

# 2025 ANNUAL REPORT



nortegas

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# 1. Message from the Chairman and CEO

## 1.1. Chairman



**Mark Mathieson**  
Chairman of Nortegas

Europe is at a decisive geopolitical moment, with consequences that impact directly on the energy sector. The transition to a low-carbon economy coexists today with equally urgent priorities: security of supply, industrial competitiveness, energy independence, and affordability for households and businesses. In this context, having robust infrastructures and companies capable of providing sustainable and long-term value propositions is becoming a basic need.

I assume the presidency with full confidence in the project that Nortegas represents. We have a long track record, a deep understanding of the regions where we operate, and the responsibility to safeguard infrastructure that is essential for the present and future of the energy system. I have been close to this project for years and am convinced of the value it brings to society. That is why I assume this role with a long-term perspective, but also with the certainty that such a vision is only possible when built on a solid foundation, consolidated day by day.

These first months of my presidency have been marked by a central conviction: the energy transition cannot be approached solely through aspiration, but also through feasibility. Our regions need solutions that reduce emissions without weakening their productive industry sectors or compromising the future stability of the system. In striking this balance, gas infrastructure holds undeniable strategic value: it provides flexibility, security, and resilience, as stated on the 28th of April blackout in Spain and offers a real platform for integrating renewable gases progressively and efficiently.

One of these solutions holds particular importance for us: biomethane. Its ability to leverage existing infrastructure, decarbonize consumption, and generate value in rural areas makes it a concrete opportunity. Spain has undeniable potential in this area, though it still far away from what is already being done in neighboring countries. At Nortegas, we are actively working to change that: with more than 30 biomethane plants under development in development, our commitment to biomethane is firm and growing.

The vision and the capabilities that make up Nortegas' DNA: Safety, technical reliability, and sustainability of what we develop, bring to biomethane the values already demonstrated so far in gas distribution, which are, in fact, added value for the biomethane platform we are developing.

Renewable hydrogen, a path still under construction, will play an increasingly significant role in certain industrial and energy applications. Nortegas will also be there, hand by hand with its industrial clients, accompanying them on their decarbonization journey, building up energy solutions that can fit our client needs.

Throughout 2025, the company has continued to make progress, combining operational excellence with a firm commitment to solutions that generate real value for customers, industries, and regions. Without losing sight of something fundamental: energy is only truly useful when it is safe, competitive, and accessible.

I also want to highlight the relevance of maintaining the Social License on the territories we ope-

rate: nowadays, mainly, Basque Country, Asturias, and Cantabria, but also on the rest of the regions we are developing our biomethane business as well. Our presence in these regions goes beyond simply operating a network: we are part of their economic and social environment, and we want to continue contributing to their development through proximity, collaboration, and a commitment to an energy transition that also creates local opportunities.

Finally, I would like to express my gratitude to everyone at Nortegas. 2025 has been a year of change, adaptation, and challenges, and the team has responded with the professionalism and capability this company deserves. I begin this new phase convinced that Nortegas has the assets, talent, and ambition necessary to continue building a solid, and sustainable company that is prepared for the energy future.

## 1.2. CEO



**Juan Villar**  
Chief Executive Officer of Nortegas

Nortegas exists to ensure that energy reaches its destination safely, every day. To more than a million households that heat their homes with gas. To industries that cannot stop. To businesses that open every morning without worrying about the supply because they know it will be there. That daily responsibility, which sometimes goes unnoticed, is our company's *raison d'être*, and in 2025 it has taken on new meaning.

Last April's blackout illustrated this clearly. When the electrical grid went down, the gas network did not. Our teams maintained the supply as usual while the country regained power. It was no coincidence: it was the result of decades of investment in infrastructure, robust protocols, and professionals who know every kilometer of our network. That day, the gas infrastructure proved to be a strategic asset for Spain, not just an energy supplier.

This episode comes amid a geopolitical landscape that has brought security of supply back to the center of the European energy debate. The tensions stemming from the war in Ukraine and growing global volatility have reinforced what we at Nortegas have always maintained: a credible energy transition requires reliable infrastructure. Natural gas—and, increasingly, green gases—are an essential part of that equation.

How has the year been for Nortegas?

From a financial standpoint, 2025 has been a year of resilience. Regulatory adjustments put pressure on our revenues, but disciplined cost management allowed us to keep EBITDA virtually stable compared to 2024. This reflects an organization that has been able to respond efficiently without compromising service quality or investment in the future. The foundation for growth has been laid.

In the distribution business, results are solid and we

continue to grow. We have reached a 74% share of net new customers in the sector in Spain, confirming that we remain the most competitive and reliable energy option for customers joining us each year. Aboño, the largest industrial project in over a decade, was launched on time and within budget thanks to the commitment, creativity, and dedication of our teams. It is an example of how natural gas acts today as a true ally in decarbonization, by helping to convert a coal-fired power plant into a natural gas plant.

In addition, we have launched the first biomethane injection point in our network, in Navia, Asturias, with a capacity equivalent to the demand of approximately 8,500 households. Our network already carries green gas, and we are more convinced than ever that biomethane is the most efficient and realistic path to decarbonize the vast majority of current natural gas consumption, especially in segments where other alternatives do not offer the same technical or economic viability, such as the domestic and industrial sectors, where emissions are difficult to reduce.

In our biomethane business, 2025 was the year our strategy began to take concrete shape. We closed the year with more than 30 biomethane plants under development in the public planning process, so we expect to begin construction soon. This is not a bet on the distant future: it is a platform already in motion.

We actively participate in initiatives such as Gas Verde Sí, convinced that outreach and collaboration are essential for Spain to make biomethane a success story, as is already the case in neighboring countries.

In green hydrogen, we continue to invest in knowledge and development in industrial valleys where the concentration of demand makes it reasonable to connect it with local generation. These are long-term projects, but the industrial ecosystems of the Basque Country,

Asturias, and Cantabria are getting closer every day. In 2025, we have taken significant steps to be ready when those valleys become a reality.

In sustainability, we have achieved our highest-ever GRESB score: 5 stars and 98 points, placing us among the top four European operators in our sector.

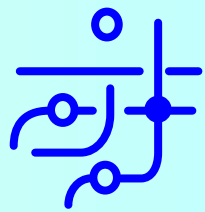
In addition, we have been awarded the "Calculo" and "Reduzco" seals from the Ministry of Ecological Transition for registering our carbon footprint for the year 2024. And beyond external recognition, even after including new emission sources as an exercise in transparency in carbon footprint management, we have continued to reduce our Scope 1 and 2 emissions by 18% compared to 2021. This is a sign of the importance the Group places on responsible management and progress.

I would like to make a special mention of safety, which is the number one priority for all of us who work at Nortegas. In this regard, we continue to reinforce a culture of prevention at all levels of the organization: fully understanding the risks and never letting our guard down. It is the only way to truly take care of our people, our contractors, and our customers.

None of this would be possible without the people who make up Nortegas. I want to sincerely thank you for the professionalism and attitude with which you have faced a demanding year, maintaining operational rigor and ambition at the same time. Maintaining excellence in day-to-day operations while building the future is of immense value, and the team has demonstrated this throughout this entire fiscal year. With enthusiasm and pragmatism—our most defining values.

Energy must reach its destination. In 2026, we will continue to ensure this. And we will demonstrate, once again, that Nortegas does not merely accompany the energy transition: it makes it possible.

# 2. Company Profile



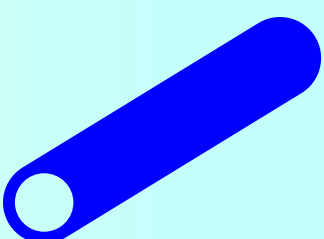
Distribution network  
+8,500 Km



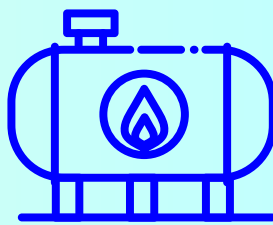
≈1.1 million natural gas  
and LPG supply points  
(12% market share)



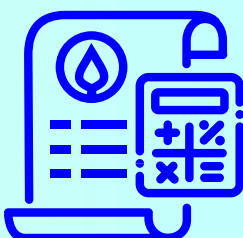
Fastest-growing  
distributor in Spain  
(0.5% growth 2025)



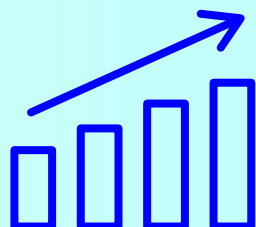
99%  
Long-life polyethylene  
and steel pipelines



23.6TWh  
Distributed volume  
(67% industrial)



94% of revenue from  
regulated business



€139 million  
EBITDA

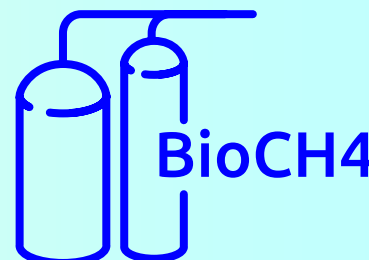
TCR Index: 2,82 min  
(average outage duration)



27  
Investments (€M)



1er Hydroduct  
in Spain + H2Valleys

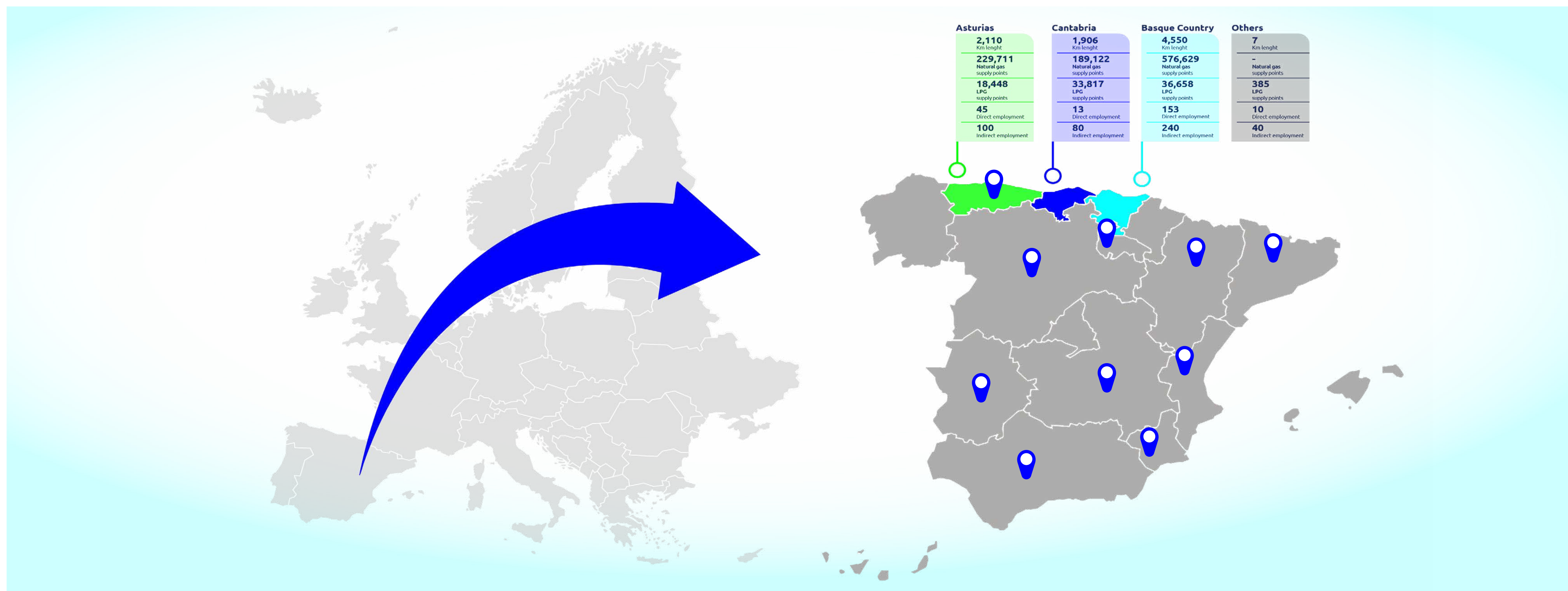


BioCH4  
+30 biomethane plants  
under development



G R E S B  
ESG  
5 stars  
98 points

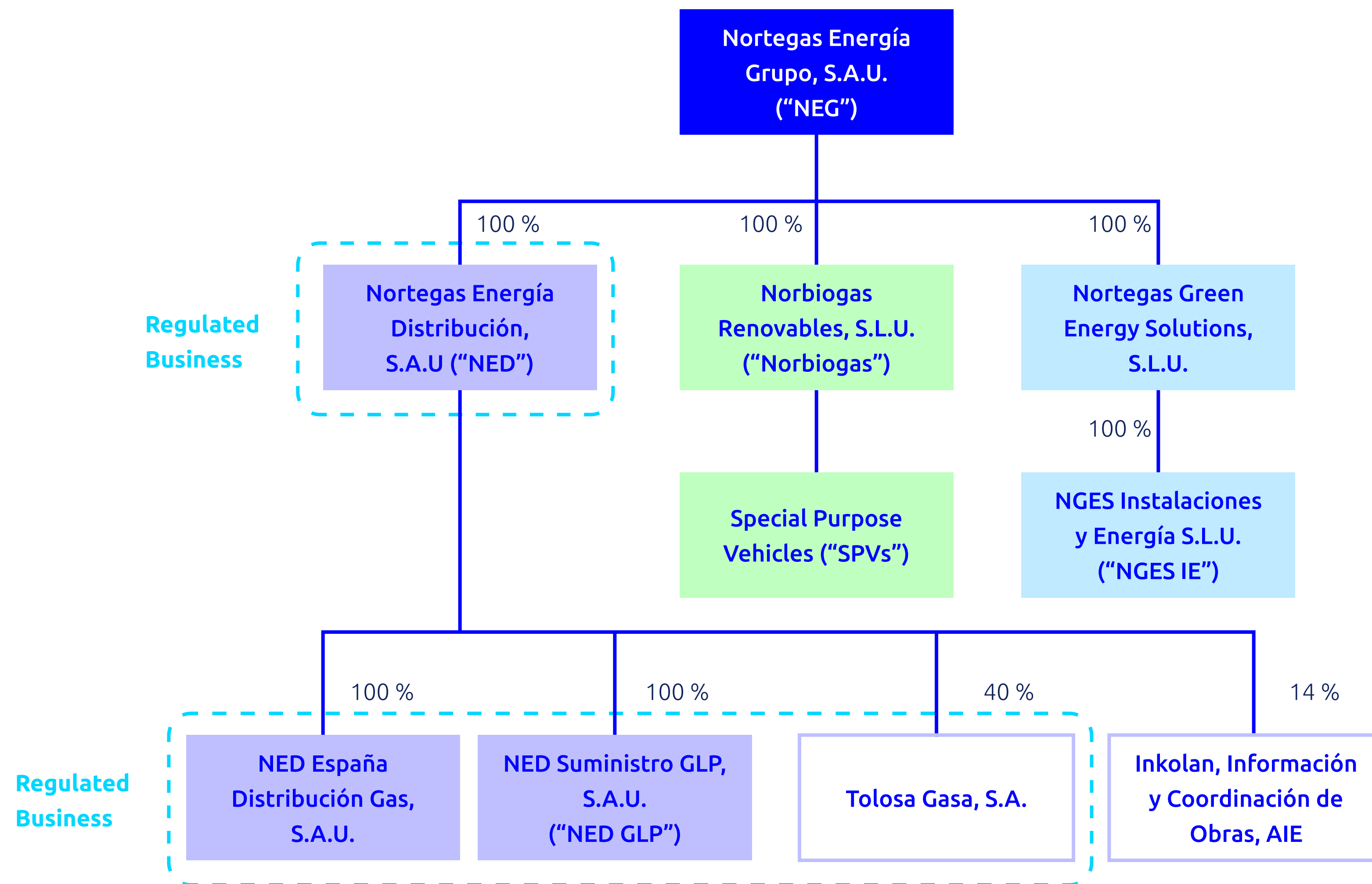
## 2.1. Geographic Presence



Nortegas Energía Group carries out its gas distribution operations in the autonomous communities of the **Basque Country, Cantabria, and Asturias**, it operates gas distribution under indefinite-term monopoly licenses in approximately 400 municipalities.

Meanwhile, Norbiogas Renovables' biomethane development business has a nationwide footprint, with more than 30 projects under development across 7 autonomous communities.

## 2.2 Corporate Structure and Value Chain

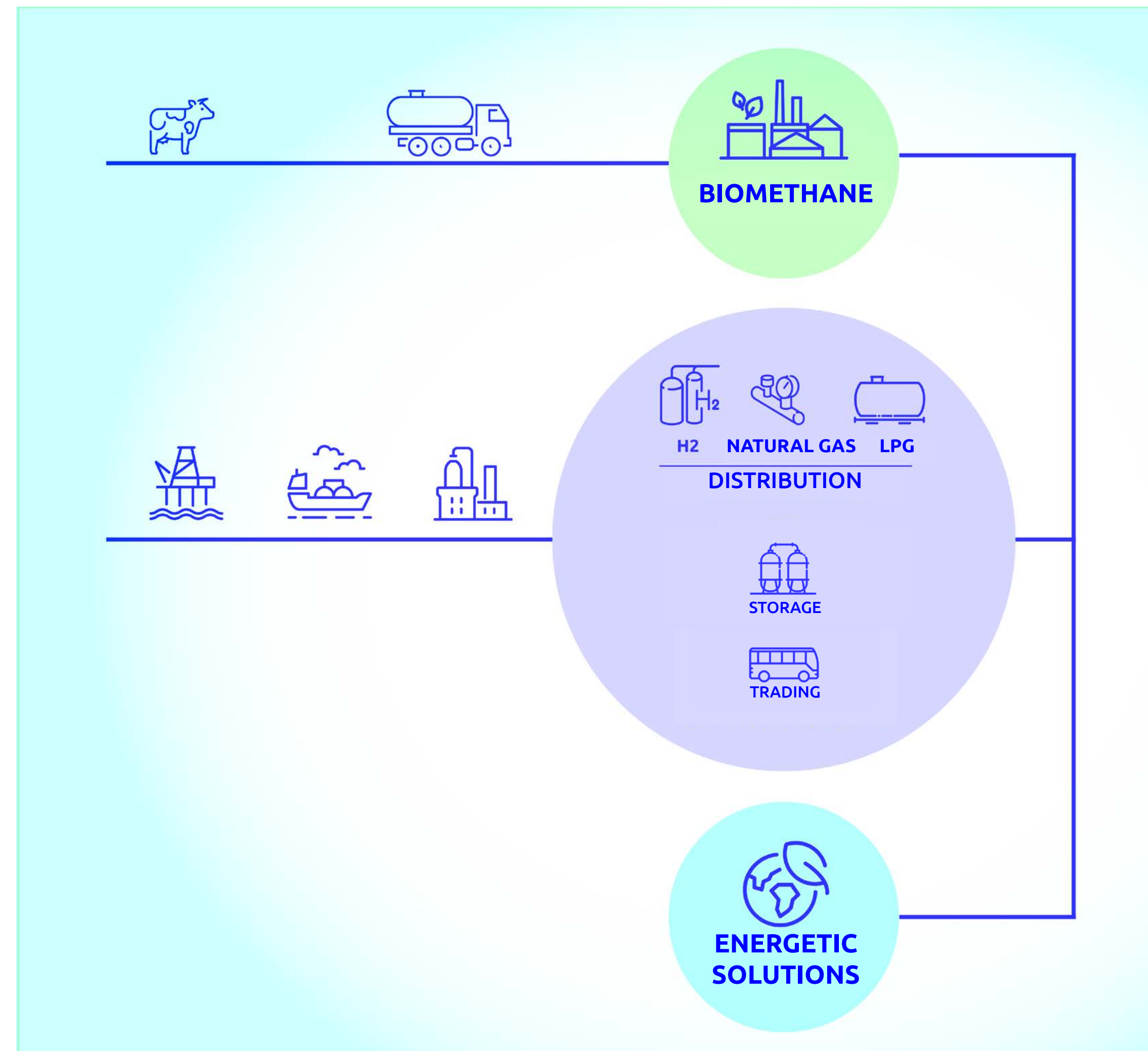




Nortegas has had a stable long-term shareholder structure since 2017.

The platform's nature as **a long-term investment strategy and vehicle** allows for continuous reinvestment in management teams to carry out growth projects and capitalize on merger and acquisition opportunities, driving **sustainable energy infrastructure strategies and implementing decarbonization initiatives** considering that ESG criteria, safety, diversity, equality, and inclusion are fundamental to resilience and to fulfilling the social license to operate.

NORTEGAS GRUPO's core business is Spain's second-largest natural gas distribution company, and is developing, through NORBIOGAS RENOVABLES, a platform for biomethane projects as a means to promote an efficient decarbonization through the development and distribution of renewable gases, leveraging the key to existing networks in the energy transition and of renewable gases—biomethane and H<sub>2</sub>—as a decarbonization solution for current natural gas consumption.



# 3. Sustainability Strategy and ESG Approach

## 3.1 Mission, Vision, and Values

### Mission

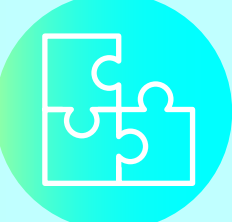
Driven by a deep commitment to ethics and the public interest, our team works to provide a platform of competitive and innovative energy solutions, prioritizing safety and excellence to strengthen our customers' trust and ensure they continue to rely on us as we move toward a sustainable society.

### Vision

We contribute our expertise in energy infrastructure and solutions to advance toward a decarbonized economy, committed to collaborating on this shared challenge through dynamism, a drive to excel, and the creation of shared value for society.

### Purpose

To be an agent of change toward a more sustainable world, putting our expertise in energy solutions at the service of the present and future well-being of society and the region around us.

**INNOVATION** 

We evolve: we are versatile, open-minded, and diverse, and we drive change.

We share our experience and knowledge and learn from those with whom we collaborate on projects.

**SUSTAINABILITY** 

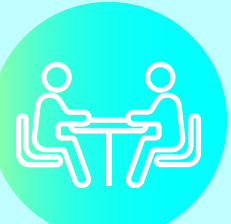
We move forward to promote affordable and environmentally friendly energy solutions.

**CUSTOMER** 

We are non-conformists: we are committed to customer satisfaction and achieving results, striving to improve every day.

