2024

Annual Report

Madrileña
RED DE GAS

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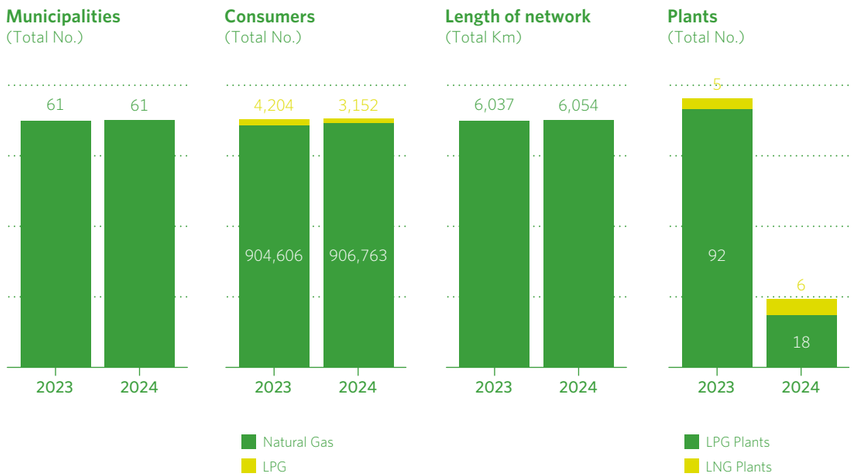
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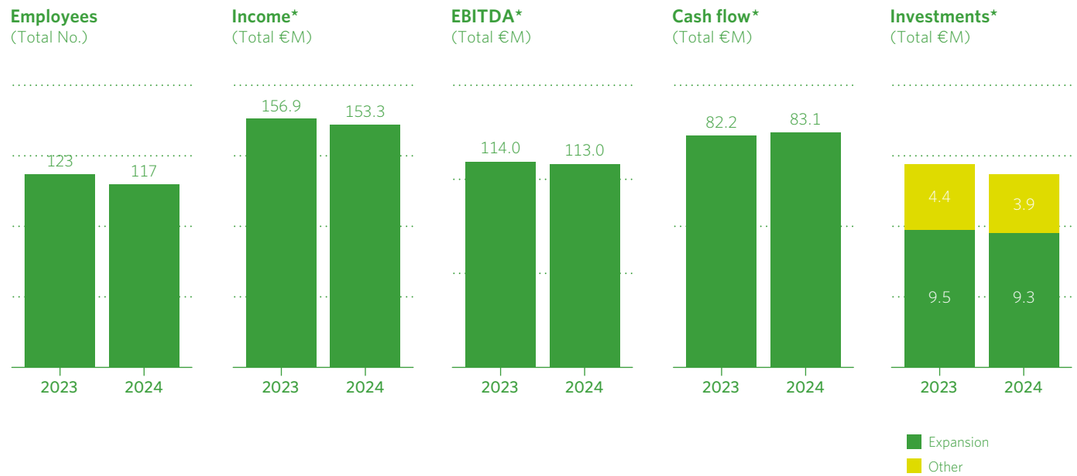
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* Consolidated data under International Financial Reporting Standards (IFRS)

Letter from the Chairwoman

During 2024, natural gas continued to be a crucial factor in European energy markets. After a relatively stable first half of the year, the market experienced a strong price hike in the following quarters, mainly driven by geopolitical tensions, the risk of supply disruptions and high seasonal demand.

2024 has been a year of transition for gas in Europe. The drive to maintain high reserve levels and the commissioning of additional capacity were stabilising factors, but the market remains exposed to geopolitical and climate factors, as well as to the difficult balance between moving towards energy transition and ensuring security of supply. Tensions at the end of the year mean that 2025 must be viewed with caution, pending the entry into service of new LNG capacity that might relieve pressure on prices and reserves.

Although LNG imports remained stable —with a slight decrease compared to 2023— thanks to the strengthening of the Norwegian gas pipeline network and the commissioning of extended capacity with new terminals and projects under construction, which will come into effect between 2025 and 2026, uncertainty over the agreement on Russian gas transit through Ukraine, which expires at the end of 2024, has driven prices upwards.

Throughout this financial year, we have witnessed an upward trend in prices. The year started with a gas price of around € 31/MWh and, in the second half of the year, prices soared to around € 42/MWh, with high volatility. By the end of the year, futures prices reached almost € 50/MWh, bringing the average for the last quarter to approximately € 43/MWh. The price increase was marked by fears of potential interruptions to Russian supplies, particularly due to the expiry of the transit agreement, competition for LNG shipments with Asia, driven by a warm summer season in the northern hemisphere, and the combination of colder winters, lower renewable production and high demand for electricity generation.

In Spain, gas demand in 2024 stood at 311.9 TWh, representing a 4.2% drop compared to the previous year. The decline is mainly due to a significant reduction in the use of gas for electricity generation, which fell by 22%. In contrast, conventional demand (households, businesses and industries) remained strong, reaching 237 TWh. In particular, industrial consumption grew by 4.2% to 176.7 TWh.

Spain continues to pursue a strategy of broad diversification of supplies. In 2024, the country imported gas from fourteen different countries, positioning itself as one of the systems with the greatest variety of supply sources worldwide. It also played a prominent role in ensuring security of supply in Europe, exporting 34.5 TWh to other countries through interconnections and LNG refuelling. For the natural gas and green gases sector, the most important challenge lies in the legislation implementing European and Spanish climate policy.

In September this year, the *Draghi Report* on European competitiveness was presented, detailing the challenges that Europe faces in the context of a new world order. The *Draghi Report* proposes a set of technical and regulatory measures aimed at strengthening Europe's energy competitiveness. In its strategic approach, it highlights that high energy prices —electricity and gas— are hampering European competitiveness and proposes a technologically neutral energy transition that includes renewables, nuclear, hydrogen, efficiency and carbon capture, while calling for a true Energy Union with harmonised regulation, security of supply and the deployment of cross-border infrastructure. In the gas sector, it proposes diversifying the supply sources, reducing dependence on spot markets through long-term contracts, and creating joint hedging mechanisms at European level. It also advocates the accelerated development of green gases, such as biomethane and hydrogen, with shared infrastructure and common regulatory frameworks.

In Spain, the natural gas sector as a whole will face new challenges in the near future related to the sector's regulatory framework. The current remuneration model, which will be in force until 2026, is in its final stage of implementation and, therefore, a period of in-depth analysis of all aspects of the remuneration model for the next period must be initiated, with the aim of adapting it to the challenges and technical requirements.

It is essential to work closely with public administrations and regulators in order to find a common ground and a shared understanding and ensure that the new framework preserves the economic viability of the sector, which in recent years has suffered from high operating costs caused by an exceptional inflationary environment. In this regard, in October 2024, the *New Deal for Spain* report was presented, a proposal designed to speed up the energy transition and achieve net zero emissions by 2050, making use of all available technologies and minimising the investments required by both end users and the energy system as a whole. In quantitative terms, the proposal stands out for avoiding an additional 21 million tonnes of CO_2 by 2035 (98 million tonnes by 2050) and significantly reducing investment: € 31 billion in end-user equipment and € 21 billion in energy infrastructure by 2035 (€ 100 billion and € 72 billion, respectively, by 2050). In addition, it advocates complete decarbonisation of the residential sector by 2040.

In Spain, gas demand in 2024 stood at 311.9 TWh, representing a 4.2% drop compared to the previous year. The decline is mainly due to a significant reduction in the use of gas for electricity generation, which fell by 22%

The proposal brings certainty to the process by not relying on a single technology, offering flexibility to end users and avoiding bottlenecks in renewable generation, electricity grids and household equipment. It also limits the need for large-scale coordinated decisions by millions of consumers and reduces the risk of closure or relocation in the industrial sector by avoiding high investments in electrification. Furthermore, it provides an answer to the technical constraints of the current electricity model, such

The existing natural gas networks in Spain constitute a strategic infrastructure that adds value to the energy system as a whole and enables the energy demand of households, industries and businesses to be met efficiently

as the lack of space or resources for heat pumps and the seasonality of energy demand, guaranteeing supply through better integration of renewables and highlighting the key role of cogeneration as a backup for the electricity system. In short, the *New Deal* study is a more pragmatic and efficient alternative for the decarbonisation of Spain, a new approach to energy transition that demonstrates that the balanced development of different technologies makes it possible to achieve decarbonisation targets in the most efficient way and reduce the effort required from citizens and businesses.

In Spain, the latest revision of the PNIEC (National Integrated Energy and Climate Plan) until 2030 was approved in September 2024. This 2023-2030 revision confirms the recognition of the role of green gases, in particular green hydrogen and biomethane, as key elements in reducing dependence on fossil gas and strengthening energy resilience. Even so, the targets set are insufficient, given that by 2030 targets of around 20 TWh of biomethane have been established, which is less than 2% of the gas mix, compared to our country's huge potential for green gases, estimated at up to 163 TWh of biomethane. In addition, the PNIEC maintains the installed capacity of combined cycle plants at 26.6 GW by 2030, acknowledging their role as a backup system for the ambitious deployment of renewables; however, it stresses the need to ensure that a capacity market exists that guarantees their operation and economic feasibility.

The existing natural gas networks in Spain constitute a strategic infrastructure that adds value to the energy system as a whole and enables the energy demand of households, industries and businesses to be met efficiently, providing a safe, mature alternative that is capable of adapting to the current challenges of the energy transition. One of the main benefits of this infrastructure is its ability to supplement electrification, as the current networks are ready to deploy new sustainable energy solutions, such as green gases (biomethane and green hydrogen). Their use will allow to accelerate decarbonisation without the need for massive investment in completely new infrastructure, optimising resources and reducing the implementation times for these technologies. In short, preserving and enhancing the existing gas infrastructure will strengthen the robustness of the Spanish energy system. In an environment where renewable sources have variable production, having a developed, flexible and operational transport and distribution network is key to ensuring supply at all times, especially during peak demand moments or situations of volatility in the energy markets.

Madrileña Red de Gas continues to make progress in sustainability, thanks to a clear and ambitious strategy to improve every year, based on a thorough assessment of our impact and with targets that are committed to and shared by everyone in the company. We have a clear strategy and a Sustainability Master Plan for 2023-2026 that sets out the path forward. Our commitment has been recognised by the Global Real Estate Sustainability Benchmark (GRESB) index, in which we have achieved first place in Spain, Europe and worldwide, once again obtaining the maximum score of 100 points out of 100. Similarly, Madrileña Red de Gas has been awarded the Sustainability Award by *Corporate* magazine, highlighting our leadership in the implementation of sustainable practices.

At Madrileña Red de Gas, we focus our strategy on integrating sustainability into our operations, products and services. In this context, we have grown in terms of supply points at higher rates than the rest of the sector, reaching 909,915 users, with a network length of 6,054 km, and we are present in 61 municipalities in the Community of Madrid. Likewise, the economic results are solid and secure the future development of the company.

As part of our growth strategy, we are working to expand the gas distribution network to new municipalities in the province of Madrid, which until now only had access to more polluting energies, such as liquefied petroleum gas. In line with this, during 2024 we have started distributing natural gas in two new towns —Casarrubuelos and Miraflores de la Sierra— and we have made significant progress in the process for new municipalities, such as Los Molinos, Moralzarzal, and Soto del Real.

I would like to end my first letter as chairwoman of Madrileña Red de Gas by expressing my gratitude to the company's shareholders for placing their trust in me this year to take on the role of chairwoman. For my part, I am committed to continuing to move forward in order to grow the project and develop a strategy that will pave the way for success in the coming years.

Companies and their successes are nothing more than the people who work for them and do so with commitment. I would like to thank and acknowledge the work of my predecessor as chairman of the company, Pedro Mielgo, for his good work over the last fifteen years. Similarly, I would like to acknowledge the team at Madrileña Red de Gas for their dedication, professionalism and commitment during this financial year, as well as for enthusiastically sharing our vision for the future. I would also like to extend my thanks to our customers, suppliers and partners, whose trust and support have been essential in enabling us to continue advancing towards our goals.

To all of them, thank you for making the consolidation and growth of Madrileña Red de Gas possible.



Carmen Gómez de Barreda
Chairwoman

1

Company

One of the main highlights for Madrileña Red de Gas during the financial year 2024 was achieving the highest score in the Global Real Estate Sustainability Benchmark (GRESB) index. This milestone makes MRG a leader in the sector in Spain, in Europe and worldwide. In addition, this achievement, together with the company's strong performance, has earned it the Sustainability Award from* Corporate *magazine.

Likewise, in 2024 Madrileña Red de Gas reinforced its commitment to regulatory compliance and criminal risk prevention by updating its risk map and drawing up action and training plans.

It has also strengthened its cybersecurity robustness, working in collaboration with INCIBE, among many other initiatives. During this financial year, the strategic Turing Project was launched to drive a transformation towards a data-driven organisation.

1.1 Board of Directors

Carmen Gómez de Barreda Chairwoman

Cornelia Bernadette María van Heijningen Director

Suyu Wu Director

Simon Davy Director

Romain Thierry Victor Bruneau Director

Alexandre Pieyre Director

Kai Chen Director

Jan Matthijs Lakerveld Director

Shankar Krishnamoorthy Director

María Martín Secretary (non-director)

1.2 Management Committee

Alejandro Lafarga Chief Executive Officer (CEO)

Rafael Fuentes Chief Legal Officer (CLO)

Inés Zarauz Chief Financial Officer (CFO)

David Ortiz Expansion Director

Félix Blasco Network Operations Director

Glen Lancastle Director of Systems and Customer Operations

María Vázquez Human Resources Director

1.3 Regulatory Framework

On 17 January 2024, the Spanish National Commission of Markets and Competition (CNMC) published the schedule of regulatory Circular letters planned for processing in 2024. Subsequently, on 19 April 2024 the CNMC approved an updated version of said schedule. To date, none of the circular letters related to the gas sector that were scheduled for 2024 has received final approval. The proposed amendments remain in intermediate stages of the regulatory process. On the other hand, on 30 December 2024 the CNMC published the schedule of Regulatory Circular Letters with potential implications for energy policy planned for processing in 2025.

In addition, on 20 September 2024 Order TED/1013/2024 was published, establishing the gas system charges, as well as the remuneration and fees for basic underground storage facilities for the 2025 gas year.

Finally, on 20 December 2024 the CNMC resolution on the calculation, monitoring and assessment of gas system loss balances for the 2023 gas year and their impact on the remuneration of facility owners was approved.

Furthermore, on 23 May 2024 the CNMC approved resolution RAP/DE/010/23, which sets out access tariffs to transmission networks, local distribution networks and regasification for the 2025 gas year.

As outlined in its explanatory memorandum, this resolution aims to detail and justify the methodology used to calculate the access tariffs to transmission networks, local distribution networks and regasification applicable from 1 October 2024, in accordance with Article 36 of Circular 6/2020, of 22 July, which establishes the methodology for calculating access tariffs to transmission, local distribution networks and natural gas regasification.

European regulations for energy transition in the gas sector

On 15 July 2024, Regulation (EU) 2024/1789 on the internal markets for renewable gas, natural gas and hydrogen, as well as Directive (EU) 2024/1788 on common rules for the internal markets for renewable gas, natural gas and hydrogen were published in the Official Journal of the European Union (OJEU). Both documents are part of the so-called «Gas Package».

This regulatory framework aims primarily to facilitate the introduction of green gases, integrate hydrogen into the energy system, update access rules to natural gas and hydrogen networks, and contribute to the decarbonisation and energy transition of the European Union. The Regulation, which is directly applicable, will be fully enforceable from 5 February 2025, although it entered into force twenty days after it was published. Meanwhile, the Directive must be transposed into national law by no later than 5 August 2026.

In 2024, Spain began work to adapt its regulatory framework to align with these provisions, including a preliminary public consultation held between September and October, aimed at gathering proposals for the transposition of the Directive and the adaptation of the Regulation.

This legislative package is a key element in the modernisation and adaptation of the European energy system, promoting a shift towards a more sustainable and efficient model that is aligned with the European Union's decarbonisation goals.

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1.4 Prevention of Criminal Offences

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

- Legality.
- Due diligence.
- Ethical and responsible leadership.
- Compliance monitoring.
- Review and update.
- Systematic and adaptive risk management.

In accordance with the provisions of Law 1/2015, which further amends the Spanish Criminal Code and regulates in greater detail the criminal liability of legal entities, establishing the obligation for corporations to implement effective crime prevention measures in their organisations within the scope of their activities, Madrileña Red de Gas has put in place a robust criminal compliance management system which consists of:

- A crime prevention policy.
- A criminal risk map.
- An internal prevention protocol.

The person responsible for overseeing this system is the Criminal Compliance Officer.

Conduct monitoring will determine the information required and the course of action to be followed in situations involving regulatory non-compliance and/or practices that are contrary to the values and principles established in Madrileña Red de Gas's Code of Ethics and Anti-Corruption Policy.

In this regard, Madrileña Red de Gas has a whistleblowing channel in place (managed by an independent supplier) through which any member of the organisation —regardless of their position or responsibilities—, as well as any customer, supplier or third party, may report any irregularity or behaviour that is contrary to the law or to the rules and procedures established by the company, with the utmost guarantee of confidentiality and absence of retaliation.

Furthermore, in accordance with the new Law 2/2023 of 20 February, regulating the protection of persons who report regulatory infringements and the fight against corruption, Madrileña Red de Gas's whistleblowing channel was updated with the advice and monitoring of the independent provider. Additionally, the governing body has drawn up and approved policies and procedures aimed at updating the internal system for reporting irregularities, as established by the aforementioned law.

Specifically:

- The Policy for the Management of Irregularity Reports.
- The Procedure for the Management of Irregularity Reports.

