’s technical strength and capacity for innovation.

In terms of recruiting new talent, Madrileña Red de Gas has for years maintained a sustained commitment to attracting and developing young professionals, promoting internship programmes through collaboration agreements with various universities in the Community of Madrid. The company currently has agreements with four universities, with a fifth agreement having been formalised at the end of the financial year. During 2025, four students, two women and two men, undertook internships with the organisation.



Furthermore, in line with its commitment to youth employment, Madrileña Red de Gas has, without interruption since 2019, recruited professionals under the age of 30, thereby fostering generational renewal and bringing new skills into the organisation.

DE&I: Diversity, Equity and Inclusion

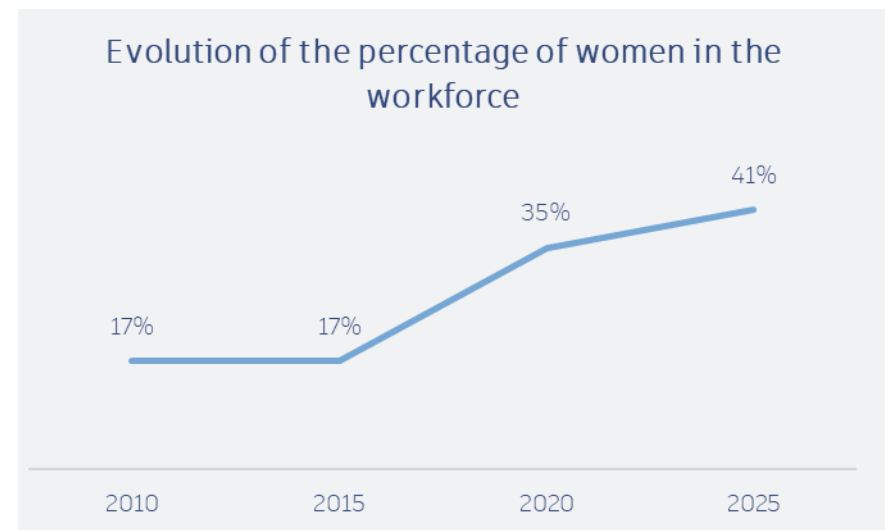
Madrileña Red de Gas believes that diversity, equity and inclusion are fundamental pillars for achieving a strong and sustainable workplace. The company actively promotes equal opportunities and respect for differences, convinced that these principles contribute decisively to building a more cohesive, people-centred team focused on achieving corporate objectives.

The 2025 financial year stands out in particular for the adoption of the LGBTI Plan (Plan to achieve real and effective equality for LGBTI people at Madrileña Red de Gas, S.A.U.), which includes a specific protocol for dealing with harassment or violence against LGBTI people. This milestone reinforces the framework of internal policies that underpin the organisation's culture of respect and safety, alongside the Code of Ethics, the Equality Plan in force since 2022, the Protocol for the prevention of workplace, sexual and gender-based harassment (implemented in 2023), as well as the Guide on gender-based violence and the Guide to inclusive language.

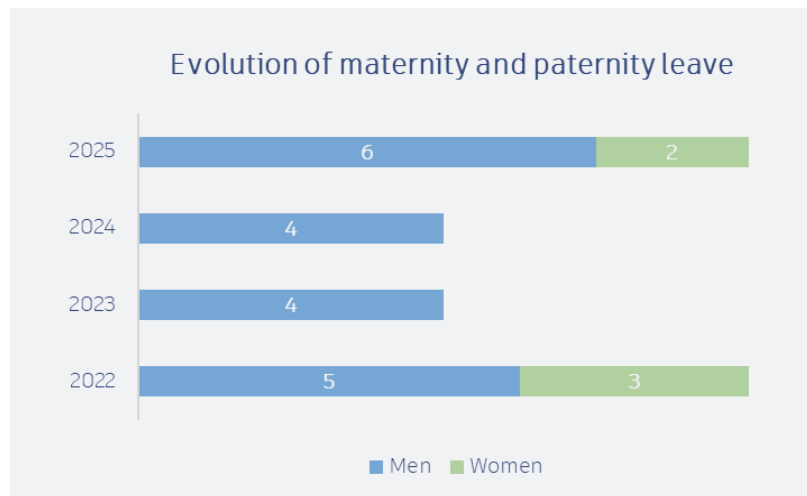
As part of the Equality Plan, and in collaboration with the workers' legal representatives, Madrileña Red de Gas is implementing various initiatives aimed at promoting communication and transparency, including the internal publication of job vacancies, awareness-raising campaigns, and specific training programmes on equality. In addition, the company has initiated a formal job evaluation process, based on a methodology structured in three phases: business definition, band allocation and grading, the aim of which is to align roles with the market and ensure internal equity.

In terms of cultural 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, helping to enrich the diversity of perspectives within the teams.

It is also worth highlighting the sustained progress in female representation within the organisation. As indicated above, in 2025 the proportion of women in the workforce exceeded 40% for the first time, a particularly significant figure given the historically male-dominated nature of the energy sector in which Madrileña Red de Gas operates, and which demonstrates the company's firm commitment to gender equality and diversity.



Historical analysis of parental leave reveals a consistent trend within our organisation: the number of paternity leave cases has, year on year, exceeded that of maternity leave. During the 2025 financial year, a total of 8 leave cases were recorded, of which 6 were taken by men and 2 by women. It is worth noting that the return-to-work and retention rate is 100%; the entire workforce returned to their usual duties with no changes to their terms and conditions.

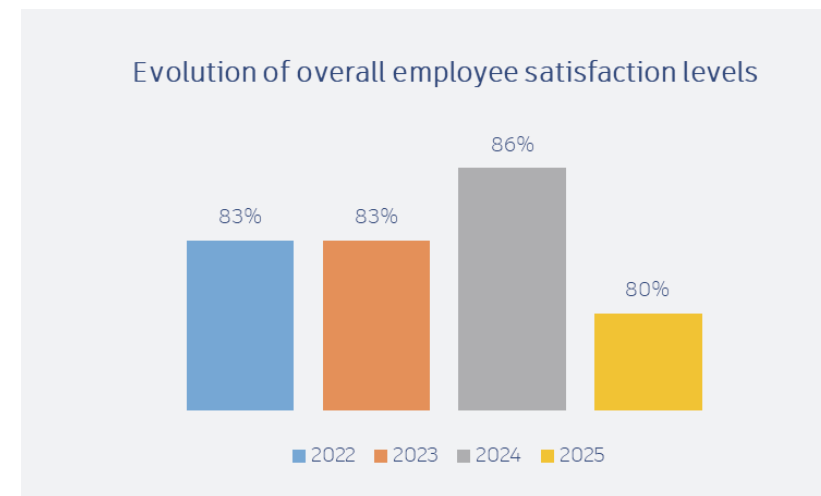


All these actions and values, which promote gender equality through recruitment and training by offering equal opportunities, become the values that enable us to progress as an inclusive company and attract the best talent.

Workplace climate

The workplace climate survey highlights Madrileña Red de Gas's solid and committed approach to people management, underpinned by the joint efforts of the entire organisation. Staff take pride in belonging to the company, demonstrate a high level of commitment and work autonomously in carrying out their responsibilities.

The results reflect a healthy organisation with robust metrics. A satisfaction rate of 80% has been achieved. This indicator demonstrates a significant sense of belonging among employees towards the company, who are committed to its objectives. It is the result of a positive perception of teamwork and the existence of a healthy working environment.