**RESPONSIBILITY** 

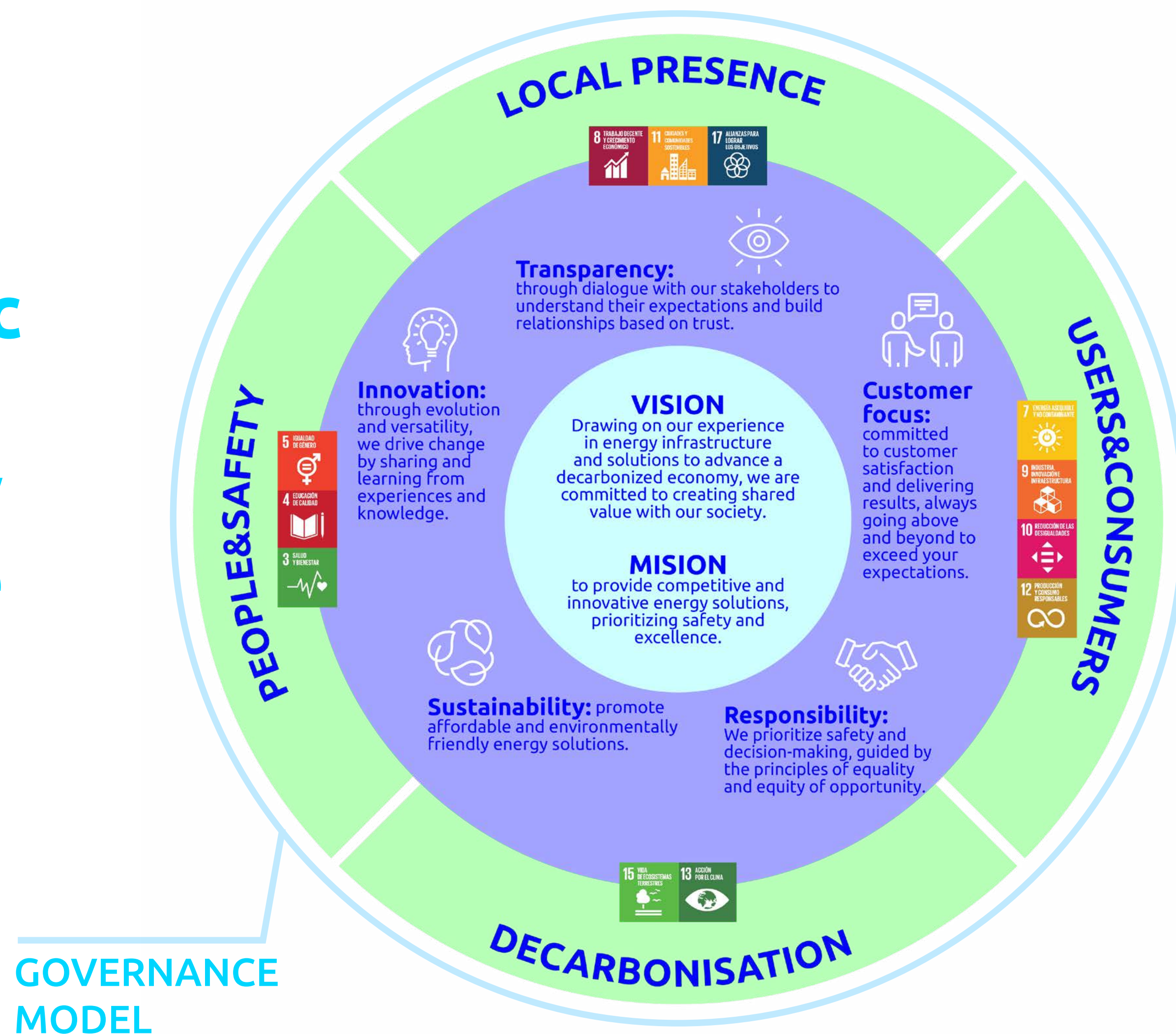
We prioritize safety and are consistent in our decisions, which are guided by integrity, fairness, and equal opportunity.

**TRANSPARENCY** 

We engage with our stakeholders to understand their expectations and build relationships based on trust.

### 3.2 Integrating sustainability into corporate strategy

# Nortegas' strategy is embodied in four strategic pillars supported by a governance model.



### 3.3 Our Roadmap

Nortegas, initially created through the merger of local distribution companies in northern Spain, has followed a well-defined transformation process since its separation from EDP in 2017, positioning the company and its infrastructure as a key element in the energy transition.

#### 3.3.1 Regulated Business

In 2025, Nortegas’s gas business continues to demonstrate solid and resilient growth, successfully adapting to a challenging geopolitical and regulatory environment. The company has continued to expand its network and increase the utilization of its distribution infrastructure, responding to demand for new connections from businesses, households, and neighborhood communities interested in accessing the network.



This growth has allowed Nortegas to remain above the market average, standing out in terms of supply points and active customers.

Conversion of the Aboño Thermal Power Plant, formerly coal-fired and now natural gas-fired. Thanks to this project, the Aboño thermal power plant has been able to reduce its CO2 emissions by more than 30%, its NOx emissions by 70%, and its SOx and particulate matter emissions by more than 80%.

CO2Berri: A new competitive research and development project has been submitted to the Hazitek 2025 program to analyze CO2 distribution, in partnership with a major industrial company.

In the area of integrating biomethane into the gas system, Nortegas managed the injection of 33.8 GWh of biomethane into the networks of the municipality of Navia in 2025, marking the first operational injection point at NORTEGAS since April 9 of 2025, in the BioGastur plant.

Two additional biomethane injection points are currently in the planning stages, in the Basque Country and Asturias.



Source: [lavozdeasturias.es](http://lavozdeasturias.es)

### Safety of users

At NORTEGAS, we are responsible for ensuring that users' boilers must be inspected every five years to prevent combustion defects and verify the absence of leaks, among other safety measures.

**The 2025 inspection campaign has been completed, meeting the regulatory requirement to visit 100% of the facilities by December 31.**

Regarding the digitization of our relationship with customers, progress was made on the following projects in 2025:

- Change in the LPG contract and account holder transfer process, allowing customers to sign contracts digitally, effective January 2025
- Launch of Nortegas's new customer service call center, including the management of intelligent service lines (IVR for supplier identification, meter reading, etc.)
- Launch of meter verification, managed for the first time via digital communications.

### Security of Our Networks and Facilities

Reliability, stability, and security of supply are strategic priorities for Nortegas.

In this regard, Nortegas has a set technical specifications, Crisis Management Plans and indicators that enable it to monitor effective emergency management:

	2023	2024	2025
Emergency calls (no.)	33,145	28,573	32,438
Emergency reports (no.)	6,313	6,226	6,622
Emergency management efficiency (number of P1 + P2 alerts per 1,000 people)	6	6	6,11
P1 call dispatch time (minutes)	2	1	2
P1 sign display time (minutes)	26	26	29

	2023	2024	2025
TCR Index	1.84	1	2.82
Network Intervention Index	0	0	0
Breakage rate	0	0	0
Emergency care index	0	0	0
Average time between arrival and attendance (minutes)	22	25	28
Network quality and security index	0	0	0
Compliance with the annual preventive maintenance plan (%)	100	100	100

## Decarbonizing with Hydrogen R&D&i Projects



The year 2025 marked the dismantling, following three years of testing and trials, of the H2 Sarea facility, where the behavior of gas distribution networks was studied by analyzing the performance of a natural gas distribution network with varying levels of hydrogen blending, as part of the Hazitek Program for research projects promoted by the Basque Government.

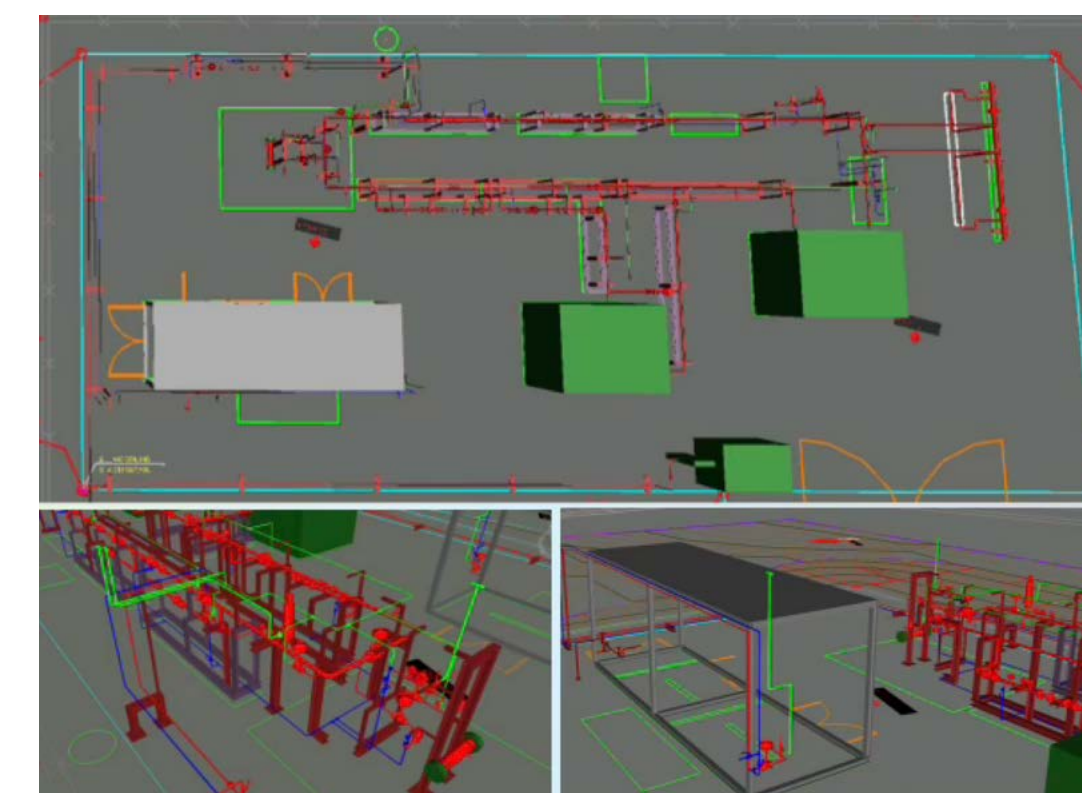
This project was selected as one of the 17 finalists for the MWCaptialAwards, which recognize the most innovative initiatives that leverage technology to accelerate the transition toward a more sustainable, inclusive model aligned with the UN Sustainable Development Goals.

Out of 157 entries from 34 countries, H2Sarea was selected to compete in these awards, which highlight proposals that stand out for their creativity, innovation, and tangible impact, supporting a responsible and global digital transformation.



### 100% H Distribution Project2

In 2025 begun the construction on the site of the H2Bidea project, which will address strategic, commercial, and technical objectives for the potential development of technological solutions for the deployment of **new "100% hydrogen distribution networks,"** thereby promoting green hydrogen valleys and industrial decarbonization.



H2EAT

This pilot project, which is a continuation of one of the case studies in the H2Sarea, aims to demonstrate the viability of the "blending" process for the manufacture of aluminum components, providing innovative technological solutions that enable the reduction of the carbon footprint of cast aluminum products for the automotive sector, by using renewable H2 as an alternative to the fossil fuels currently used in the process, and by promoting the circularity of raw materials.

## Hydrogen Valleys

The concept of a hydrogen valley refers to an ecosystem for the production and distribution of H<sub>2</sub> spanning 15 to 30 kilometers.

The first valleys will emerge alongside the first large-scale electrolyzers producing H<sub>2</sub>, in areas where there are “hard-to-abate” industrial customers that require high-temperature processes for their decarbonization.



### Basque Hydrogen Valley



Project part of the “Hard to Zero” initiative

Located in Vizcaya, this project began with the development of a hydrogen pipeline connecting the 2.5 MW electrolyzer operated by Petronor at its refinery to the Energy Intelligence Center. In this context, plans call for the installation of a hydrogen refueling station supported by Repsol, Ibil, and the Basque Energy Agency (EVE), as well as the integration of the H2Bidea project and other future consumers. Throughout 2025, the necessary procedures for modifying the hydrogen pipeline were managed, as a preliminary step to its commissioning with hydrogen, scheduled for 2026.

Once the first phase is complete, the project aims to support the deployment of the new 100 MW renewable hydrogen generation facility approved by Petronor in early 2026, facilitating the supply of hydrogen to hard-to-abate industries located on the Left Bank. Furthermore, the network is designed with growth in mind, with the goal of gradually expanding to new locations and industrial consumers. This initiative is part of the Hard to Zero project, recognized as one of the Transformative Projects of the Basque Country Industry Plan 2030.

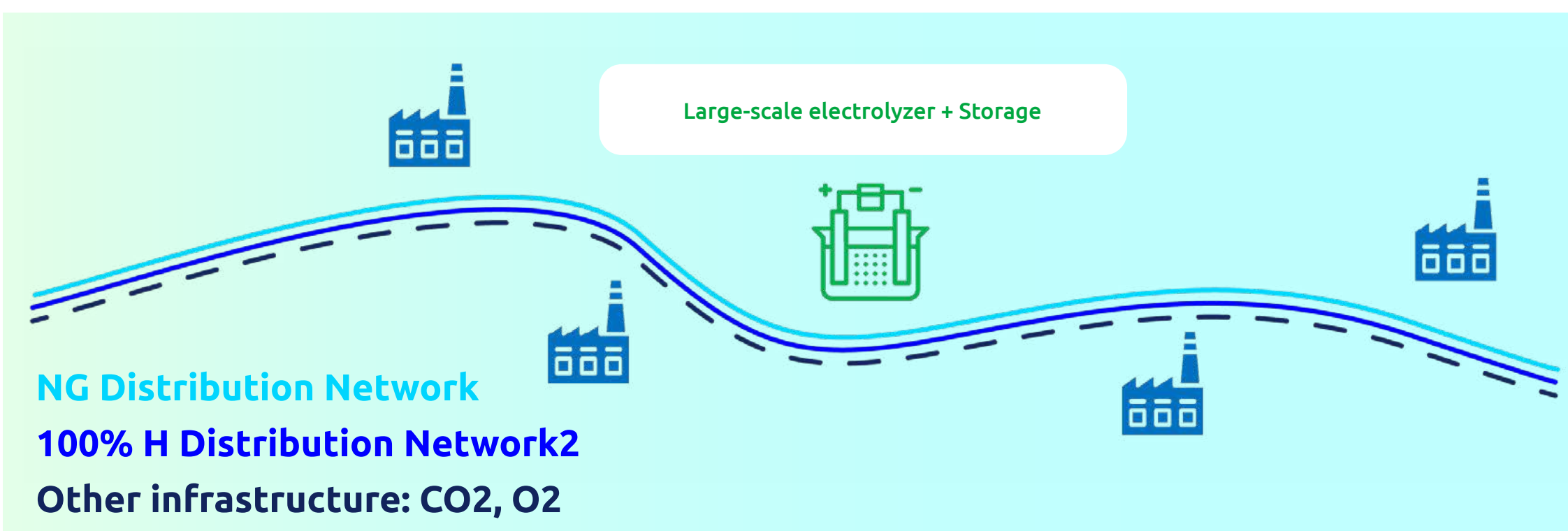
### Asturian Hydrogen Valley: Jovellanos



The project involves the development of a hydrogen distribution infrastructure in Asturias that will connect the 150-MW generation facility being developed by EDP at the Aboño thermal power plant with various industrial customers located in the municipalities of Carreño, Corvera de Asturias, and Gijón.

Although hydrogen production will be based in Aboño, the project’s route consists of two main branches: one heading north toward the Port of El Musel, and the other heading west to supply various industrial hubs in the aforementioned municipalities.

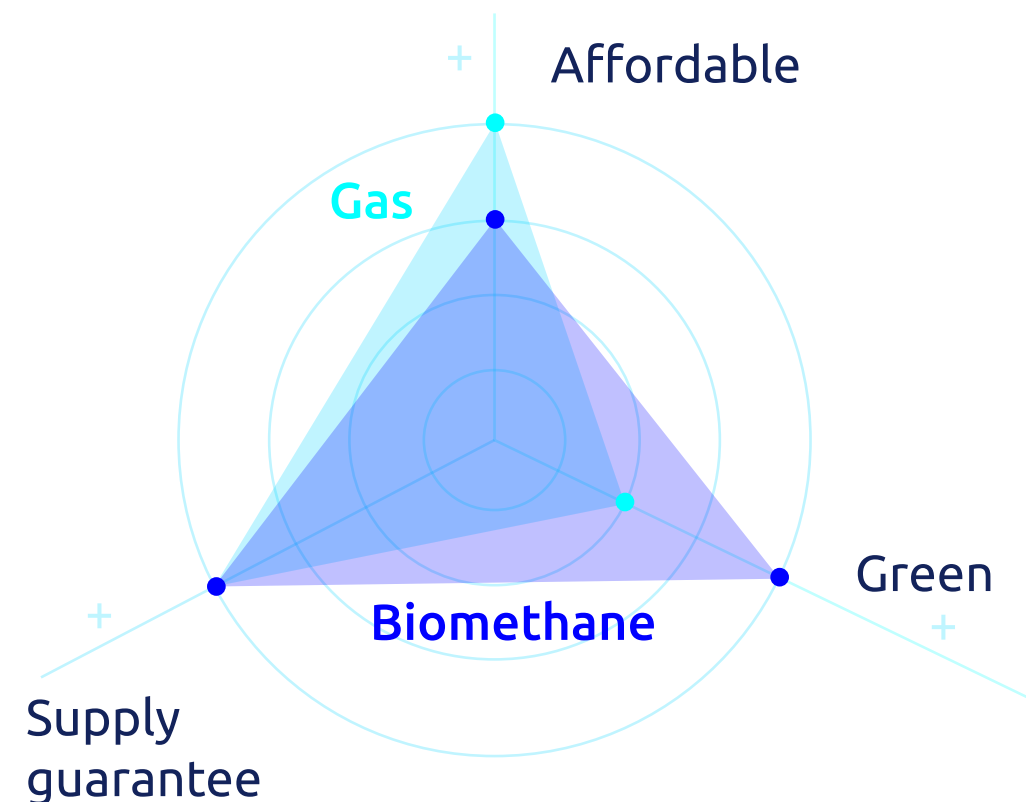
**These hydrogen corridors would help several companies subject to the emissions trading scheme reduce their impact on climate change.**



Nortegas is already working on the technical design of the first hydrogen distribution valleys in Asturias and the Basque Country—100% dedicated networks that connect demand with hydrogen generation capacity.

### 3.3.2 Biomethane

As a company, we face the challenge of addressing the **energy trilemma**, which involves simultaneously balancing security and reliability of supply, affordability, and environmental sustainability.



Biomethane uses the same transportation and distribution infrastructure, without requiring any modifications to the network or the customer's facilities.

The construction of a biomethane plant in a rural area brings direct and tangible benefits to the environment and the community, such as:

- boosting the local economy by creating stable jobs;
- reducing emissions by replacing fossil fuels and strengthening the region's energy self-sufficiency.
- promoting the circular economy by improving the management of waste from agricultural and livestock activities;
- furthermore, the digestate resulting from the process is a biofertiliser rich in nutrients such as nitrogen and phosphorus, which can replace chemical fertilisers, closing the nutrient cycle and improving soil fertility
- It helps to retain the population in rural areas and fosters a more sustainable and circular development model, in which local resources are transformed into clean energy for society.

The European context—shaped by initiatives such as **REPowerEU** and **Fit for 55**, along with the need to **reduce dependence on fossil gas** and meet **ambi-**

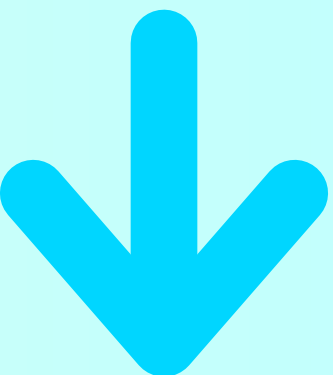
**tious decarbonization targets**—is creating positive momentum to promote the use of biomethane as a renewable fuel.