Madrileña Red de Gas updated its Whistleblowing Channel and adapted its system for reporting irregularities, thereby complying with the new Whistleblower Protection Act.

Furthermore, during 2024, the risk related to the offences included in the company's risk map was reassessed in order to identify behaviours that could constitute violations of the applicable regulations and entail a liability for the company. As a result of this assessment, the annual compliance review report and the annual action plans addressing the identified needs are prepared. In addition, relevant training on the prevention of criminal offences has continued to be provided, which is currently delivered upon joining the company as part of the induction and onboarding programme for new employees.

1.5 Corporate Risk Management

Madrileña Red de Gas has a robust risk management system, with a comprehensive approach, specifically designed for the company. This system enables the identification, prioritisation and implementation of measures and/or controls aimed at recognising, preventing, mitigating or managing the risks the company faces.

The Audit and Risk Committee reports directly to the Board of Directors and operates in accordance with its internal regulations, which define its objectives, functions and composition. This committee is made up of representatives from the Board of Directors of each of the four shareholders, several members of the Executive Committee, and the Risk Management Department.

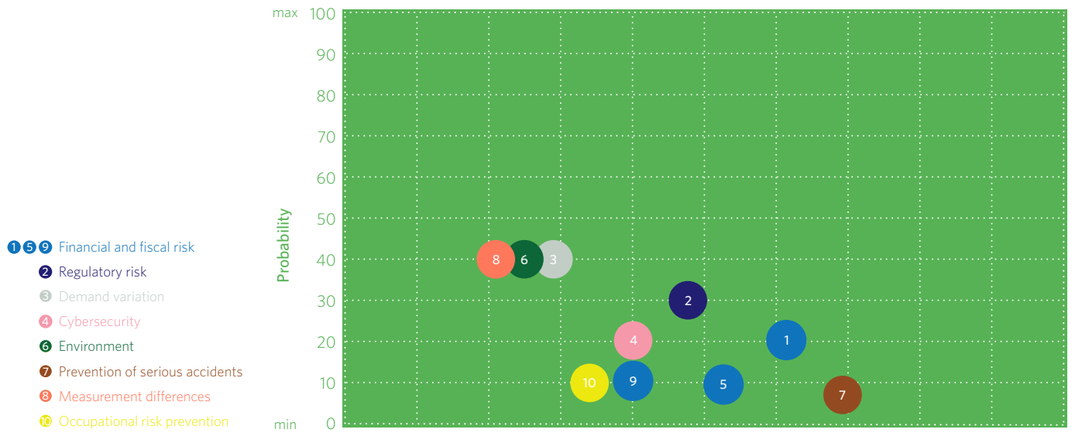
The agenda items addressed at the committee's periodic meetings, which are held prior to every meeting of the Board of Directors, are internally agreed upon at the beginning of each financial year. The most recurring topics include the monitoring of the corporate risk map, the most significant risks, and the established or proposed controls and mitigation plans; as well as the financial audit; audits of the integrated prevention, environmental and quality management system; a growing number of sustainability-related issues; the criminal offence prevention policy; the cybersecurity risks; and the audits of the information security system. The outcomes of these activities enable the Audit and Risk Committee to issue recommendations for risk management and/or to the Board of Directors.

The integration of the risk management policy within the company has been articulated through the progressive implementation of cross-functional risk analyses, involving the business units most closely connected to the affected processes. Similarly, risk management is a regular agenda item in the Executive Committee's periodic meetings.

Currently, the risk map of Madrileña Red de Gas encompasses a wide range of risks, focusing on the ten most significant material risks, which have been assessed based on the following criteria:

- The probability of occurrence of a risk.
- The impact of the combination of the effect on net present value and the reputational impact. The effect on net present value considers both the direct economic impact over the next twenty years and potential penalties.

Corporate Risk Map of Madrileña Red de Gas, 2024



Madrileña Red de Gas has climbed to the first place in the European sector ranking, as well as worldwide in the multisectoral category

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

Compared to previous years, in 2024 the definition and assessment of several risks have been refined through more detailed analyses of their context and of the potential consequences that may arise in the event of their materialisation. At the same time, a parallel strategy has been developed to prevent and mitigate the potential impacts associated with these risks.

1.6 Sustainability

After nine consecutive years of participation and with outstanding scores in the three previous editions (93, 96, and 100 out of 100), Madrileña Red de Gas has once again secured its leadership in the sector in Spain with the highest possible rating: 100 out of 100. This accomplishment allows the company to renew, for the fourth consecutive year, the prestigious 5-star rating, which is only awarded to the top 20% of companies with the highest scores in the GRESB assessment.

In addition to this recognition, Madrileña Red de Gas has climbed to the first place in the European sector ranking, as well as worldwide in the multisectoral category, by achieving the top position across the entire spectrum of the GRESB 2024 index.

In its 2024 edition, the GRESB infrastructure assessments covered 720 participating companies across all sectors in 81 countries, making MRG's recognition even more significant as it is awarded in a highly competitive global context.

Madrileña Red de Gas acknowledges that sustainability and economic success will only be possible if it actively, credibly and tangibly contributes to addressing the challenges that our society is facing. To this end, the company has integrated a deep and ongoing commitment to sustainability across all its operations, adopting responsible practices that promote social, environmental and ethical development, always placing the well-being of the community at the core of its work.

As recognition for this effort, and following its success in the GRESB rating, Madrileña Red de Gas has been awarded the Sustainability Award by Corporate magazine, acknowledging its leadership in the implementation of responsible and sustainable practices.

Transparency and communication

With the aim of improving communication and transparency on sustainability issues, Madrileña Red de Gas has updated its corporate website with the most relevant policies, the established objectives, and the performance achieved in each of the governance, environmental and social areas, both through the results of its own indicators and through various business excellence certifications and seals.

Moreover, during the first half of 2024 Madrileña Red de Gas prepared and verified its fourth *Sustainability Report* in accordance with GRI (Global Reporting Initiative) standards, taking into account the current versions and the sector-specific standard for «Oil & Gas».

In this regard, starting in the second quarter of 2024, MRG initiated the implementation of a plan to ensure future compliance with the EU Directive on sustainability reporting requirements (CSRD), starting with a situation analysis and needs assessment, followed by a review of the sustainability management model and a review of double materiality, impacts, risks and opportunities.

As a result of this effort, the company participated in the latest edition of the National Environment Congress (CONAMA). Together with other companies, it shared its experience in the field of sustainability, highlighting the progress achieved to date and its approach to addressing the challenges posed by the new reporting regulations, particularly in relation to the entry into force of the CSRD Directive.

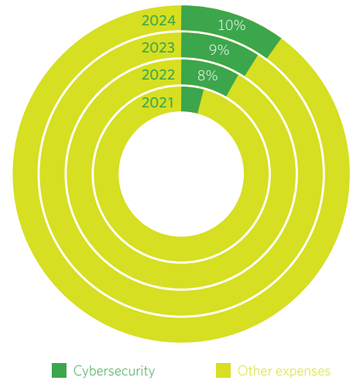
1.7 Cybersecurity

In an ever-evolving digital environment, cybersecurity remains a strategic priority for Madrileña Red de Gas. Aware of the growing risks associated with digitalisation, data democratisation, cloud systems and the protection of its operations, during the 2024 financial year the company has reinforced its commitment to security through the implementation of a robust and structured action plan.

Figure shows the evolution of cybersecurity spending as a percentage of the total Information Technology budget. In 2024, cybersecurity accounted for 10% of

MRG continues to advance its cybersecurity strategy, consolidating a culture of comprehensive protection that safeguards its assets, operations, and the trust of its customers and partners

Evolution of cybersecurity spending



MRG's total information systems expenditure, in line with global benchmarks for 2024, which range from 6% to 10% (references from *Forrester's 2024 Cybersecurity Benchmarks Global Report*).

During this financial year, eight key initiatives have been developed to strengthen the company's security posture.

In addition to these milestones, in 2024 collaboration with the National Cybersecurity Institute (INCIBE) has been strengthened by subscribing to early vulnerability alert, cyberthreat sharing and incident response services. As part of this effort, key information about the company's systems and networks has been shared, and we have attended specialised forums, such as the International Information Security Meeting (ENISE), held in León.

Finally, looking ahead to 2025, preparations have begun for compliance with the new NIS2 regulation (Network and Information System 2), ensuring adherence to European cybersecurity standards and strengthening the company's resilience against emerging threats.

In short, Madrileña Red de Gas continues to advance its cybersecurity strategy, consolidating a culture of comprehensive protection that safeguards its assets, operations, and the trust of its customers and partners.

1.8 Information Security and Personal Data Protection

In 2024, Madrileña Red de Gas completed the implementation and certification of its information security management system in accordance with the ISO 27001 standard, a model that is fully aligned with the current integrated management system and within the scope of which the personal data protection management model is also included.

MRG has appointed its «Data Protection Officer», who serves as the highest authority on the matter and participates in the Executive Committee, the Audit and Risk Committee, and the Cybersecurity Committee. Additionally, a manager responsible for the information security management system has been designated, along with a technical security manager, who is supported by a team of administrators.

Once again, in the area of personal data protection management, the most relevant activities have primarily focused on the management of data subjects' rights, the handling of incidents, and the resolution of inquiries; many of these are related to the interpretation of current legislation and the exercise of data protection rights by the data subjects.

Furthermore, based on its information security and personal data protection policies, MRG has developed management manuals in more than eighteen information security and personal data protection procedures. These procedures are subject to periodic reviews to ensure their contents remain up to date.

Through the completion of the asset inventory, eleven asset groups have been identified, broken down into 111 asset types. The criticality of each of these has been assessed from the perspective of confidentiality, integrity and availability, in order to subsequently evaluate the risk as a combination of criticality, probability and impact.

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

1. Publication of the information security and personal data protection policies on the MRG website. Personal data processing information intended for data subjects has also been published and is disseminated through various communications sent to users.
2. Active management of the Data Protection Officer's mailbox, which has received a significant number of requests.
3. Employee awareness and training activities.
4. Interaction with organisations and authorities, such as the Spanish Data Protection Agency (AEPD) and the National Cybersecurity Institute (INCIBE).

The following actions are also fully integrated into the management system:

- Establishment of contractual clauses on information security and personal data protection.
- Identification of the most sensitive suppliers from an information security perspective.
- Coordination of business activities in the field of data protection with data processors through meetings, unification of criteria, and agreements on best practices.
- Monitoring of information security and data protection performance across the supply chain through the information provided on the Repro-Achilles portal regarding the maturity of their privacy policies, as well as through audit reports conducted by the Repro-Achilles Community.
- Recording of information security and data protection incidents, the investigation of which contributes to improvements in information management.
- High alignment of the goals considered within the system's annual objectives with the actions established in the current Cybersecurity Master Plan.

The following are notable developments compared to previous years:

- Increase of more than 50% in the number of inquiries about personal data protection.

In 2024, Madrileña Red de Gas completed the implementation and certification of its information security management system in accordance with the ISO 27001 standard, a model that is fully aligned with the current integrated management system and within the scope of which the personal data protection management model is also included

In 2024, the Turing Project was launched with the aim of transforming Madrileña Red de Gas into a data-driven company

- Four incidents involving personal data protection were recorded, none of which qualified as a data protection security breach. The investigations carried out highlighted the need to incorporate improvements in the management and processing of personal data.
- The management indicator dashboard has been further enhanced, and a first executive report on the system has been produced, in line with the philosophy and guidelines for this other type of report. The report covers various sections: incident management, physical and environmental security, compliance, supplier relations, asset management, communications security, operations security, human resources security, and Information Security Management System (ISMS) process indicators.
- Adjustments have been made to various procedures.
- Review and update of the context analysis with regard to threats, weaknesses, opportunities and strengths.
- Development of the first cybersecurity emergency plan and execution of a drill applying it, followed by a report outlining different improvement actions.
- Work has begun to adapt the management model to the requirements of NIS2 and the updated version of ISO 27001, aiming to renew this certification under the new standard next year.

Likewise, with the aim of promoting an internal culture of data protection, news about the revisions and updates made have been published in Madrileña Red de Gas's internal regulatory repository, ensuring that the documentation compiled there remains up to date.

Turing Project: Towards a Data-Driven Organisation

In 2024, the Turing Project was launched with the aim of transforming Madrileña Red de Gas into a data-driven company.

The Turing Project is a strategic initiative sponsored by the top management, aimed at creating an internal team to drive the use of data and its application in decision-making.

A working team was organised to develop the plan, led by the Systems and Processes unit and made up of one member from each business unit. A committee was created that reports directly to the CEO and Management, and a three-year master plan was developed. This plan includes: training the team in strategy and data analytics; fostering a data-driven culture within the organisation; data governance and quality; standardising reports; data-driven decision-making; identifying the use of artificial intelligence; and, finally, predictive analysis in certain cases to help optimise and make business processes more efficient.

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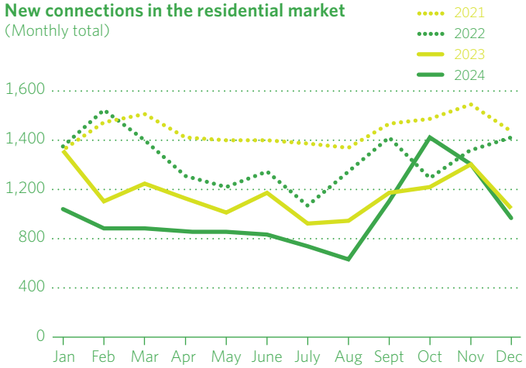
Business

In 2024, Madrileña Red de Gas sustained a steady growth trend, solidifying its position as the leading distributor in the Autonomous Community of Madrid, with over 906,000 active supply points and a net increase of more than 2,000 new installations. Of particular note is the progress made in the horizontal saturation market and the achievement of targets in the Large Consumption market.

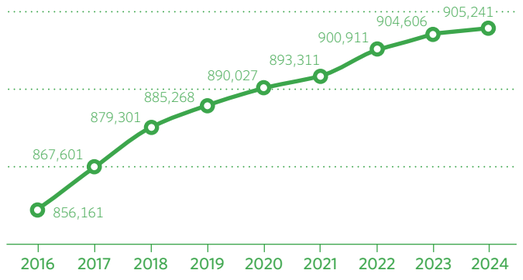
Additionally, during 2024 over 3,000 meters of networks were built for future urban developments, and more than 2,000 supply points were converted to natural gas. The company also began supplying gas in two new municipalities, Casarrubuelos and Miraflores de la Sierra. In the latter, the new LNG plant was also put into operation.

Finally, the emergency service handled 17% fewer calls than the previous year, reflecting the company's greater operational efficiency.

New connections in the residential market
(Monthly total)



Net growth in natural gas supply points



Data corresponding to the "*Informe Trimestral del mercado de gas natural en España*", published by the CNMC in the third quarter of 2024.

2.1 Residential Market

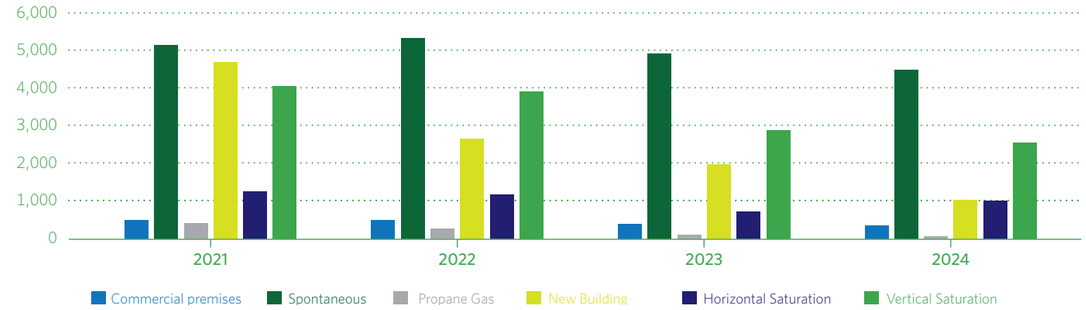
In the 2024 financial year, the business expansion of Madrileña Red de Gas continues the trend from previous years: the company maintains a positive net growth in new supply points and total consumption, as can be seen in the figure.

According to the results of the *Informe trimestral del mercado de gas natural en España* (*Quarterly Report on the Natural Gas Market in Spain*) published by the CNMC, for the first and second quarters of 2024 —which analyse issues such as growth trends, market share, etc. of the supply undertakings and DSOs in the Spanish natural gas market— Madrileña Red de Gas has consolidated itself as the gas distributor with the highest number of active supply points in the Community of Madrid, with over 906,000 active supply points.

In recent years, to supplement the traditional sales channel in unattractive but low-saturation areas, an internal sales team has been established within Aliara Energía to implement commercial actions where the traditional channel does not reach. This project, which was launched in the second half of the year, has focused on the vertical saturation market of apartment buildings with low gas penetration, combining mass mailings of an aggressive offer with scheduled visits and phone calls to property managers.

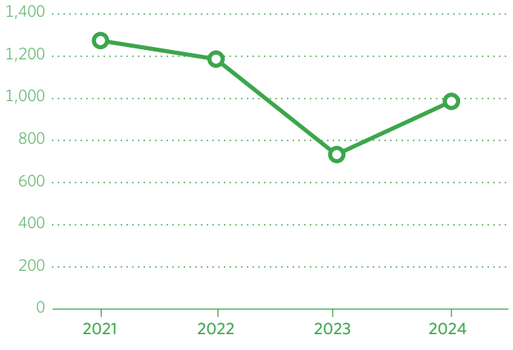
These commercial actions, which have been accompanied by inorganic initiatives such as LPG conversions and acquisitions of installations, have once again enabled the company to achieve a positive net growth in the number of supply points in excess of 2,000 installations, as shown in the figure. This growth in a challenging environment demonstrates the expansion team's commitment to continue increasing the company's value.