This level of satisfaction, combined with a high participation rate of 73%, lends the results a solid character and makes them fully representative of the Company's reality. Furthermore, the 2025 financial year recorded an eNPS of 30.12, a score technically classified as 'Very Good', which demonstrates a high degree of loyalty, commitment and connection among employees towards Madrileña Red de Gas.

Within the survey's dimensions, staff particularly value the working environment and the nature of their roles. There is a very positive perception of the working atmosphere, and teamwork is highly valued.

The three aspects most appreciated by staff are, once again, work-life balance, the working environment and the quality of colleagues.

The company maintains a proactive approach to continuous improvement. Among the positive challenges for the coming period are maintaining these high standards, continuing to foster employee confidence, and remaining a benchmark for excellence within the sector.

Annual team-building days

It is worth highlighting Madrileña Red de Gas's ongoing commitment to collaborative teamwork, seen as the essential driving force for strengthening communication and cohesion between its various departments; as well as its commitment to the fundamental principle of equality. All of this is achieved through corporate initiatives aimed at the entire workforce, which consolidate our internal culture.

The focus of these days has always been clear: to harness the individual talent of each professional to build a collective result. In 2025, coinciding with Madrileña Red de Gas's 15th anniversary, the workforce took part in an event held in a stunning setting, featuring a day of team activities that successfully combined solidarity and team development.

Indeed, this year, as part of its 'Social Contributions' initiative, Madrileña Red de Gas has collaborated with the A La Par Foundation, making a donation and organising a countryside day that combines professional growth with social commitment.

Talent management

Aware of the challenges facing the sector, Madrileña Red de Gas is committed to talent management as a strategic driver. The integration of data analysis and artificial intelligence has not only optimised processes but has also raised the standard of customer service, uncovering new avenues for value-added growth.

For this reason, during the 2025 financial year, the company has continued to invest in data training, as well as the ethical use of AI, through three training initiatives, one of which was an AI workshop for the entire workforce.

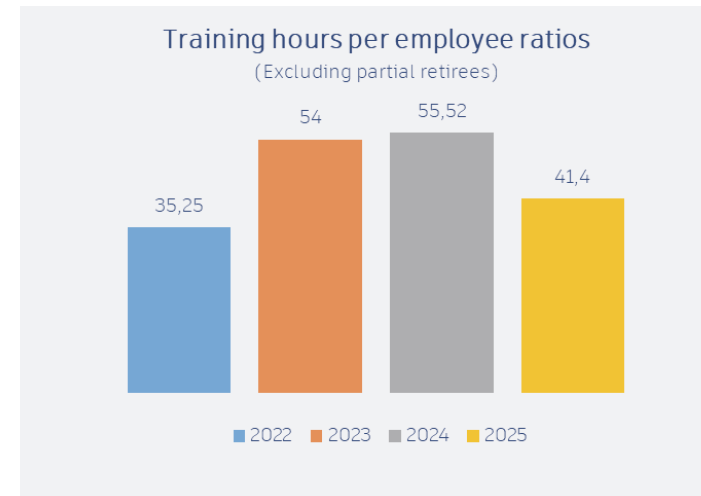
However, it is the ‘Corporate’ specialist training module that once again accounts for the largest number of hours, reaching 40% of the total. Indeed, within this group, it is worth highlighting the launch in 2025 of one of the initiatives that emerged from the workplace climate survey to improve communication, namely the “Breakfasts with the Director”, which addressed the topic of “The Future of Gas”. This initiative not only enables management to communicate and inform staff about the future of gas—and, by extension, the company—but also to foster communication between management and staff, as well as interdepartmental relations.

Furthermore, within this area, middle management continues to be trained through the Management Development Programme, a programme that helps consolidate their managerial position and prepares them to lead in the future; acquiring a global vision, strengthening decision-making and fostering leadership.

Specialised training in “Business” remains significant, accounting for 21% of total hours, with the “Operations” Department receiving the bulk of training activities in this area. Training has been provided in polyethylene welding, GdO (Guarantees of Origin) and ERM (Regulation and Metering Stations).

Finally, it is important to highlight Madrileña Red de Gas’s ongoing commitment to teamwork and collaboration, seen as the essential driving force for strengthening communication and cohesion between its various departments. As well as its commitment to the fundamental principle of equality. All of this is achieved through initiatives aimed at the entire workforce.

As a result, a total of 4,596 hours of training were delivered in 2025, spread across 40 training sessions, bringing the ratio of training hours to 41.40 per employee.



Health and Safety

During the 2025 financial year, Madrileña Red de Gas has continued to uphold a high standard of corporate excellence, maintaining the certification of its Occupational Health and Safety Management System in accordance with the ISO 45001:2018 standard.

In this context, the company has strengthened its commitment to training in prevention, ensuring that employees have the necessary training, tailored to different groups and consistent with the continuous updating of prevention documentation.

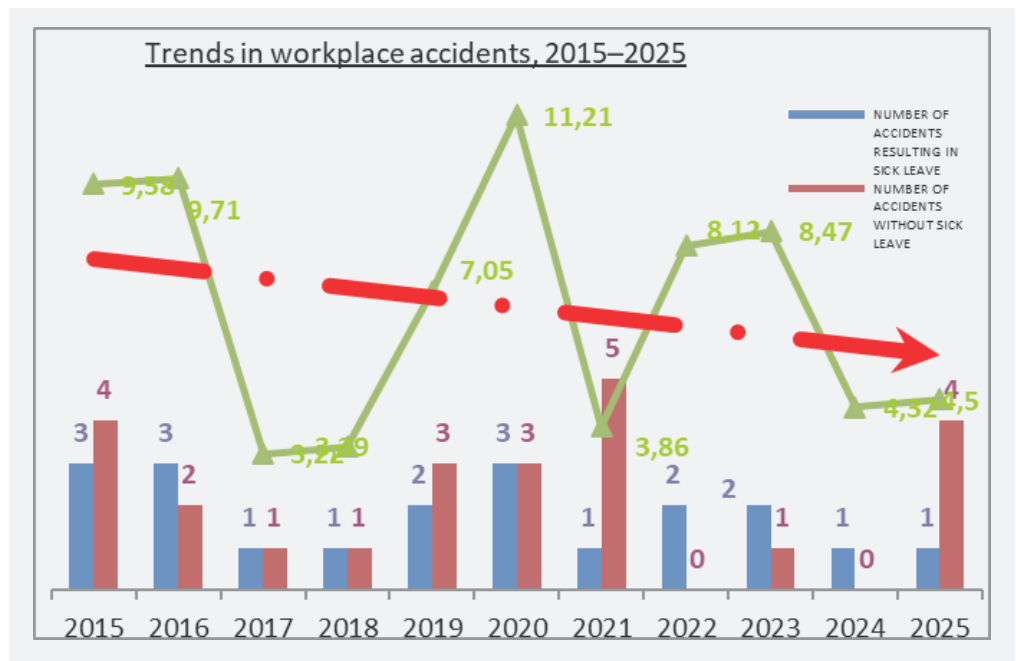
Likewise, the use of a computerised tool for managing the documentation of contractors and subcontractors has continued to be consolidated, helping to improve coordination, monitoring and compliance with occupational health and safety requirements.