Within this framework, it is estimated that, at the European level, Spain ranks

third in terms of biomethane generation potential and could achieve a production of 163 TWh, **covering more than 50% of gas demand, which could be decarbonized through biomethane.**

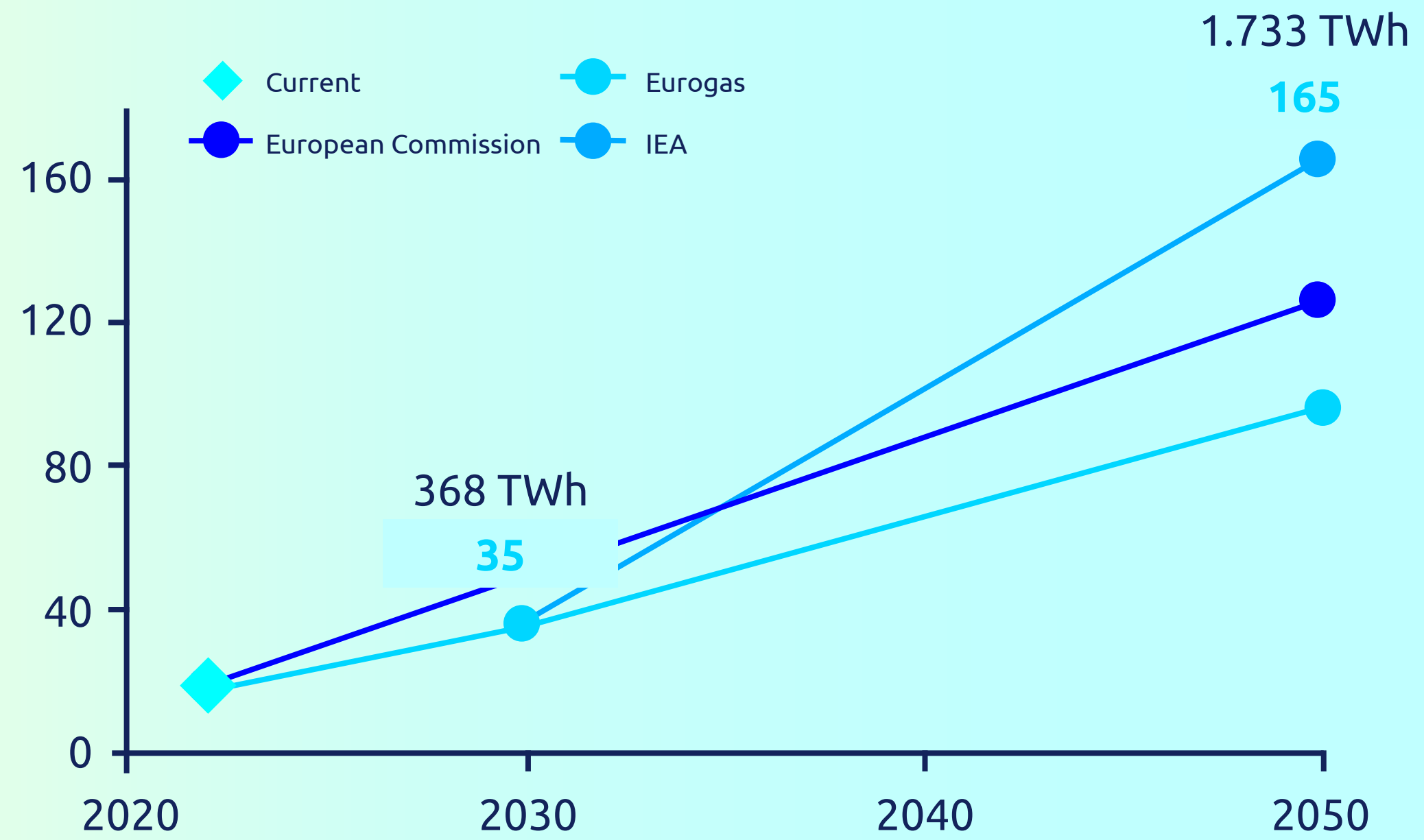
**Natural gas is an affordable and technically efficient energy source.**

**It is essential for more than 8 million residential customers, vulnerable consumers, and industries where emissions are difficult to reduce.**



**Biomethane is a superior product, offering the advantages of natural gas while being carbon-neutral and requiring no investment in the grid, making it the ideal solution for meeting customers' needs.**

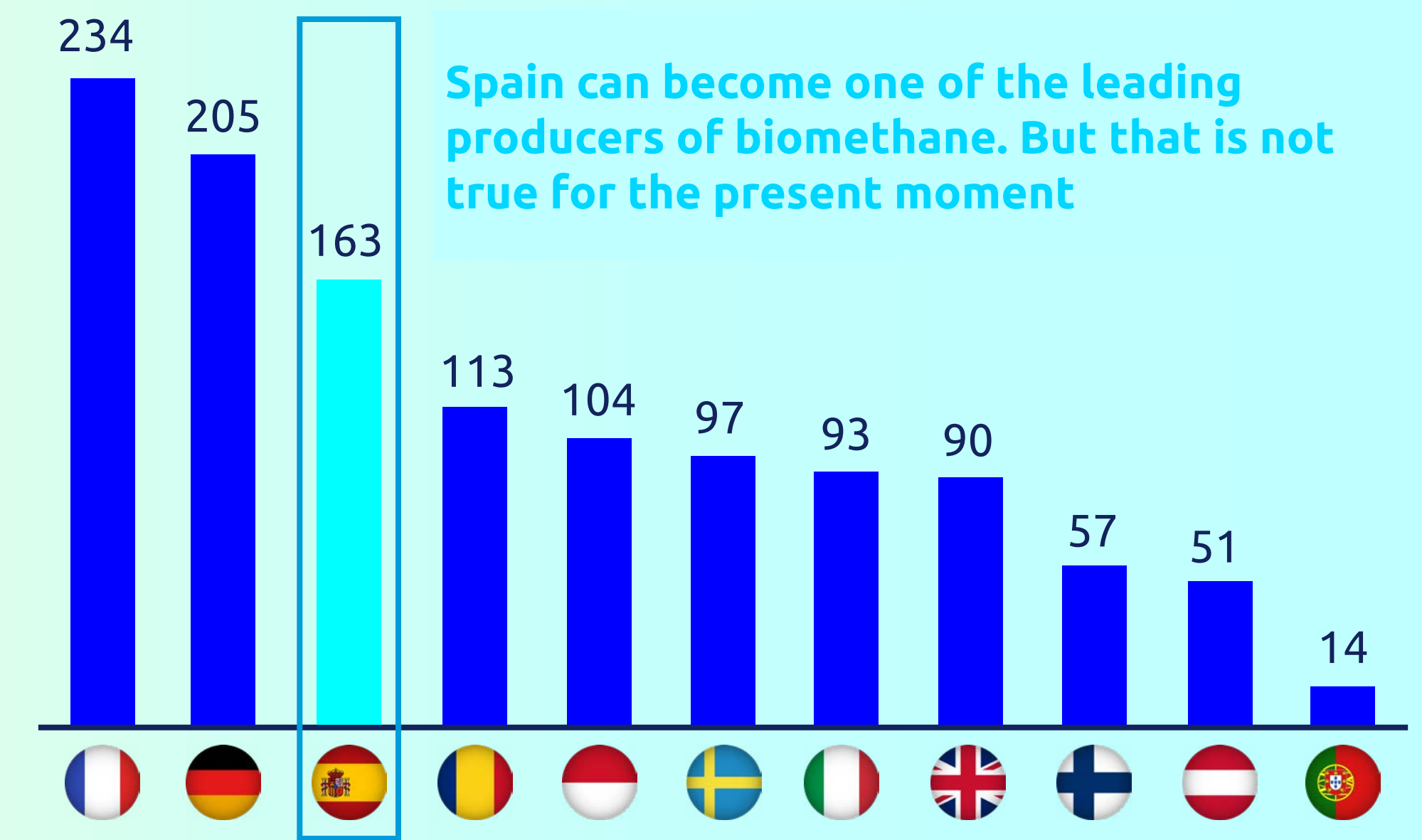
## Biomethane evolution in Europe (2050e Objective, bcm)



**+65%** of the gas demand covered

Renewable Nortegas; EBA 2024; The biomethane industry in Spain

## Biomethane potential in Spain (2050e potential, TWh)



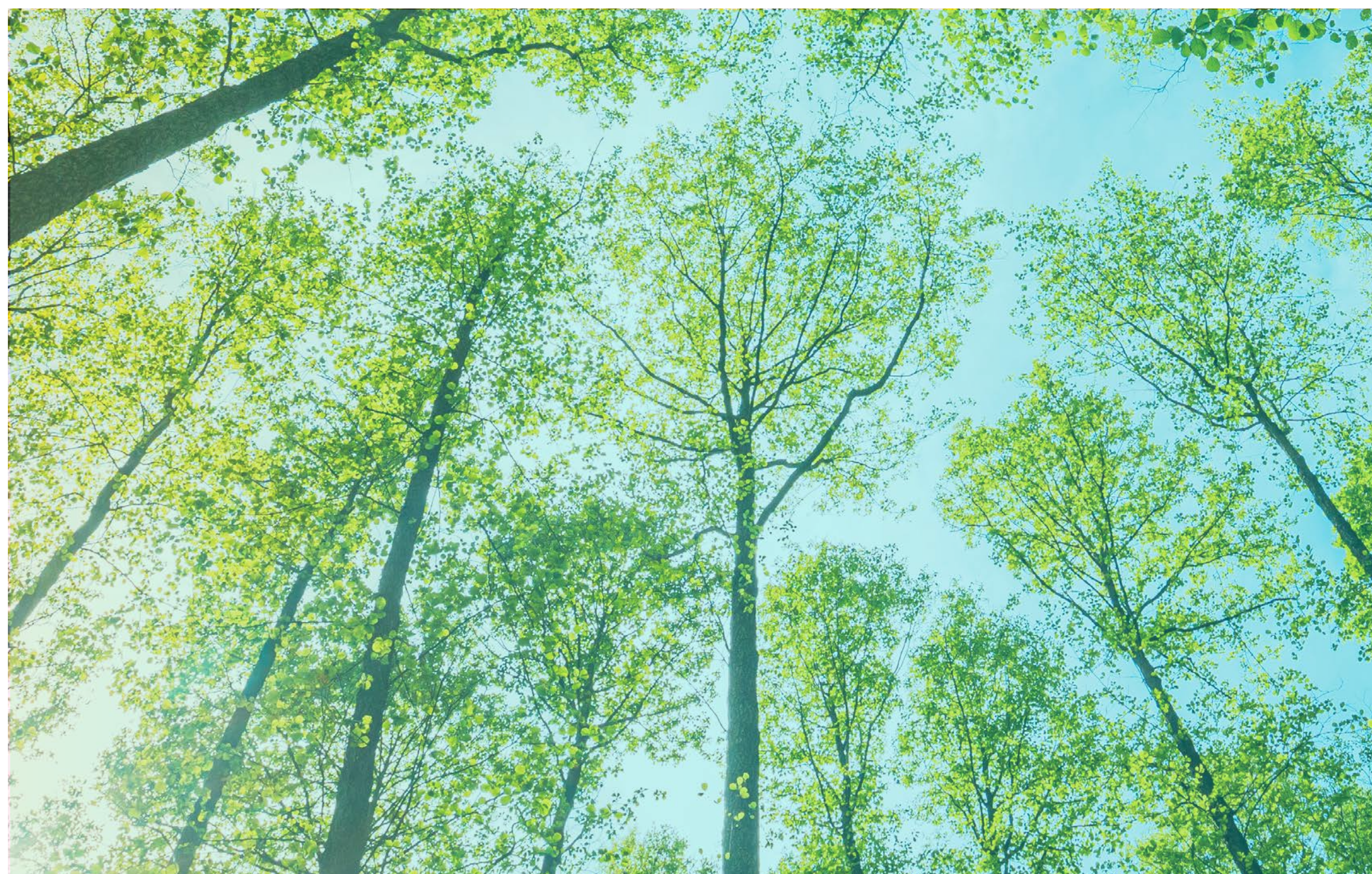
Spain can become one of the leading producers of biomethane. But that is not true for the present moment



**+50%** of the gas demand covered

Furthermore, from the customer's perspective, the shift to biomethane:

- **It requires no adaptation** of equipment or appliances that use natural gas as fuel
- And companies that require high potential contribution for their natural gas-consuming processes (hard-to-abate) **will not need to change their equipment or facilities.**



In 2025, the number of operational plants in Spain rose from 11 in 2024 to 22 in 2025, with a more than 32% increase in the volume injected into the grid. Specifically, biomethane injected

into the grid increased from 309 GWh in 2024 to 410 GWh in 2025, reflecting tangible progress toward the maturity of the domestic market, although it still lags behind other European countries.

We are joining **Gas Verde Sí**  
at its event in Bilbao

*"Green gas is a 'clean and accessible' energy source, distributed through the existing gas network and capable of reaching 20 million people via our current boilers"*

**GAS VERDE SÍ**

Norbiogas Renovables, the Nortegas Group's platform for developing biomethane projects in Spain, has continued to forge partnerships and expand its project portfolio in 2025, reaching a total capacity of 2.5 TWh by year-end with a total of 33 projects.



Nortegas is participating, alongside other companies in the energy sector, in the "Gas Verde Sí" initiative, a scheme launched in 2025 with the aim of highlighting the key role that biomethane should play in Spain's energy future.

### Complementary Services

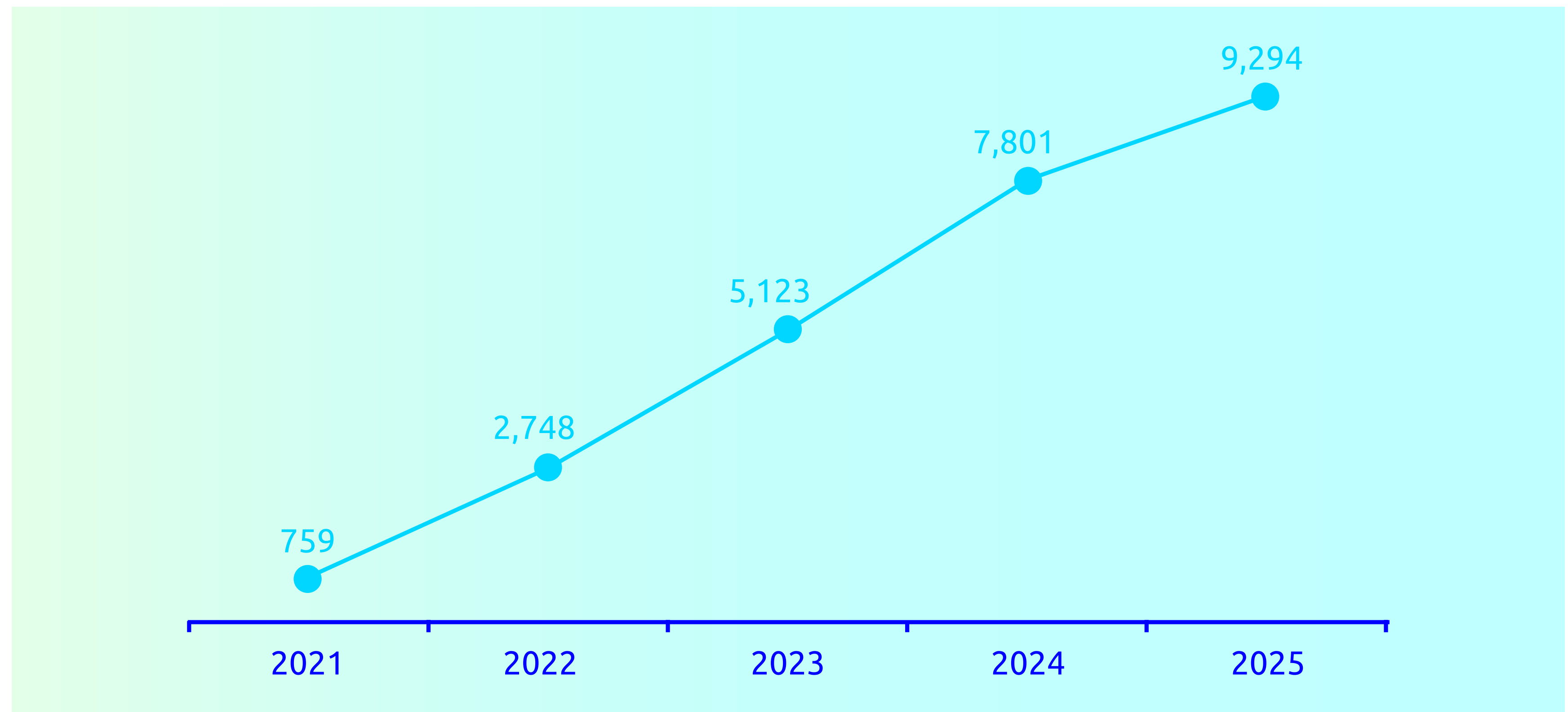
As part of the company's initiatives to contribute to decarbonization in a pragmatic way in users' daily lives, Nortegas also offers replacement of oil-fired boilers services and other fuel-fired boilers, such as coal, with natural gas boilers.

This services not only provide not only provides an efficient and sustainable solution for its customers, helping them reduce their carbon footprint, but also optimizes energy consumption, savings in terms of economy and emissions.

**Through initiatives such as the replacement of boiler rooms, Nortegas promotes a more efficient, cleaner, and more competitive energy model.**

In 2025, a total of 30 boiler rooms were replaced, contributing to a reduction of 1,493 tCO<sub>2</sub>eq s in emissions into the atmosphere.

## Cumulative annual emissions avoided (tCO<sub>2</sub>)



### 3.4 Regulation

2025 has been a very busy year in terms of regulation due to the large number of new regulations and the upcoming publication of the new remuneration period.



- Publication of regulations regarding the injection of biomethane into the natural gas network, via Circular 2/2025, dated April 9, from the National Commission for Markets and Competition, which establishes the methodology and conditions for access and capacity allocation in the natural gas system.

Highlights:

- Standardization of the model for access to gas system infrastructure.

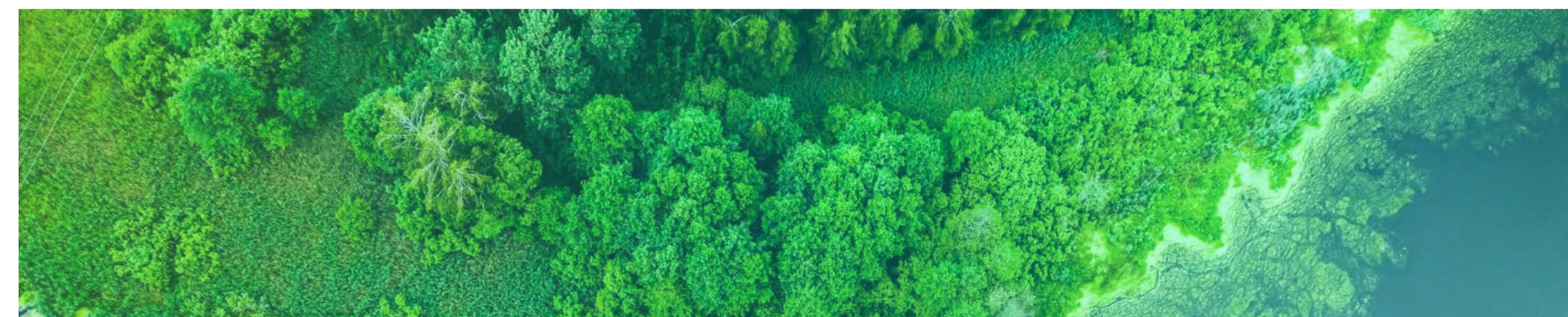


*Circular 2/2025 represents an important step toward the modernization of the gas system in Spain, **aligning with European guidelines and promoting sustainability through the inclusion of renewable gases.***

Approval of the Resolution of June 13, 2025, of the National Commission for Markets and Competition establishing the procedure for managing applications and contracting the connection of other gas production plants to the natural gas transmission or distribution network.

Highlights:

- Approval of the procedure for managing applications and contracting the connection of production plants for other gases (renewable and low-carbon gases) to the transmission or distribution network, encompassing both biomethane and other types of gases, such as hydrogen.



Publication of Law 10/2025, which regulates customer service and establishes minimum quality standards for customer service in Spain, protecting the rights of consumers and users.

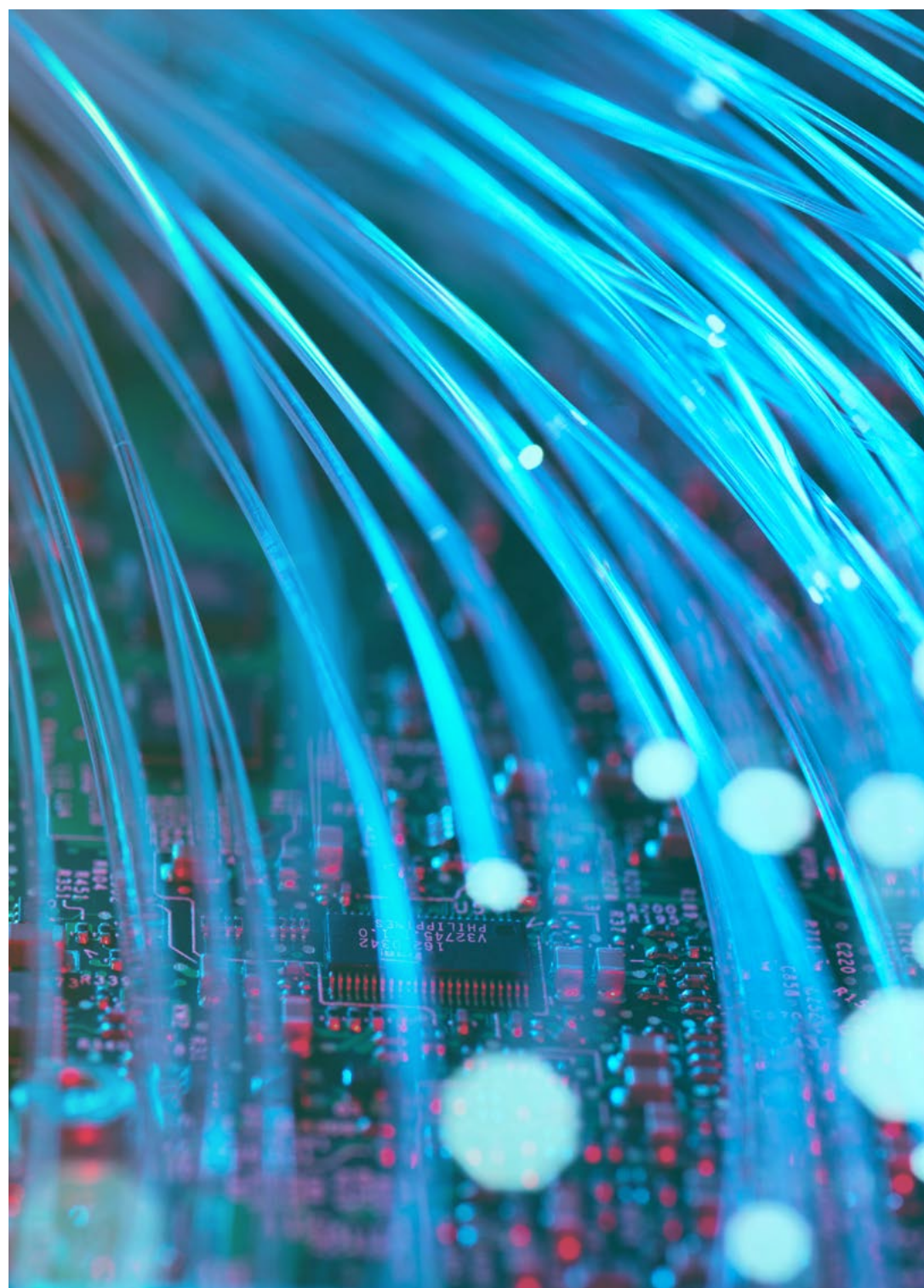
**Also noteworthy are the public consultations regarding the replacement of smart meters**, the methodology for calculating remuneration in natural gas distribution, and the transposition of the Renewable Energy Directive. These regulations, once in force, will have a significant impact to Nortegas's business, challenges and future operations.

### 3.5 Contribution to the Sustainable Development Goals

Strategic Pillar	SDGs	Nortegas' Contribution
LOCAL PRESENCE	  	Direct employment: 221 Indirect employment: 460
		Revenue (€M): 201
		Reports to the Ethics Channel: 0
		Social initiatives: 5
USERS AND CONSUMERS	   	Renewable gas development projects: > 30
		Network length: >8,500
		Investments (€M): 27
		Volunteers participating in Nortegas initiatives: 140
		Donations (K€): 4
PEOPLE AND SAFETY	  	Serious accidents: 0
		Safety precautions for contractors: 46
		Fixed-term contracts (%): 100
		Training (hours): 3,918
		Women in leadership positions (Board) (%): 40
Women in leadership positions (CEO+directors+managers) (%): 43		
Employees with disabilities: 2		
Awareness hours on inclusive language: >90		
DECARBONIZATION	 	Emissions - Scope 1+2 (tCO <sub>2</sub> e): 4,559
		Emissions - Scope 3 (tCO <sub>2</sub> e): 10,687
		Avoided emissions (tCO <sub>2</sub> e): 1,493
		Areas affecting biodiversity: 0

### 3.6 Innovation and Digitalization

From the perspective of innovation and digitalization, within Nortegas’s strategy, significant progress was made in 2025, consolidating a management model that is more efficient, resilient, and aligned with industry best practices.