Annual evolution of new contracts by market type
(Totals by market type)



Madrileña Red de Gas sustained a steady growth trend, solidifying its position as the leading distributor in the Autonomous Community of Madrid, with over 906,000 active supply points

Evolution of the horizontal saturation market



Despite the stigmatisation of the gas sector in recent years, Madrileña Red de Gas remains committed to offering significant incentives to both end customers and the commercial channel of installation companies in order to encourage the construction and commissioning of new installations.

In 2024, an additional boost was given to the horizontal saturation market, as shown in thr figure. The commercial actions carried out in this market have fully responded to user needs. New potential market niches have been identified in the decentralisation of multi-story buildings, successfully displacing obsolete energy sources such as diesel, propane and even coal.

Marketing in private residential developments with piped propane installations has also been an important achievement for growth in the horizontal saturation market. Many of these installations are reaching the end of their useful life, and now local authorities and homeowners' associations are considering the possibility of a change of supply. The local knowledge possessed by the Madrileña Red de Gas sales team plays a fundamental role in identifying these opportunities and defining the best offer for each residential development. As a result, during the 2024 financial year more than 200 gas installations have been commissioned in single-family homes and a pipeline has been created for next year, ensuring a positive outlook for the horizontal saturation market throughout 2025.

2.2 Large-Scale Consumption

Once again, the targets set for the Large Consumption market have been achieved. In this financial year, a total of 380 supply points has been reached, with an associated consumption of 157 GWh. These results confirm the confidence of various sectors in the advantages of natural gas.

The Large Consumption market is particularly important, as it is less seasonal and consumption patterns are less affected by weather conditions.

Within the Large Consumption market, one of the uses of natural gas that has seen a notable increase is in workshops with paint booths, given its many advantages compared to other fuels.

The aim of these workshops is not only to boost energy efficiency and increase profitability, but also, by using natural gas for their paint booths, they reduce working, preparation and drying times by up to 35%. Additionally, thanks to its higher performance and air vein installations, savings of up to 40% can be achieved, shortening drying times. The installation of natural gas also provides more space in the shop floor, as it does not require a storage tank or space like other fuels, ensuring greater safety.

During 2024, fourteen workshops chose natural gas as their primary energy source. Given that this market is strategic for the 2025 targets, a commitment has been made to boost its growth. To this end, commercial campaigns will be launched and close collaboration will be established with the Madrid Association of Automobile Distributors (AMDA) to promote the benefits of natural gas and support other workshops in their transition to this energy source.

On the other hand, in recent years there has been a significant boom in self-service laundries in Spain. This growth is due to benefits for both customers and business owners. Among

In this financial year, a total of 380 supply points has been reached, with an associated consumption of 157 GWh. These results confirm the confidence of various sectors in the advantages of natural gas

the main advantages are time and money savings and a remarkable load capacity. These self-service laundries also offer economic advantages for business owners, such as low initial investment costs and savings on staff.

In 2024, 42 new laundries were opened within the Madrileña Red de Gas distribution area, all of them supplied with natural gas. It is worth noting the speed and efficiency with which the company provided them with natural gas, which has been a key factor in earning the trust of major franchises in the sector for the opening of their new establishments.

Also noteworthy is the modernisation of two shopping centres in the company's area of operation, which will continue to be supplied with natural gas after the refurbishment. These are the Sexta Avenida shopping centre, in the Moncloa district —now called Sexta—, where new connections have already been made for the future supply of its restaurants. And the Parque Corredor shopping centre, in Torrejón de Ardoz, which has been refurbished to improve its facilities and has expanded its natural gas installation to supply new commercial units.

Regarding sales activity in the Large Consumption market, during 2024 investments have been made in mailing campaigns targeting various sectors. In this context, several Secondary Education Schools, most of which use diesel, were offered a technical and economic study to assess the feasibility of switching to natural gas. The study has been carried out with the advice and assistance of a specialised company. Thanks to this initiative, these institutions will be able to plan for the upgrade of their facilities in line with their budgets in upcoming years, given the budgetary constraints of Public Administrations. Additionally, this same action has also been aimed at companies in specific industrial parks, as well as various hotels and gyms, always with the aim of improving their energy efficiency.

Furthermore, during 2024 Madrileña Red de Gas has worked to fight against the confusion generated by the new Energy Efficiency Directive (EU) 2023/1791 and the alleged ban on gas boilers.

This confusion continues to generate misinformation and distrust among end users, including in centralised boiler rooms in homeowners' associations, where the confusion is sometimes exacerbated by the introduction of possible modifications to building envelopes in the course of renovations. Even so, despite all the doubts generated among both prospective and existing customers, it has been possible to maintain a significant volume of installations and slow down the shift to heat pumps thanks to a centralised boiler system that supplies nearly 1,000 homes.

In this regard, in contrast to the aerothermal project and with the support of a partner company, an efficient project was presented featuring new equipment (natural gas condensing boilers, ready to run on biomethane and hydrogen) at a much lower budget than that of heat pumps, making it more affordable for the residents, while offering significant improvements in performance and savings. The new homeowners' association board was also informed about the type of installation in their homes. Once they had this information, the customers understood that the most economical, efficient and future-proof option (for biomethane and hydrogen) was to maintain natural gas, as it guarantees the well-being of the users who are part of the community. Finally, the project submitted by MRG led them to decide against the shift to heat pumps and, instead, to continue with natural gas and study the proposal from Madrileña Red de Gas. To support the project, visits were arranged with the board to see installations currently operating with the proposed boilers, where they were able to see how they work and talk to the owners of these installations to hear their opinions and clarify any doubts or questions.

In contacts with property managers, presidents of homeowners' associations, etc., Madrileña Red de Gas has always sought to convey the advantages of using natural gas in residential communities, such as continuous supply —because it is connected directly to the distribution networks—, making it a convenient and clean energy source, as well as one of the cheapest energies currently available, significantly more affordable than electricity or liquefied petroleum gases.

In addition to the above, it should be noted that an agreement was signed for the installation of a new boiler room in the municipality of Alcorcón, to replace the diesel-fired boilers with natural gas boilers. This has resulted in significant annual savings of around € 92,000. This boiler room supplies heating and domestic hot water (DHW) to a total of 520 homes.

In terms of the marketing of boiler rooms, campaigns were conducted targeting property managers and, with the help of The Marketing Hub, brochures and information letters were sent to homeowners' associations offering technical and economic studies for the replacement of their diesel boiler rooms with natural gas ones.

In short, natural gas remains key in the Large Consumption market and is indispensable for activities that require high heat demand, where electrification cannot meet the high thermal needs of certain industrial processes. While biomethane and green hydrogen represent the future in the mid and long term, natural gas will continue to play a key role during the transition to decarbonisation.

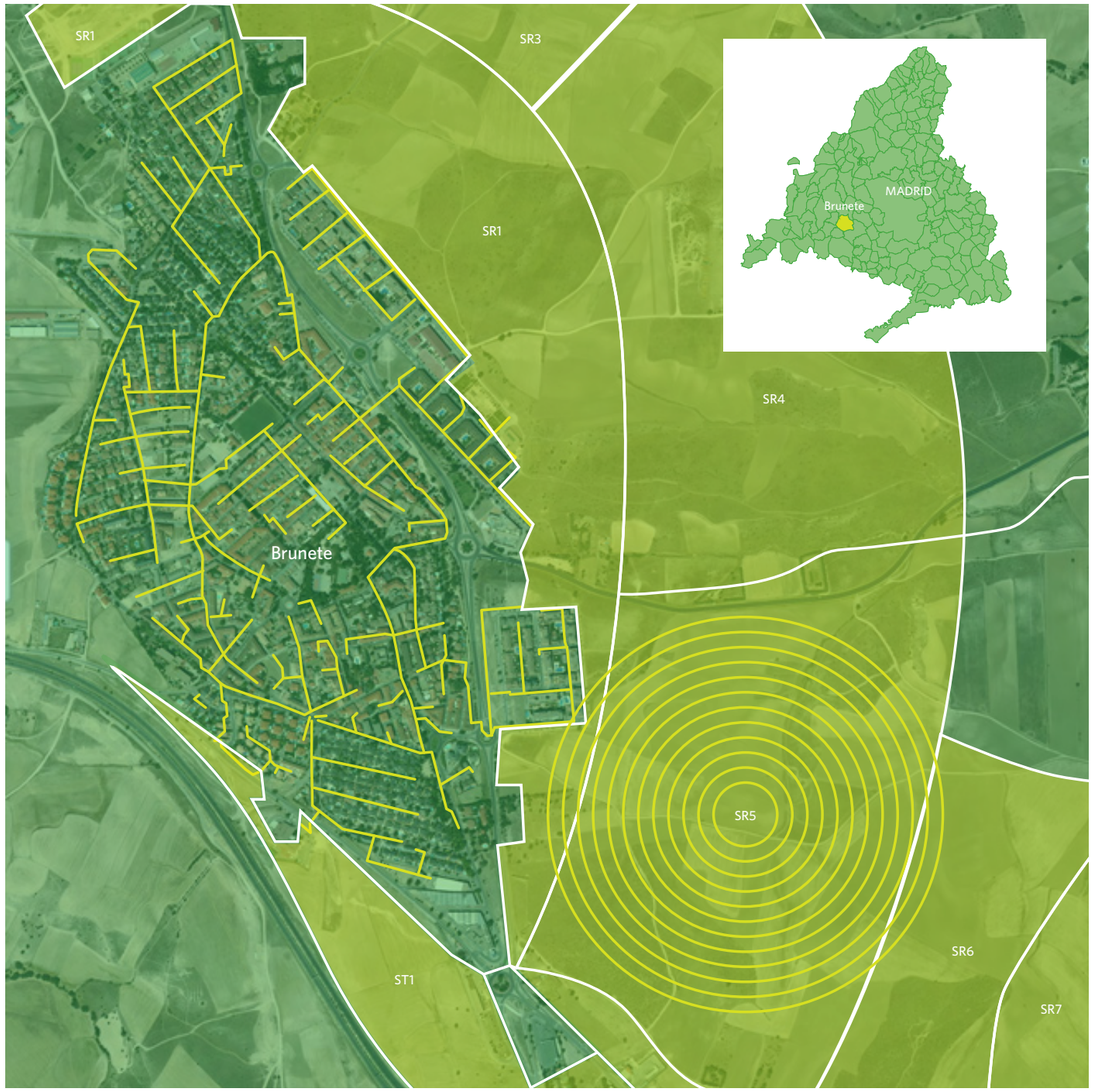
2.3 New Builds

Throughout the financial year 2024, the new construction market has witnessed a shift in user attitudes towards renewable systems, particularly aerothermal technology. In this regard, to strengthen its presence in this sector, Madrileña Red de Gas, together with Nedgia, Nortegas, Redexis and Gas Extremadura, participated in REBUILD 2024.

REBUILD is the event that introduced industrial construction in Spain. Through conferences and exchanges between professionals in the sector, it drives and promotes innovation in building construction and offers manufacturers and distributors in the construction industry the opportunity to:

- Identify new key players and industrial partners in construction, such as builders, developers, investors, architects, engineers and other professionals.
- Establish high-quality relationships with current and potential customers.
- Showcase their leadership and value within the industry.
- Present innovative materials and solutions to drive sales strategies.
- Collaborate and partner as industrial partners at an event that is transforming the construction sector.

Madrileña Red de Gas did not want to miss the opportunity to attend the event, held at Ifema Madrid from 23 to 25 April, and, in collaboration with Inmergas, showcased a hybrid



technology (essentially a natural gas condensing boiler unit) with DHW storage, which integrates electric aerothermal technology within the boiler body.

The MRG expansion team has continued to work hard with developers, holding meetings with each of them to show them that the use of a natural gas system today is the gateway to H_2 in the future, especially if hybridisation between aerothermal and natural gas is promoted.

In addition, in 2024 over 3,000 meters of third-party networks have been built for future urban developments. These networks are designed to accommodate green gases, also paving the way for future hydrogen networks.

Likewise, the administrative concession for new urban developments in the municipality of Brunete has been reactivated, which represents a significant advance in the town's pipeline infrastructure.

2.4 LPG Market

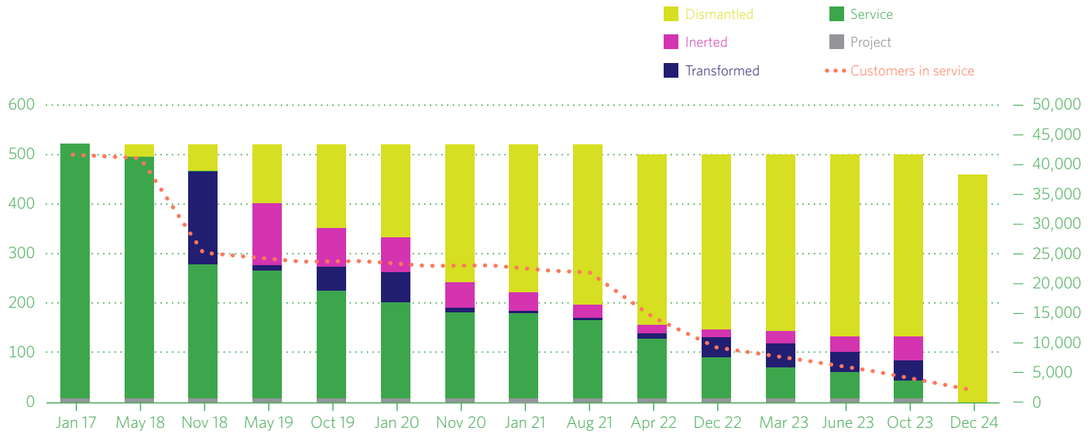
Madrileña Red de Gas has initiated a phase of the project to transform more than 850 supply points in Miraflores de la Sierra, around 2,400 supply points in Villanueva de la Cañada, and 685 supply points in Los Molinos, while the transformation of the municipality of Griñón will be completed in 2025.

During the 2024 financial year, the transformation to natural gas of over 2,000 supply points was carried out in the municipalities of Griñón, Leganés, Villanueva de la Cañada and Miraflores de la Sierra.

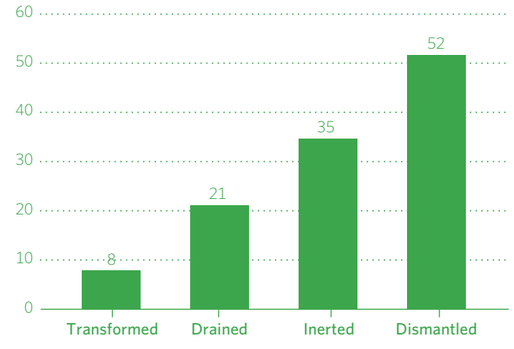
This operation was carried out jointly by four leading companies in the sector, and eight storage centres have been

During the 2024 financial year, the transformation to natural gas of over 2,000 supply points was carried out

Status of LPG plants and number of customers in service



Operations carried out at LPG plants during 2024



converted to natural gas. It is worth highlighting the start of operations in the municipality of Villanueva de la Cañada, due to the difficulty in reusing the existing networks.

Additionally, in 2024 more than € 2.3 million have been allocated to carry out the work of reusing and expanding networks, adapting and modifying installations, transforming equipment and dismantling storage centres.

Alongside this work, progress has continued on the digitalisation and automation of order generation processes for field execution and on the resolution of complaints with a response time of less than 48 hours.

By 2025, the conversion of more than 1,000 homes to natural gas is expected to be completed, thus finalising the transformation of the municipalities of Villanueva de la Cañada, Miraflores de la Sierra, Griñón and Los Molinos, as well as all installations where connection to the natural gas network is currently feasible. In 2025, work will also begin in the municipality of Soto del Real.

2.5 Commissioning and Digitalisation

Since the implementation of the virtual office for installation companies, the volume of registrations through this channel has continued to grow.

Although it may appear that regulatory changes concerning new constructions, as well as conflicting messages about the future of gas, might be encouraging the sector to shift towards alternative energies, the reality is not entirely so. In 2024, more than 90 new companies have registered on the Madrileña Red de Gas website. These companies have carried out gas installations within their distribution municipalities, currently forming a network of 1,058 partners.

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On the other hand, in order to continue with the improvements initiated during the previous financial year and to keep providing the best customer service, minor defects have continued to be rectified during the commissioning visits to outdated installations. As was the case in 2023, this approach has helped reduce response times, as failure to carry out these tasks would have delayed commissioning. Customers were often required to find an authorised installer themselves and, in some cases, ended up cancelling the service altogether because they were unwilling or unable to bear the repair costs.

The increased cost of this approach is offset by greater customer satisfaction and a reduction in administrative procedures and travel, as MRG is not required to visit the homes a second time.

As part of the ongoing effort to improve operational processes, this financial year has seen a particular focus on supply points which, although they may appear less significant at first glance, provide considerable value to Madrileña Red de Gas as a distribution company. Processes in retail and industrial facilities have also been improved.

Until the previous financial year, if a customer signed up for service for a commercial property with a gas supply history, the request was processed by the system in the same way as for residential properties, without considering the different use. While residential installations typically remain unchanged over time, commercial and industrial facilities are constantly changing.

This led to delays in the connection of the user to the gas supply, as well as to complaints from energy retailers, who operate under strict timelines defined by their commercial offers to customers. The request and processing of all required technical documentation, as stipulated by regulations, did not begin until the contract had entered the operational workflow of Madrileña Red de Gas.