The objectives of the Occupational Health and Safety System have remained aligned with the company's commitments to sustainability and good corporate governance. As regards the health and safety targets set for 2025, the level of compliance has been highly satisfactory. The objective aimed at reducing the accident rate achieved 94% compliance, whilst the objectives relating to the implementation and improvement of the prevention model and to improvement measures linked to the management of serious accidents were fully met, achieving 100% of the planned targets.

Workplace accidents

In terms of workplace accidents, during the 2025 financial year, Madrileña Red de Gas recorded one accident resulting in sick leave that was not 'in itinere' and four accidents without sick leave that were not 'in itinere', with no accidents, whether resulting in sick leave or not, occurring during 'in itinere' journeys. Furthermore, no serious accidents were recorded throughout the financial year.

As a result of these figures, the frequency rate stood at 4.5, whilst the severity rate reached 0.06, reflecting effective preventive management and a limited impact of accidents on the company's operations. These results highlight the effectiveness of the measures implemented in the area of occupational risk prevention and the ongoing commitment to the health and safety of workers.



6. GAS AND SOCIETY

In 2025, Madrileña Red de Gas significantly strengthened its commitment to decarbonisation, promoting, among other initiatives, the ECO Label and its active participation in the Gas Verde Sí platform, both aimed at raising awareness of the role of renewable gases and positioning the gas infrastructure as a lever for the energy transition.

In the environmental sphere, the company consolidated its ISO 14001 certification, calculated its carbon footprint across scopes 1, 2 and 3, and reinforced its commitment to reducing methane emissions by joining the OGMP 2.0 initiative.

All of this confirms that the gas network constitutes a key infrastructure, ready and fully aligned with the objectives of the energy transition.

Progress and forecasts in national energy regulation

Residential sector

In addition to the review relating to the amendment of the Technical Building Code (CTE) outlined above, regulatory activity in the residential sector is focused on adapting the national regulatory framework to comply with European requirements arising from the Energy Performance of Buildings Directive (EPBD). In this context, the following developments are planned for the coming years:

- ✂ **Ecodesign regulation:** technical work is continuing within the EU. However, the European Commission is not expected to present a formal proposal before the first half of 2026.
- ✂ **Regulation on Thermal Installations in Buildings (RITE):** the public consultation process on the regulatory text is scheduled to open during the first quarter of 2026, which will allow the process of updating and adapting it to the new energy efficiency requirements to begin.
- ✂ **National Building Renovation Plan (PNRE) 2026:** the Ministry of Housing and Urban Agenda (MIVAU) has submitted a first draft to the European Commission. The deadline for submitting the final plan is 31 December 2026.

- ✂ Amendment to the Technical Building Code (CTE) – Phase 2: its implementation is scheduled for the second half of 2027, with the aim of complying with the EPBD obligations applicable from 2028. This phase will introduce the requirement for zero-emission buildings and the definition of new limits on energy consumption and emissions. Prior to this, the document relating to CO₂ emission factors and the primary energy conversion coefficients for the various energy sources will need to be approved.

Mobility

In the field of sustainable mobility, during the financial year Madrileña Red de Gas has carried out an exhaustive monitoring of the Draft Sustainable Mobility Act following its approval by the Plenary Session of the Congress of Deputies. This regulatory framework aims to transform the transport model in Spain, orienting it towards criteria of efficiency, sustainability and territorial cohesion.

The strategic pillars of this law, in which the gas sector plays a key role as a supplier of clean energy for heavy and maritime transport, are structured around the following objectives:

- ✦ Development of an integrated system: defining the general principles for safe, sustainable, accessible and inclusive mobility, supported by digitalisation and ensuring reasonable costs for the end user.
- ✦ Multimodality and logistics: to promote an efficient and resilient multimodal freight transport system, fostering sustainability within logistics chains and optimising the use of infrastructure.
- ✦ Institutional capacity: providing public administrations with the technical, regulatory and operational tools necessary for the effective implementation of the integrated mobility system.
- ✦ Governance and transparency: strengthening coordination and cooperation mechanisms between the different levels of government for the design, planning and management of transport and infrastructure policies.
- ✦ Stable funding: establish a model for the central government's participation in the funding of urban transport, based on criteria of equality, stability and proportionality.

Natural gas for vehicles

During 2025, natural gas for vehicles continued to demonstrate its importance as a key alternative within sustainable mobility. As in the previous year, the increase in consumption was driven mainly by the maritime transport sector.

With regard to land transport, market trends reflect a clear shift towards professional use. Whilst the passenger car and light vehicle segment has been limited by the limited availability of new models from manufacturers, the heavy goods and passenger transport sectors continue to demonstrate their confidence in natural gas for vehicles.

Registration figures in Spain for 2025 confirm this trend, with a total of 793 natural gas-powered vehicles registered. Market performance has been particularly positive in the Liquefied Natural Gas (LNG) bus and lorry segments. In the case of buses, registrations remain stable, with an increase of more than 20 units compared to 2024. Meanwhile, LNG lorries continue to rise, with 24 additional units compared to the previous year. In contrast, registrations of Compressed Natural Gas (CNG) lorries have fallen, following the same trend observed in the light vehicle segment.

A highlight of the financial year has been the progress made in decarbonisation, driven in particular by the introduction of biomethane.

Natural gas is no longer considered merely a transition fuel but has established itself as an alternative which, through the growing integration of renewable gases into the network, enables a significant reduction in the carbon footprint without requiring modifications to existing vehicle fleets.

In the distribution sector of Madrileña Red de Gas, it is evident that local authorities continue to rely on Natural Gas for Vehicles (NGV) for street cleaning and waste collection services. A notable example this year has been the launch of a new service station by URBASER in the Latina district, designed for refuelling urban cleaning vehicles.

Furthermore, two new operational bases for this type of activity are scheduled to come into operation by 2026, each equipped with its own refuelling stations within the Madrileña Red de Gas area. These initiatives reaffirm that, despite the current situation in the passenger car market, natural gas remains an efficient, mature and essential solution for urban service fleets and for commercial transport in metropolitan areas.

Further information: <https://gasnam.es/mapa-estaciones-gnc-gnl-biometano-hidrogeno/>

Environment

In the 2025 financial year, the core focus of Madrileña Red de Gas's environmental performance centred on the consolidation and maintenance of the processes underpinning the Environmental Management System.

This work enabled the company to maintain its certification in accordance with the ISO 14001 standard, as well as to compile and analyse the main environmental management indicators.

Madrileña Red de Gas has a methodology for identifying and assessing the environmental aspects associated with its processes, activities, services, workplaces and vehicle fleet. The purpose of this methodology is to determine those aspects that have or may have significant impacts on the environment, as well as to establish the corresponding operational controls for their proper management.

The environmental aspects identified as significant are given priority when setting environmental objectives, ensuring they are aligned with the continuous improvement of the company's environmental performance.

In this regard, during the 2025 financial year, no accidents with environmental impacts were recorded that led to the imposition of administrative penalties or the incurrence of civil liabilities, reflecting the adequate level of control, prevention and environmental management in the activities carried out by Madrileña Red de Gas.