We have continued to drive the digitalization of customer-related processes, which has improved the traceability of operations, streamlined response times, and enabled us to offer a more efficient service.

Technological capabilities related to emergency management have been strengthened, enabling more agile decision-making based on up-to-date information and reinforcing Nortegas’s ability to act quickly and effectively.

Likewise, progress has been made in consolidating the Business Continuity Plan, strengthening organizational resilience and ensuring the provision of essential services even in contingency situations.

The automation of report generation through the Business Intelligence systems has enabled the optimization of analysis and reporting processes.

During the year, a NIST CSF 2.0 management framework was implemented, providing an updated approach to cybersecurity and technology risk management.

#### The April 28 blackout

It was, without a doubt, one of the most significant events of 2025.

The gas sector in general, and NORTEGAS in particular, demonstrated their resilience in the face of the unexpected power outage, maintaining a continuous supply to each and every connected customers.

Following the event, and to implement measures based on the lessons learned from the blackout, NORTEGAS, along with other distributors and government agencies, has participated in working groups focused on implementing new regulations in the event of an emergency consumption restriction in the Spanish gas system.



**The blackout on April 28 highlighted the need to strengthen communications for critical assets.**

# 4. Materiality and Stakeholders

## 4.1 Material Aspects

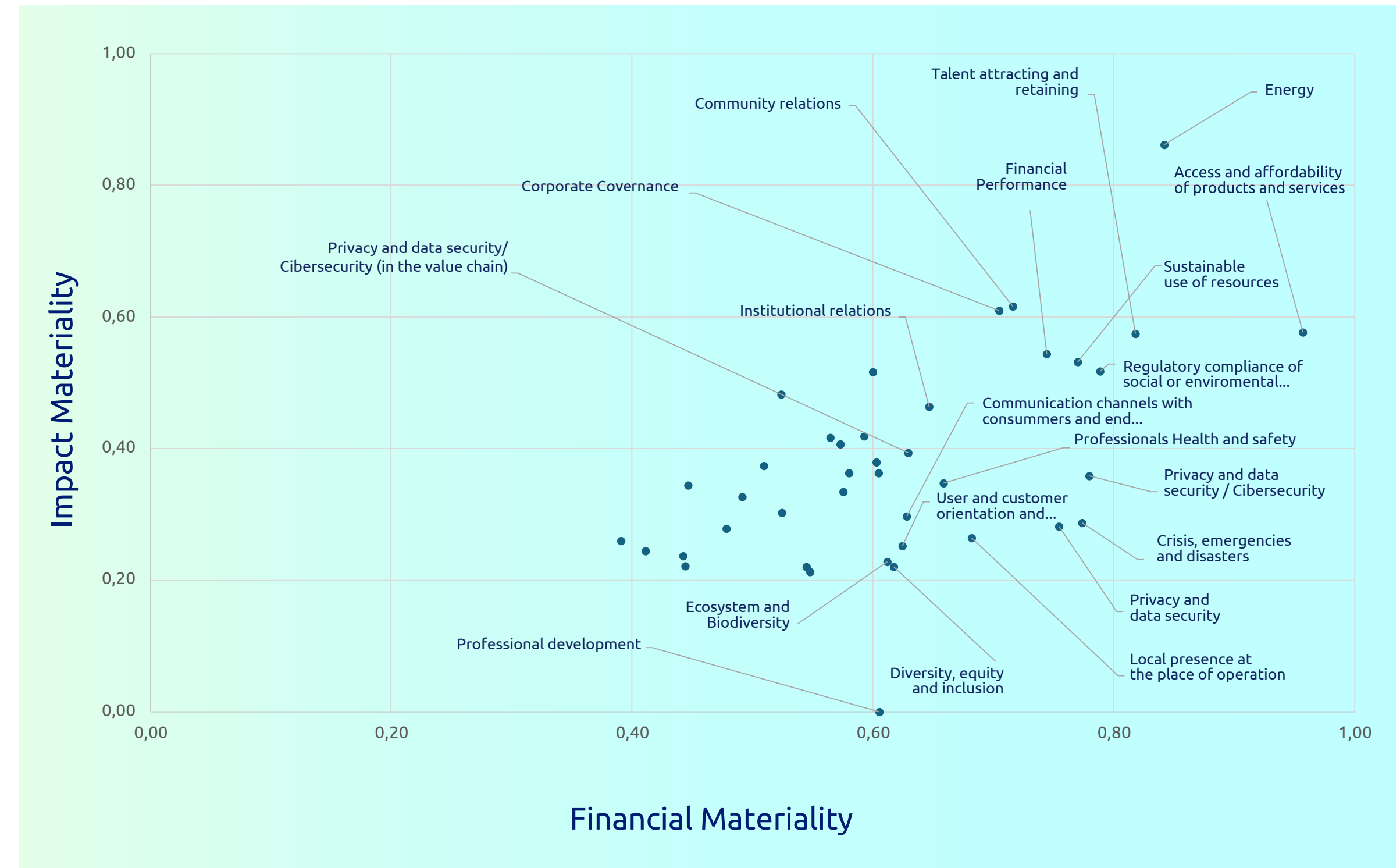
Nortegas relies on principles such as double materiality to establish its sustainability strategy and prioritize both the most relevant aspects and stakeholders.

During the 2024 fiscal year, Nortegas updated its previous materiality analysis, incorporating a more detailed study of the context in which the company operates, including critical factors such as the regulatory environment, the value chain, and the expectations of its stakeholders.

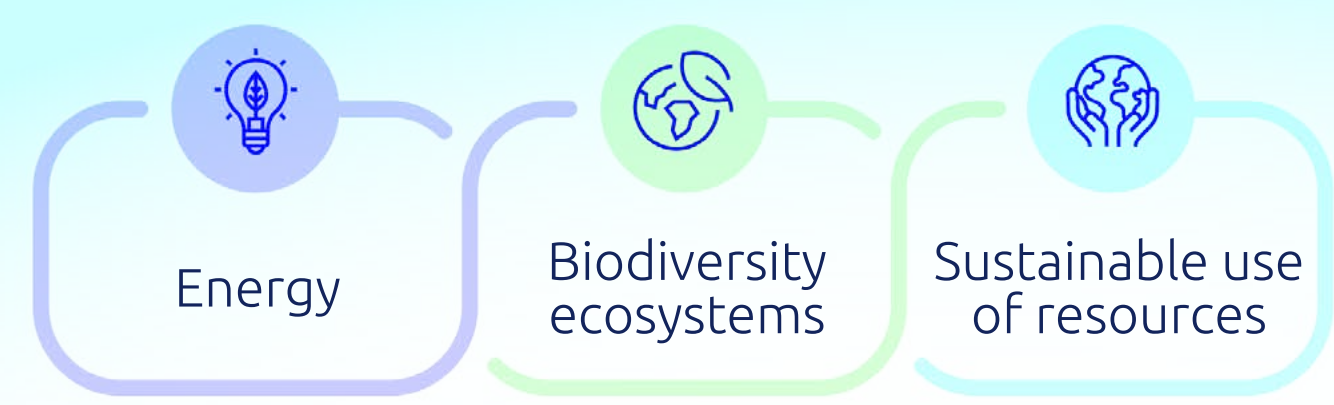
In this way, in addition to identifying relevant aspects that impact the environment, risks and opportunities arising from ethical, governance, social, and environmental factors—which, from an ESG perspective, affect Nortegas’s business model (impact materiality and financial materiality)—are determined, following the guidelines established in the CSRD Directive.

This approach contributes to evidence-based strategic decision-making, aligned with the challenges of the energy sector and consistent with Nortegas’ commitment to responsible, transparent, and long-term-oriented management.

**The analysis is based on the concept of double materiality, with a key strategic focus on impacts, risks, and opportunities**



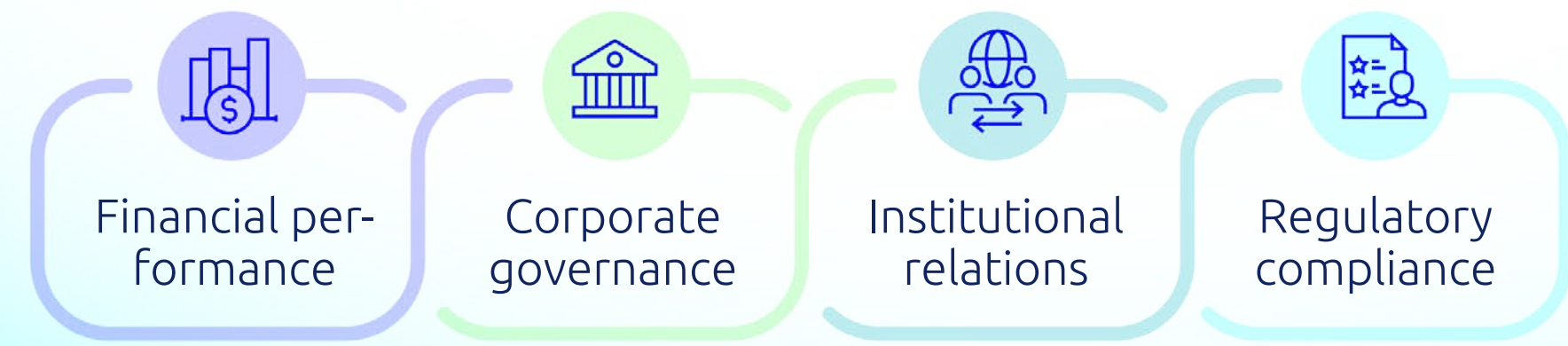
### Environmental issues



### Social issues



### Governance issues



The relevant topics and how they are addressed at Nortegas are explored throughout the various chapters of this report, providing an overview of how the company aligns with the SDGs while also managing the expectations and needs of its stakeholders.

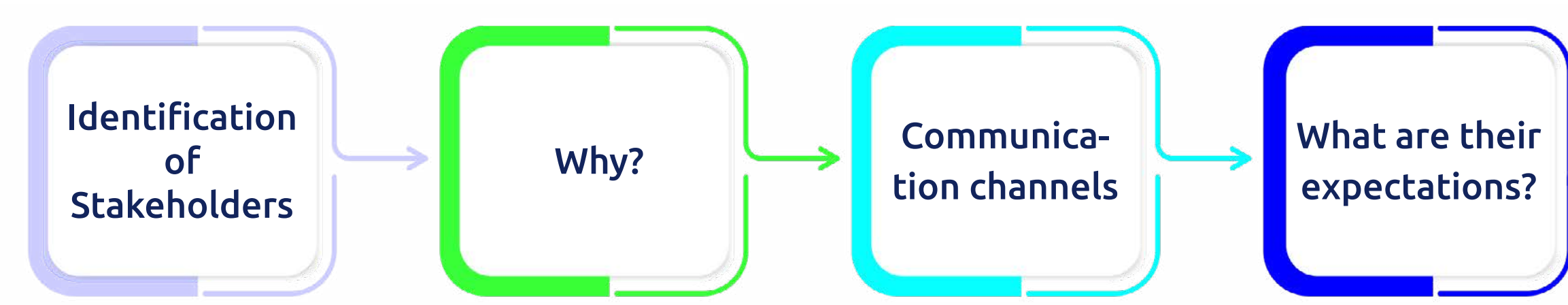
Through the company's expectations, the goal is not only to meet global standards but also to advance toward an inclusive, fair, and responsible energy transition.

## 4.2 Stakeholders, Channels of Dialogue, and Incorporating Expectations into Nortegas’s Strategy

Within the framework of ISO standards, identifying the needs and expectations of the stakeholders with whom a company interacts has become increasingly important in recent years.

In this regard, during 2025, Nortegas carried out an initiative in which it met with most of the company’s departments with the aim of deepening its relationships with its stakeholders.

**Continuous, structured, and cross-functional listening and dialogue enable the company to move toward a fair, inclusive, and sustainable energy transition.**



Understanding these expectations allows us to establish action plans and integrate them into the company’s strategy, achieving synergies and minimizing the risks associated with them.



# 5. Environmental Performance

<b>Total Cumulative Emissions Avoided</b>	<b>Through process digitization:</b> >100 tCO2e
	<b>Emissions avoided by boiler replacement:</b> 9,294 tCO2e

**Scope 1+2 Emissions (tCO2e):** **4,559**  
(Information on NGSE, Facilities, and Energy is included)

**Scope 3 Emissions (tCO2e):** **10,687**  
(Information on NGSE, Facilities, and Energy is included)

**Impact on biodiversity:** **30ha**

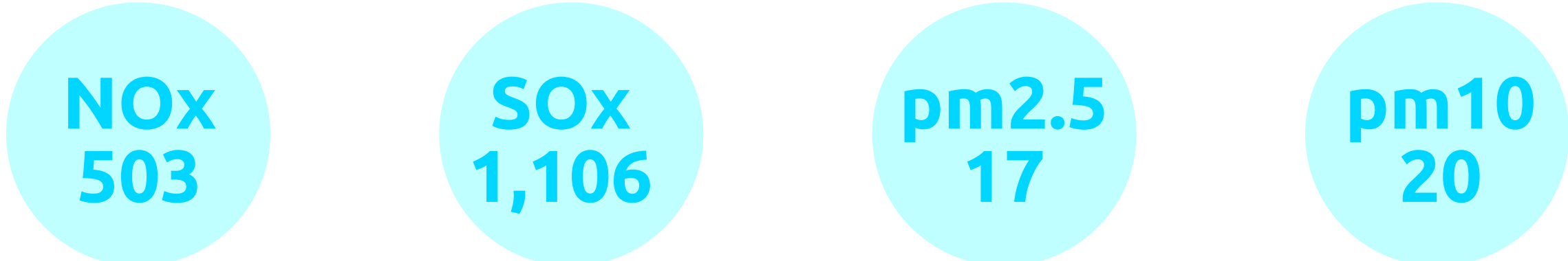
**Renewable electricity consumption** **99.4%**  
(Information on NGSE, Facilities, and Energy is included)

**Recycled waste** **100%**

**Reduction in Scope 1+2 emissions** **18%**  
(compared to 2021):  
 (\* considering a new emission source in 2025)

**Number of projects with significant environmental impacts:** **3**

## Air Pollutants (kg)



## 5.1 Environmental Management and Policies



The protection, conservation, and improvement of the environment are strategic priorities for Nortegas; therefore, the company is committed to orienting its management toward progress in sustainability and climate neutrality, innovating in business models that contribute to the reduction of greenhouse gas emissions.



## 5.2 Climate Change

### 5.2.1 Carbon Footprint

The year 2025 has been particularly significant because, not only has the company reported its carbon footprint for the fourth consecutive year (2021–2024) to the Spanish Office for Climate Change, but it has also received the “Calculate and Reduce” seal from that agency.

This seal, in addition to reinforcing its commitment to the energy transition and the fight against climate change, certifies a 6.58% reduction in Scope 1+2 emissions intensity for the 2022–2024 triennium compared to the 2021–2023 period.

In addition, in 2025, Nortegas began injecting biomethane into its distribution network. This significant development has the potential to reduce Scope 3 emissions, as the end-use of biomethane at customer facilities results in approximately 99% fewer CO<sub>2</sub>-equivalent emissions into the atmosphere.

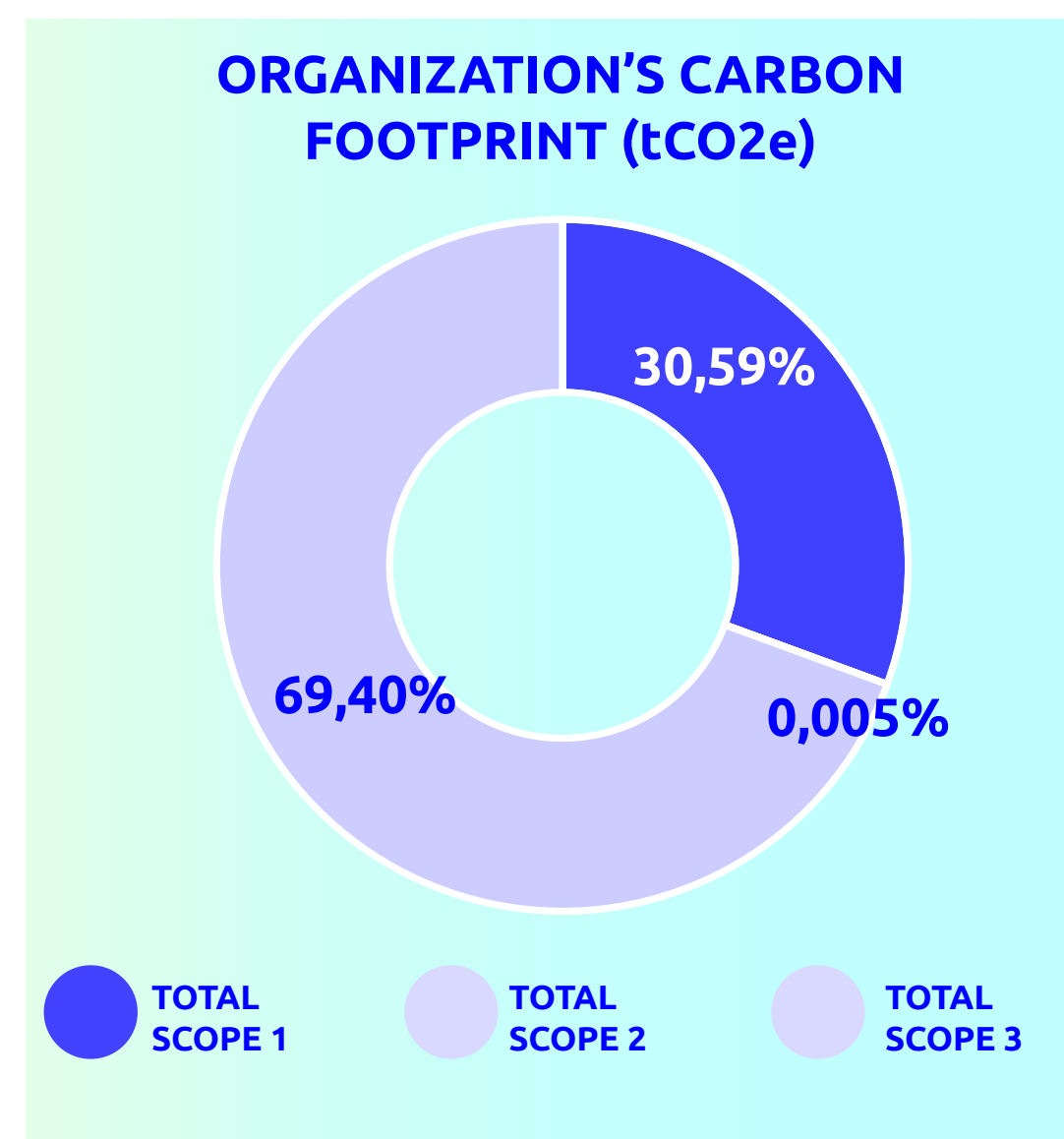
**The injection of biomethane into the grid has resulted in approximately 55,000 metric tons of CO<sub>2</sub> equivalents fewer being emitted into the atmosphere.**

The company continues to dedicate efforts to reducing emissions, particularly methane leaks, which remain the largest source of emissions within its Scope 1 and 3 categories, through leak detection and repair programs, improving, among other things, the efficiency of inspections.

## 6.8% reduction in fugitive emissions in network maintenance

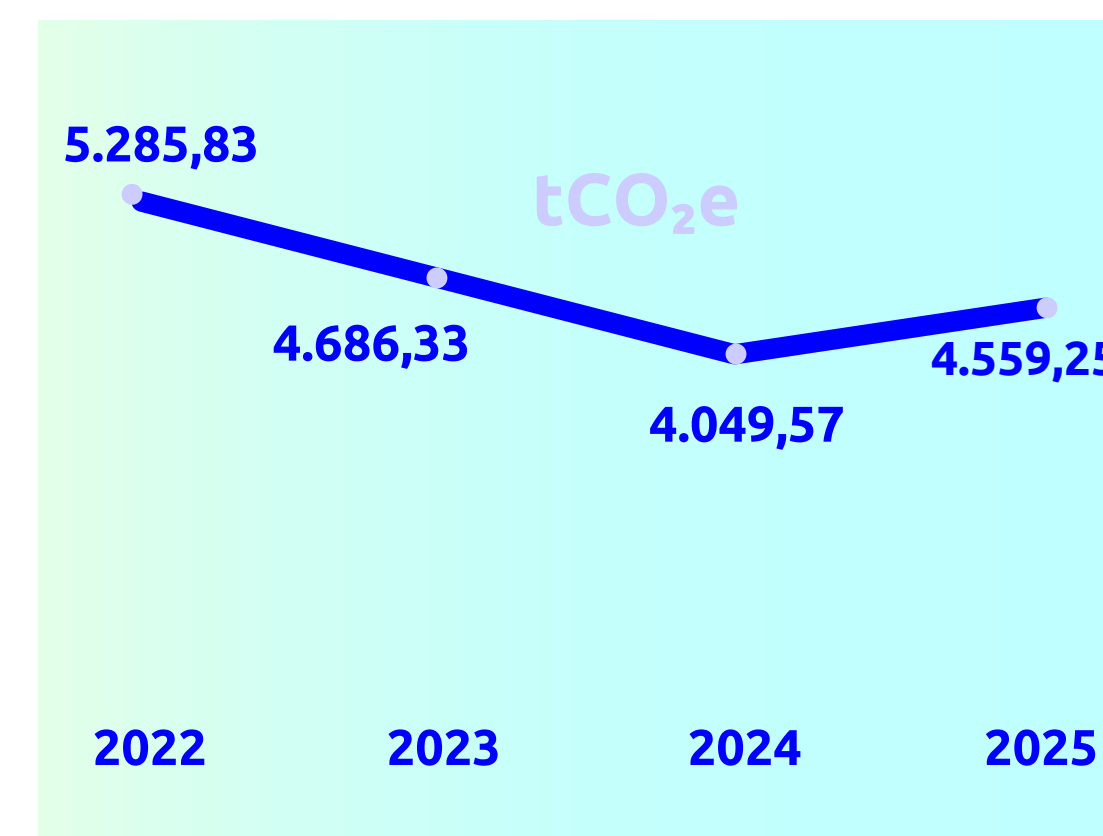
Furthermore, through the verification processes for Scopes 1+2+3, based on the guidelines of ISO 14064:2019, Nortegas continues not only to expand its inventory but also to improve the accuracy of its data by reducing estimates.