Currently, following a series of changes to the IT systems and through ongoing communication with installation companies, the supply point is not made available for contracting until all necessary technical documentation has been received. Although this may appear to be a minor change, it has resulted in greater traceability of the documentation managed at each supply point, better anticipation of the tariff type to be contracted by the customer, and shorter lead times for connection once the contract has been entered.

Moreover, with a continued focus on installation safety and an understanding that effective communication is key to progress, the ongoing collaboration between different departments has made it possible to detect several instances of industrial fraud in 2024, as well as unauthorised extensions carried out without informing the distribution company.

These constitute serious breaches of the regulations that endanger not only the safety of the workers at those premises, but also that of neighbouring properties, in addition to causing financial losses for Madrileña Red de Gas due to unrecorded gas losses. Within a period of no more than fifteen days, the installation is brought to a safe, legal and regularised condition.

For 2025, there are plans to thoroughly review and improve the way customer activations are managed, with the aim of optimising the process and delivering an even more efficient service. In many cases, outdated processes tend to be maintained, with efforts focused on improving something that may not have been optimally designed from the outset, thus hindering a broader perspective. With the aim of defining the best possible system if designed from scratch, the necessary improvements will be implemented in the upcoming financial year. These improvements will focus on enhancing traceability, streamlining tasks and enabling customers to manage their appointments more quickly and in a more personalised manner.

2.6 New Municipalities

For Madrileña Red de Gas, the 2024 financial year has been very productive in terms of authorisations to operate in new municipalities. After a lengthy authorisation process, approvals were obtained for the arrival of natural gas to the municipalities of Casarrubuelos and Miraflores de la Sierra, where supply has begun.

The gas supply to Casarrubuelos has been established through a connection with the MRG distribution network in the municipality of Cubas de la Sagra. Following the completion of this connection, approximately 2,500 meters in length, the distribution network is being developed to supply all interested households. There are currently over 70 customers in service, as well as 250 active contracts.

A few weeks later, the natural gas supply was initiated in Miraflores de la Sierra. In this case, a modern Liquefied Natural Gas (LNG) plant has been installed on the same site as the former Liquefied Petroleum Gas (LPG) plant. Prior to this, significant infrastructure work was carried out to connect the existing municipal networks, enabling the coordinated conversion of customers from LPG to LNG. This new plant is equipped with the latest technology available for 24-hour monitoring and remote control.



New LNG plant installed in Miraflores de la Sierra

In just a few months, 600 customers have already been converted to natural gas, and the conversion of the remaining customers previously supplied from LPG plants — approximately another 600— is expected for 2025.

Significant progress has also been made in the processing of permits for three other municipalities, which, together with legislative changes, paves the way for the imminent supply of natural gas to the municipalities of Los Molinos, Moralzarzal and Soto del Real, reinforcing Madrileña Red de Gas's commitment to growth.

2.7 Regulatory Changes

The process of obtaining authorisations to extend gas supply to a new municipality is long, complex, and challenging. In order to lay a gas pipeline between two municipalities, it is

Natural gas networks provide a public service and should be regarded as strategic assets. They provide access to a less polluting and more competitive energy source for small municipalities that remain unserved by gas in the Community of Madrid

necessary to secure not only operational permits from the relevant authority —in this case, the Directorate General for Energy Transition and Circular Economy—, but also successive approvals from other agencies affected by the pipeline route. These may include municipal licenses, environmental permits, permits related to livestock trails, the Tagus River Basin Authority, road authorities (both of the Community of Madrid and from the Ministry of Transport and Sustainable Mobility), the Historical Heritage department, among others.

Since the project involved more than one municipality, authorization for a Special Infrastructure Plan was also required, which was processed by the Directorate General of Urban Planning of the Community of Madrid as the substantive authority. The approval of such a Special Infrastructure Plan is a lengthy and complicated process, involving successive approval stages with many of the aforementioned agencies. These plans were originally designed for large-scale infrastructure projects rather than relatively straightforward works like those undertaken by Madrileña Red de Gas. However, in the absence of a specific regulatory procedure, these projects were classified under such frameworks.

In collaboration with Deloitte, work was carried out alongside the Community of Madrid, holding meetings with the Regional Ministry of Environment, Agriculture, and Interior, as well as with various Directorates General, such as those for Urban Planning and Energy Transition, with the aim of presenting a consistent and applicable proposal to the administration. This effort culminated in late 2023 and early 2024 with a proposed amendment to the Community of Madrid's Land Use Law, which was well received and reported to be scheduled for approval during the year.

The proposal emphasised the need to create an open and competitive environment that does not hinder investment opportunities being considered by companies such as Madrileña Red de Gas, which cannot afford prolonged delays. Natural gas networks provide a public service and should be regarded as strategic assets. They provide access to a less polluting and more competitive energy source for small municipalities that remain unserved by gas in the Community of Madrid, a situation that could amount to discrimination against part of the population. Additionally, they serve as a gateway to green gases.

The Community of Madrid was also working on a plan to streamline and adapt certain urban planning procedures. This effort culminated in the publication of Law 7/2024, of 26 December, concerning measures for balanced development in environmental and territorial matters. From now on, «in the case of energy transmission and distribution infrastructures necessary for the provision of services of general interest, the authorisation or permit granted by the competent administration for the commissioning of new facilities will legitimise the execution of the related works». This is excellent and long-awaited news that will facilitate and expedite necessary administrative procedures.

2.8 Commercial Activities

Generic campaigns throughout the territory

The year 2024 began with the launch of new sales campaigns, which always bring numerous opportunities. By targeting specific market niches, offers can be customised to make each household feel that the proposal is tailored to their needs. This approach not only increases customer satisfaction but also improves the effectiveness of existing pipeline connections.

- Decentralisation incentives have been promoted, with contributions of up to € 650 per supply point.
- The multi-family housing campaign has been renewed, with contributions of up to € 450 per supply point.
- Single-family home campaigns have been expanded, with contributions of up to € 500 per supply point.

Advertising Campaigns

Birth of Caldegreen

In 2024, Madrileña Red de Gas, in collaboration with its marketing agency, created Caldegreen, a friendly and eye-catching animated character designed to communicate the latest news about natural gas and green gases.

This character brings personality and appeals to all audiences. This initiative has made Madrileña Red de Gas's communication more effective.

In 2024, Madrileña Red de Gas, in collaboration with its marketing agency, created Caldegreen, a friendly and eye-catching animated character designed to communicate the latest news about natural gas and green gases





Advertising campaign on hybrid systems

In 2024, due to constant market changes, the need arose to establish a specialised sales force as a fundamental element to achieve independence in the sector

The campaign was designed to pursue the following objectives:

- Raise awareness about the current situation of natural gas and the transition to green gases: information is provided on the benefits of green gases.
- Raise awareness about public policies and the energy transition: encourage critical thinking within society, which can lead to support for the adoption of clean technologies.
- Encourage citizen participation: social media platforms enable direct interaction through reactions and content sharing.
- Visually impactful educational content: two videos, three blog posts, and a landing page have been created to combat misinformation, explain green gases and how they function in boilers, and why they are essential in combating climate change.

Brochures and posters targeted at specific market niches
In collaboration with TMH, a company specialising in digital marketing, various advertising dossiers have been developed to reach hard to access market niches. One example is the hybrid systems brochure, aimed at real estate developers, homeowners' associations, or boiler rooms with old and obsolete systems, where the best energy solution is offered, i.e. system modernisation.

Signing of the commercial agreement between Madrileña Red de Gas and Aliara
In 2024, due to constant market changes, the need arose to establish a specialised sales force as a fundamental element to achieve independence in the sector.

This decision not only allows for better control over sales and marketing strategies but also facilitates adaptation to customers' needs and preferences. Additionally, having an internal team can foster a stronger corporate culture aligned with the company's objectives.

For this reason, the commercial agreement between Madrileña Red de Gas and Aliara was signed.

Public Offer

Thanks to all the commercial campaigns conducted, in 2024 more than 150 installation companies joined Madrileña Red de Gas on this journey by signing the 2024 public offer and the commercial plans advertised on the company's website. More information at: www.madrilena.es/colaboradores

Referral Program

During this financial year, two campaigns were carried out through Madrileña Red de Gas's referral program, one in summer and another in autumn. The rewards amounted to € 75 for the referrer and € 125 for the referred person once the service was activated.

The aim of this programme is to reward customers who successfully recommend a contact, granting a gift to both the referrer and the referred party.



Commercial campaign for the referral program

Other Actions

Announcement of the arrival of the natural gas network in the municipality of Casarrubuelos
During 2024, the natural gas network reached the municipality of Casarrubuelos, putting more than 100 homes into service in this first phase, with the goal of continuing expansion in the future. This information was published and shared through the company's social media channels.

A total of 52 LPG plants were dismantled in 2024. This involved draining, burning, inertizing and removing eighty tanks

2.9 Distribution Network

As in previous years, 100% of the maintenance plan established by current regulations and the company's internal standards has been completed, covering the 6,060 km of gas network, auxiliary installations, the six satellite LNG plants, and the existing LPG plants. To this end, more than 11,000 scheduled actions have been carried out.

Additionally, the proper functioning of the regulation systems at various pressure levels has been managed, and the corresponding regulatory monitoring of the gas network has been conducted. Leak-tightness control over nearly 2,600 km of the gas network has been completed, more than 7,500 valves have been operated to verify their correct functioning, approximately 1,000 painting and cleaning actions on network elements have been performed, and around 6,903 measurements have been taken on equipment that ensures cathodic protection of the steel networks.

In addition, in coordination with the town councils of various municipalities within the Community of Madrid, a total of 52 LPG plants were dismantled in 2024. This involved draining, burning, inertizing and removing eighty tanks. More than 60 road transfers were coordinated with Repsol to move the extracted gas to Repsol's central facilities, thereby avoiding atmospheric emissions.

Additionally, the waste generated from these dismantling operations was transported to treatment plants authorized by the Community of Madrid, in line with Madrileña Red de Gas's environmental commitment. All activities were carried out without disrupting the daily lives of customers and residents in the affected municipalities where these LPG plants were located, and in strict compliance with safety protocols, thanks to which no accidents occurred.

As part of the company's 2024 action plans, the necessary renovations, meshing and corrective measures were carried out to maintain safety and ensure supply in both the natural gas and LPG distribution networks. To this end, materials such as steel, cast iron, and/or copper were replaced with polyethylene piping.

During the 2024 financial year, in compliance with current regulations and with the aim of removing from its gas networks as many old LPG copper and steel pipelines as possible, Madrileña Red de Gas inertized, decommissioned and, in some cases, renewed nearly 8,000 meters of pipeline.

In collaboration with various companies, public entities, and customers, the company responded to requests to relocate gas networks affected by new urban developments in several municipalities across the Community of Madrid, including hospitals, roads, and new buildings. As a result, approximately 1,000 meters of the gas network were relocated.

Control Centre

Regarding the Distribution Control Centre, in 2024 one hundred percent of the maintenance established by the company's internal regulations was also completed. This involved carrying out a total of 176 preventive tele-information maintenance activities across all RMS and MS units, as well as 314 corrective actions to resolve incidents.

Additionally, quality inspections for THT control were conducted throughout the entire distribution network and in the LNG distribution networks, with an average of 105 monthly visits. In 2024, the LNG plant in Miraflores de la Sierra was commissioned. The inclusion of this plant's distribution network has led to an increase in the number of visits, as consumption is growing as the LPG network is converted to natural gas.

Several municipalities, including El Molar, Griñón, Leganés, Fuenlabrada and Móstoles, among others, have been fully converted to natural

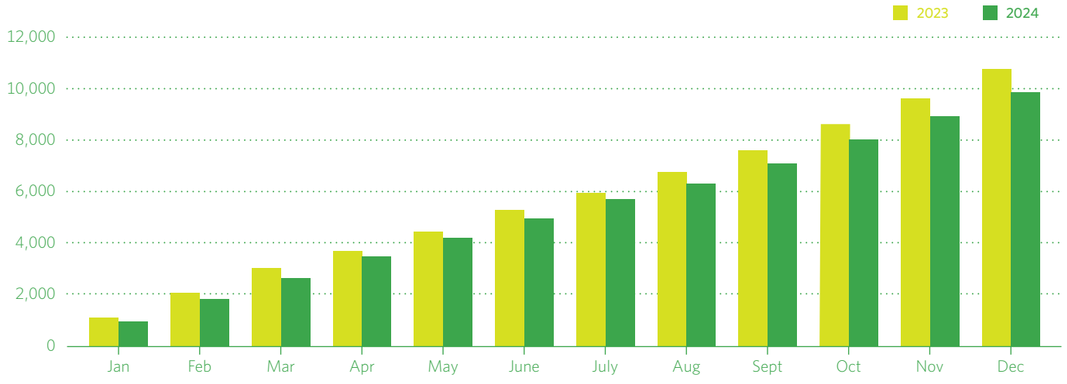
Throughout this financial year, 86 LNG tanker deliveries were managed to ensure the supply of gas to distribution networks served by LNG plants.

Furthermore, the mapping of all transformed LPG industrial estates has been updated. Several municipalities, including El Molar, Griñón, Leganés, Fuenlabrada and Móstoles, among others, have been fully converted to natural gas. In addition, a total of 479 connection errors in the distribution network mapping have been corrected.

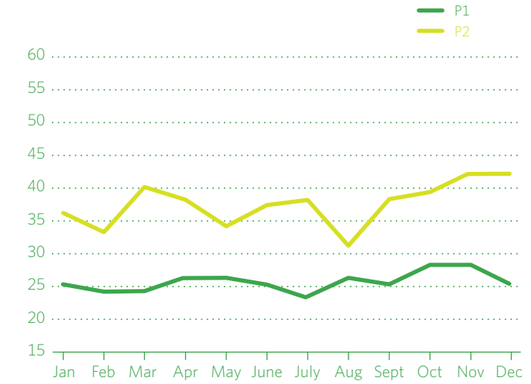
Regarding verification and measurement, the entire industrial meter stock is being upgraded to comply with the new ICT 555/2020 regulation. A total of 1,288 meters and converters have also been updated.

Additionally, the migration of the SCADA system has begun to ensure its update and upgrade, with completion scheduled for the end of February 2025.

Emergency calls
(Total monthly accumulated)



Call response time by priority
(Minutes)



Emergencies

Through the 24/7 emergency service, a total of 48,283 calls were handled by the Call Centre in 2024, representing a 17% decrease compared to the previous year. Additionally, 9,889 emergency alerts were received and managed, which constitutes a 7.9% reduction from the previous period.

Of these alerts, 1,154 were classified as Priority 1 and were responded to in an average time of 26 minutes. Of these, 99.3% were attended to within one hour, significantly surpassing the established quality target of 30 minutes. It should be noted that 96% of alerts were resolved in less than an hour. The 3,952 Priority 2 alerts were managed with an average response time of 38 minutes.

Additionally, a total of 92 reports of distribution network ruptures caused by third-party companies were handled. The resolution of these incidents is immediate due to safety and environmental reasons. The average response time was 31 minutes, which is eight minutes faster than the previous year. Fugitive gas emissions reached 1.05 GWh, with recovery of costs in practically all cases.

During emergency responses, 72 cases of fraud or tampering were detected.

As in previous years, all equipment and tools necessary for emergency operations have been maintained in perfect condition, calibrated, and regularly inspected.

Through the 24/7 emergency service, a total of 48,283 calls were handled by the Call Centre in 2024, representing a 17% decrease compared to the previous year

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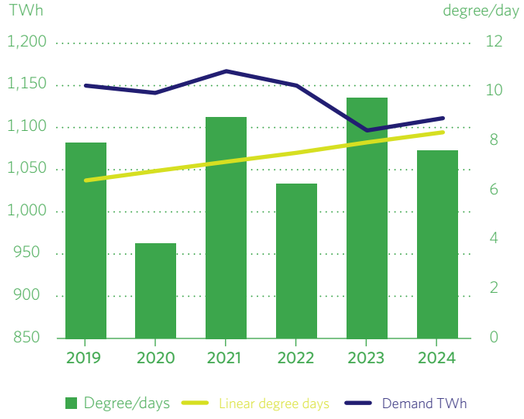
Customers

The year 2024 has been the period in which Madrileña Red de Gas has received its highest customer ratings, achieving excellence levels (above 50) on the NPS scale for many of its key processes.

During this time, special emphasis has been placed on proactively engaging both with direct customers and with the various organisations that represent them. Additionally, a deeper analysis of the customer experience has been conducted, enabling a significant transformation in customer service.

Regarding home operations, high levels of quality and service have been further improved.

Evolution of demand vs. degree days



3.1 Gas Demand

In addition to temperatures, other variables that affect consumption include economic variables such as the price of gas and household income, social and demographic variables such as the number of household members and the usable floor area of the dwelling, as well as government policies.

According to data from recent years, consumer response to these variables has been a decrease in natural gas consumption.

In 2023, despite being a colder year than the previous one, consumption declined, coinciding with an environment of exceptionally high natural gas prices and high inflation. On the other hand, in 2024, even with slightly higher temperatures than in 2023, according to the degree-day metric, gas consumption was slightly higher, but demand levels did not return to pre-2022 levels, despite similar temperatures.

The sector uses the degree-day metric (days below 15 °C) to model the temperature associated with demand.

3.2 Customer Service

During 2024, Madrileña Red de Gas has undertaken a comprehensive transformation of its customer service model, integrating the service function directly into business units and fostering a culture in which all teams feel involved and jointly responsible for customer service. The main objectives of this reorganisation were the following:

1. Full control of the service
   The new model enables complete control over operations, including staff training, process management, and quality oversight.
   This facilitates the implementation of continuous improvements and a swift adaptation to the evolving needs of customers.

2. Greater knowledge of the product and the company
   Customer service managers now have a better understanding of the company's products, services, and policies, enabling them to provide more informed and accurate service to customers.