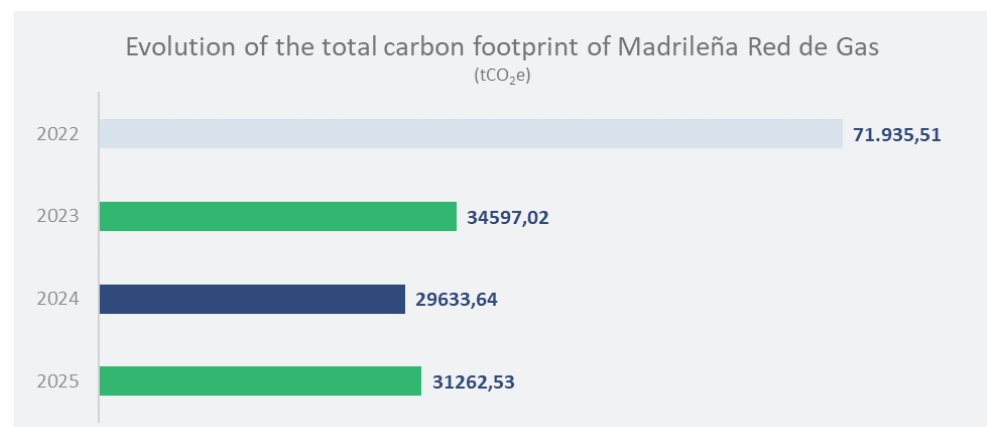
Carbon footprint: calculation of greenhouse gas emissions

During the 2025 financial year, Madrileña Red de Gas calculated its carbon footprint, covering Scopes 1, 2 and 3, in accordance with the principles and criteria established in the ISO 14064 standard.

This calculation includes both direct emissions generated by the company’s own activities and indirect emissions associated with energy consumption, as well as other significant indirect emissions arising from its value chain, such as those related to suppliers, transport, contracted services and other activities linked to the provision of the service.

With the aim of ensuring the reliability, traceability and transparency of the reported environmental information, the calculation for the 2025 financial year will be subject to an external verification process by an accredited independent third party, scheduled for 2026, in accordance with the requirements of ISO 14064.

This comprehensive and systematic approach reinforces Madrileña Red de Gas’s commitment to responsible climate change management, the continuous improvement of its environmental performance and accountability to its stakeholders, thereby consolidating the quality of the information used for strategic decision-making on sustainability matters.



Finally, the carbon footprint report for the previous financial year was submitted to the Spanish Office for Climate Change, obtaining the “Calculate and Reduce” seal for the 2024 financial year, which attests to Madrileña Red de Gas’s commitment to measuring, controlling and reducing its greenhouse gas emissions.



OGMP 2.0 Initiative

The Oil and Gas Methane Partnership 2.0 (OGMP 2.0) project, in which Madrileña Red de Gas has been participating since 2023, forms part of the European Strategy for the reduction of methane emissions and applies to the entire value chain of the oil and gas industry, including production, transport, distribution and processing activities.

This project has also 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. At national level, its transposition into Spanish law is currently pending, with the Ministry for Ecological Transition and Demographic Challenge (MITECO) having already been designated as the Competent Authority.

Currently, the OGMP 2.0 alliance has more than 150 member companies with assets across five continents, which together account for approximately 42% of global oil and gas production, highlighting the significance and global reach of this initiative.

In this context, Madrileña Red de Gas actively participates in the fortnightly meetings of the European Union distributors' group, which address key issues such as defining the roadmap to achieve Level 5 'Gold Standard' certification and harmonising the criteria for quantifying methane emissions. In addition, during the financial year, the company attended two technical meetings held in Brussels in March and December, at which studies carried out in the academic sphere were presented and a joint analysis was conducted of the data provided by the participating distribution companies.

Madrileña Red de Gas has submitted a specific Action Plan to the OGMP 2.0, which sets out targets and actions aimed at making progressive progress in 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.

In this regard, during the final months of the financial year, the necessary steps were taken to formalise the implementation of an initial pilot project for the detection of methane emissions, based on AMLD (Advanced Mobile Leak Detection) technology, which is scheduled to be carried out in the early months of 2026, constituting a significant milestone in strengthening the company's leak detection and management capabilities.

Environmental measures at LNG and LPG plants

Most of Madrileña Red de Gas's LPG facilities fall within the scope of current regulations on soil contamination, in particular the provisions of Royal Decree 9/2005, as well as subsequent regulatory developments. In this context, the company is required to submit to the Community of Madrid the relevant preliminary soil reports, soil condition monitoring reports and, where applicable, detailed characterisation reports associated with the closure of operations.

With the aim of complying with these obligations and ensuring adequate management of environmental risk, Madrileña Red de Gas has defined a multi-year work plan, based on a prioritisation criterion that focuses actions on those facilities which, due to their operational or historical characteristics, present a higher potential for soil contamination.

In addition, during the 2025 financial year, a preliminary soil report was drawn up for the Miraflores de la Sierra LNG plant, alongside the production of various noise reports, thereby strengthening environmental monitoring of the facility and ensuring compliance with applicable regulations on soil protection and noise control.

Gas Verde Sí platform

Madrileña Red de Gas is part of the Gas Verde Sí platform, an initiative launched with the aim of promoting the development of green gas or biomethane in Spain. This platform champions green gas as a clean, viable and essential energy alternative for moving towards a more sustainable model with greater energy autonomy.

Green gas, produced from organic waste, is a 100% renewable energy source that is stable (as it does not depend on variable resources such as the sun or wind), storable and competitive. Its use helps reduce dependence on external energy sources, facilitates efficient waste management for the primary sector and promotes job creation in rural areas.

The launch of the platform was supported by various associations and companies from the primary, industrial and installation sectors, as well as representatives from the energy sector, including gas producers and distributors.

All members of the platform share the conviction that green gas represents a strategic opportunity that Spain must not miss. Furthermore, it is an open initiative, to which new organisations and professionals will progressively join with the common aim of contributing to the acceleration of the development of green gas or biomethane in the country.

The NADA campaign, the Gas Verde Si platform, highlights the fact that any current natural gas consumer can use green gas without needing to make any changes to their installation.



The platform's raison d'être

Spain has the necessary conditions to become a European leader in the development of green gas, currently being the third country with the greatest production potential in Europe. To move towards achieving climate targets and strengthen both energy sovereignty and security of supply, green gas or biomethane must play a significant role within the renewable energy mix.

At present, Spain lags behind the rest of Europe in the roll-out of renewable gas, trailing far behind countries such as France, Germany, Italy and Denmark. However, the country has the potential and the responsibility to position itself as a leader in this field.

Madrileña Red de Gas and the platform argue that the energy transition cannot be considered complete without the incorporation of green gas, a renewable alternative that complements wind and solar technologies and is already fully ready for deployment. They also maintain that both individuals and businesses must have the ability to choose the clean energy solution that best suits their needs.

Similarly, Madrileña Red de Gas reaffirms its conviction that Spain can and must aim for a greater degree of energy independence and security of supply, by making use of its own resources and developing an energy mix that is appropriate for the country.

What is the platform calling for?

The platform calls for the implementation of an energy policy that recognises the strategic value of green gas or biomethane as a fundamental part of the renewable mix that Spain needs. It also calls for a regulatory framework that promotes its development, removes existing barriers and enables households, businesses and industries to freely choose the sustainable energy alternative that best suits their needs.