This is the case with emissions from the combustion of propane at its LPG plants, which have been included in Scope 1; and, together with emissions caused by third-party breaks in the Nortegas network, explains the increase in scope 1 emissions, but also reflects a greater transparency of the company in the calculation process.

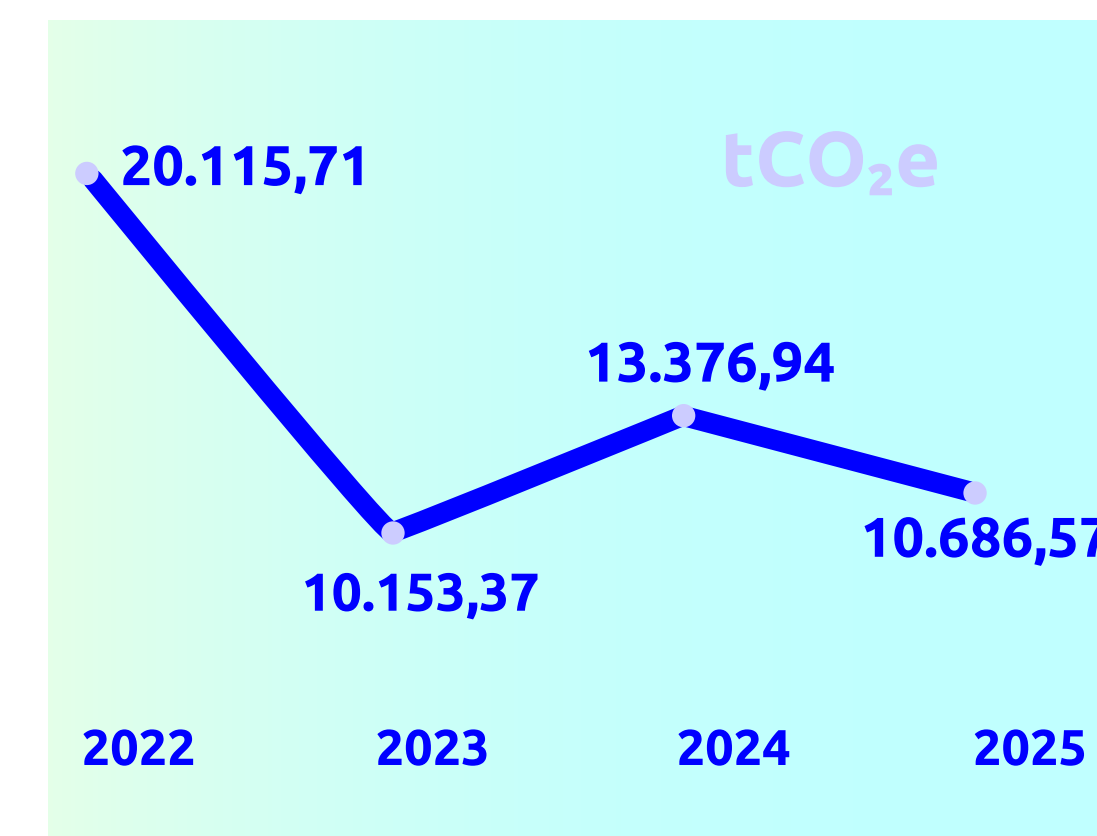


## Approximately 70% of the total carbon footprint corresponds to Scope 3.

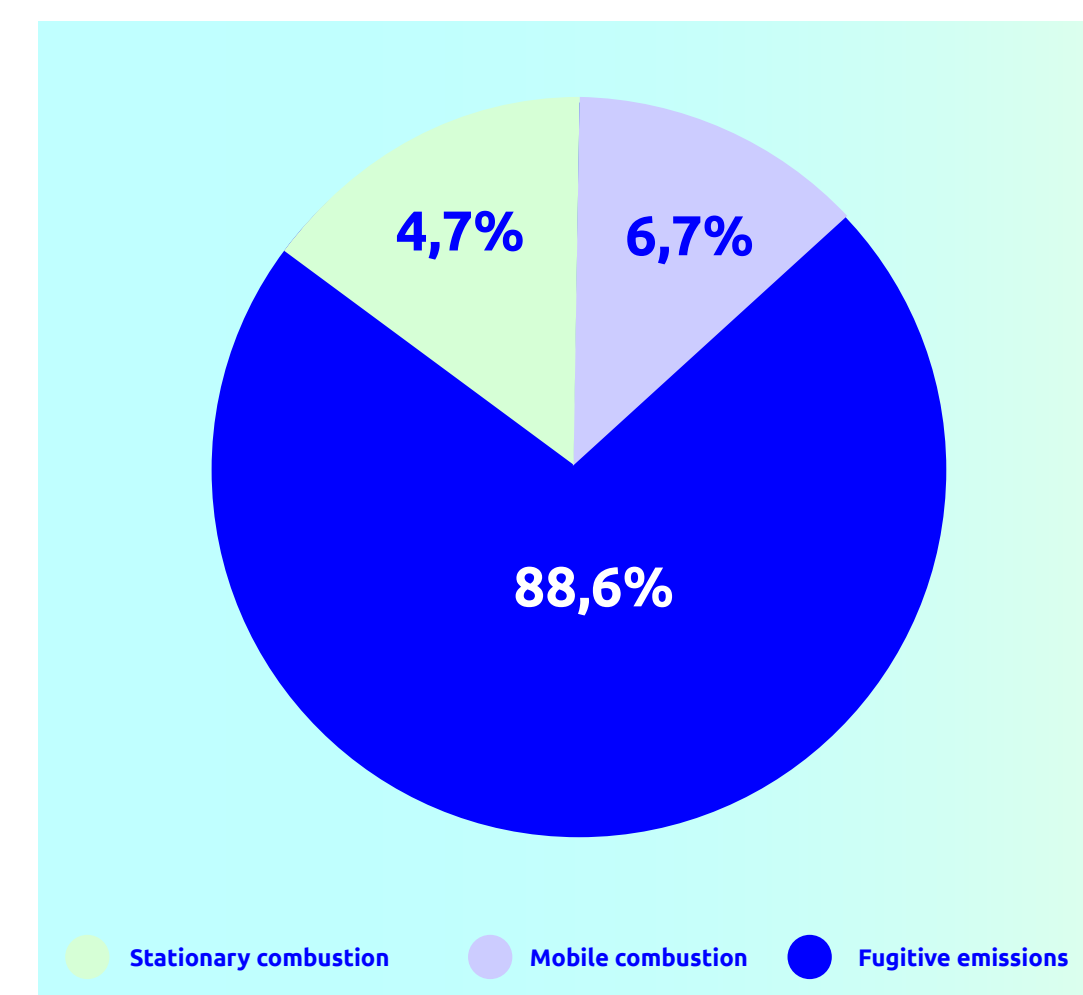
### Evolution of Scopes 1+2



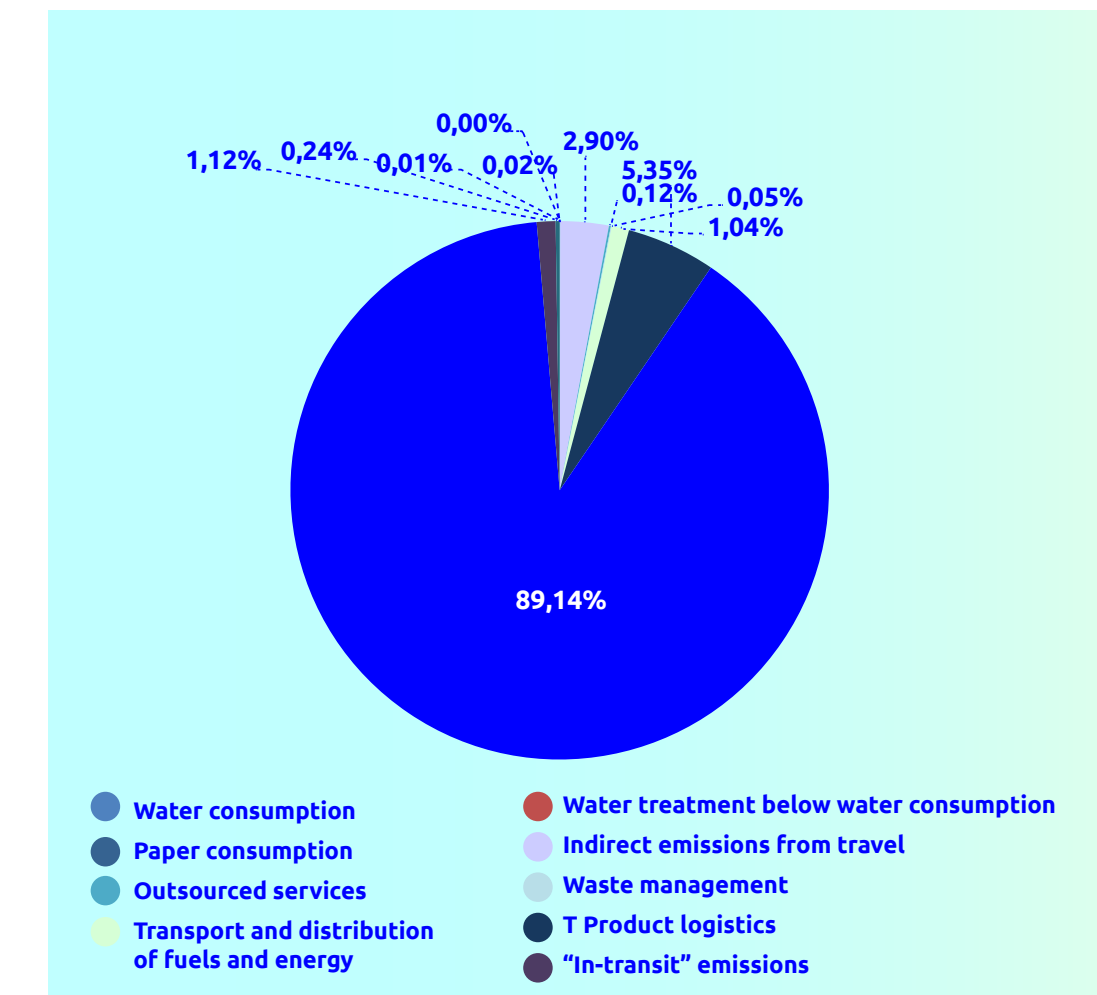
### Scope 3 Evolution



### Scope 1



### Scope 3



## TCFD and adaptation to climate change

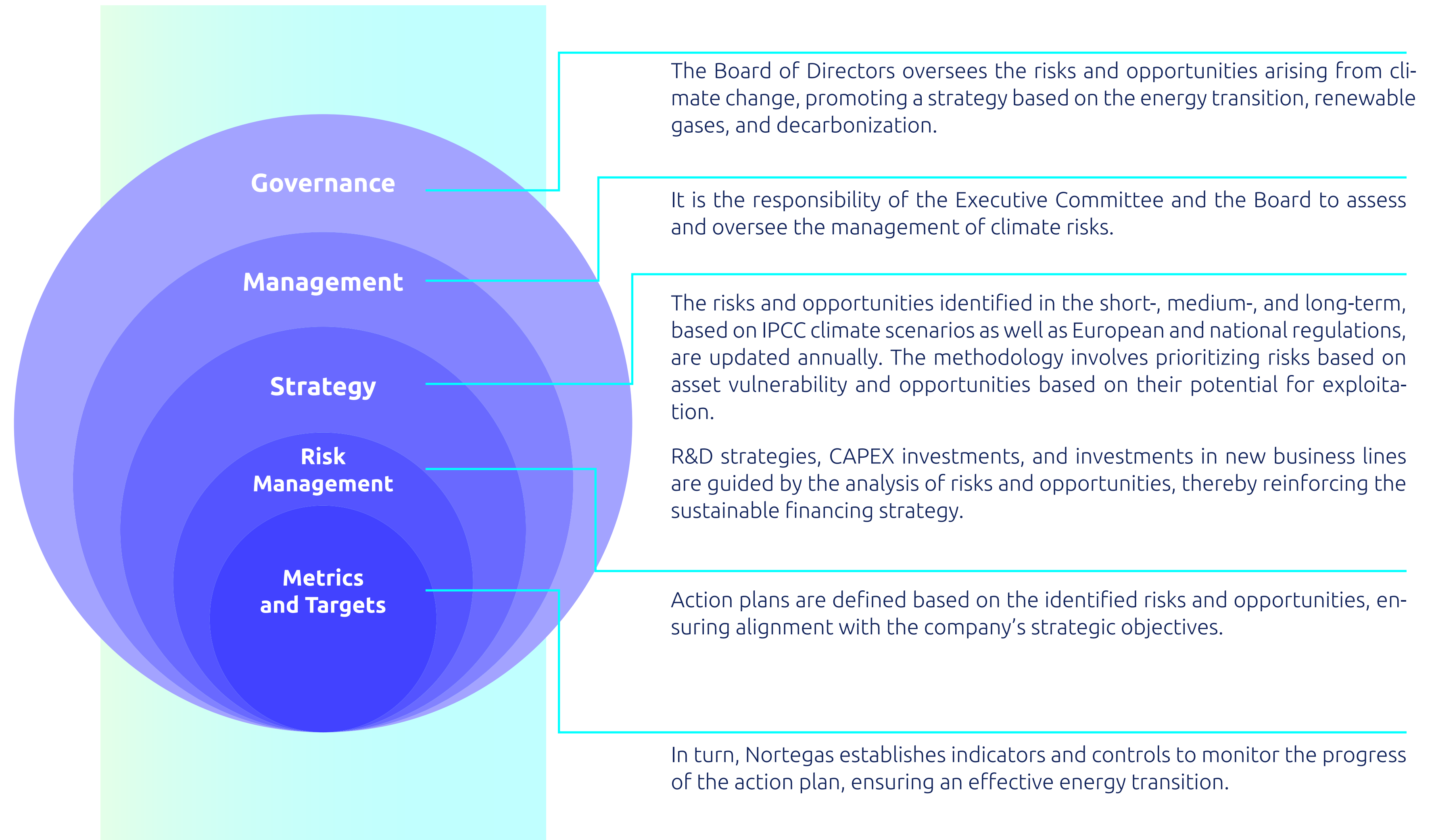
Climate change, its consequences, and adaptation to it are at the core of Nortegas.

In this regard, prior to the publication of the TCFD (Task Force on Climate-Related Financial Disclosure), Nortegas conducted an analysis of the resilience of its infrastructure to different climate scenarios, which concluded that the vulnerability of its operations to climate-related threats was low

Furthermore, in 2018, a study by the Basque Government confirmed the adaptability of its infrastructure to extreme weather events.

However, Nortegas has integrated the risks and opportunities associated with climate change into its strategy in accordance with the TCFD's recommendations.

## Nortegas is resilient to a carbon-neutral scenario aligned with the Paris Agreement.



### 5.2.2 Reduction Targets and Action Plans

Nortegas is aware of the impact its operations have on the environment and is committed to minimizing it.

To this end, Nortegas developed an emissions reduction plan for the 2021–2024 period, through which it achieved a reduction of nearly 45%, exceeding the 29% emissions reduction target it had set.

In June 2025, following verification of the previous framework, it established a new emissions reduction pathway through which it strengthens its relationship with investors and reinforces its commitment to a sustainable business model.

The new reduction targets established for the 2025–2030 period reflect the significant progress Nortegas has already made in reducing Scope 1 and 2 emissions, and therefore will depend on the evolution of these emissions based on a 3-year moving average.

The constant optimization of measurement, control, and monitoring systems is what enables the achievement of these targets.

**The emission reduction targets are ambitious and realistic, ensuring continued progress in reducing the company's carbon footprint.**

### 5.2.3 Atmospheric Pollutants

Air pollutants emitted by Nortegas's operations stem from the fuel used by its vehicle fleet.

Of the approximately 75 vehicles in the fleet, less than 50% are natural gas-gasoline hybrid vehicles.

In this regard, atmospheric pollutant emissions remain similar to those of 2024.



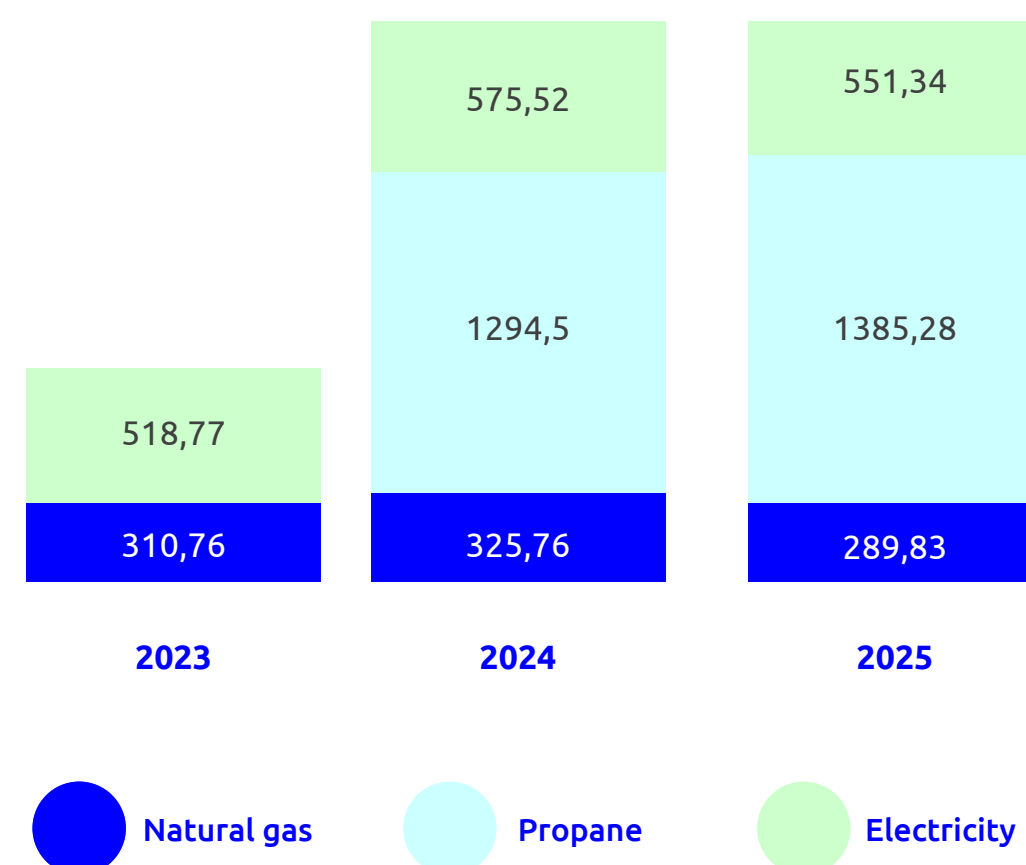
### 5.2.4 Energy Efficiency

Across the spectrum of energy sources, Nortegas monitors consumption at all its facilities.

As early as 2024, it incorporated estimates of propane consumption from its LPG plants, and improved this calculation in 2025, which is why energy consumption has increased.



### Fuel consumption and electricity (MWh)



### 99.4% of the electricity consumed comes from renewable sources

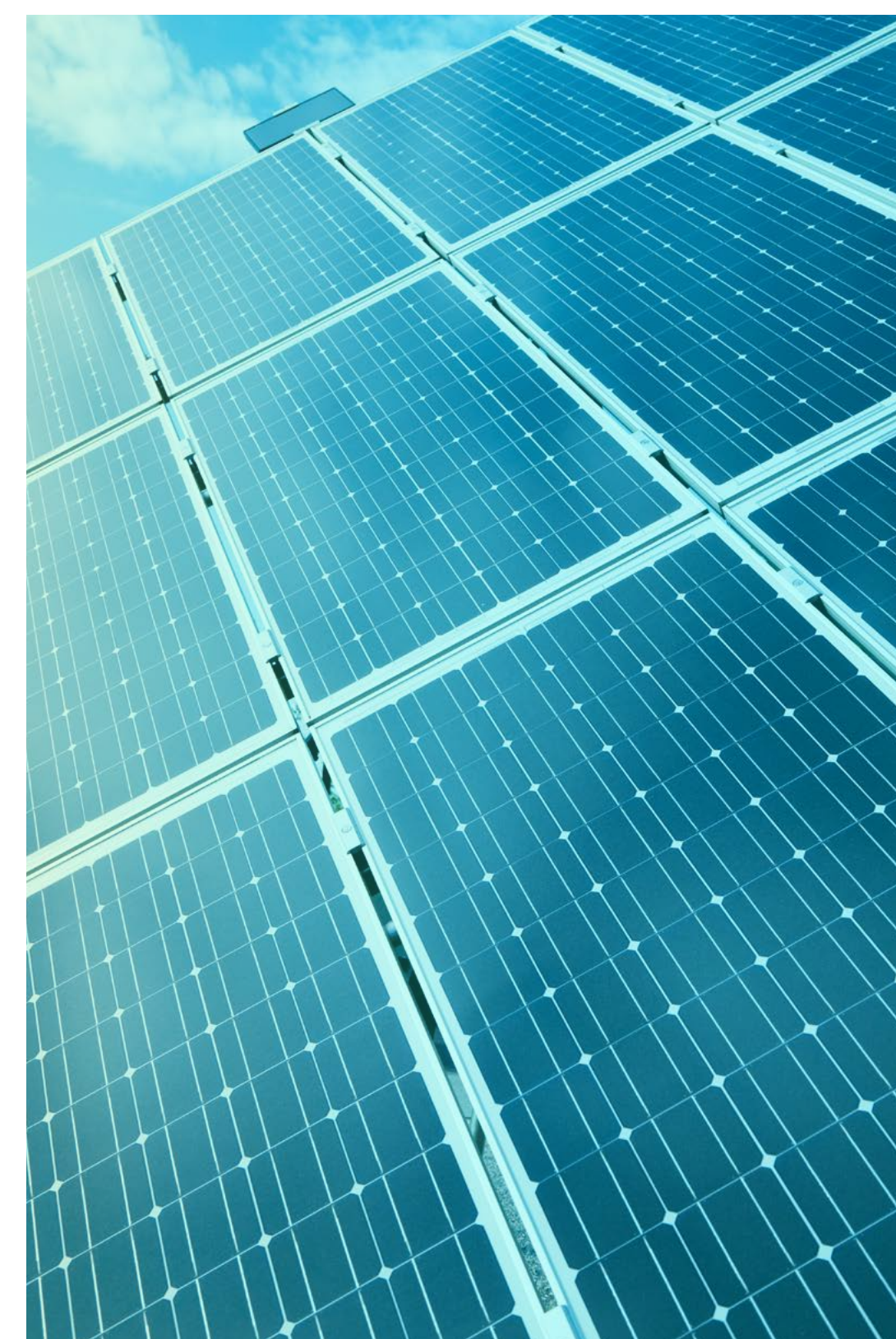
On the other hand, water consumption comes solely from the municipal supply network for use in offices and maintenance centers.