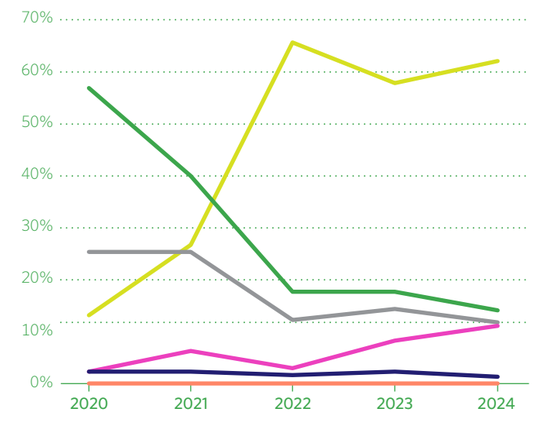
3. Long-term cost reduction
   Although initial costs may be similar or even higher, the new model can generate significant long-term savings, particularly by reducing call volumes through process improvement and digitalisation, decreasing the percentage of repeat calls and customer complaints from dissatisfied customers, and promoting customer digitalisation to enable 24/7 autonomy.

4. Improved communication and coordination
   The new model facilitates communication and coordination between managers and other departments within the company, resulting in a smoother and more satisfying customer experience, as well as an increased awareness of service quality among members of the different work teams.

5. Increased customer satisfaction
   By providing a more personalised, coordinated, and efficient service that is aligned with the company's culture and values, this new model helps to enhance customer satisfaction and loyalty.

6. Implementation of a new training methodology
   Training is centralised in the Excellence Department,

Evolution of the use of the main customer service channels at Madrileña Red de Gas (%)



There is a significant increase in the «Web (no login)» channel, rising from 27% in 2021 to over 60% in 2022, remaining the dominant channel in 2024

During this financial year, the request resolution rates stabilised above 90%, reflecting a significant improvement in the system's responsiveness and efficiency

involving the rest of the company's units in the process, empowering service managers with an initial training program lasting close to three weeks, alongside continuous training linked to daily service management and ongoing feedback between the new service and the units.

Regarding the existing customer service channels at Madrileña Red de Gas, it has been possible to see how user preferences have shifted between various contact methods with the company.

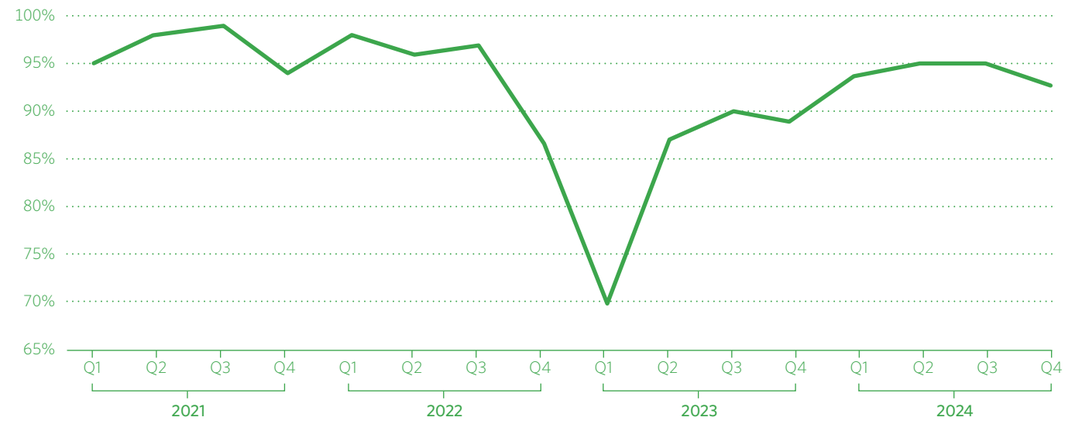
There is a significant increase in the «Web (no login)» channel, rising from 27% in 2021 to over 60% in 2022, remaining the dominant channel in 2024. This trend indicates a clear preference for fast and accessible solutions without the need for authentication.

The latest implemented measures, such as improved service, digitalisation, and greater customer autonomy, may be having a positive effect on reducing customer requests, as customers can address their needs more efficiently and proactively.

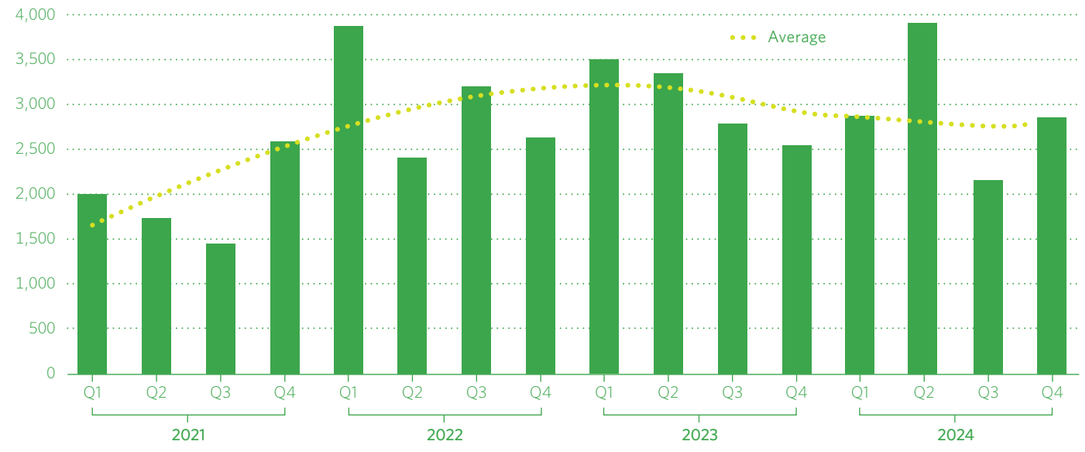
During this financial year, the request resolution rates stabilised above 90%, reflecting a significant improvement in the system's responsiveness and efficiency. This trend suggests that the corrective actions implemented have been effective, enabling the recovery and maintenance of high service levels in request resolution.

EMRG's objective is to ensure that customers remain permanently informed, providing them with value not only in relation to the company's own processes, such as meter readings or periodic inspections, but also regarding the requests received by Madrileña Red de Gas from gas retailers.

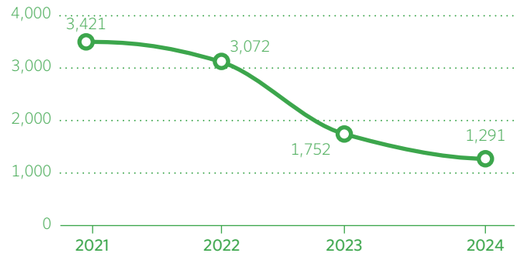
Evolution of the resolution of customer requests received
(Quarterly variation)



Evolution of CNMC complaints handled by retailers
(Total per quarter)



Evolution of the number of administrative disconnections



The set of actions implemented by Madrileña Red de Gas has made it possible to reduce the number of supply points in a state of disconnection by more than 60%

Administrative disconnections

Madrileña Red de Gas continues to work proactively to mitigate the situation of customers who, despite having terminated their contract with the gas retailer, remain connected to the gas network. This situation is referred to as an administrative disconnection.

It is important to remember that this abnormal situation, caused by a change in criteria by the regulator (CNMC), poses a potential risk both to safety and to the integrity of the gas system, potentially leading to cases of fraud.

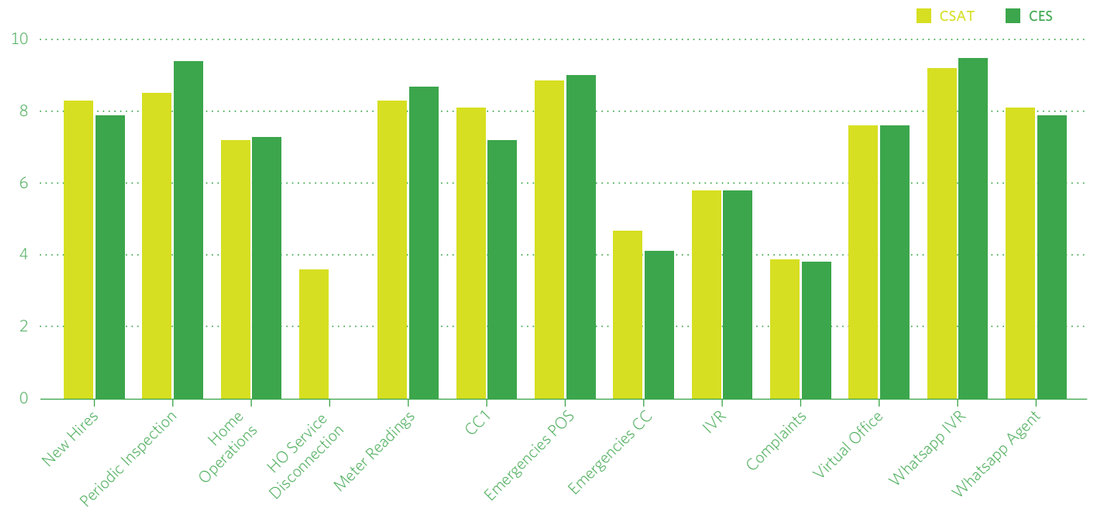
The set of actions implemented by Madrileña Red de Gas has made it possible to reduce the number of supply points in a state of disconnection by more than 60%. This means that, from an initial total of 3,421, the figure has now fallen to 1,291.

Customer analytics

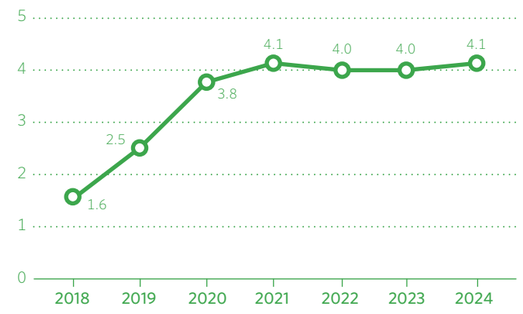
During 2024, Madrileña Red de Gas has focused on implementing customer analytics across all its processes and customer interaction channels. As a result of this analysis, a detailed map has been produced, allowing for the precise identification of areas where efforts need to be concentrated.

Specifically, the service is analyzed by both process and communication channel. At a more granular level, monitoring is carried out on metrics such as compliance rates, complaints per 1,000 operations, repeat calls, reworking, and average response time.

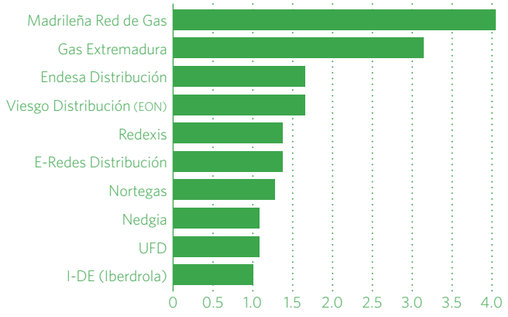
Customer analytics
(Average score by process)



Evolution of the average GMB rating



Comparison of reviews on Google My Business



Throughout 2024, Madrileña Red de Gas has conducted its first proof of concept tests using artificial intelligence tools

Artificial Intelligence

Throughout 2024, Madrileña Red de Gas has conducted its first proof of concept tests using artificial intelligence tools, with the aim of supporting the analysis of the context of customer calls and interactions through the various MRG channels.

The first test aims to comprehensively assess a customer's context, with the purpose of identifying pain points and predicting potential situations that could lead to complaints or requests for action.

The second use case focuses on leveraging unstructured information collected in the field by technicians and recorded in remarks fields: information that is currently difficult to utilise effectively.

This learning process will enable the company to continue improving its customer experience. Additionally, the deployment of user-oriented artificial intelligence tools has begun, with the goal of enhancing individual productivity.

3.3 Digital Communication

Madrileña Red de Gas reminds its customers of the importance of providing an actual meter reading at least once a year, as well as the convenience of basing billing on actual readings, whenever possible.

In order to guarantee accurate billing aligned with real consumption, the company offers its users various channels to communicate their meter readings, thereby promoting a more transparent and efficient management of the supply.

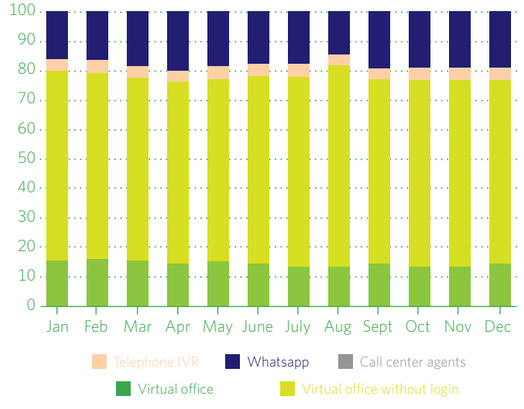
Customers have shown a clear preference for autonomous digital channels, especially the virtual office without login, to communicate their meter readings. This trend reflects the success of Madrileña Red de Gas's strategy to promote self-management, with minimal participation of agent-assisted channels and stable use of other digital means such as the virtual office and telephone IVR.

Specifically, in the customer-facilitated reading process, the channels chosen during 2024 were: Virtual Office without login (63.3%), Virtual Office with login (15%), WhatsApp (17.7%), IVR (voice prompts) (3.8%), and calls to call centre agents (0.2%).

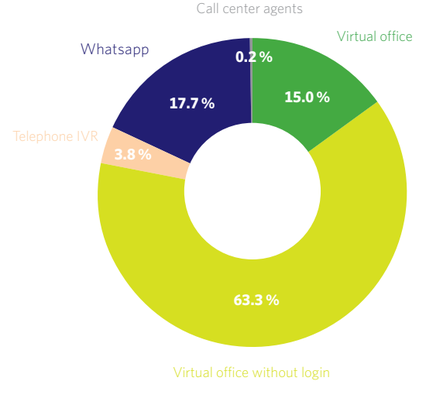
On the other hand, the monthly complaints received during 2023 and 2024 in relation to the meter reading process show a significant and sustained reduction in the volume of complaints in this financial year compared to the previous one, with a much more stable and controlled trend throughout the year.

This development provides clear evidence of the positive impact of the improvement measures in the meter reading process. By strengthening transparency of information

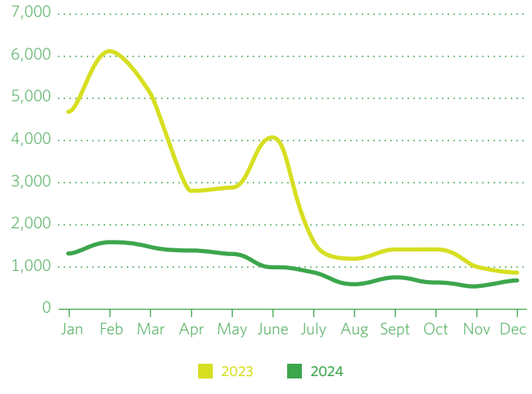
Channels used in the meter reading process
(%)



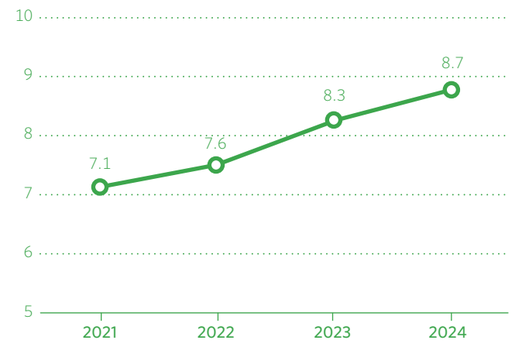
Distribution of channels chosen by users to submit their rea
(%)



Number of complaints received during the reading process
(Monthly total)



Evolution of the CSAT customer satisfaction index



towards the customer, a clear schedule of meter readings and the values that will be used for billing by the gas retailer have been provided. This measure has contributed to a better understanding of the process by the user and has led to a decrease in the volume of inquiries received.

Additionally, the standardisation and enhancement of responses to complaints have been crucial in reducing recurrence of incidents, ensuring more consistent resolution criteria and improving the overall perception of the service.

3.4 Loyalty

The average CSAT (Customer Satisfaction Score), which measures customer satisfaction across the range of services offered by the company, shows a clear upward trend in service perception. This sustained improvement is the result of a strategic approach focused on operational excellence, user-centric digitalisation, and increasingly close, proactive, and multi-channel customer service.

During 2024, Madrileña Red de Gas identified WhatsApp as the most accessible and user-friendly digital channel for senior users, significantly outperforming other traditional means such as email.

As part of its customer-centric digital transformation strategy, the company implemented WhatsApp use in 100% of its customer service and management processes. The results were stunning: WhatsApp now accounts for more than 45% of all interactions recorded through the telephone channel, establishing itself as a growing medium that will become one of the preferred channels for users in the coming years.



The new website design was based on a mobile-first approach, given that most visits to the site are made from mobile devices

The response from customers has been outstanding, both in terms of usage and satisfaction. According to the latest measurements, the WhatsApp channel achieved a Customer Satisfaction Score (CSAT) of 9.1 points, significantly higher than the average of eight points recorded by traditional channels.

This success reflects Madrileña Red de Gas's commitment to providing a closer, more efficient and inclusive customer service, and strengthens its goal to continue innovating digital solutions that enhance user experience.

Based on a thorough analysis of browsing behaviour and main customer demands, in 2024 Madrileña Red de Gas launched a new website aimed at facilitating access to the most frequently consulted information. The redesign was conceived under a «mobile first» approach, responding to the fact that 85% of visits to the site come from mobile devices.

The new portal not only optimises the user experience, but has also demonstrated significant improvements in key digital performance indicators:

- 23% decrease in bounce rate.
- 12,5% increase in interaction with site elements.
- 18% increase in average session duration.
- 61% decrease in same-day repeated visits.