Specifically, some of the measures the platform aims to promote are:

- ✕ Giving green gas a significantly more prominent role, alongside other renewable energies such as wind and solar, within national energy planning.
- ✕ Reserving a portion of the green gas supply for the industrial sector, prioritising those activities that face the greatest difficulties in decarbonising or that do not yet have viable alternatives on an industrial scale.
- ✕ Gradually introducing mandatory green gas quotas for residential gas demand, with the aim of facilitating its gradual uptake in Spanish households.
- ✕ Streamline administrative procedures relating to the processing and granting of licences for the construction of green gas or biomethane production plants, as well as for their connection to reverse-flow facilities.
- ✕ Complete and consolidate the regulatory framework applicable to waste treatment.

- ✕ Promote the incorporation of green gas as an additional energy solution in new-build buildings.

Green Gas for families

Opting for green gas represents a more advantageous option for families compared to other electric energy solutions.

- ✕ There is no installation cost for green gas in homes that already have a boiler, whereas installing electric alternatives involves a significant financial outlay for families.
- ✕ It contributes to a faster and more efficient decarbonisation of homes. Promoting the use of green gas as an energy alternative helps reduce costs for Spanish families.

Furthermore, air-source heat pump systems require additional space that not all homes have, whereas biomethane enables home heating and cooling without taking up any more space than a conventional boiler.

- ✕ It enables progress towards a fully decarbonised housing stock, effectively contributing to the country's climate targets.

Green Gas for industry

Green gas is a clean, stable and constant source of energy, essential for industrial sectors that account for approximately 16% of GDP and employ around 3 million people, according to EPA data.

- ✕ It will provide renewable, stable and continuous energy to both large and small businesses, contributing to a safer and more reliable energy mix for industrial activity.

- ✕ It will avoid high installation costs, thereby reducing the risk of industrial relocation to other countries and helping to preserve jobs and economic investment within the country.

- ✕ Sectors such as steel and metallurgy, cement and ceramics, the chemical and petrochemical industries, glass, the paper industry and the food sector, amongst others, will be able to use green gas to decarbonise their production processes, many of which are difficult or impossible to electrify on an industrial scale.

Green Gas for farmers and livestock breeders

In 2023, Spain ranked as the European Union country with the highest number of fines related to the improper management of environmental waste. In this context, green gas production plants represent a sustainable solution for recovering up to 120 million tonnes of organic waste generated annually.

- ✕ It promotes the circular economy by facilitating the efficient reuse of agricultural and livestock waste and transforming it into renewable energy.
- ✕ It supports farmers and livestock breeders in the proper management of their waste, offering a sustainable, safe and economically viable route for its treatment.
- ✕ It helps avoid fines from the European Commission for poor waste management by providing an alternative that complies with current environmental regulations.

- ✕ It helps mitigate groundwater pollution by significantly reducing the uncontrolled dumping of organic waste and improving management practices in the primary sector.

More information at <https://gasverdesi.com/>

Special projects

Inspira Madrid project

During the 2025 financial year, the Inspira Madrid project faced various operational and administrative challenges. However, significant milestones were achieved, notably the approval of the electrolyser's electrical connection.

Following the necessary procedures and a joint analysis with the local electricity distributor regarding the actions required to enable the project's connection to the grid, approval was obtained for the required electricity capacity reserve. This progress guarantees access to the grid in a context marked by a high volume of applications, which limits the availability of electricity capacity in other locations.

To manage the objections raised by local residents as part of the project authorisation procedure, we have collaborated with various specialist firms and environmental engineering consultancies. This coordination enabled us to prepare the necessary technical responses and address the arguments raised against the initiative, thereby ensuring the documentary and regulatory soundness of the application.

At the same time, ongoing work has been carried out with the local administration to foster institutional understanding of the project and secure the council's support. As part of these efforts, a visit was organised to the EMT's Entrevías hydrogen plant, where the council team had the opportunity to see an operational hydrogen production and refuelling facility in situ.

Furthermore, commercial activities aimed at identifying potential users of renewable hydrogen were stepped up. To this end, contacts were established with leading companies in sectors such as logistics, food distribution and passenger transport, amongst others. These actions seek to drive the decarbonisation of mobility in the Community of Madrid and encourage the adoption of sustainable energy solutions.

The accumulated delay in obtaining permits has made it necessary to request an extension to the project's implementation schedule from CINEA (European Climate, Infrastructure and Environment Executive Agency), the body responsible for managing funding under the CEF Transport programme. CINEA granted this extension, providing a longer timeframe to complete the development phases prior to the construction of the hydrogen production plant.

Looking ahead to 2026, significant progress is expected both in the administrative processes related to permits and in identifying potential consumers for the renewable hydrogen that will be generated. At the same time, the feasibility of alternative locations for the plant continues to be assessed, in the event that it is not possible to carry out the project at the currently planned site in Villanueva del Pardillo.

Hydrogen boiler

For a period of two years, a domestic boiler designed to run on 100% hydrogen has been in operation at the Madrileña Red de Gas offices. The unit has demonstrated full availability throughout its operational period, using hydrogen supplied via cylinders to provide domestic hot water and heating to one of the rooms.



Throughout the operational period, there have been numerous visits from official bodies, companies in the energy and technology sectors, as well as various universities. These visits have made it possible to verify and demonstrate that hydrogen-based heating is technically viable in a real-world setting.

The equipment transfer agreement with Vaillant has come to an end, which is why the boiler has been collected by the manufacturer. Looking ahead to 2026, the plan is to continue the collaboration with Vaillant to provide a natural gas boiler adapted using a conversion kit that will enable it to run 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 run entirely on hydrogen.

Pryconsa project

The installation of the hydrogen-ready equipment is scheduled for 2026. This boiler is capable of adapting to and operating on 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.

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 sticker affixed to domestic natural gas boilers. Its purpose is to clearly and accessibly communicate that the equipment is compatible with renewable gases, such as biomethane and green hydrogen (up to a certain percentage).

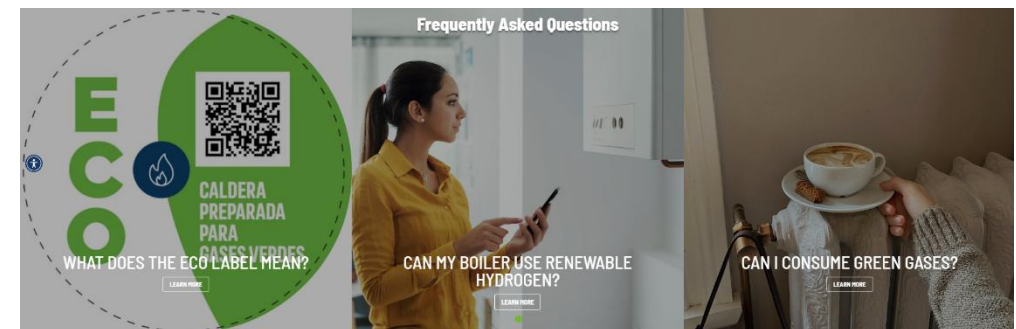
The label is being affixed during the standard processes for connecting to the supply network, converting LPG installations and carrying out periodic inspections.

What is it for and what is its purpose?

1. To inform consumers: it allows users of natural gas boilers to know that their equipment is compatible with more sustainable fuels, without the need for additional investment or replacing the existing installation.
2. Facilitating the energy transition: it demonstrates that decarbonising the domestic sector does not necessarily require complex building work or the replacement of current appliances. The initiative highlights the “ease of transition” and the “zero cost” to the user in relation to adapting their installation to renewable gases.