	2023	2024	2025
<b>Water consumption (m3)</b>	2.077	2.389	2.305

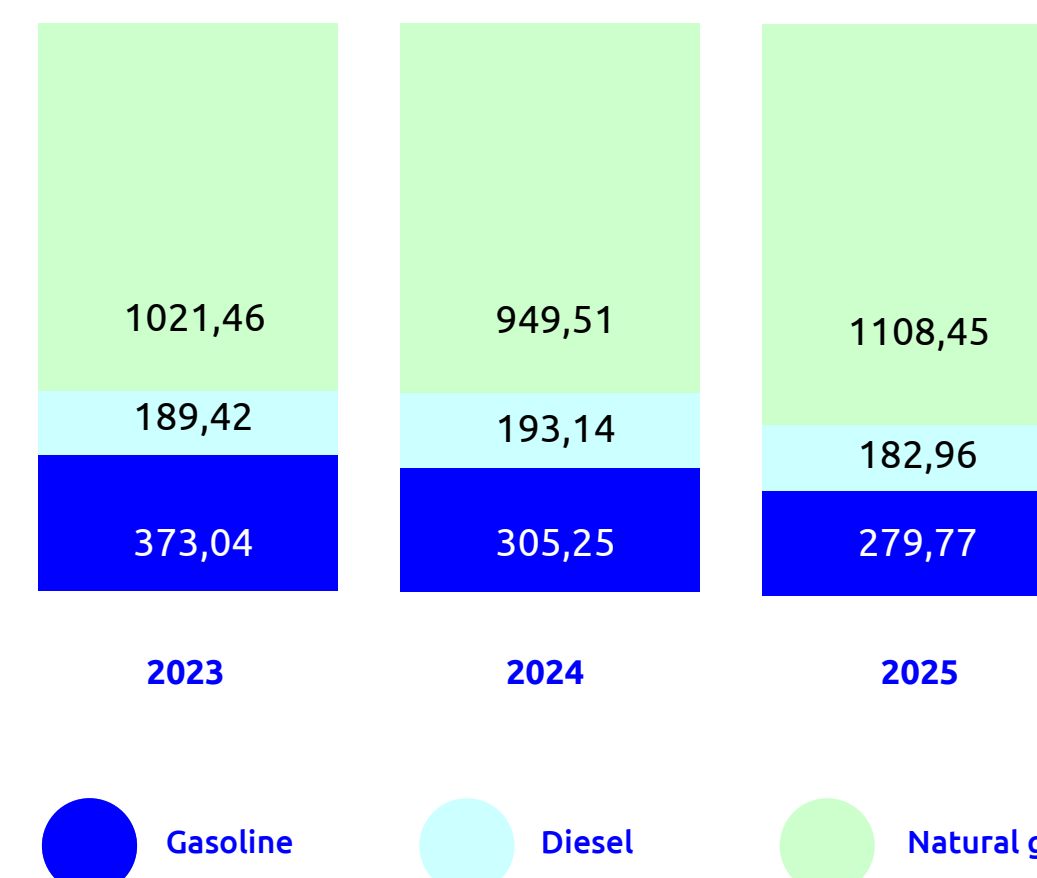
### Nortegas has solar panels for self-consumption at 30% of its ERMs, as well as at some of its work centers.

Nortegas has an environmental management system based on ISO 14001:2015 that is audited annually.

The scope of this management system covers all environmental aspects addressed in this chapter on environmental performance.



### Mobile fuel consumption (MWh)



### 5.2.5 Waste Management and the Circular Economy

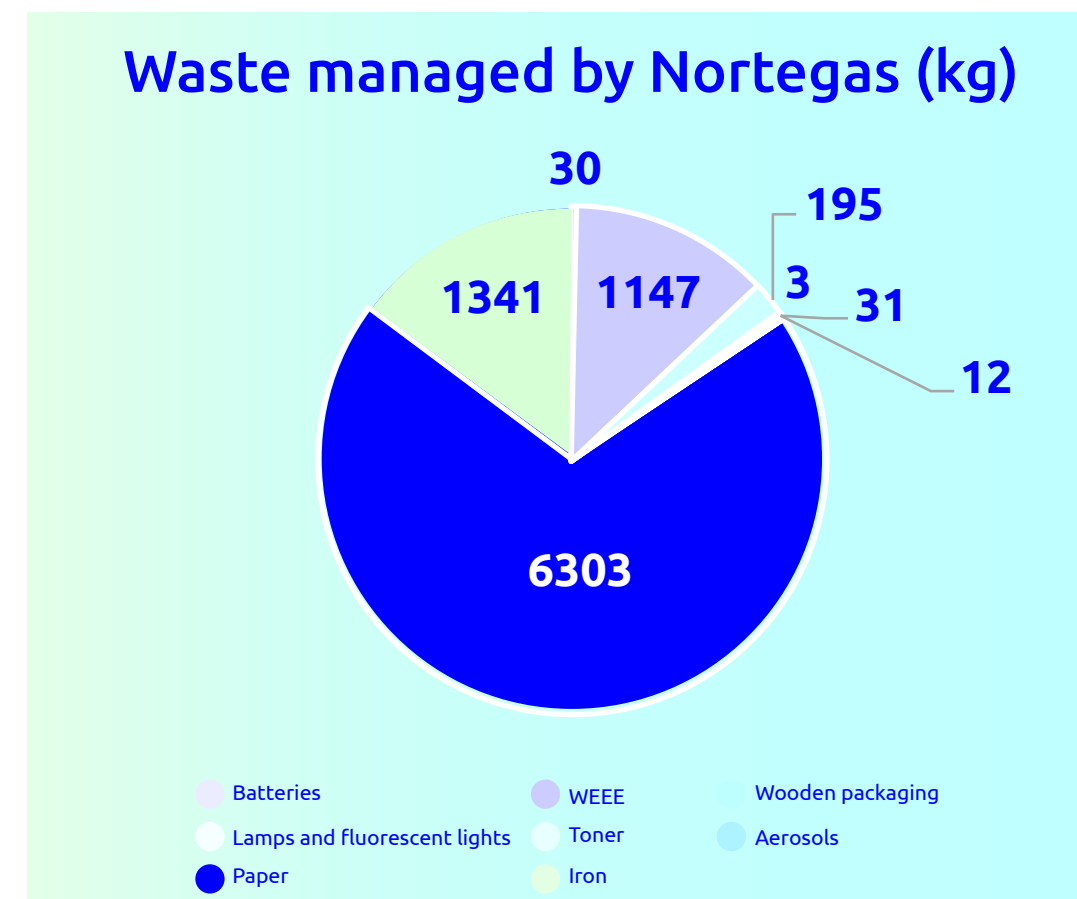
The company's main activity currently focuses on the distribution of natural gas and propane, as well as the construction of supply networks.

Waste generated by its operations is stored at the operation and maintenance centers for subsequent removal by an authorized waste management company, or managed directly by its contractors.

### 5.2.6 Biodiversity and Environmental Protection

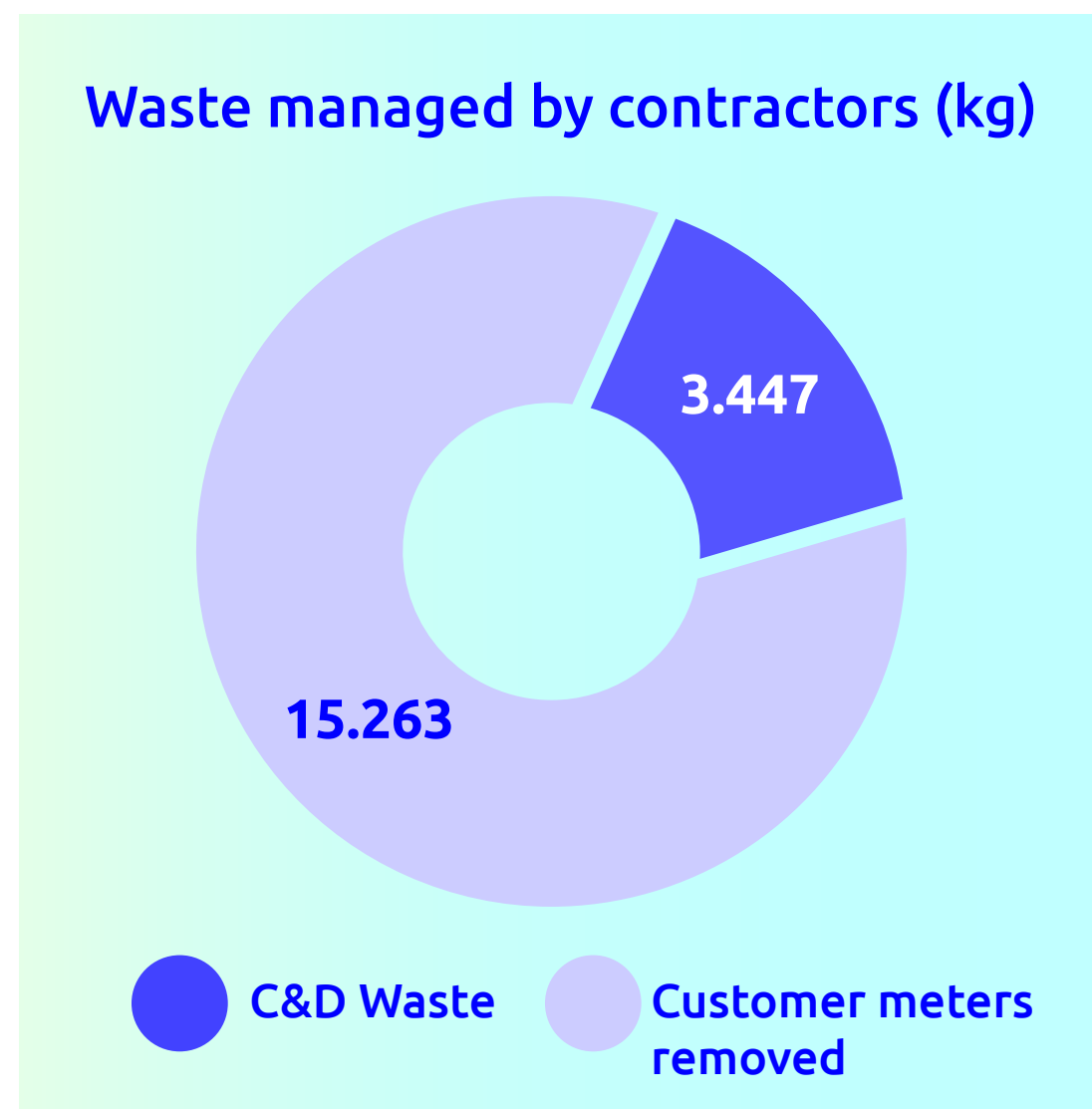
Due to the nature of the activities carried out by Nortegas, the impact on biodiversity is practically nil, as most operations take place in urban areas.

However, the company has an Environmental Monitor that allows it to track potential environmental risks—such as those related to water, soil, flora, fauna, noise, and emissions—that could affect the network from the planning stage through to its operation.



## Nortegas adopts due diligence approaches to protect the ecosystems in which it operates.

Furthermore, through environmental coordination management at construction sites, the company ensures strict compliance with current regulations, as well as with licensing conditions in areas requiring special attention.



### 100% of waste is delivered to an authorized waste management company



## Environmental Awareness

As part of its internal training and awareness program, Nortegas's Safety and Sustainability team developed a specific training course in 2025 for the Operations and Maintenance (O&M) department, aimed at reviewing the key guidelines for responding to an environmental emergency at a facility (LNG plant and/or LPG plant).

Based on this training, leaflets have been designed and are carried in O&M vehicles, outlining the guidelines for action in such situations. It is important to remember that the protection of people comes first.

This training was implemented for new hires joining the O&M team.

These training sessions included a reminder on how to manage waste generated both in an emergency situation and under normal operating conditions.

Throughout 2025, various drills with an environmental component were also conducted, which demonstrated the effectiveness of the training provided.

## General guidelines for responding to environmental emergencies in LNG, LPG and RMS facilities



01. **Evacuate** all non-essential personnel from the affected area and cordon off the area of operation



02. **Call** Telecontrol Nortegas 944035738



03. **Protect** yourself: Use the necessary PPE



04. **Identify** the spilled or leaked product (see safety data sheets)



05. Do **not intervene** if the product is reacting and/or there are signs that a chemical reaction is taking place



06. **Stop the leak:** close the valves and shut off the flow as soon as possible



07. **Prevent** the spill or leak from spreading to undesired areas (manholes, waterways, etc.). Use the emergency kit or build a dam with soil



08. If there is a **manhole:** cover it to prevent hazardous substances from seeping out



09. **Isolate** the area from other hazardous substances and/or sources of ignition



10. **Clean** up the spill area with absorbent material



11. **Notify** your immediate supervisor and the Safety and Sustainability Department

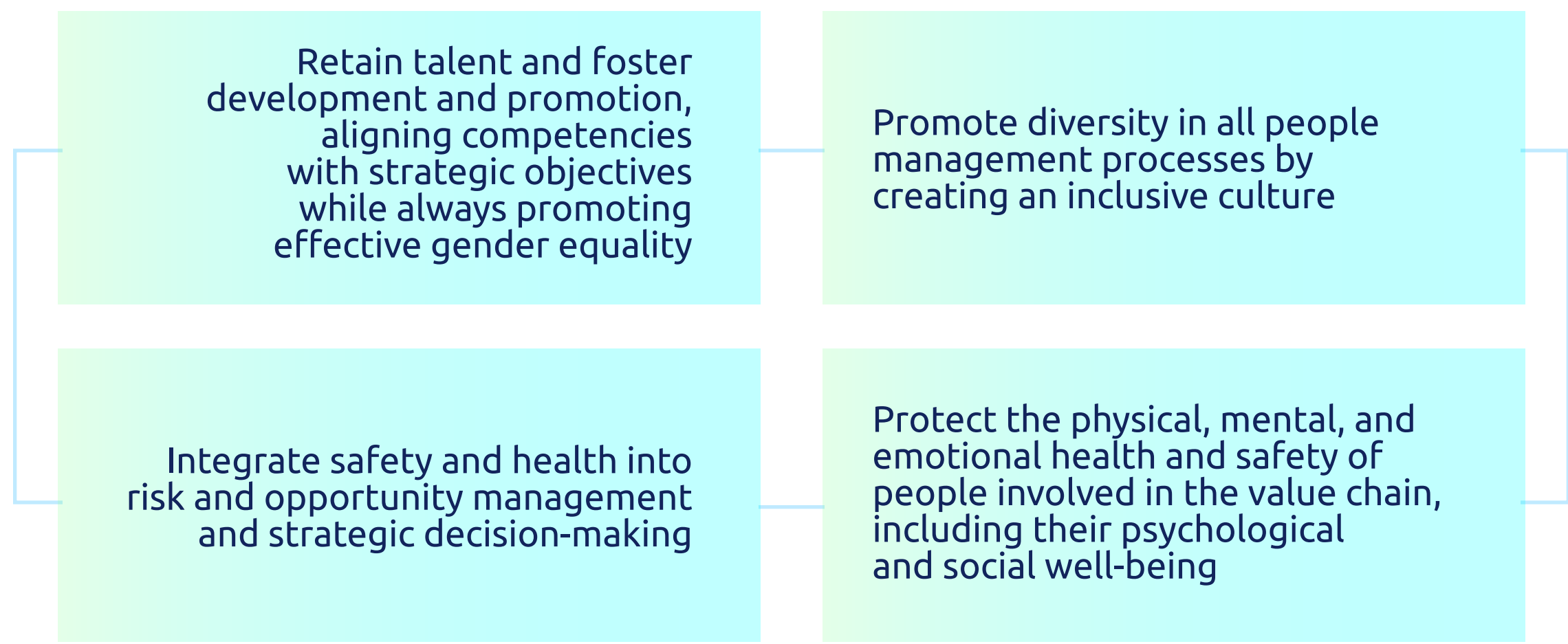
# 6. Social Performance

<b>Training in inclusive language and effective equality</b>	<b>&gt;90 hours</b>
<b>Accident Severity Index</b>	<b>Employees</b> 0.43
	<b>Contractors</b> 0.8

<b>Occupational safety observations</b>	<b>102</b>
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<b>Satisfaction Index for the Telephone Support Channel</b>	<b>4.69/5</b>
<b>Volunteers in social initiatives</b>	<b>140</b>
<b>Training expenses per employee (€)</b>	<b>157</b>
<b>Absenteeism rate</b>	<b>4.55%</b>
<b>Women in the workforce</b>	<b>44%</b>
<b>Indirect employment</b>	<b>460</b>

## 6.1. People and talent



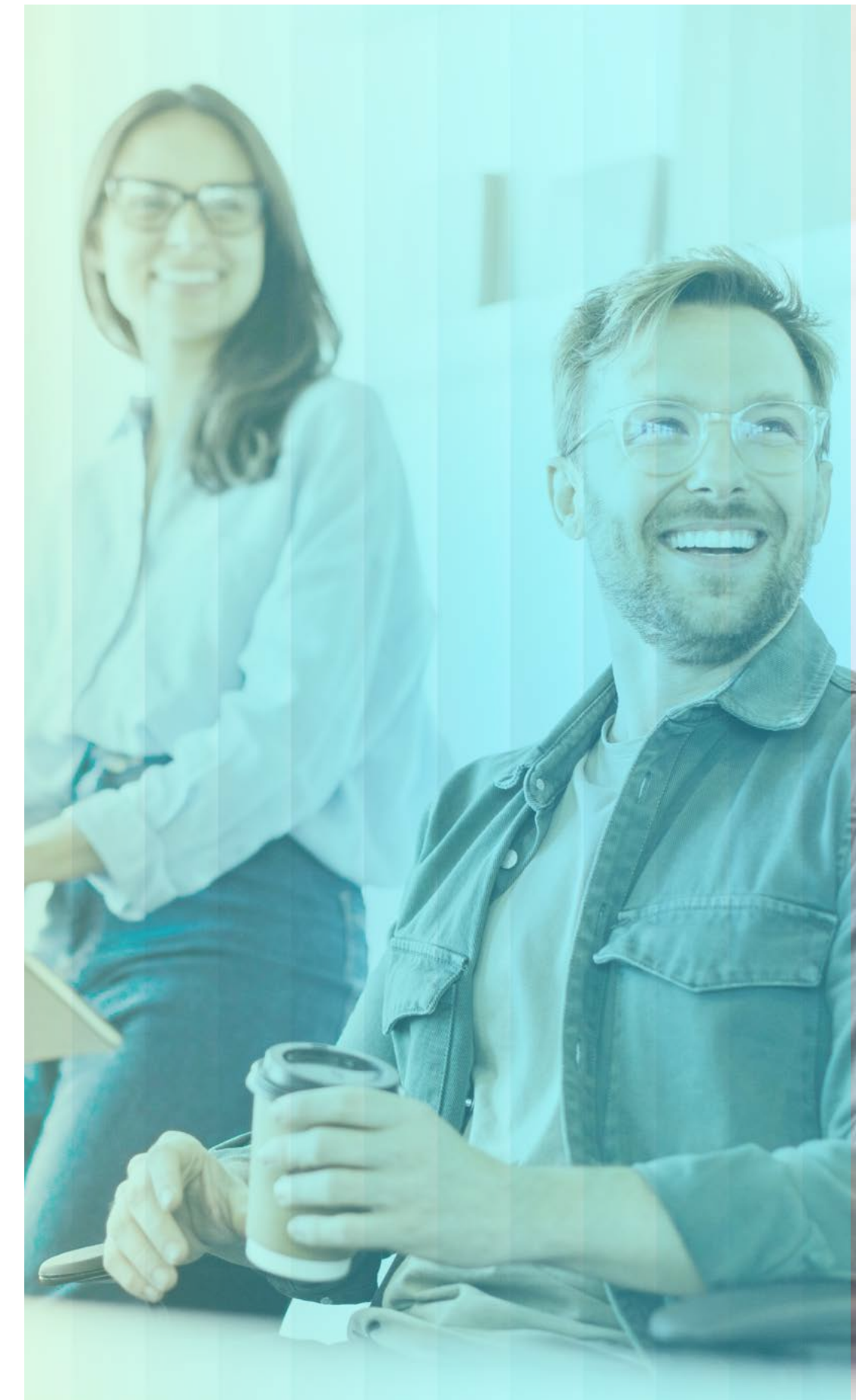
### 6.1.1. Employment, diversity, equity and inclusion

With the aim of understanding the concerns of NORTEGAS employees, two brief climate surveys focused on specific aspects of the company were conducted in 2025. As a result of these surveys, an action plan is being implemented, focused primarily on communication and organizational efficiencies.

However, the rate of unwanted turnover stood at 2.37% in 2025, a figure slightly higher than in previous years.

### Nortegas' growth goes hand in hand with the development of its team

Demonstrating the company's commitment to zero tolerance for any form of discrimination, it has developed, in collaboration with labor representatives, the **Protocol for Action Against Harassment**, whether based on gender, sexual orientation and/or identity, race, religion, disability, age, or any other personal or social circumstance, as well as the first **Effective Equality Plan for transgender individuals and to guarantee the rights of LGBTIQ+ people**.