This redesign represents a key step in the company's commitment to providing more intuitive and efficient digital experiences that align with the current consumption habits of its users.

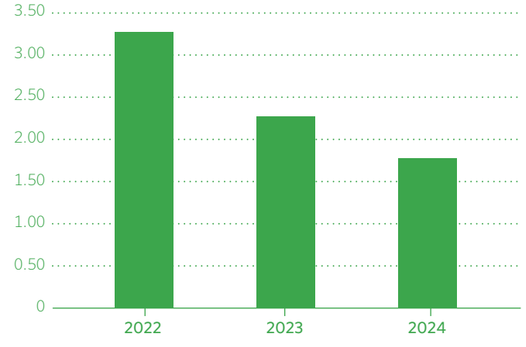
Furthermore, in line with its commitment to transparency, Madrileña Red de Gas publishes its main customer service performance metrics in an accessible manner on its website.

Madrileña Red de Gas strengthened its commitment to customer closeness and service through a series of visits to the Municipal Consumer Information Offices (OMIC) responsible for 80% of its customer base

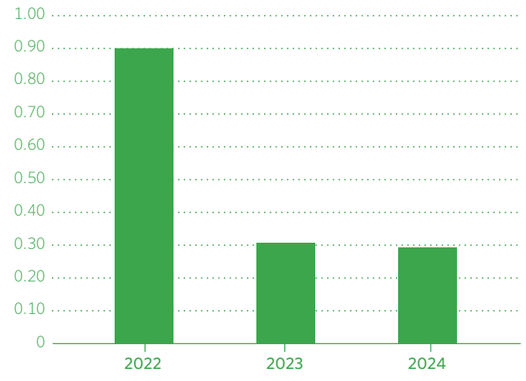
Throughout 2024, Madrileña Red de Gas strengthened its commitment to customer closeness and service through a series of visits to the Municipal Consumer Information Offices (OMIC) responsible for 80% of its customer base. These visits, organised as a roadshow and real-life case studies, were very well received by both technicians and municipal representatives, who highlighted that it was the only company in the sector to carry out such an initiative.

Along the same lines, the commitment to customer service has been maintained with the Directorate-General for Energy Transition and Circular Economy (DGTEEC) and the Directorate-General for Consumer Affairs (DGC), promoting meetings and participating in information days, such as the one organised by the DGC early in the year, where we presented our operations and approach.

Customers without an actual reading in 12 months
(%)



Percentage of missed scheduled visits
(%)



In the field of consumer service, the company positioned itself as a benchmark in complaint management. According to the ranking published by the Consumers and Users Organization (OCU), Madrileña Red de Gas was one of the top-ranked companies in the sector in 2024, standing out for its efficiency, clarity in communication, and swift resolution of incidents.

Additionally, the overall user perception is also reflected on open and democratised platforms such as Google My Business, where the company maintained a solid average rating of four stars at year-end, based on over 14,000 anonymous reviews.

3.5 Customer Operations

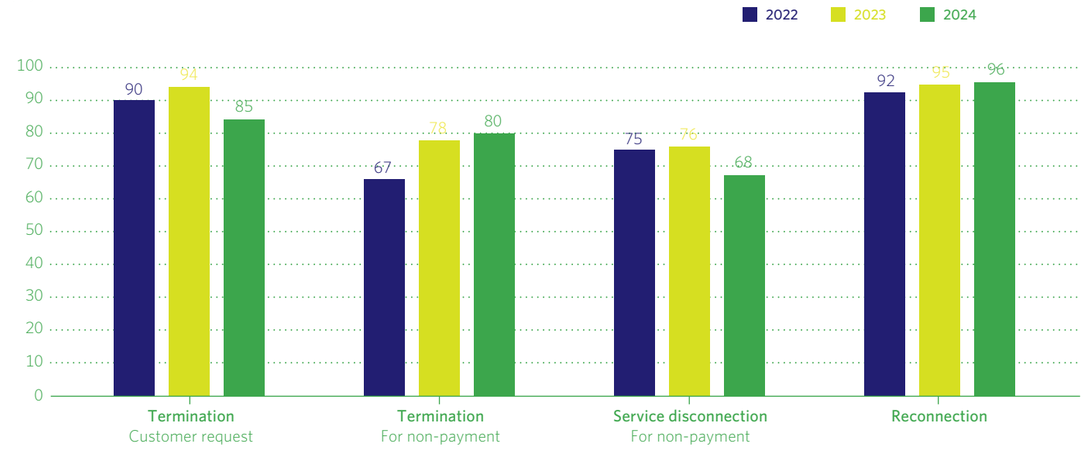
Field excellence

Field excellence is not limited solely to the correct execution of technical tasks. Madrileña Red de Gas firmly believes that delivering quality service also involves understanding customer needs, anticipating their difficulties, and acting proactively to improve their experience.

For this reason, the company has been systematically evaluating key indicators related to the most significant pain points for its customers over the years. This approach has enabled the identification of areas for improvement, the implementation of effective solutions, and the measurement of the real impact of its actions on the ground.

One area where this effort has yielded particularly significant results is consumption readings. Thanks to improved planning, the use of technological tools, and more efficient management of visits, a record low of 1.8% of customers without an annual reading has been achieved.

Success rate of standard home operations
(%)



This milestone not only reflects operational improvement, but also strengthens customer trust by ensuring actual readings and more accurate billing.

Customer experience depends not only on the final outcome but also on how moments of contact are managed. In this regard, one of the objectives has been to provide users with greater flexibility and control over scheduled visits. Currently, 18% of visits are rescheduled directly by the customers themselves, within a time window of just 2 hours.

At the same time, the company continues to strengthen its commitment to punctuality and reliability. Madrileña Red de Gas has succeeded in reducing missed scheduled visits to a minimum of 0.29%, a key indicator of operational efficiency and respect for the customer's time.

Additionally, the company leverages field visits to perform fraud checks through gas flow testing. This procedure is applied to 90% of meters identified as a priority.

One of the main challenges in carrying out field operations continues to be accessibility to meters and the presence of the customer on site. Despite these inherent limitations, Madrileña Red de Gas has managed to maintain high success rates in key operations, thanks to careful planning, proactive customer contact, and the constant adaptation of its teams to the realities of the operational environment.

Madrileña Red de Gas was able to carry out 98% of the inspections planned for the 2024 campaign, detecting anomalies in 9.45% of the installations

Periodic inspection

Every five years, customer installations must undergo a thorough inspection to verify compliance with current safety regulations. This process not only ensures legal compliance, but also protects users and extends the lifespan of the installations.

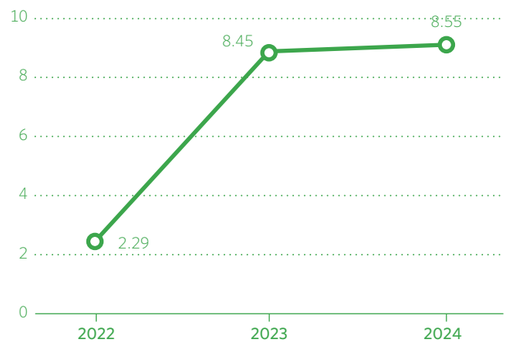
At Madrileña Red de Gas, significant effort has been put into optimising every stage of this process. Intensive work has been done in planning, personalised service, and operational efficiency to make the customer experience as smooth, clear, and satisfactory as possible.

Thanks to this dedication, the five-year inspection process has become one of the most valued aspects by customers: they see it not only as an obligation, but also as an opportunity to improve and secure their installations, guided by a professional, approachable team committed to service excellence.

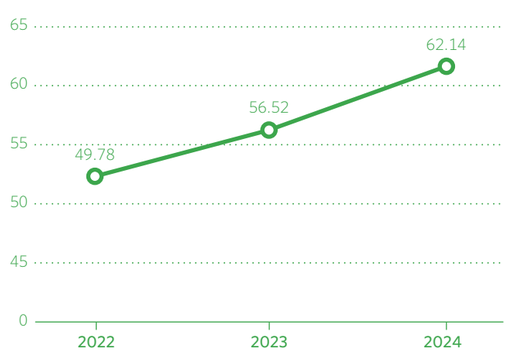
Madrileña Red de Gas was able to carry out 98% of the inspections planned for the 2024 campaign, detecting anomalies in 9.45% of the installations. Proactive monitoring of anomaly corrections has made it possible to recover 92% of correction receipts, thereby avoiding supply interruptions for safety reasons.

Evolution of MRG customer ratings of the periodic inspection service

CSAT evolution [1]



NPS evolution [2]



1 CSAT (Customer Satisfaction Score)
2 NPS (Net Promoter Score)

4

Human Capital

In the area of Human Resources, 2024 has been an exceptional year for Madrileña Red de Gas, marked by historic records across multiple key indicators that demonstrate strong internal commitment and the consolidation of a solid and continuously evolving organisational culture.

An excellent eNPS of 58.4 and an overall workplace satisfaction of 86% —the highest in the company's history— were achieved. Madrileña Red de Gas also reached record figures in various metrics: the highest proportion of employees with a degree (52%), the highest percentage of female representation (38%), zero unwanted turnover for the fifth consecutive year, and a historic record in training, with 55.5 hours per employee.

These milestones position Madrileña Red de Gas as a benchmark in talent management, inclusion, and professional development within the energy sector.

* Employee Net Promoter Score (eNPS).

Female representation at Madrileña Red de Gas has continued to grow, reaching 38% of the total workforce in 2024

4.1 Workforce Evolution

Madrileña Red de Gas's workforce has followed a downward trend throughout its history. The year 2024 ended with a total of 117 employees (excluding partial retirees), representing a 4.8% decrease compared to 2023 and a 26% reduction since 2012.

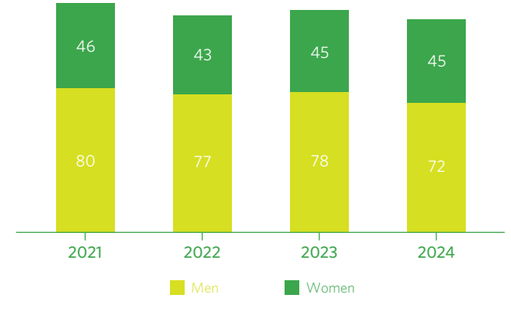
In 2024, the average length of service of Madrileña Red de Gas's workforce stands at fifteen years, reflecting stability and talent retention within the organisation. Likewise, in the period from 2012 to 2024, the average age has remained steady at 46 years.

At the same time, female representation at Madrileña Red de Gas has continued to grow, reaching 38% of the total workforce in 2024, with 45 women and 72 men. This growth marks a significant advance from the 18% recorded in 2012 and reflects the company's ongoing commitment to gender equity. This progress is particularly noteworthy given the traditionally male-dominated nature of the energy sector, positioning Madrileña Red de Gas as a benchmark for inclusion and diversity within its industry.

Madrileña Red de Gas maintains a retention rate of 93.5%, a particularly relevant figure that highlights the effectiveness of its talent management policies and internal best practices. Voluntary turnover stood at 1.6% in the past year, with an average of 1.2% between 2020 and 2024, while unwanted turnover has remained at 0% for five consecutive years.

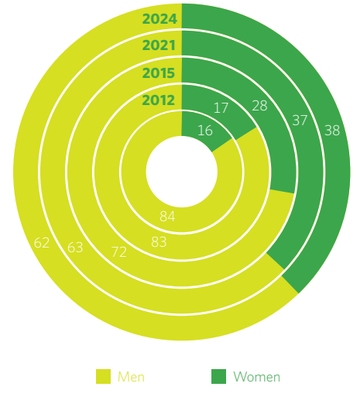
EThese indicators support the results of the employee engagement survey, where staff expressed a strong sense of pride in belonging to the company as one of the most valued aspects. In addition, remote work remains the most highly

Workforce evolution
(Totals by gender)



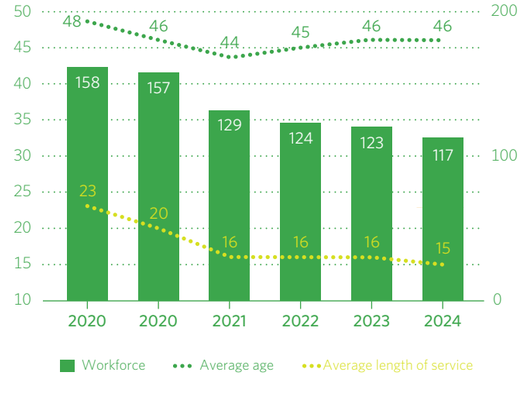
Note: Excluding partial retirements.

Evolution of the percentage of men and women in the workforce
(%)



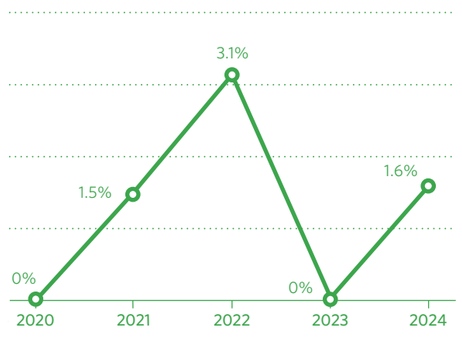
Note: Excluding partial retirements.

Evolution of workforce, length of service and average age



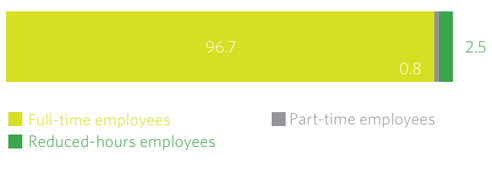
Note: Excluding partial retirements.

Voluntary turnover rate
(%)

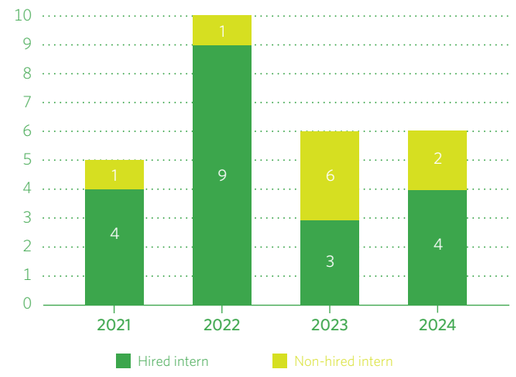


Madrileña Red de Gas has always prioritised secure employment contracts, which is why 100% of its staff is employed under permanent contracts

Workforce percentage by type of working schedule
(%)



Evolution of the number of annual internships



valued benefit among employees, reinforcing its role as a key driver of work-life balance and job satisfaction.

4.2 Recruitment and Onboarding

This versatility is clearly reflected in the company's workforce, which is increasingly motivated by new projects and better equipped to face the challenges of a constantly evolving environment.

As shown by the evolution of the technical profile of its staff, Madrileña Red de Gas has consistently fostered the development of versatile, agile, and efficient professionals, capable of adapting to sectoral changes, eager to learn, and ready to take on new responsibilities. Currently, 52% of the company's workforce holds a university degree.

Aware of the importance of employment stability and quality, Madrileña Red de Gas has always prioritised secure employment contracts, which is why 100% of its staff is employed under permanent contracts.

From a working hours perspective, 96.7% of the workforce perform their duties on a full-time basis. In contrast, only 0.8% work part-time and 2.5% have a reduced working schedule. These figures reflect that the majority of employees are engaged in their jobs with full and consistent dedication.

Regarding the recruitment of new talent, Madrileña Red de Gas has been actively promoting internships for young professionals from diverse backgrounds through agreements with various universities in the Community of Madrid. In this regard, in 2024 the company expanded the number of universities with which it maintains active collaboration agreements.

Over the course of the financial year, a total of six young students completed professional internships at the company—four men and two women. Notably, one of the female students was hired upon completion of her internship, reflecting the company's strong commitment to the training and development of young talent.

4.3 Talent Management

EIn today's environment of constant market changes and challenges, Madrileña Red de Gas recognises talent management as a key factor for its success. The emergence in the business landscape of big data, combined with artificial intelligence (AI), has been truly transformative—not only in terms of productivity and efficiency but also in creating new business opportunities and enhancing the customer experience.

In this context of digital transformation, Madrileña Red de Gas reaffirms its commitment to the responsible use of data and the ethical application of artificial intelligence, with the aim of ensuring that these technologies generate value both in decision-making and in the optimisation of internal processes.

During 2024, training in big data gained particular significance, with initiatives focused on data access and big data analysis capabilities, as well as data quality through governance. These actions accounted for 20% of the total training hours delivered during the current fiscal year, not only through structured courses but also via webinars accessible to the entire workforce.

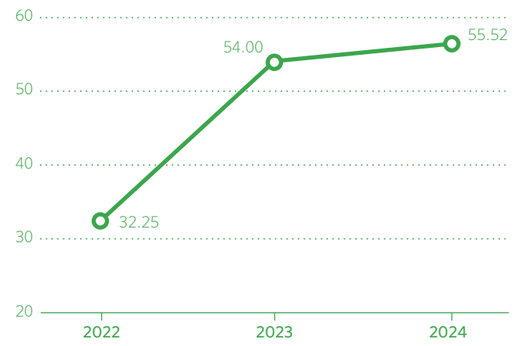
It is also worth highlighting that Madrileña Red de Gas has continued to invest in specialized business training. As part of this commitment, one of the initiatives and ideas from previous years debate panels has been maintained: hydrogen courses. Additionally, training has been provided to polyethylene welders and technicians responsible for emergency response and home service operations. This specialized business training represents 30% of the total hours delivered.