3. Connecting users with technical information: each label features a QR code that directs users to the Madrileña Red de Gas website, specifically to the section dedicated to new energies. From there, they can access detailed information on renewable gases, such as biomethane and hydrogen, and check their boiler’s compatibility with these energy sources.

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

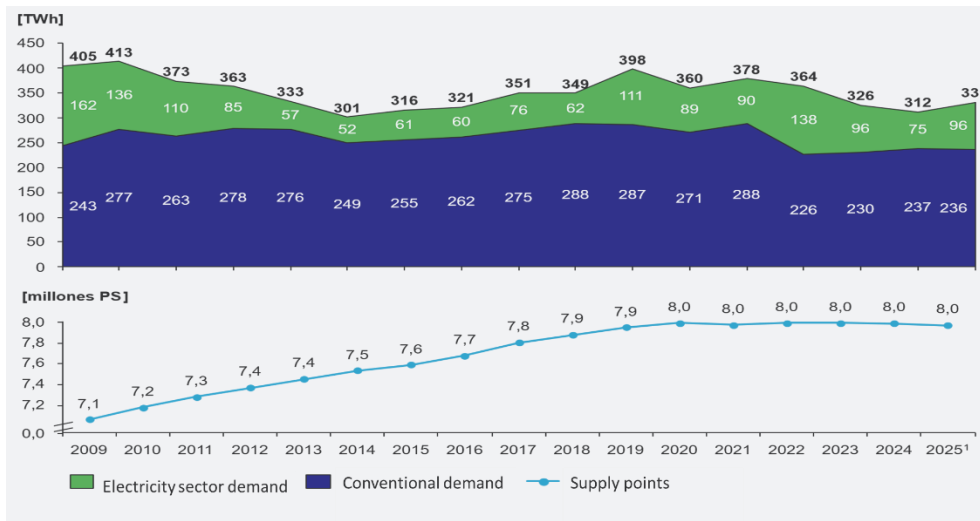


Gas infrastructure positioning report

In the context of the conclusion of the second regulatory period, PwC has produced a report at the request of SEDIGAS, in which Madrileña Red de Gas has actively participated. This report analyses the role and positioning of gas infrastructure, as well as the evolution of the regulated sector during this second regulatory period.

The essential role of natural gas

The document highlights the essential role played by natural gas within the Spanish energy system, both for its contribution to security of supply and for its ability to effectively support the decarbonisation process.



In the **domestic sector**, the number of supply points has remained stable, serving millions of households that use natural gas for heating, domestic hot water and cooking. For approximately 85% of these consumers, natural gas remains the most efficient option today, whether due to technical limitations preventing access to other solutions, such as heat pumps, or economic constraints hindering the replacement of existing equipment and systems. This situation makes natural gas a key element in ensuring a fair, affordable and progressive energy transition.

In the **industrial sector**, natural gas plays a critical role in the competitiveness of a wide range of industries, contributing directly and indirectly to a significant share of GDP and national employment. Numerous energy-intensive sectors rely on gas for strictly technical reasons – such as the need to reach high temperatures, ensure continuity of supply or maintain product quality – and do not have, in the short to medium term, viable alternatives that are technically and economically reasonable. In this regard, natural gas plays a central role in the continuity of industrial activity and the preservation of strategic value chains.

In the **services sector** (healthcare, hospitality, retail, SMEs, among others), natural gas is also an essential energy carrier for ensuring the operation of basic and critical services. Its use provides operational flexibility, rapid response times and reliability in meeting peak demand, elements that are indispensable for guaranteeing the continuity and quality of these services.

The report highlights those renewable gases, primarily biomethane and renewable hydrogen, are emerging as the most efficient and competitive route to decarbonising the demand currently met by natural gas. For the majority of domestic consumers, decarbonisation supported by biomethane is the most economically efficient option and, in many cases, the only technically feasible one without requiring very heavy investment in replacing internal equipment and infrastructure, as it allows existing equipment (boilers) to be utilised rather than having to invest in electric alternatives. Similarly, in industrial and service applications, the gradual injection of renewable gases into the existing network 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.

Importance of gas infrastructure

Furthermore, the report emphasises the strategic importance of gas infrastructure.

Spain's gas infrastructure is one of the most comprehensive and robust systems in Europe, comprising nearly 100,000 km of transmission and distribution networks, seven regasification plants, three underground storage facilities and international interconnections.

This network of physical assets, the result of significant cumulative investment over recent decades, has become a strategic infrastructure for the country. From the point of view of security of supply, the gas system offers a high degree of diversification in terms of supply sources and routes. The combination of liquefied natural gas received at regasification plants with supplies via pipeline allows the supply mix to be adapted flexibly in response to geopolitical changes, occasional disruptions or crisis situations, helping to ensure a continuous supply to households, businesses and critical facilities.

The meshed configuration of the network, thanks to the distribution and transmission networks, together with storage capacity and operational management capabilities, provides 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.

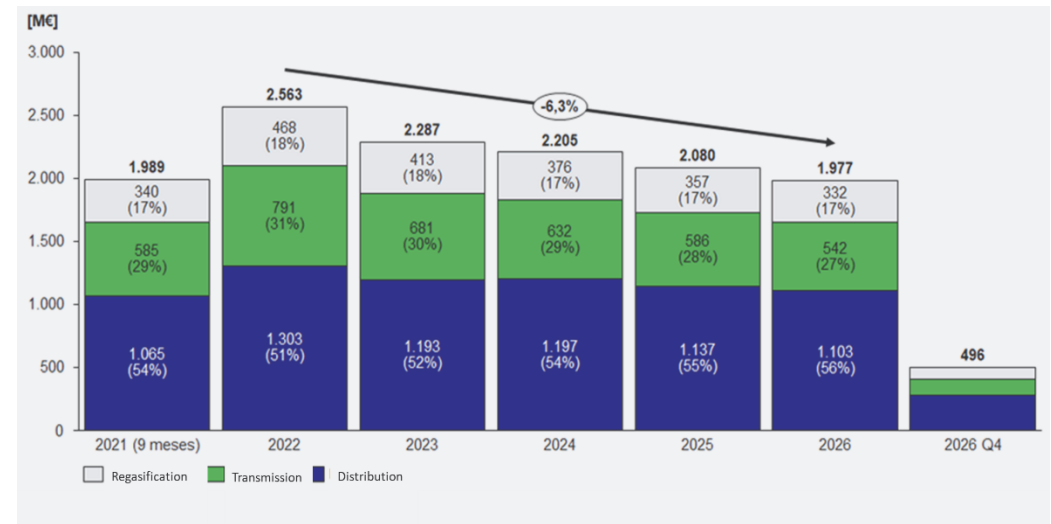
In the context of decarbonisation, the existing gas network is the ideal vehicle for transporting renewable gases, avoiding the need to build entirely new infrastructure. Spain has one of the highest biomethane production potentials in Europe (~163 TWh/year), which opens the door to a gradual replacement of fossil gas with renewable gas by taking advantage of the capillarity and extent of the current networks. This development would not only enable the decarbonisation of final demand across multiple consumer sectors (domestic, industrial, services, mobility), but also strengthen national energy self-sufficiency by utilising domestic resources.

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.