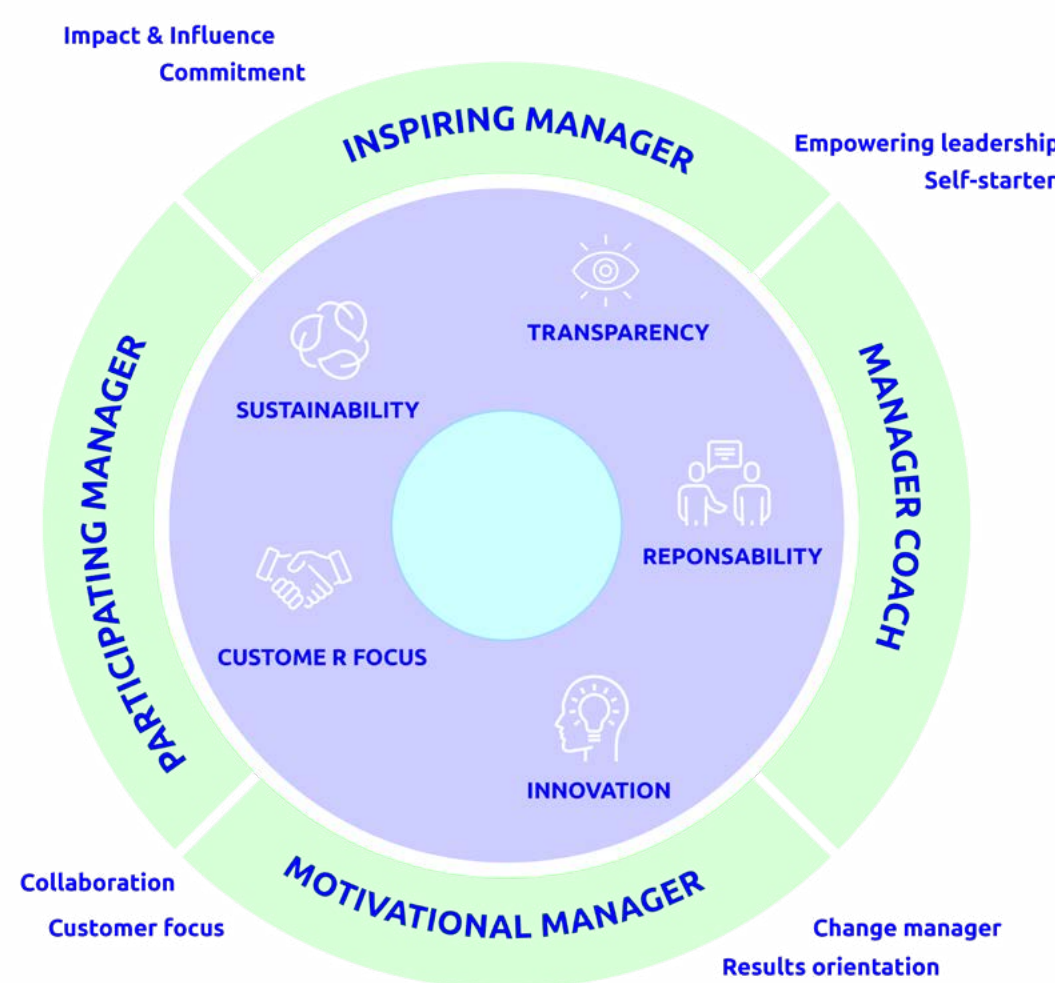
hours of training per employee	18
hours of training	3,918
Accident Frequency Rate (per million hours worked)	Employees 5.75
	Contractors 5.63

### 6.1.2. Training and professional growth

In 2025, NORTEGAS has focused on talent management and adding value to the company. Furthermore, to address new strategic challenges and ensure business continuity, the company has prioritized several key pillars:

- Strengthening technical and professional training,
- Preparing for generational succession
- Continuing to prioritize people management.

One of the most notable milestones has been the implementation of the new leadership model.



Thanks to excellent teamwork, a new leadership model has been defined through a participatory process, featuring four dimensions based on the company’s values and competencies, with these dimensions integrated into the organizational culture through the “Leadership Academy”

**The goal is clear: to ensure that Nortegas leaders have the tools and competencies necessary to manage people and lead successfully, both now and in the future. All of this while fostering professional development, a sense of pride in belonging, and teamwork.**

As part of this strategic adaptation process—which also involves a people-centered cultural shift—a new training program has been launched for the entire workforce focused on “Be Talent Skills,” covering three main areas:



- Development of Values and Skills
- Psychosocial well-being
- DEI (Diversity, Equity, Inclusion)

<b>10</b> Training sessions	<b>451</b> Training hours	<b>8,5</b> Training satisfaction index
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NORTEGAS has updated its performance management process, which is now based on competency assessment and leadership. Additionally, variable compensation for part of the workforce is linked to the achievement of safety, health, and environmental objectives, in line with the ESG criteria of Nortegas’s sustainable financing framework.

In 2025, the company has also expanded into technical areas with a special focus on safety and digitalization.

**99%** of the workforce has attended technical training sessions

**Average training hours by gender**

<b>Men 15.8 h</b>	<b>Women 25.1 h</b>
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### 6.1.3. Health, Safety, and Well-being

## An unsafe job is a job poorly done

Nortegas maintains a firm commitment to the occupational health and safety of its employees and contractors, supported by an Integrated Management System certified to ISO 45001:2018, which allows for the assessment and updating of risks as processes and business operations evolve.

The company’s preventive culture is fostered through awareness campaigns, departmental meetings, direct consultations with staff, and tools such as the safety minute, preventive observations, safety inspections, and incident reporting.

As a goal for 2026, the new OSH management system will be fully implemented, encouraging the reporting of unsafe acts and conditions, incidents without injury, and improvement proposals.



**Accident Rate 2025**

- 2 workplace accidents involving our **own staff**
- 3 work-related accidents resulting in sick leave among **contractor companies**

In 2025, the implementation of actions derived from the 2023 psychosocial risk assessment was completed, and emphasis was placed on identifying new risks related to hydrogen and bio-methane.

**These proactive tools help build knowledge and minimize risk, thereby preventing injuries.**

- From a reactive to a proactive culture
- Facilitating the reporting of preventive communications (unsafe conditions and acts, incidents without injury, improvement proposals)
- Revision of Preventive Observations
- Installation of a mobile app for the processing, reporting, delivery, and inspection of both personal protective equipment and first-aid kits
- Designed internally by the Technical Safety Coordinator





Action plans have also been initiated to pursue **Nortegas' certification as a brain-safe workplace**, promoting training and early stroke detection through the Stop Stroke Foundation and specialized organizations.

Committed to the health and well-being of every employee, the Nortegas Saludable program has continued to be promoted. Through this program, and in collaboration with various medical specialists, the company has participated in meetings and **webinars** aimed at learning how to address and

understand the **effects of healthy eating, stress, psychosocial and physiotherapeutic factors, and the quality of sleep and rest**, on the personal and professional lives of employees.

The Nortegas Saludable program has established itself as a strategic pillar within the organization thanks to the delivery of three high-impact talks:

- Musculoskeletal Disorders in the Workplace
- Sleep and sleep disorders
- Stroke. We can all get a wrinkle in our Superman suit

In addition to health monitoring, complementary tests are conducted, such as **annual vaccination campaigns** and other health promotion activities tailored by gender, including the option for **gynecological exams or a prostate cancer screening program**.

**87%** voluntary participation in the annual medical examination

### Occupational Health and Safety in the Supply Chain

The commitment to health and safety extends throughout the entire value chain, ensuring that contractor companies operate under safe conditions. Occupational health and safety is managed at various levels within the company:

aligned with Nortegas's preventive principles. In addition to compliance with Business Activity Coordination (CAE), direct on-site supervision is conducted, and the reporting of unsafe conditions is encouraged, enabling early intervention.



### Safety and Health of Users and Local Communities

Nortegas extends its commitment to safety to the broader community by partnering with the Sueskola Foundation to train new firefighting crews on gas installations and emergency response, as well as offering refresher courses for veteran fire brigades.

In 2025, 100% of the planned infrastructure was inspected, and active monitoring of the network was maintained, along with emergency plans for facility protection and periodic maintenance to ensure an effective response to incidents.

Nortegas actively participates in working groups within the various autonomous communities where it operates to establish response mechanisms for adverse weather events and industrial safety, promoting the exchange of best practices in safety and resilience.



**3 training sessions for new firefighting crews**

**1 joint drill with the Laguardia Fire Department (LNG satellite plant leak)**



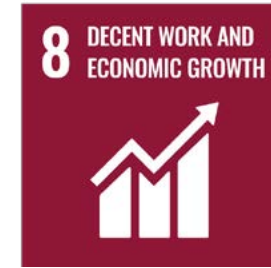


## 6.2 Human Rights

Nortegas maintains a firm commitment to human rights, both within the organization and throughout its value chain. This commitment is reinforced by its Human Resources Policy, as well as by the Collective Bargaining Agreement that guarantees working conditions for its staff, its Code of Ethics, and the General Terms and Conditions of Contract that must be complied with by all of the company's suppliers.

Nortegas' internal systems are aligned with universal principles regarding human rights, labor, the environment, and the fight against corruption.

In addition, in 2023, Nortegas conducted its first human rights due diligence exercise, which included the identification and assessment of risks in key areas such as human resources, procurement, and risk prevention, as well as existing mitigation measures that ensure these rights are not violated.



## 6.3 Responsible Supply Chain

Nortegas seeks to extend its commitment to its management systems beyond its own operations, and extends this commitment to its supply chain by positively valuing suppliers that hold ISO 9001:2015, ISO 45001:2018, and ISO 14001:2015 certifications, while also incorporating an ESG approach through the General Contracting Conditions (GCC).

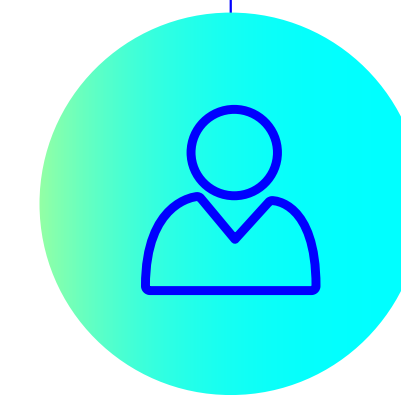
Processes follow ethical and legal criteria, in accordance with the Code of Ethics and the Procurement Manual, with rigorous validation that, if necessary, involves the legal department.

Although specific certification is not required for contracting, an ESG assessment is conducted using external tools tailored to the risk of each activity, influencing the awarding of contracts for critical services.

In addition to regulatory compliance,

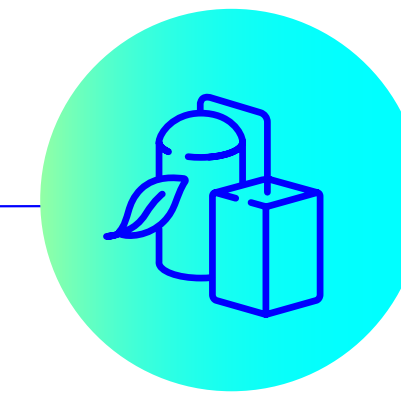
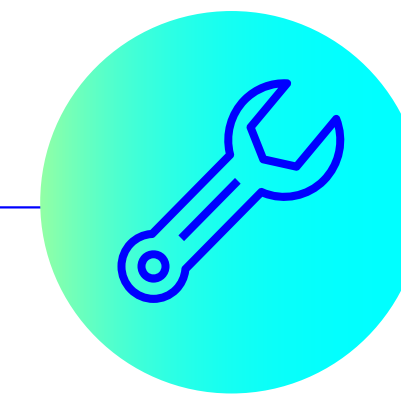
using the CAE management tool, regular meetings are held to share lessons learned and strengthen coordination with employees of contractor companies.

### Raw Materials



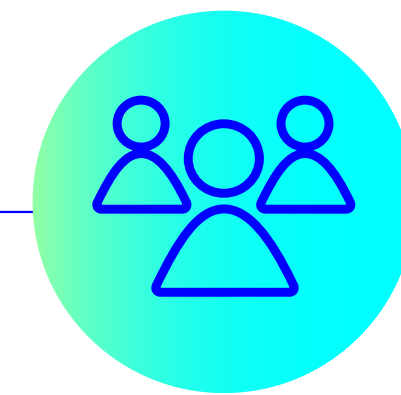
Supplier

### Construction



Service

### Customer



### 6.4 Customer Relations and Service Quality

Throughout 2025, NORTEGAS’s primary objective has been to improve, promote, and facilitate communication with customers by expanding the channels and methods available for contacting the organization, streamlining processes such as residential consumption metering, and enabling customers to submit complaints and suggestions.

Service excellence to ensure maximum customer satisfaction



Implement tools that promote continuous improvement

Taking into account the expectations of our stakeholders and acting in accordance with our values






### Customer satisfaction with NORTY stands at 4.27 out of a maximum score of 5.

As part of NORTEGAS’s commitment to offering a more accessible, responsive service tailored to our customers’ needs, a new channel for reporting gas meter readings has been launched: WhatsApp.

This new service is part of a strategy to integrate technological solutions that simplify customers’ daily lives and offer digital alternatives that complement traditional channels.

It also reinforces the company’s commitment to customer satisfaction, ensuring an efficient service tailored to current needs.

-  Telephone customer service channel with a rating of 4.69/5
-  Launch of **NORTY**, NORTEGAS’s virtual assistant, for submitting gas meter readings with the aim of facilitating billing based on actual consumption and avoiding estimates.
-  New **NORTEGAS Customer Area**, where customers can perform transactions such as: submitting meter readings, making payments, signing contracts, requesting service connections, or filing a complaint—all in one place





**NORTEGAS has become one of the first companies in the sector to adopt WhatsApp, which stands out for its ease of use and accessibility and also offers significant advantages:**

**Time savings:** you can submit your meter reading whenever you prefer, without fixed schedules or phone calls.

**Easy and fast:** all it takes is a text message from your mobile phone.

**Guaranteed security:** shared data is protected by Nortegas' privacy standards.



### 6.5 Social Impact and Contribution to the Community

In 2025, the project “Your Story Really Matters” was completed in collaboration with the Lo Que De Verdad Importa Foundation, where Nortegas volunteers accompanied older adults to collect and write their life stories.

For several months, the volunteer and their senior met approximately four times a month to shape a manuscript based on the senior’s experiences and values.

Upon completion of the project, the Foundation presents each participant with 10 copies of the book of their life, with the aim of giving a voice to our elders and show them that their story REALLY MATTERS, creating unique intergenerational bonds, paying tribute to our elders, and fighting against unwanted loneliness.



Our colleague **Ana Eliecer** has been part of this wonderful initiative, which has required a great deal of work, perseverance, and effort. Ana has collaborated on the publication of the book about Mónica’s life—an intimate and courageous story of a woman who, over the years, seeks to understand and come to terms with the highs and lows of her family life.

Thank you so much, Ana, for this wonderful journey, for your commitment, and for your perseverance.

**In 2025**, the involvement of **more than 160 volunteers** has made it possible to carry out **social initiatives focused on children**.

**€4,000** in donations from **Nortegas**

**€1,055** in donations from **Nortegas employees** for **company initiatives**



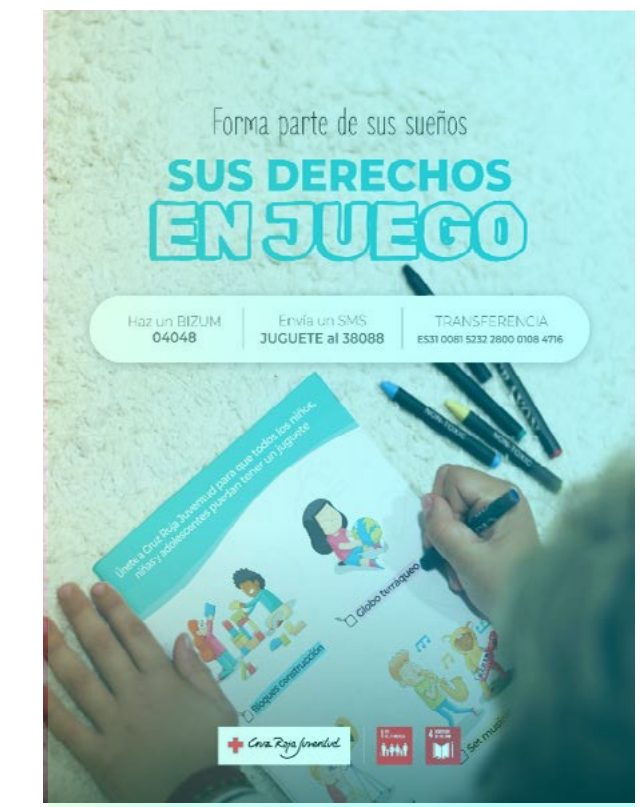
## NORTEGAS maintains an active commitment to society through initiatives open to all NORTEGAS employees:

### CHARITY DRAWING CONTEST

A charity drawing contest for the children of employees, with donations made through Save the Children to benefit children in Gaza.

### RED CROSS CHARITY TOY DRIVE

This year we have managed to donate over €3,000 to the Red Cross's CHARITY TOY CAMPAIGN. The 31 Nortegas employees who participated in the campaign collectively donated €1,055, and since more than 30 people participated in the campaign, Nortegas donated an additional €2,000, bringing the total to €3,055. With this contribution, we helped ensure that all the children in our community received a new, non-violent, and non-sexist toy this Christmas.



### Kilometers of solidarity Nortegas in the WOP CHALLENGE

This year, several colleagues from Nortegas once again took on a challenge that goes far beyond sports: the WOP CHALLENGE, a charity run in support of the fight against neurodegenerative diseases. Our team signed up for two adventures, covering a total of 274 km in a gesture of commitment and camaraderie among colleagues.



*"Seeing my teammates in a new light. Broadening my perspective. Connecting with the other side. Feeling the wheel turn, driven by a collective force. Trying to rise to the occasion."*

*"Piling up the miles thanks to commitment and teamwork."*

## What a commotion we've caused!

At the Christmas event, 160 people from NORTEGAS worked as a team and in record time to assemble and build dollhouses, cars, toy kitchens...

All the toys assembled that day reached their destination through the Aladina Foundation, which distributed them to Cruces Hospital (Bizkaia) and Niño Jesús Hospital in Madrid.

Both centers have expressed their gratitude, highlighting the impact of such initiatives on the emotional well-being of the children and their families, helping to keep hope alive and bring smiles during difficult times.

In addition to promoting external social commitment, Nortegas is firmly committed to a diverse and inclusive internal culture through short training sessions on inclusive language, effective equali-

ty, and an inclusive environment for LGBTIQ+ individuals and LGBTIQ+ rights.



**When we join forces, we can make a positive impact on our community.**



Over 90 people participated in awareness-raising sessions, dedicating a total of 92 training hours.

## 6.6 Responsible Taxation and Contribution to the Community

Nortegas remains firmly committed to responsible tax practices, based on compliance with applicable regulations, transparency, and collaboration with public authorities and other stakeholders.

The company continuously assesses tax risks and opportunities, consistently applying existing incentives in Bizkaia—particularly those related to support for R&D&I and cultural projects—in accordance with the legal framework and in line with industry practices, thereby contributing to the development of

projects relevant to the region.

This approach allows Nortegas to contribute directly and indirectly to the tax system, reinforcing its role as an economic and social driver in the regions where it operates. The company does not make political contributions of any kind, and its participation is limited to non-political industry associations, such as Sedigas.

Decisions regarding partnerships and sponsorships, such as support for the Kaiku rowing team, are periodically reviewed by the CEO and the relevant managers, ensuring compliance with the strictest transparency criteria.

Nortegas also has an impact in all the provinces where it operates, both in terms of direct and indirect employment, as well as through the fees and taxes it generates.

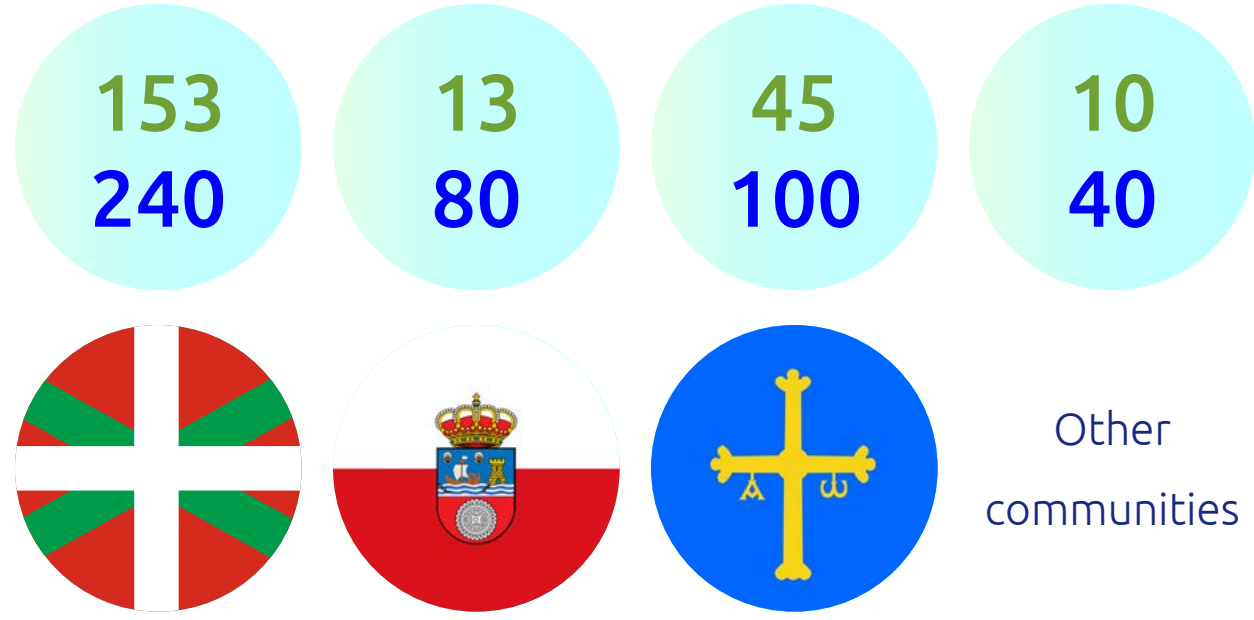
### TOTAL TAXES GENERATED

**€8.6M**

TAXES GENERATED (STATE AND MUNICIPAL) (Thousands €)	
BIZKAIA	4,860
GIPUZKOA	984
ÁLAVA	458
CANTABRIA	476
ASTURIAS	1,342
OTHERS	403



Direct: 221  
Indirect: 460



# 7. Corporate Governance and Ethics

In 2025, the criminal compliance Body was modified, which has become the Ethics Committee, composed of the HR director, the CFO, and the General Counsel.

Nortegas' governance model is based on acting in accordance with the values and ethical standards of responsibility and transparency that define the company, promoting the application of procedures and controls designed to prevent irregular or unlawful conduct.

The company has had a Code of Ethics since 2018, which reflects its commitment to acting in accordance with the highest ethical standards and complying with applicable laws.

It is the responsibility of all employees to be familiar with, comply with, and collaborate in the implementation of the Code, which reinforces the company's integrity. Furthermore, Nortegas extends these commitments to its suppliers through specific contractual obligations included in the general terms and conditions of engagement.