Recognizing the importance of implementing various initiatives and creating collaborative workspaces to ensure the growth of all its professionals, Madrileña Red de Gas launched a new development project in 2024 called «Anatomy of the Manager», aimed at department heads and focused on self-awareness and the skills of an effective leader to enhance their professional profiles and thereby foster continued growth within their individual development plans.

Furthermore, during 2024 Madrileña Red de Gas maintained its best practices in promoting interdepartmental relationships not only through training, continuing the EVOLUCIONA initiative —an original format presented by the Systems and Customer Operations Department to share detailed insights about their activities with the rest of the workforce—, but also through corporate events. This year's events aimed to encourage teamwork by highlighting the strengths of each individual, as will be detailed in the next chapter.

In terms of diversity, Madrileña Red de Gas has always been committed to this fundamental principle, with a particular focus on equality due to its profound impact on individuals' rights. Consequently, it has continued its training efforts on equality, not only through webinars on «inclusive language» and «prevention of workplace harassment» offered to the entire workforce, but also through a course on prevention

Training ratios per employee



Note: Excluding partial retirements.

and awareness of workplace violence and harassment. This course has represented the most significant training within the Occupational Risk Prevention area.

As a result of these initiatives, a total of 6,496 training hours were completed during 2024, distributed across 44 training activities. This translates to a ratio of 55.52 training hours per employee, slightly surpassing the 54.7 hours recorded in the previous year and consolidating a positive trend in professional development. This figure reflects Madrileña Red de Gas's commitment to maintaining high levels of training per employee, in contrast to earlier figures such as the 35.25 hours recorded in 2022 .

4.4 Work Climate

Madrileña Red de Gas presents a highly favourable scenario in people management. Active employee participation in the workplace climate survey has enabled the collection of valuable information regarding their well-being and level of engagement with the organization. In 2024, two significant milestones were achieved in the survey: a record high in overall satisfaction and a new peak in the eNPS index[1].

From a qualitative perspective, the survey results reflect that employees feel proud to belong to Madrileña Red de Gas, demonstrate autonomy and a high degree of responsibility in performing their duties, while sharing a strong commitment to excellence in customer service.

The most valued aspect of working at Madrileña Red de Gas continues to be, once again, the work-life balance, with special recognition given to the continuity and consolidation of the telework modality.

From a quantitative perspective, the 2024 workplace climate survey has yielded the highest overall satisfaction level recorded to date, reaching 86%. This result indicates that, on average, the various dimensions evaluated in the questionnaire have been positively rated. This percentage represents an increase of three percentage points compared to the satisfaction levels obtained in the previous two years.

Regarding the eNPS ratio, an excellent score of 58.4 was achieved, representing a 36% increase compared to the previous year's score of 42.9. When asked to what extent they would recommend their company as a workplace, Madrileña Red de Gas has garnered a significant proportion of promoters, no less than 66.3%.

Throughout 2024, interdepartmental collaboration has continued to be promoted through training sessions and corporate events aimed at strengthening internal cohesion. Additionally, a review of the training offer has been conducted to better align it with the organization's strategic needs. Progress has also been made towards an increasingly digital and data-driven organisational model.

With results surpassing historical records in terms of satisfaction and engagement, Madrileña Red de Gas reaffirms its commitment to continuous improvement. The company will continue to actively work on the identified areas of opportunity with the aim of consolidating achieved successes and reinforcing the trust placed in its human capital.

Annual team workshops

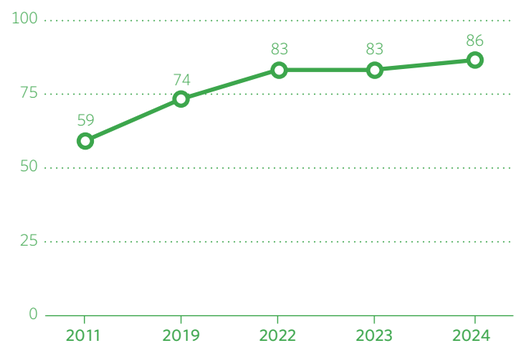
Corporate events continue to be highly valued by the company's workforce, as they strengthen interdepartmental relationships, build team spirit, foster camaraderie, and help create a relaxed work environment.

A distinguishing feature of the events organized by Madrileña Red de Gas throughout 2024 has been their originality. The activities were designed to promote teamwork by highlighting the unique qualities of each member of the workforce, where everyone contributes their skills and the team, as a whole, is unbeatable.

1. Employee Net Promoter Score (eNPS). On a response scale ranging from 0 to 10, participants are classified as detractors, passives, or promoters based on their scores.

In 2024, two significant milestones were achieved in the survey: a record high in overall satisfaction and a new peak in the eNPS index

Evolution of overall employee satisfaction levels
(%)



Evolution of Madrileña Red de Gas's eNPS



4.5 Diversity, Equity and Inclusion (DEI)

Madrileña Red de Gas considers the convergence of diversity, equity, equal opportunities, and inclusion to be a fundamental element for ensuring cohesion in the workplace, as well as strengthening the capacity to adapt to change, among many other benefits.

The company reinforces its commitment to the values of diversity and equal opportunities through its Code of Ethics, which is supplemented by the implementation of various tools, including: the Equality Plan, effective since 2022; the Protocol for the Prevention of Workplace, Sexual, and Gender-Based Harassment, in force since 2023; the Action Guide against Gender-Based Violence; and the Inclusive Language Guide.

Madrileña Red de Gas has maintained its commitment to incorporating underrepresented groups. Over the past four years, without exception, the company has integrated individuals over the age of 50 into its workforce and, at the opposite generational end, has focused on attracting new talent.

Regarding the hires made during the 2024 financial year, three individuals (two women and one man) were hired: one under thirty years old, one between thirty and fifty years old, and one over that age.

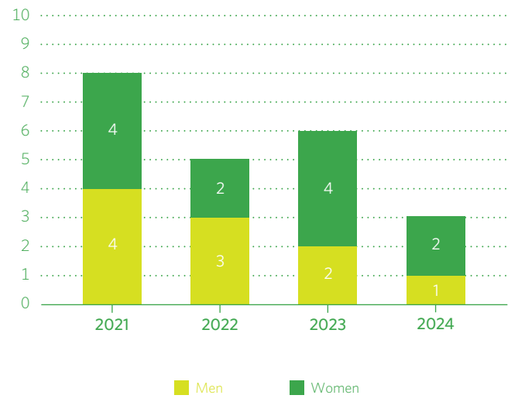
While Madrileña Red de Gas is aware of the need to continue making progress in equality, the historically male-dominated nature of the sector in which it operates cannot be overlooked. In this context, the company's sustained effort to improve female representation over time is particularly noteworthy. As previously mentioned, the proportion of women in the workforce has currently reached 38%, with a total of 45 female employees, compared to 16% recorded in 2012.

It is noteworthy that the historical records of leave taken for the birth of a child show that, every year without exception, more men have taken paternity leave. In 2024, four individuals took paternity leave (for the first time, no women requested maternity leave).

It goes without saying that every employee who has taken this type of leave has returned to their position under the same conditions once the period ended, achieving a 100% rate of both re-entry and retention.

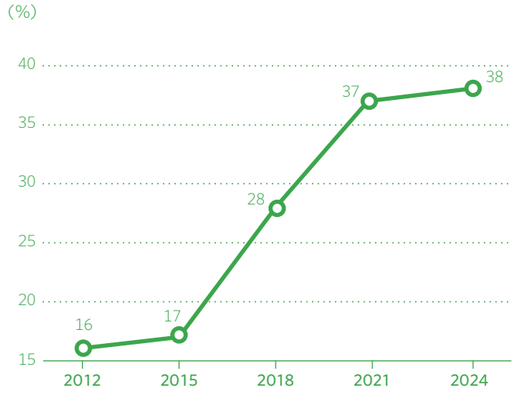
All these actions and principles, aimed at promoting gender equality through equitable selection and training processes that ensure equal opportunities, constitute fundamental values enabling Madrileña Red de Gas to progress as an inclusive company and attract the best talent.

Evolution of new hires by gender

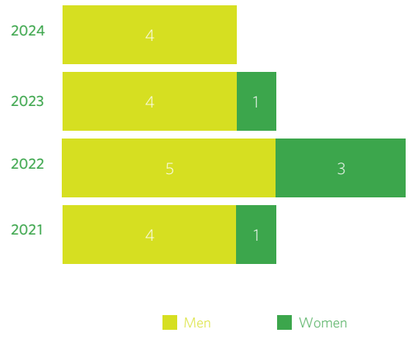


Over the past four years, without exception, the company has integrated individuals over the age of 50 into its workforce

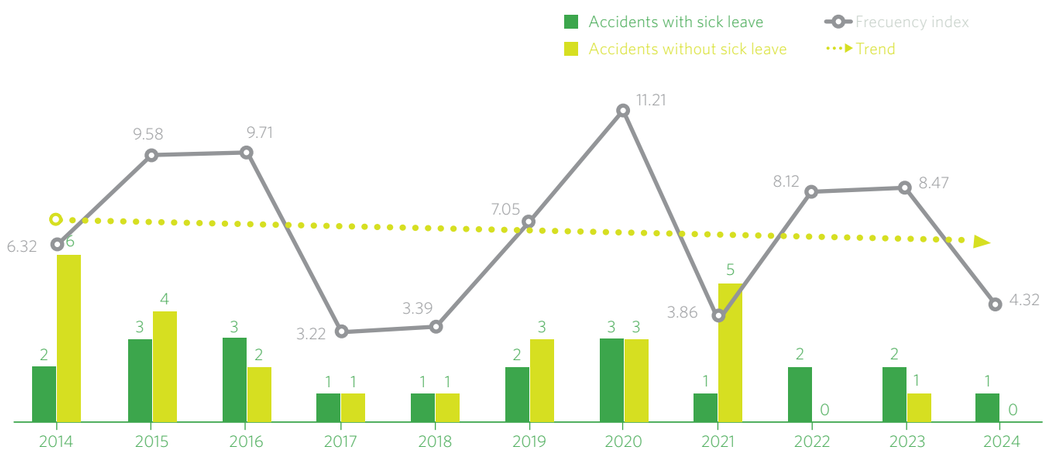
Evolution of the percentage of women in MRG's workforce



Evolution of maternity and paternity leaves at MRG



Evolution of the number of non-commuting accidents at MRG over the last ten years



Frequency index: number of lost-time accidents (excluding commuting accidents) per million hours worked.
Severity index: number of lost workdays due to lost-time accidents (excluding commuting accidents) per thousand hours worked.

4.6 Occupational Health and Safety

In the 2024 financial year, Madrileña Red de Gas has remained aligned with the level of business excellence associated with maintaining certification of its management system according to the ISO 45001:2018 standard. In this regard, the most notable aspects include:

- A strong commitment to training in prevention to ensure that all employees of Madrileña Red de Gas receive the necessary education, covering the company's various workforce groups.
- Control over documentation from contractors and subcontractors.
- In collaboration with the mutual insurance company, distribution of various informational brochures on different occupational risk prevention topics, such as night and shift work, workplace harassment, and manual handling of loads, among others.

Likewise, true to the department's commitment to achieving continuous improvement throughout the organisation in occupational risk prevention management, and following the spirit of transparency, the legal occupational risk prevention audit was voluntarily conducted during 2024.

Regarding workplace incidents, throughout the year there was a single recorded accident resulting in leave, which was not commuting-related, but caused by overexertion.

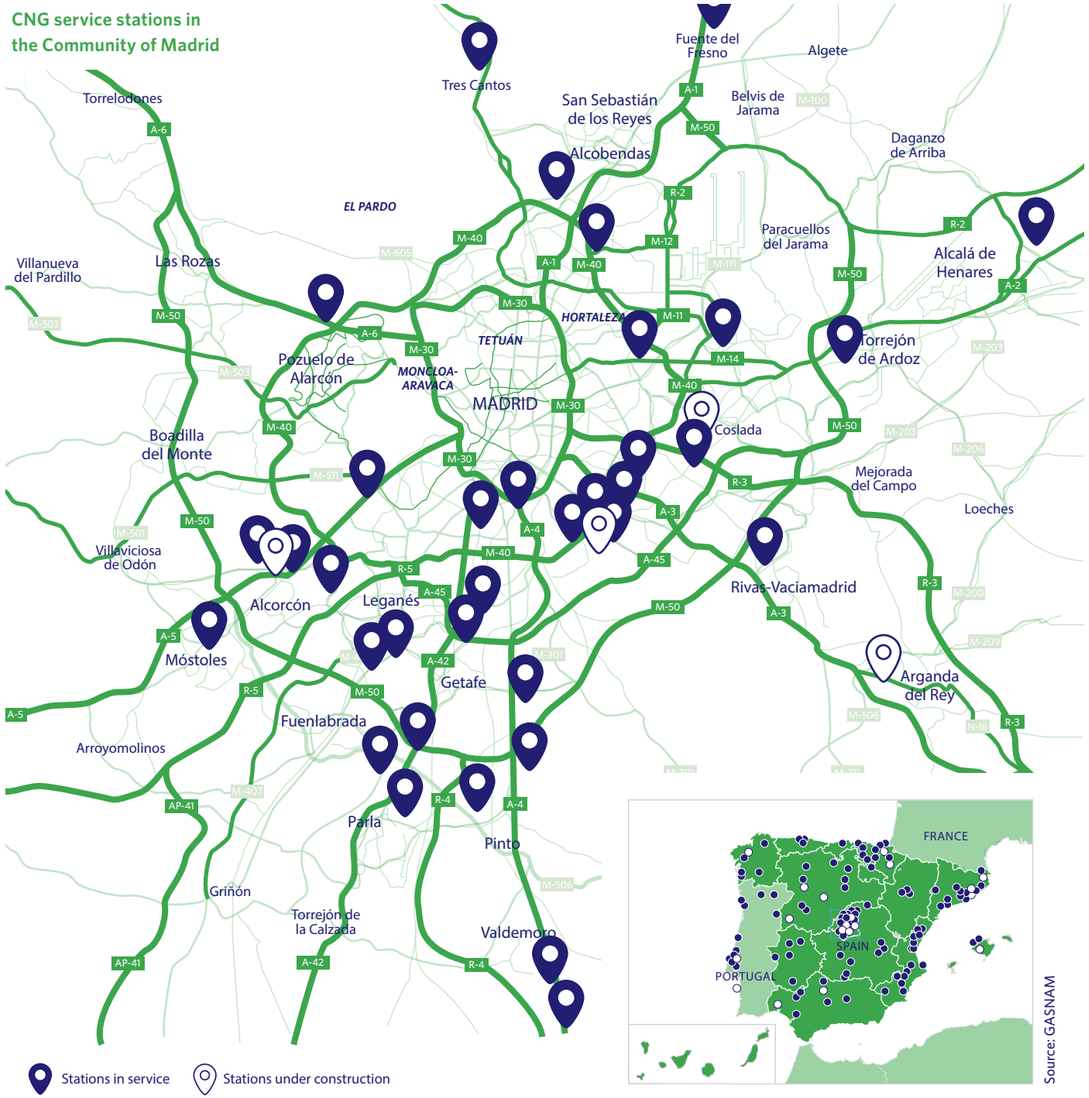
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Gas and society

Madrileña Red de Gas continues to advance its commitment to the decarbonisation of the energy sector by leveraging its existing infrastructure to integrate green gases such as biomethane and green hydrogen. In 2024, the company signed the first connection contract for a production plant for the injection of biomethane into its network and has continued to drive several green energy projects, including the Inspira Madrid and Pryconsa projects.

Additionally, the company remains steadfast in its commitments under the Oil & Gas Methane Partnership (OGMP 2.0) initiative of the United Nations Environment Program (UNEP) for methane emissions reduction, achieving a significant carbon footprint reduction exceeding 15% compared to the previous financial year. These advances position Madrileña Red de Gas as a key player in the energy transition and in meeting the European Net Zero targets.

CNG service stations in the Community of Madrid



Source: GASNAM

5.1 Natural Gas for Vehicles (NGV)

The year 2024 has continued to be a significant one for the use of natural gas as a vehicle fuel. According to data from the Gasnam-Neutral Transport Association, natural gas consumption in mobility increased by 38%, with the majority of this growth driven by maritime transport.

Regarding land transport, natural gas consumption has stabilised, mainly due to a lack of vehicle models, especially passenger cars for private use. However, consumption in professional fleets has remained stable, with truck sales increasing by 4%.

It is important to highlight that approximately 40% of natural gas vehicles sold in Spain are sold in Madrid.

Given the environmental benefits and efficiency of NGV, there is a clear commitment from municipalities to reduce their carbon footprint. Many are opting for CNG vehicles for street cleaning and waste collection, thereby contributing to the reduction of CO_2 and NO_x emissions.

An example of this is the municipality of Torrejón de Ardoz, where a CNG refuelling station was inaugurated in the Las Monjas Industrial Park. This station, equipped with eight filling points, supplies vehicles used for city cleaning. Its construction was funded by the company that was awarded the cleaning contract, with the aim of improving and modernising the service provided.

Similarly, Valoriza Servicios Medioambientales has built another CNG station in Majadahonda to comply with the terms of the contract signed with the Local Council and to continue improving the service in that town. This station began operating at the end of 2024.

approximately 40% of natural gas vehicles sold in Spain are sold in Madrid

Thus, there are now in total 22 NGV stations —thirteen public and nine private— supplied from Madrileña Red de Gas networks.