Sector trends

The report also analyses the sector's evolution during the second regulatory period. The current regulatory period (2021–2026) has been marked by an exceptionally complex economic and financial environment, with notable increases in macroeconomic price indices (CPI and IPRI) and the cost of debt. These factors have directly affected the operating and maintenance costs of gas networks and assets, as well as the financing of the investments necessary to guarantee the security and quality of service.

In this context, the trend in gas tariffs, determined on the basis of the recognised remuneration for the regulated activities of distribution, transmission and regasification, has led to a significant mismatch with the sector's actual costs and with the trend observed in other countries in our European environment.



With regard to distribution activities, the reduction in the recognised remuneration is largely explained by regulatory adjustments to the remuneration base, as well as by temporary falls in demand for natural gas during the period (COVID, the war in Ukraine, etc.).

On the other hand, in transmission and regasification, the reductions in remuneration are related, amongst other factors, to the downward trend in certain regulatory parameters that affect the remuneration recognised for these activities. The reduction in revenue from gas sector activities is also occurring at a time when gas infrastructure is called upon to play an enhanced role in managing security of supply and in preparing for the integration of renewable gases.

This combination of factors—an adverse macroeconomic environment and changes to the remuneration framework—may have negative effects on the stability and reasonable profitability of these activities.

All of this reinforces the need for the regulatory design to evolve towards a framework that provides appropriate signals and offers sufficient visibility and certainty to market participants over the next six years.

In this context, the report identifies a number of elements of the current regulatory framework for gas infrastructure that shape its role and pose significant challenges. Firstly, it is noted that the current remuneration model was designed in a scenario prior to the acceleration of the energy transition and before the recent episodes of volatility in energy markets. As a result, certain parameters and methodologies may not adequately reflect the reality of costs, the need for additional resilience and the new strategic role of gas infrastructure, both for security of supply and for the integration of renewable gases.

Secondly, the current framework does not always fully internalise the intrinsic value that gas infrastructure brings to the energy system as a whole. The contribution of the gas system to the stability of the electricity system, to the back-up of renewable energy, to security of supply in times of stress and to the diversification of sources and routes is not directly reflected in the regulated remuneration. This can create a gap between the social and economic value that this infrastructure provides and the remuneration it receives.

Thirdly, regulation must address the challenge of reconciling the necessary recovery of sunk costs and the protection of investments made with the gradual adaptation of the network to a scenario of greater penetration of renewable gases and possible changes in demand for fossil gas. This involves designing mechanisms that allow the transition to be managed in an orderly manner, whilst ensuring that infrastructure can evolve towards new uses and services.

It also highlights the importance of the regulatory framework providing stability, predictability and clear long-term signals. Investments in gas infrastructure, including its adaptation to renewable gases, require long time horizons and reasonable certainty regarding the rules of the game, accompanied by clear and reasonable economic signals, so that market participants can plan ahead and mobilise the necessary resources.

Finally, the report emphasises the need for regulation to take into account the European and international dimension of the gas sector, in a context where Spain can play a significant role as a gateway for gas and renewable gases into the European market. Proper coordination between national and EU policies, as well as consideration of interconnections and projects of common interest, is essential to maximise the value of Spanish infrastructure and contribute to the European Union's security and sustainability objectives.

7. RESULTS

The 2024 financial year was characterised by a downward trend in gas prices, accompanied by relatively milder winter weather conditions compared with the previous year.

Against this backdrop, in the fourth year of the 2021–2026 regulatory cycle, Madrileña Red de Gas continues to stand out for its remarkable financial resilience. At the close of the financial year, the company had a total of 909,915 supply points, comprising 906,763 for natural gas and 3,152 for LPG.

Throughout the year, Madrileña Red de Gas has allocated €8.7 million to the expansion of its distribution network, thereby improving access for households, industries and businesses to an efficient fuel through a continuous and reliable supply.

Summary of results

During the 2025 financial year, gas demand showed a recovery trend compared to previous years' levels. This trend occurred in an environment where average gas prices were slightly higher than in 2024 and temperatures were significantly colder during the months of greatest seasonal impact compared to the previous period.

In this market environment, the company has achieved a positive result, with a 7% increase in total gas demand compared to the previous year.

At the overall market level, and according to Enagás indicators, the global conventional sector recorded a decline of 2.2%. This figure is attributable to the performance of industrial consumption, which was 5.2% lower than the previous year. However, this decline was offset by the dynamism of the domestic-commercial and SME segment, where demand grew by 8%. Against this backdrop, the company's 7% growth confirms the strength of its portfolio and reflects robust and resilient organic growth in the face of the current situation in the industrial sector.

The company generated revenue of €148 million, 3.5% below the figure for 2024, offsetting an additional regulatory cut of €4.6 million compared to the previous year, in line with the adjustment provided for in the current regulatory framework.

Madrileña Red de Gas's main activity, the distribution of natural gas, is a regulated activity, with regulatory periods spanning six years. The 2025 financial year was the fifth year of the 2021–2026 regulatory period, in which the gas year ended on 30 September.

Remuneration for distribution activities is the company's main source of revenue. This remuneration is calculated annually using a parametric formula and varies according to growth in supply points and demand for gas transported via the network.

At the end of 2025, the company served 911,097 supply points (909,915 as at 31 December 2024). Of this total, 3,579 correspond to supply points acquired under a framework agreement between Aliara GLP, S.L.U. and the Company for the purchase and transfer of LPG networks and facilities, approved on 21 July 2025 by the Directorate-General for Energy Transition and the Circular Economy, and which it has been decided to convert to natural gas.

Operating results

The operating results presented reflect the activity of Madrileña Red de Gas on a consolidated basis, in accordance with International Financial Reporting Standards (IFRS), providing a complete picture of the group's activity and its balance sheet structure. The companies included in the scope of consolidation are Madrileña Red de Gas SAU, MRG Finance BV, Aliara Energía SA, Aliara GLP SLU, Elisandra Spain V SLU and Elisandra Spain IV SL.

<u>Consolidated profit and losses (M€). ⁽¹⁾</u>	2024	2025
Remuneration	117,8	117,5
Other revenues	35,5	30,4
EBITDA ⁽¹⁾	113,3	108,3
EBIT	77,1	75,6
Net profit	39,7	39,8
 (1) Excluding non-recurring expenses		
Consolidated income statement and according to IFRS. Consolidation perimeter: MRG, Aliara Energía, Aliara GLP, MRG Finance BV, Elisandra V y Elisandra IV.		

Consolidated EBITDA for 2025 stood at €108.3 million, 4.4% lower than the previous year's figure. Revenue from fees remained virtually unchanged from the previous year, with the impact of the increased regulatory cut-back fully offset.

The lower EBITDA is the result of reduced activity volumes due to periodic inspections in line with the scheduled review cycle, lower volumes of LPG managed in accordance with active LPG supply points, and the containment of other operating expenses through efficiencies in other operational areas.

Net profit stood at €39.8 million, in line with the previous year, driven by lower extraordinary expenses and financial costs, following the debt restructuring carried out in 2024 and a reduction in debt levels during the year by €160 million.