## COMPOSITION OF THE BOARD OF DIRECTORS

2025		
Director	Category	Position
Iñaki Alzaga	Independent	Non-Executive Chairman
Juan Ignacio Villar Marcelino	Executive	Chief Executive Officer
Susan Cooklin	Propietary	Member
Gloria Hernández	Independent	Member
Mark Mathieson	Propietary	Member
Volker Häussermann	Propietary	Member
Sneha Sinha	Propietary	Member

## EXECUTIVE COMMITTEE

2025	
Member	Position
Juan Ignacio Villar Marcelino	CEO
Mikel Belaustegui	Digital Transformation Director
Asier Fernández	Chief Financial and Investment Officer
Izaskun Gorostiaga	Chief Strategy and Sustainability Officer
Aida Heras	Gas Distribution Operations Director
Javier Inunciaga	Human Resources Director
Alvaro Marcé	Gas Distribution Development Director
Estíbaliz Perez	General Counsel

## COMPOSITION OF THE AUDIT COMMITTEE

2025		
Director	Category	Position
Gloria Hernández	Independent	Member
Volker Häussermann	Propietary	Member
Sneha Sinha	Propietary	Member

## COMPOSITION OF THE HEALTH, SAFETY, AND ENVIRONMENT COMMITTEE

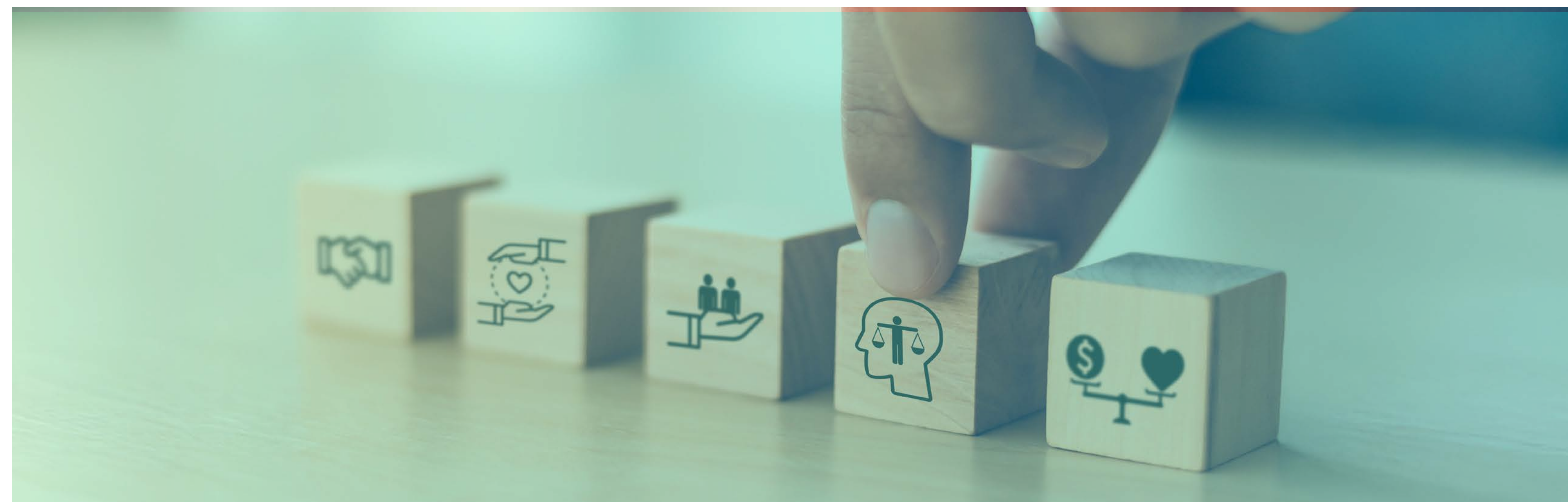
2025		
Board Member	Category	Position
Mark Mathieson	Propietary	Member
Volker Häussermann	Propietary	Member
Sneha Sinha	Propietary	Member

## 7.1 Ethics and Compliance

Nortegas's Ethics Channel provides an accessible avenue for all of the company's stakeholders, allowing anyone to report conduct that violates the company's values or the law. This channel complies with current legislation and aims to ensure the confidentiality and protection of whistleblowers.

**19 communications received from stakeholders in 2025, 18 of which were forwarded to the customer service department.**

Nortegas has an Internal Whistleblowing System that was updated in 2023 to comply with the requirements of Law 2/2023, which regulates the protection of individuals who report regulatory violations.



**In 2025, the management of reports fell under the responsibility of the Ethics Committee.**

This update strengthens the protection of whistleblowers against retaliation and allows complaints to be filed anonymously, thereby increasing trust in the process and transparency.

The system is designed to allow both internal and external individuals to report irregular or illegal acts that violate company regulations or values.

Nortegas's legal compliance and crime prevention management model is central to its governance strategy. It is aligned with ISO 19600:2015 and UNE 19601:2017 standards and establishes a comprehensive framework to ensure legality and ethics in all of the company's operations and to prevent any form of fraud or corruption. Among the key policies that make up this model are the Compliance

and Internal Reporting System Policy, the Anti-Corruption Policy, and the Gifts and Invitations Protocol. The latter regulates the giving of gifts and the acceptance of invitations, with the aim of avoiding any type of conflict of interest and corrupt practices.

Both the code of ethics and the policies mentioned have been updated during 2025.

### **Ethics and Compliance Training**

Ethics and compliance training is a priority for Nortegas. Throughout 2025, courses and workshops have been conducted on the Code of Ethics, the Anti-Corruption Policy, and the protection of personal data.

### **Data Protection**

At Nortegas, compliance with the GDPR is ensured through the implementation of a Data Protection Policy approved by the Board of Directors. The company fosters an organizational culture centered on data protection through ongoing training and both internal and external audits.

The management of data subjects' rights under the GDPR, such as the right of access, rectification, erasure, and portability of personal data, is carried out through two internal email inboxes, supervised by the Data Protection Officer (DPO).

**Ongoing training ensures that all employees are informed and aligned with the company's ethical and compliance standards.**

The DPO, in collaboration with the Customer Relations Department, ensures that requests are handled in a timely manner and in accordance with regulations. If requests are received through other channels, the DPO is responsible for managing them appropriately.



## Membership in Associations

**BH<sub>2</sub>C** European H<sub>2</sub> Valley of the Year 2022  
 An association founded with the aim of creating a hydrogen ecosystem to advance the decarbonization of the energy, industrial, residential, and mobility sectors through specific H<sub>2</sub>-related projects. Promoted by Petronor and the Baque Government., it has received support from 8 government institutions, 14 knowledge centers and business associations, and 53 companies. Nortegas is the leader in the infrastructure vertical.

### Board of Directors

 CHAIR Petróleos del Norte (Petronor)	 VICE-CHAIR Basque Energy Agency (EVE)	 SECRETARIAT Enargi Araba	 TREASURY Sarralle Engineering	 MEMBER Repsol	 MEMBER Nortegas Energy Group
 MEMBER BASQUENERGY Cluster	 MEMBER Sener Renewable Investments	 MEMBER Auto-Joints (Ajusa)	 MEMBER Enagas Renewable	 MEMBER Garbiker	 MEMBER Mubil/GHK

A public-private institution whose objective is to lead the energy transition toward a decarbonized economy, while maintaining business competitiveness. Nortegas has sponsored it since its creation. Specific grant programs and decarbonization initiatives are being promoted. Nortegas is a key player in the field of hydrogen and biomethane. EVE and the Provincial Council of Bizkaia also participate.



FUNDAZIOA FUNDACIÓN

EIC Fundazioaren patronatua









The Association's primary objectives are to promote the use of natural gas and renewable gas as key elements of the energy transition and economic development.

Promotion, dissemination, representation, and advocacy for the renewable gases sector to drive the development of biogas and biomethane, representing the sector before public administrations and other national and international organizations.

The purpose and objective of the Foundation is the promotion, implementation, and development of any activities related to consulting, research, technological advancement, services, awareness-raising, and training in the fields of energy, environmental sustainability, and other areas—directly or indirectly—related to them.



To lead the economic and social development of regions while positively impacting the environment through the transition from a linear economic model based on non-sustainable resources to a circular model based on renewable resources.



Fundación Asturiana de la Energía



# 8. Financial Performance

Nortegas’ commitment to sustainability is also reflected in a financing strategy that incorporates ESG objectives.

In 2025, a new sustainable financing framework was established for the 2025–2030 period, which applies to the €200 million bank financing agreement signed with various institutions in May 2025 and the €100 million revolving credit line refinanced in December 2025.

Dimension	Description
Environmental	Absolute reduction in Scope 1+2 emissions relative to the 2022–24 average (<4,662.32 tCOe2)
Health and Safety	Excellence in health and safety through a combined frequency and severity index (ICFS) below the three-year average of SEDIGAS’s combined frequency and severity index.

Nortegas’ performance on these metrics influences the cost of sustainable financing, aligning financial and sustainability objectives as closely as possible, with the indicators related to the latter verified by an independent third party.

As of the date of this report, the verification process for these indicators has not yet been completed; therefore, they will be published at a later date in an addendum to the annual report.

Similarly, Nortegas has access to financing of up to 80 million euros granted in 2024 by the European Investment Bank (2024) with the aim of allocating these funds to the development of biomethane generation projects, contributing to the production of green gas through the circular



**SUMMARY OF THE INCOME STATEMENT (€M)**

	2024	2025
Ordinary income	208	201
Purchases	-29	-28
Work performed by the Group on its property, plant, and equipment	8	8
Operating expenses	-60	-42
EBITDA	126	139
Margin	61%	69%
Depreciation and amortization expenses	-85	-85
Operating income	41	53
Margin	20%	27%
Net financial expenses	-43	-44
Income before taxes	-2	10
Income tax	2	1
Net income for the period	1	11

**CONSOLIDATED BALANCE SHEET (€M)**

	2024	2025
Property, plant, and equipment	858	824
Goodwill	48	49
Other intangible assets	1,346	1,323
Asset under right of use	2	4
Other non-current financial assets	12	17
Deferred tax assets	0	0
<b>Total non-current assets</b>	<b>2,266</b>	<b>2,216</b>
Other current assets	39	43
Cash and other cash equivalents	113	104
<b>Total current assets</b>	<b>153</b>	<b>146</b>
<b>Total assets</b>	<b>2,419</b>	<b>2,363</b>
	<b>2024</b>	<b>2025</b>
<b>Total equity</b>	<b>522</b>	<b>397</b>

	2024	2025
Financial liabilities from the issuance of bonds and other marketable securities	1,122	1,120
Financial liabilities with credit institutions	0	118
Leases	2	3
Other non-current financial liabilities	2	4
Payables to Group companies and associates	462	417
Other non-current liabilities	27	30
Deferred tax liabilities	233	230
<b>Total non-current liabilities</b>	<b>1,848</b>	<b>1,922</b>
Current financial liabilities	8	9
Leases	1	1
Payables to Group companies and associates	14	12
Other current liabilities	26	21
<b>Total current liabilities</b>	<b>49</b>	<b>44</b>
<b>Total liabilities and equity</b>	<b>2,419</b>	<b>2,363</b>

## LIQUIDITY POSITION

Instrument	2025			Coupon
	Amount (M€)	Drawn (M€)	Available (M€)	
2027 Bond	575	575		2.065%
Bond 2031	550	550		0.905%
Sustainable credit facility	100	0	100	
EIB financing	80	0	80	
Sustainable corporate financing	200	120	80	
Cash on balance sheet			104	
<b>Total</b>	<b>1,505</b>	<b>1,245</b>	<b>364</b>	

## KEY FIGURES AS OF DECEMBER 31

	2025
Net debt (€M)	1,151
S&P credit rating	BBB-
Available liquidity (€M)	364
Net debt/EBITDA (x)	8.3
Average maturity (years)	3.5

## SUMMARY OF THE STATEMENT OF CASH FLOWS (€M)

		2025
EBITDA	126	139
Income tax expense	-3	0
Changes in current assets and liabilities and other	4	-13
Investments	-27	-27
Interest payments	-15	-17
Cash flows from operating and investing activities	86	82
Cash generation (EBITDA - Investments)	99	112
Cash conversion	79%	81%

# 9. About This Report

## Benchmarks

The information presented in this report covers all companies within the Nortegas Energía Grupo, S.A.U. group (with the exception of NGSE (Instalaciones y Energía, S.L.U.) and ToloSaGasa, S.A.) and pertains to the period from January 1, 2025, to December 31, 2025.

Furthermore, it has been prepared in accordance with the following standards:

- The International Integrated Reporting Council (IIRC) Integrated Reporting Framework (IR)
- The GRI Standards, in accordance with the issues identified as material by Nortegas.
- The CSRD Directive for the preparation of the double materiality assessment.

**This annual report has been prepared in accordance with the VSME (Voluntary Sustainability Reporting Standard for Non-Listed SMEs) Basic and Comprehensive Modules, developed by EFRAG.**

## Double materiality

The process of developing the double materiality analysis was carried out using a structured and rigorous methodology that is aligned with international standards.

The results presented in Chapter 4 were obtained through a four-phase process:

### 1. ANALYSIS OF THE ORGANIZATION'S CONTEXT AND ITS STAKEHOLDERS

In this phase, an analysis of internal and external sources was conducted to gain a detailed understanding of the products and services offered by the organization, the characteristics of the sector in which it operates, and to identify its value chain and key relationships with third parties, as well as the applicable regulatory environment regarding sustainability. As a result, a list of potentially relevant issues was compiled.

### 2. IDENTIFICATION OF ACTUAL AND POTENTIAL IMPACTS, RISKS, AND OPPORTUNITIES (IROs)

Based on the above list, impacts, risks, and opportunities were identified and classified as actual or potential, positive or negative, from a financial impact perspective.

Sources consulted for phases 1 and 2:

- Internal: annual reports and internal policies and procedures.
- External: applicable regulations (CSRD, CS-DDD, Transparency Act), standards defined for the "Gas Companies & Distributors," "Bio-fuels," and "Advertising & Marketing" sectors (SASB) and GRI, ESG analysts and investors (SAM – S&P, GRESB, Swiss Life, and IIF), competitors, press.
- Value chain: internal areas and departments, annual reports.

### 3. ASSESSMENT OF IROs AND DETERMINATION OF MATERIAL ISSUES

The IROs were assessed in accordance with EFRAG guidelines through stakeholder consultations, using different strategies based on profile (executives, employees, contractors, suppliers, consumers, users, and shareholders)

### 4. CONSOLIDATION OF INFORMATION AND DEFINITION OF THE REPORTING SCOPE

All information gathered from stakeholder assessments and internal and external sources was consolidated to define the final list of material issues and IROs that constitute Nortegas' reporting scope in accordance with the ESRS standards derived from the CSRD

This process yields a materiality matrix, which

reflects stakeholder priorities and enables clear, comparable, and continuous improvement-oriented accountability.

## TCDF Scenarios for Identifying Risks and Opportunities Arising from Climate Change.

The risk analysis was based on the IPCC SSP5-8.5 scenarios for physical risks and the IPCC SSP1-2.6 and IPCC SSP2-4.5 scenarios for transition risks.

Nortegas has used the following regulations and scenarios as the basis for designing its climate risks and opportunities: the European Green Deal, Fit for 55, the PNIEC (Integrated National Energy and Climate Plan), the Climate Change and Energy Transition Act, the EU Emissions Trading System, the Hydrogen and Biomethane Roadmaps, and RePowerEU, along with historical meteorological data and its own risk exposure analysis.

## VSME Table of Contents

CODE	MODULE	INDICATOR NAME	REPORT CHAPTER
B1	Basic	Basis for preparation (*)	Chapter 2 - Company Profile
			Chapter 6 - Social Performance
			Chapter 7 - Corporate Governance and Ethics
			Chapter 8 - Financial Performance
			Chapter 9 - About This Report
B2	Basic	Practices, policies, and future initiatives for a transition to a more sustainable economy	Chapter 3 - Sustainability Strategy and ESG Approach
			Chapter 5 - Environmental Performance
			Chapter 6 - Social Performance
			Chapter 7 - Corporate Governance and Ethics
B3	Basic	Energy and Greenhouse Gas Emissions (**)	Chapter 5 - Environmental Performance
B4	Basic	Air, Water, and Soil Pollution	Chapter 5 - Environmental Performance
B5	Basic	Biodiversity	Chapter 5 - Environmental Performance
B6	Basic	Water	Chapter 5 - Environmental Performance
B7	Basic	Resource Use, Circular Economy, and Waste Management	Chapter 5 - Environmental Performance
B8	Basic	Workers - General Characteristics	Chapter 6 - Social Performance
			Appendices
B9	Basic	Workers - Health and Safety	Chapter 6 - Social Performance
B10	Basic	Workers - Compensation, Collective Bargaining, and Training	Chapter 6 - Social Performance
B11	Basic	Convictions and fines for corruption and bribery	Chap. 7 - Corporate Governance and Ethics
C1	Comprehensive	Strategy: Business Model and Sustainability - Related Initiatives	Chapter 2 - Company Profile
			Chapter 3 - Sustainability Strategy and ESG Approach
C2	Comprehensive	Description of practices, policies, and future initiatives for a transition to a sustainable economy	Chapter 3 - Sustainability Strategy and ESG Approach
C3	Comprehensive	GHG Emission Reduction Targets and Climate Transition	Chapter 3 - Sustainability Strategy and ESG Approach
			Chapter 5 - Environmental Performance
C4	Comprehensive	Climate risks	Chapter 4 - Materiality and Stakeholders
			Chapter 5 - Environmental Performance
C5	Comprehensive	Additional (general) characteristics of employees (***)	Chapter 6 - Social Performance
C6	Comprehensive	Additional information on own personnel - Human rights policies and processes	NOT APPLICABLE
C7	Comprehensive	Serious adverse human rights incidents	NOT APPLICABLE
C8	Comprehensive	Revenue from certain activities and exclusion from EU benchmarks	NOT APPLICABLE
C9	Comprehensive	Gender diversity index in the governing body	Chapter 7 - Corporate Governance and Ethics

(\*) Nortegas CNAE Code: D3522

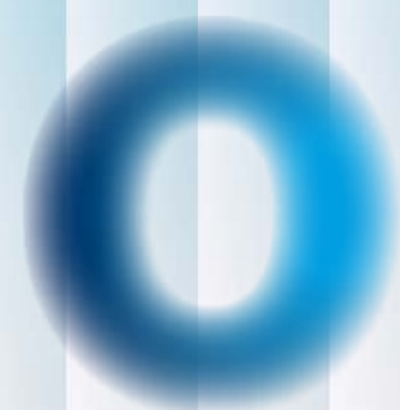
(\*\*) Emissions intensity 2025 – Scopes 1+2+3: 1.75 tCO<sub>2</sub>e/km

(\*\*\*) All salaries of Nortegas Group employees meet the minimum requirements established by regulation.

## GLOSSARY

- **BH2C:** Basque Hydrogen Corridor (in English, Basque Hydrogen Corridor).
- **CAE:** Business Activities Coordination.
- **CAPEX:** Capital Expenditure.
- **CGC:** General Terms and Conditions.
- **CISO:** Chief Information Security Officer (Chief Information Security Officer).
- **CNMC:** National Commission for Markets and Competition.
- **VSME:** Voluntary Sustainability Reporting Standard for unlisted companies
- **CSRD:** Corporate Sustainability Reporting Directive (Sustainability Reporting Directive)
- **CSDDD:** Corporate Sustainability Due Diligence Directive
- **Compliance with the annual preventive maintenance plan:** Percentage of actions outlined in the annual preventive maintenance plan that have been carried out.
- **DPO:** Data Protection Officer.
- **EBA:** European Biogas Association (in English, European Biogas Association).
- **EBITDA:** Earnings Before Interest, Taxes, Depreciation, and Amortization.
- **EFRAG:** European Financial Reporting Advisory Group.
- **EIC:** Energy Intelligence Center.
- **PPE:** Personal Protective Equipment.
- **ERM:** Regulation and Metering Stations.
- **ESG:** Environment, Social, and Governance (in English, Environmental, Social, and Governance).
- **ESRS:** European Sustainability Reporting Standards.
- **FAEN:** Asturian Energy Foundation.
- **Fit for 55:** A European Union legislative package aimed at reducing greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels.
- **FTEs:** Full-Time Equivalentents.
- **Gas Package:** A set of EU legislative proposals to regulate the market for natural gas and renewable gases, such as hydrogen, with the goal of moving toward cleaner and safer energy.
- **LPG:** Liquefied Petroleum Gas.
- **LNG:** Liquefied Natural Gas.
- **Greenfield:** Investment project or Construction from the ground up.
- **GRESB:** Global Real Estate Sustainability Benchmark.
- **GRI:** Global Reporting Initiative.
- **GWh:** Gigawatt-hour.
- **Ha:** hectares.
- **Hard to abate:** Sectors or industrial processes that are difficult to decarbonize due to high temperatures and a lack of viable alternative technologies.
- **IIRC:** International Integrated Reporting Council.
- **R&D&I / R&D:** Research and Development (and Innovation).
- **IPCC:** Intergovernmental Panel on Climate Change.
- **IROs:** Impacts, Risks, and Opportunities.
- **ISO:** International Organization for Standardization.
- **IT:** Information Technology.
- **Emergency Response Index:** Sum of the number of emergency interventions and third-party incidents, divided by the number of kilometers of network.
- **Frequency Index:** Number of accidents resulting in lost time / Total number of hours worked
- **Severity Index:** number of days lost / hours worked \* 1,000
- **Network intervention rate:** Number of emergency interventions per kilometer of network.
- **Network Quality and Safety Index:** Number of leaks detected per kilometer of network inspected.
- **Breakage rate:** Number of breaks caused by third parties per kilometer of network.
- **Kg:** kilogram(s).
- **Km:** kilometer(s).
- **Transparency Act:** Law 19/2013, of December 9, on transparency, access to public information, and good governance.
- **NEIS:** European Sustainability Reporting Standards.
- **NOx:** Nitrogen oxides.
- **MWh:** Megawatt-hours.
- **m<sup>3</sup>:** cubic meter.
- **SDGs:** Sustainable Development Goals.

- **Phishing:** A cyber fraud technique that involves impersonating a trusted entity to deceive victims and obtain confidential information
  - **PNIEC:** National Integrated Energy and Climate Plan.
  - **PM 2.5:** Particulate matter with a diameter of less than 2.5 micrometers, which can penetrate deep into the lungs and have serious health effects.
  - **C&D:** Construction and Demolition Waste.
  - **RePowerEU:** The European Commission's joint action plan for more affordable, secure, and sustainable energy.
  - **GDPR:** General Data Protection Regulation.
  - **S&P:** Standard & Poor's.
  - **SASB:** Sustainability Accounting Standards Board.
  - **SOx:** Sulfur oxides.
  - **TCR:** service quality indicator, calculated as: duration of the outage \* number of affected supply points / total number of supply points
  - **TCFD:** Task Force on Climate-related Financial Disclosures.
  - **Average time between receipt and arrival:** Average time, in minutes, elapsed between receipt of the notification and the arrival of the response team.
- **t:** ton(s)
  - **tCO2:** tons of CO2.
  - **tCO2e:** tons of CO2 equivalent.
  - **TWh:** Terawatt-hour.
  - **EU:** European Union.



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