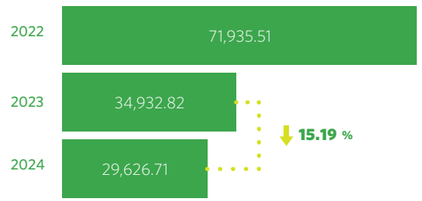
5.2 Environment

During 2024, the core focus of Madrileña Red de Gas's environmental performance has been on maintaining the processes that underpin its environmental management system. This has enabled the company to retain ISO 14001 certification, collect environmental management indicators, verify its carbon footprint report, engage in dialogue with stakeholders, and continue its membership in the Oil and Gas Methane Partnership (OGMP 2.0), as well as achieve the «Gold Standard Pathway» certification.

Furthermore, for the third consecutive year, a third-party verification of the 2023 Carbon Footprint Calculation (Scopes 1, 2, and 3) was conducted in accordance with ISO 14064 standard, alongside verification of the Sustainability Report following GRI standards, which encompass extensive environmental reporting requirements.

Madrileña Red de Gas has succeeded in reducing its total carbon footprint by more than 15% compared to the previous

Evolution of Madrileña Red de Gas's total carbon footprint
(Carbon Footprint Absolute Value tCO_2e)



Since 2023, Madrileña Red de Gas has been a member of the OGMP 2.0 initiative, the United Nations Environment Programme (UNEP) for the mitigation and reporting of methane emissions in the oil and gas industry

year, a significant achievement that reinforces its commitment to the European Union's climate targets and actively contributes to the fulfilment of the «Fit for 55» plan for 2030 and the «Net Zero» climate neutrality target for 2050.

On the other hand, as in previous years, the identification and evaluation of compliance with applicable environmental legislation requirements have been managed through a dedicated application. Additionally, progress has continued steadily with the reporting of contaminated soil from dismantled LPG plants. In this regard, many property owners have already been notified of the conclusions of the administrative resolutions related to this process.

OGMP 2.0 Initiative

Since 2023, Madrileña Red de Gas has been a member of the OGMP 2.0 initiative, the United Nations Environment Programme (UNEP) for the mitigation and reporting of methane emissions in the oil and gas industry. This initiative aims to establish a new global standard for measuring methane emissions, thereby facilitating their monitoring and enabling the development of reduction plans, while ensuring transparency.

Furthermore, the OGMP 2.0 project will serve as a framework for the European Commission to develop a legislative proposal on the mandatory measurement, reporting, and verification of all methane emissions in the energy sector. To date, more than 150 companies with assets across five continents have joined the alliance, representing 37% of global oil and gas production.

During 2024, in response to the requirements of European Union Regulation 2024-1787 on methane emissions reduction and the commitments made to the OGMP organisation, Madrileña Red de Gas initiated an evaluation of technologies for detecting and quantifying methane emissions in the distribution network. Initially, a selection of suppliers was conducted, and a comparative analysis was prepared with the aim of carrying out two pilot tests to monitor the network using vehicle-based technology.

Use of hydrogen at Madrileña Red de Gas offices

With the aim of demonstrating the use of hydrogen as an energy source for heating and domestic hot water (DHW), in 2023 Madrileña Red de Gas signed an agreement with the boiler manufacturer Vaillant to install a prototype hydrogen-ready boiler.

This unit, the same size as its commercial natural gas equivalent, is capable of producing hot water from hydrogen. The boiler was installed in a room designated as a rest area for employees, providing both heating and hot water to the space. It represents the first hydrogen boiler in operation in the Community of Madrid and the second in Spain.

The installation assembly was carried out as if it were a natural gas boiler, in accordance with current legislation and using the same materials and installation procedures.

The boiler uses 100% hydrogen supplied from an external storage, where, after a pressure regulation stage, the hydrogen reaches the boiler at a pressure of 22 mbar. This demonstrates that existing installations are capable of transporting hydrogen, opening the door to decarbonising heating through the use of renewable hydrogen. Although it is not yet able to use hydrogen and natural gas mixtures, the manufacturer is working towards that capability.

Throughout this financial year, the facility has received numerous external visits, including technical staff from the Ministry for the Ecological Transition and the Demographic Challenge (MITECO), representatives from the CNMC, associations such as CONAIF and AGREMIA, as well as various housing developers and installers.

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Inspira Madrid Project

Obtaining European Funding

During 2023, efforts were focused on submitting the Inspira Madrid project to the Connecting Europe Facility (CEF) funding call, specifically related to the transport sector. This mechanism is a financial instrument created by the European Commission to develop the Trans-European Network, with a focus on alternative fuels infrastructure (AFIF).

After evaluating the proposals, the European Climate, Infrastructure and Environment Agency (CINEA) selected

Of the four Spanish projects selected by CEF AFIF, Inspira Madrid was the only one dedicated to hydrogen generation and refuelling infrastructure in Spain

42 projects for the 2023 call, with a proposed funding amount of € 424 million. In this call, the European Union's CEF AFIF will support the construction of 4,200 electric charging points and 48 hydrogen refuelling stations. Of the four Spanish projects selected by CEF AFIF, Inspira Madrid was the only one dedicated to hydrogen generation and refuelling infrastructure in Spain.

Based on compliance with the criteria of priority and urgency, maturity, quality and impact, and scalability, Inspira Madrid has secured up to € 7.3 million in funding from the European CEF Transport program. Alongside the approval of additional financing from the Instituto de Crédito Oficial (ICO, Official Credit Institute), the grant agreement was signed mid-year with the European Climate, Infrastructure and Environment Executive Agency (CINEA), confirming the award of the aid.

Current project status

The support from the European Union through the granting of CEF funding has propelled the project into new development phases. Together with Sacyr Proyecta, the project has initiated the preparation of the Advanced Basic Engineering prior to the construction phase. In parallel, work is ongoing with the Community of Madrid to advance permits and obtain environmental authorisation for the hydrogen production plant.

With the strategic advice of PwC, the search for hydrogen consumers for mobility in the Community of Madrid is reflected in the numerous contacts and meetings held by the project development team. The correct location of hydrogen refuelling stations is crucial to the project's success, aiming to align demand with sites that are easily accessible from major transport routes.

It is also worth highlighting the close collaboration between Inspira Madrid and Toyota through agreements aimed at facilitating access to hydrogen vehicles, specifically the Toyota Mirai. The agreement reached will provide a promotional discount on the vehicle's price, bringing hydrogen mobility closer to a larger number of users during the project's initial stage.

Pryconsa Project

The construction of the housing development, where the hydrogen-ready boiler will be installed, began in 2024. The final equipment to be installed will be a central boiler from the Bosch brand.

This boiler, the first of its kind installed in Spain, can be adapted to operate with different blends of hydrogen and natural gas. Starting with 100% natural gas, the boiler has the capacity to modulate and operate with various mixtures of both gases, including the capability to use 100% hydrogen and 100% biomethane.

Connected to the distribution network, the boiler will begin operation using natural gas and, being enabled for hydrogen use, will have the capability to utilize green hydrogen when required.

New Deal Studies

Spanish natural gas distribution companies have been working on the development of a decarbonisation strategy as an alternative to the current high-electrification approach. To this end, they have been advised by PwC.

The scenario developed, called the «New Deal», outlines a pathway to decarbonise Spain driven by green gases, in contrast to current proposals, shaped by an energy policy focused almost exclusively on electrification. The New Deal aims to achieve a balanced development of both electrification and green gases, maximising the use of existing infrastructure. As a result, thermal uses can be decarbonised 11% faster over the long term, with cost efficiencies of € 73 billion for the end user and total investments of € 172 billion compared to the current baseline scenario.

Short-term conclusions (2035)

The technological availability of green gases provides cost efficiency, certainty, and speed to the decarbonisation process.

The New Deal results in a reduction of € 22 billion (32%) in additional costs, driven primarily by the residential sector. The tertiary and industrial sectors also show significant savings: € 1.3 billion (33%) and € 2.3 billion (14%), respectively. At the same time, investment targets are eased, with less complex requirements and a lower volume of renewable energy deployment.

The New Deal aims to achieve a balanced development of both electrification and green gases, maximising the use of existing infrastructure

The greater development of green gases accelerates by 3.4% the reduction of cumulative emissions until 2035. The New Deal emerges as the most consistent and balanced option for short-term decarbonisation of the economy. It offers flexibility to the end user and enables a safer, faster, and more economically efficient decarbonisation process.

Long-term conclusions (2050)

The results of the study indicate that the New Deal is the most cost-efficient and emissions-reducing option in the long term. It enables a reduction of € 73 billion (56%) in additional costs, making it the most competitive option for the residential and industrial sectors, while matching electrification in the tertiary sector.

Moreover, this scenario allows for a faster decarbonisation process, achieving an 11.4% reduction in cumulative emissions by 2050.

In 2024, the first connection contract was signed for a production plant to inject biomethane into the Madrileña Red de Gas network

The strong participation and positive reception demonstrate the interest of future engineers in green hydrogen, reinforcing the activities conducted under the collaboration agreement

Biomethane

Procedure for connecting biomethane plants

In 2024, the CNMC Resolution dated 19 April 2024 was published, establishing the procedure for managing the connection of biomethane generation plants to the transmission or distribution network.

This procedure aims to regulate the connections of biomethane generation plants to the natural gas transmission and distribution network. In compliance with this resolution, during 2024 a tool to manage these connection requests was launched on the Madrileña Red de Gas website. In the «New Energies» section, users can access information about biomethane and hydrogen, request information on the injection of green gases into the distribution network, and dispel biased or preconceived ideas surrounding hydrogen and biomethane, among other content.

Signing of the first connection contract on the Madrileña Red de Gas network

In 2024, the first connection contract was signed for a production plant to inject biomethane into the Madrileña Red de Gas network . The biomethane will be produced at a landfill site, where the biogas generated will undergo an upgrading process and the resulting biomethane will be injected into the network.

This milestone represents a first step in the company's distribution network decarbonisation, allowing biomethane to be directly supplied to current natural gas consumers. Injection of this renewable gas into the Madrileña Red de Gas network is expected to begin in 2026.

Collaboration with Francisco de Vitoria University

Within the framework of the collaboration agreement established with the Universidad Francisco de Vitoria (UFV), aimed at developing green hydrogen technology from research to implementation and development, various actions have been carried out.

At the end of the year, a conference was organised for UFV engineering students. Addressing the challenges in distribution and supply for the energy transition, the event allowed future engineers to learn about the obstacles faced in hydrogen project development and about the current situation in the sector, and to ask questions and express concerns about this energy source.

The strong participation and positive reception demonstrate the interest of future engineers in green hydrogen, reinforcing the activities conducted under the collaboration agreement.

Additionally, this agreement has enabled two final-year engineering students from UFV to join the Expansion team at Madrileña Red de Gas as interns, allowing them to have their first contact with biomethane and hydrogen projects.

6

Results

Profit and losses[1] (€M)

	2023	2024
Remuneration	119.7	117.8
Other revenue	37.2	35.5
EBITDA[2]	114.0	113.0
EBIT	80.9	77.1
Net profit	44.3	39.7

1 Consolidated profit and loss account according to IFRS.
2 Excluding non-recurrent expenses.

6.1 Summary of Results

Compared to the previous year, 2024 was characterized by a decrease in gas prices, as well as relatively warmer winter temperatures in the area where Madrileña Red de Gas operates. In this context, the company closed the financial year with a 4% increase in total demand compared to the previous year, reflecting a recovery in consumption volume that had previously been affected by gas price volatility.

According to data from the gas system operator, ENAGAS, in 2024 total natural gas consumption in the conventional market reached 237.1 TWh, representing a 3.2% increase compared to 2023. The demand recorded by the company experienced a higher increase in percentage terms, thus consolidating its market position.

The company generated revenues of € 117.8 million from regulated remuneration, 2% below that of 2023, despite a regulatory cut of € 17.2 million applied during the year, which is 30% higher than the cut applied the previous year.

MRG's main activity —natural gas distribution— is a regulated activity, with regulatory periods spanning six years. The year 2024 marked the fourth year of the 2021-e regulatory period, with the gas year closing on 30 September.

The remuneration for distribution activities is the company's main source of income. This compensation is calculated annually based on a parametric formula and varies according to growth in supply points and the demand for gas transported through the grid.

According to quarterly reports for 2024 published by the National Markets and Competition Commission (CNMC), MRG continues to grow in the number of natural gas supply points within its area of influence.

At the end of 2024, Madrileña Red de Gas was distributing gas to a total of 909,915 supply points, of which 906,763 corresponded to natural gas and 3,152 to LPG. The company's growth strategy remains focused on profitable and sustainable expansion within its territorial scope.

Other pillars supporting its growth strategy are the company's efforts to address the risks and opportunities arising from the necessary energy transition. In the case of Madrileña Red de Gas, this is linked to its capacity to distribute green gases, such as hydrogen and biogas.

6.2 Operating Results

The operating results presented reflect MRG's consolidated activity, in accordance with International Financial Reporting Standards (IFRS), providing a comprehensive view of the group's operations and balance sheet structure. The companies included within the consolidation perimeter are MRG SAU, MRG Finance BV, Aliara Energía SA, Aliara GLP SLU, Elisandra Spain V SLU and Elisandra Spain IV SL.

The consolidated EBITDA for 2024 amounted to € 113 million, virtually in line with the previous year's result. Revenues decreased by 2%, with the impact of the greater regulatory cut largely offset by a recovery in demand, higher revenue from periodic inspections according to the scheduled review cycle, improvements in gas loss management, and efficiencies achieved in other operational areas.

The net profit reached € 39.7 million, representing a 10% decrease compared to the previous year, due to higher extraordinary expenses and financial costs as a result of the formalised debt restructuring, whereby on 1 July 2024 the sole shareholder, Elisandra Spain V, SLU, replaced MRG SAU as guarantor of the bonds issued by MRG Finance BV, assumed the debtor position of the € 225 million syndicated loan, replacing MRG SAU, and obtained an additional bank loan of € 180 million, not drawn down as at 31 December 2024.

6.3 Revenue

The company has generated revenues amounting to € 153.3 million. Of the total consolidated revenues, 94% originated from regulated activities.

Out of the total revenues, € 137.3 million were derived from the regulated natural gas business, while € 6.5 million came from the LPG activity. The remaining € 9.4 million originated from non-regulated activities carried out mainly by Aliara Energía.

Within the natural gas business, 84% was contributed by the regulated remuneration of the distribution activity, comprising the amount established by the CNMC Resolutions of 30 May 2023 and 23 May 2024, as well as the company's management best estimate of the remuneration corresponding to the last quarter of 2024, which corresponds to the 2025 gas year.

The remaining 16% refers to other services related to the natural gas distribution activity, such as meter rental, periodic inspections, and other services offered to consumers.

6.4 Financial Position and Balance Sheet

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

Financial strength is a core pillar of MRG's strategy. The company maintains strong levels of solvency and liquidity, consistent with an investment grade credit rating. Its financial structure is efficient in the long term.

In financial year 2024, consolidated gross debt totalled € 900 million, with maturities scheduled for the years 2027, 2029 and 2031.

Additionally, the group has a bank loan of € 180 million —maturing in 2027 and undrawn as of 31 December 2024—, which is intended to refinance the € 300 million bond maturing in April 2025, as well as a contingent credit facility of € 75 million, maturing in February 2027, which is in line with the company's actual funding needs for the coming years.

The flexible dividend policy is another key feature that gives MRG greater adaptability and, therefore, greater financial strength.

Of the group's total debt, € 675 million has been issued by MRG Finance BV on the regulated market of Luxembourg under an EMTN programme. This debt is rated as investment grade (BBB-) by the rating agencies Standard and Poor's and DBRS, which was upgraded in 2024 from BBB (low) to BBB (stable).

Balance sheet (€M)

	2023	2024
Gas distribution licenses & other intangibles	1,573.2	1,573.2
Tangible fixed assets	326.0	307.7
Total fixed assets for distribution network	**1,899.2**	**1,880.8**
Deferred tax assets	14.3	14.3
Other non-current assets	3.4	2.7
Current assets	39.8	48.5
Cash at bank	70.0	126.6
Total assets	**2,026.7**	**2,072.9**
Net equity	752.0	788.3
Long term debt	897.2	596.6
Deferred tax liabilities	317.4	326.5
Other non-current liabilities	29.5	29.6
Current liabilities	30.5	331.8
Total liabilities & net equity	**2,026.7**	**2,072.9**

Consolidated cash flow (€M)

	2023	2024
EBITDA	114.0	113.0
Corporate tax	– 3.9	– 0.5
Working capital	– 14.0	– 16.2
Capex	– 13.9	– 13.2
Free cash flow	82.2	83.1
Debt service	– 40.8	– 24.5
Free cash flow after debt service	41.4	58.6

6.5 Cash Flow from Operations

The operating cash flow amounted to € 83 million, compared to € 82 million in the previous year. This figure includes the payment of extraordinary expenses totalling € 3.1 million as a result of the debt restructuring formalised on 1 July 2024.

Free cash flow after debt service was € 58.6 million, higher than the previous year when considering the effect of the repayment of the € 20 million drawn from the contingent credit facility (RCF) in 2023.

The lower deficit generated by the system as of 31 December 2024, compared to the same period in the previous year, led to an increase in cash compared to 2023. However, this effect was offset by a reduction in cash received as remuneration, resulting from adjustments made by the CNMC to the amounts initially recognised for the 2023 and 2024 financial years, due to lower demand than initially estimated.

Capex (€M)

	2023	2024
Expansion	9.5	9.3
Other	4.4	3.9
Total	13.9	13.2

6.6 Investments

During 2024, investment amounted to € 13.2 million, compared to € 13.9 million in 2023. The company continues to invest steadily in its own networks and other projects, as well as in the conversion of supply points from LPG to natural gas. Given their nature, the investments can be classified into the following categories:

Expansion

MRG invested € 9.3 million, of which € 7.1 million was allocated to the expansion of the natural gas network and € 2.2 million to the LPG to natural gas conversion plan.

Other projects

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

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