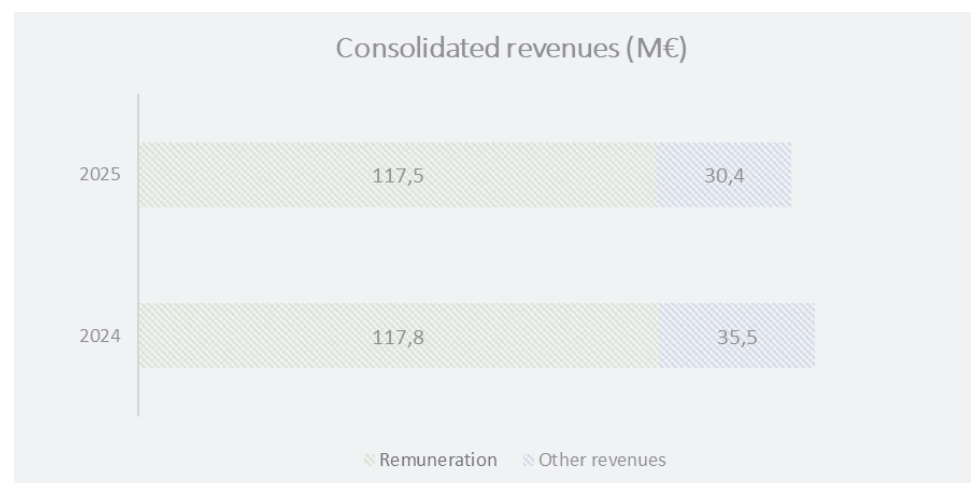
Revenue

The company generated revenue of €148 million. 96% of consolidated revenue comes from regulated activities.

Of the total revenue, €138.3 million came from the regulated natural gas business, whilst €3 million originated from the LPG business, and the remaining €6.7 million came from non-regulated activities carried out mainly by the company Aliara Energía.

Within the natural gas business, 83% was contributed by the regulated remuneration for distribution activities, comprising the figure set by the CNMC's Resolutions of 27 May 2025 and 23 May 2024, as well as the best estimate made by management for the remuneration corresponding to the last quarter of 2025 for the 2026 gas year.

The remaining 17% relates to other services connected with the natural gas distribution business, such as meter hire, periodic inspections and other services offered to consumers.



Financial position and balance sheet

The balance sheet presented reflects the group's structure at a consolidated level in accordance with International Financial Reporting Standards (IFRS).

Financial strength is a cornerstone of Madrileña Red de Gas's strategy. The company has strong levels of solvency and liquidity, consistent with an investment-grade credit rating. The financial structure is efficient in the long term.

<i>lated balance sheet (M €) ⁽¹⁾</i>	2024	2025
Gas Distribution licences & other intangibles	1573,2	1573,2
Net tangible fixed assets	307,7	290,6
Total network fixed assets	1880,8	1863,8
Deferred tax asset	14,3	16,3
Other non-current assets	2,7	1,8
Current assets	48,5	40,2
Cash	126,6	43,6
Total assets	2072,9	1965,6
Equity	788,3	827,5
Long term debt	598,3	718,2
Deferred income tax liabilities	326,5	336,1
Other non-current liabilities	27,9	28,4
Current liabilities	331,8	55,3
Total liabilities & shareholders equity	2072,9	1965,6

(1) Consolidated Balance sheet. Consolidation perimeter: MRG, Aliara Energía, Aliara GLP, MRG Finance BV, Elisandra V y Elisandra IV.

In the 2025 financial year, consolidated gross debt totals €740 million and matures in 2027, 2028, 2029 and 2031.

The refinancing of the €300 million bond maturing in April 2025 has been successfully completed using a €180 million loan facility, in line with the deleveraging strategy.

In addition, in June and December 2025, partial repayments of the €180 million loan were made in the amounts of €15 million and €25 million respectively, in accordance with the planned deleveraging schedule.

The group also has a contingent credit facility of €75 million, maturing in February 2027, which is aligned with the company's actual needs for the coming years.

The flexible dividend policy is another key feature that gives the company greater adaptability and, consequently, greater financial strength.

Of the group's total debt, €375 million is issued by MRG Finance BV on the regulated market in Luxembourg under an EMTN programme. This debt is rated investment grade (BBB-) by Standard & Poor's and the rating agency DBRS, which upgraded the rating in 2024 to BBB (stable) from BBB (low).

Cash Flow from operations

Operating cash flow stood at €99 million, compared with €83 million the previous year.

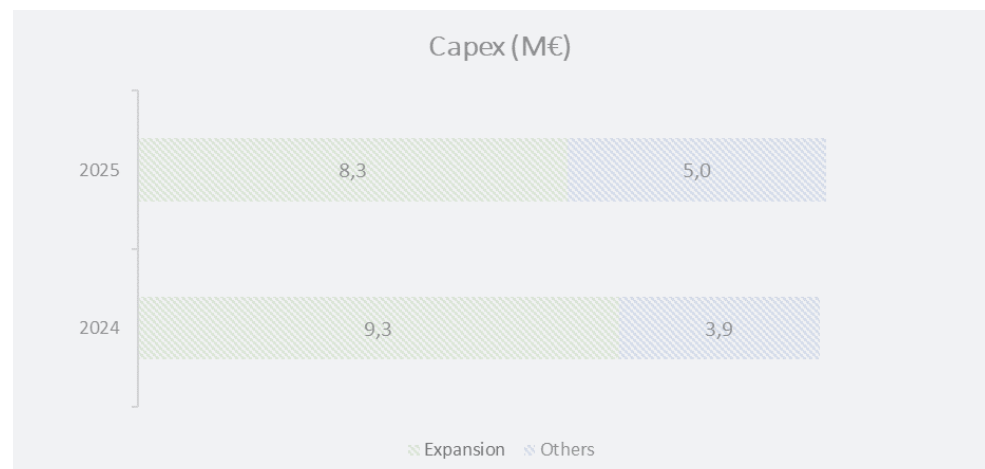
<u>Consolidated Cash Flow (M€)</u> ⁽¹⁾	2024	2025
EBITDA	113,3	108,3
Income tax paid	(0,5)	(7,5)
Working capital	(16,5)	11,9
Capex	(13,2)	(13,3)
Free Cash Flow ⁽¹⁾	83,1	99,4
Debt service	(24,5)	(182,4)
Cash Flow after debt service	58,6	(83,0)
(1) Consolidated Cash flow . Consolidation perimeter: MRG, Aliara Energía, Aliara GLP, MRG Finance BV, Elisandra V y Elisandra IV.		

The improvement in operating cash flow in 2025 is explained by the reduction in the system deficit, the increase in turnover and the adjustment of the remuneration recognised by the CNMC in response to variations in demand.

Free cash flow after debt servicing was a negative €83 million, as a result of debt repayments made during the year totalling €160 million.

Investments

In 2025, investment totalled €13.3 million, compared with the €13.2 million spent in 2024.



The company continues to invest steadily in its own networks and other projects, as well as in the conversion of supply points from LPG to natural gas. Depending on their nature, these can be classified into the following categories:

Expansion

Madrileña Red de Gas has invested €8.3 million, of which €6.9 million was for the expansion of the natural gas network and €1.4 million for the LPG-to-natural gas conversion scheme.

Other projects

Investments remained at similar levels to the previous year, focused on network maintenance, fraud prevention, digitalisation and the development of information systems, with the aim of improving operational efficiency and the quality of customer service.



Madrileña
RED DE GAS

Dirección:

Centro Empresarial Arco, C. de Virgilio, 2B,
28223 Pozuelo de Alarcón, Madrid

Teléfono:

912 66 77 88