



**Naturgy** 

**AGM2024**

2 April 2024



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- 1.** Naturgy today
- 2.** Year review
- 3.** Scenario in 2023
- 4.** Results in 2023
- 5.** Contribution to energy transition
- 6.** Priorities 2024



1

Naturgy today

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## 180 years in the energy sector

Contributing to economic and social development in the countries where we operate, and working to offer the best services

1843

Pioneer in public lighting in Spain

1955

Accelerator of the transition from city gas to natural gas

1969

First delivery in Spain of natural gas in liquid form by vessel

1972

Signing of gas procurement contract with Algeria

1992

Company's internationalization

2002

First CCGT built in Spain

2009

Relevant increase of electricity in business mix<sup>1</sup>

2018

Company's transformation plan

2023

Commitment to the energy transition

**Note:**

1. Following acquisition of Unión Fenosa

THE  
ENERGY  
THAT BRINGS US  
TOGETHER  
1843 · 2023

## Naturgy today

Global energy group present in the gas and power value chains

Global presence in all continents

>20 countries

Total assets

~€38,000m



- > Installed capacity: **17 GW**
  - Renewable 40%
- > Power generated: **44 TWh**
  - Renewable 30%

**Power generation**



- > Energy distributed: **410 TWh**
- > Connection points: **16 million**
- > Networks: **293,000 km**

**Energy distribution**



- > Energy supplied: **270 TWh**
- > Customers: **18 million**

**Energy supply**

## Strong values to support all stakeholders

Transforming the world through energy

Promoting opportunities of the energy transition

*Forward Vision*

Generating value from businesses and responding rigorously to all stakeholders

*Excellence Driven*

Commitment to people

*People Oriented*

Commitment to the environment and society

*One Planet*





2

Year review

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## Year review

2023

### Continuous adaptation to the environment



#### Volatile scenario

- > High correlation between gas and power prices
- > Decline of energy prices towards historical averages
- > Ongoing and frequent regulatory developments



#### Solid results

- > Improved profitability and key management variables
- > Strong cash flow generation reinforces balance sheet and reduces indebtedness
- > Pushing investment that doubles dividend figure



#### Contribution to energy transition

- > Substantial increase of renewable generation capacity
- > Reinforced security of long-term gas supply at competitive prices
- > Boost to the new transition vector: renewable gases





3

Scenario in 2023

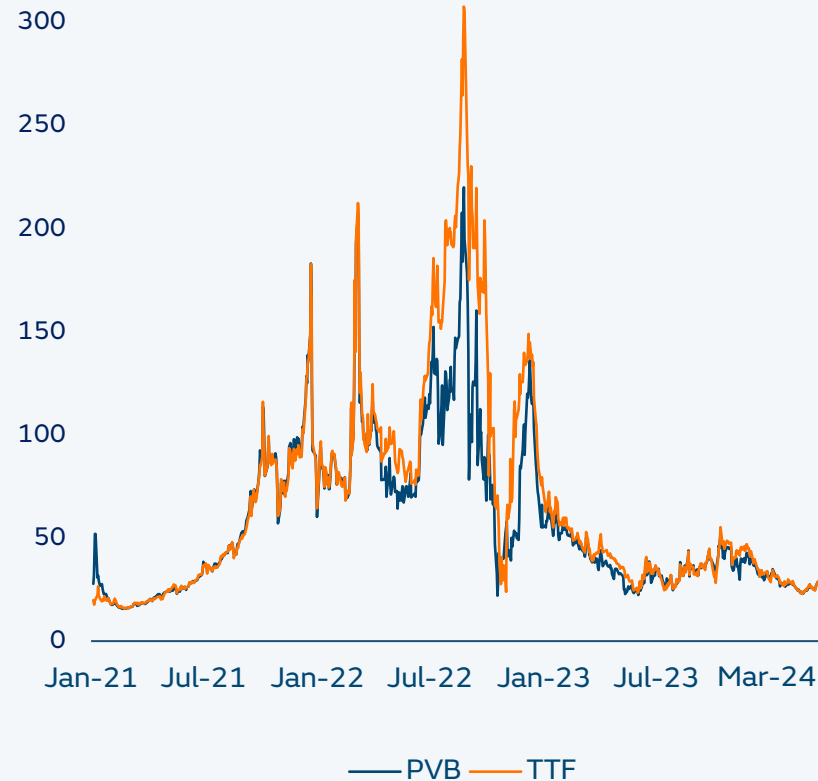
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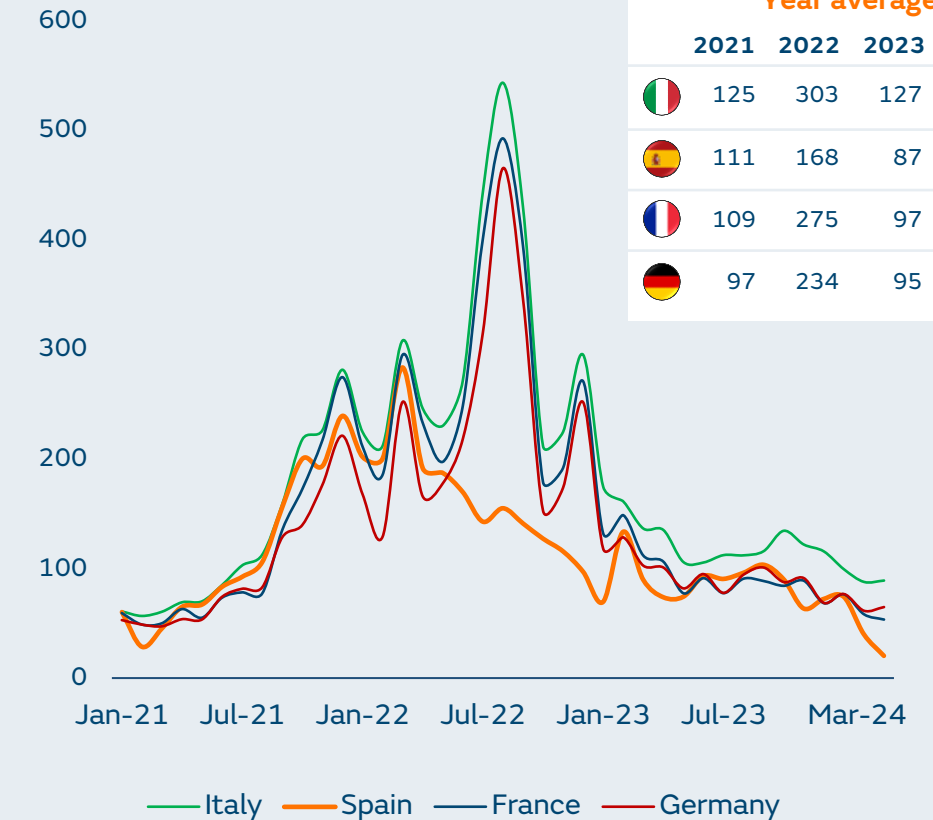
# Gas and power prices evolution in Europe

Spain electricity prices the most competitive in Europe in 2023

Gas prices<sup>1</sup> evolution (€/MWh)



Wholesale electricity prices evolution in Europe (€/MWh)

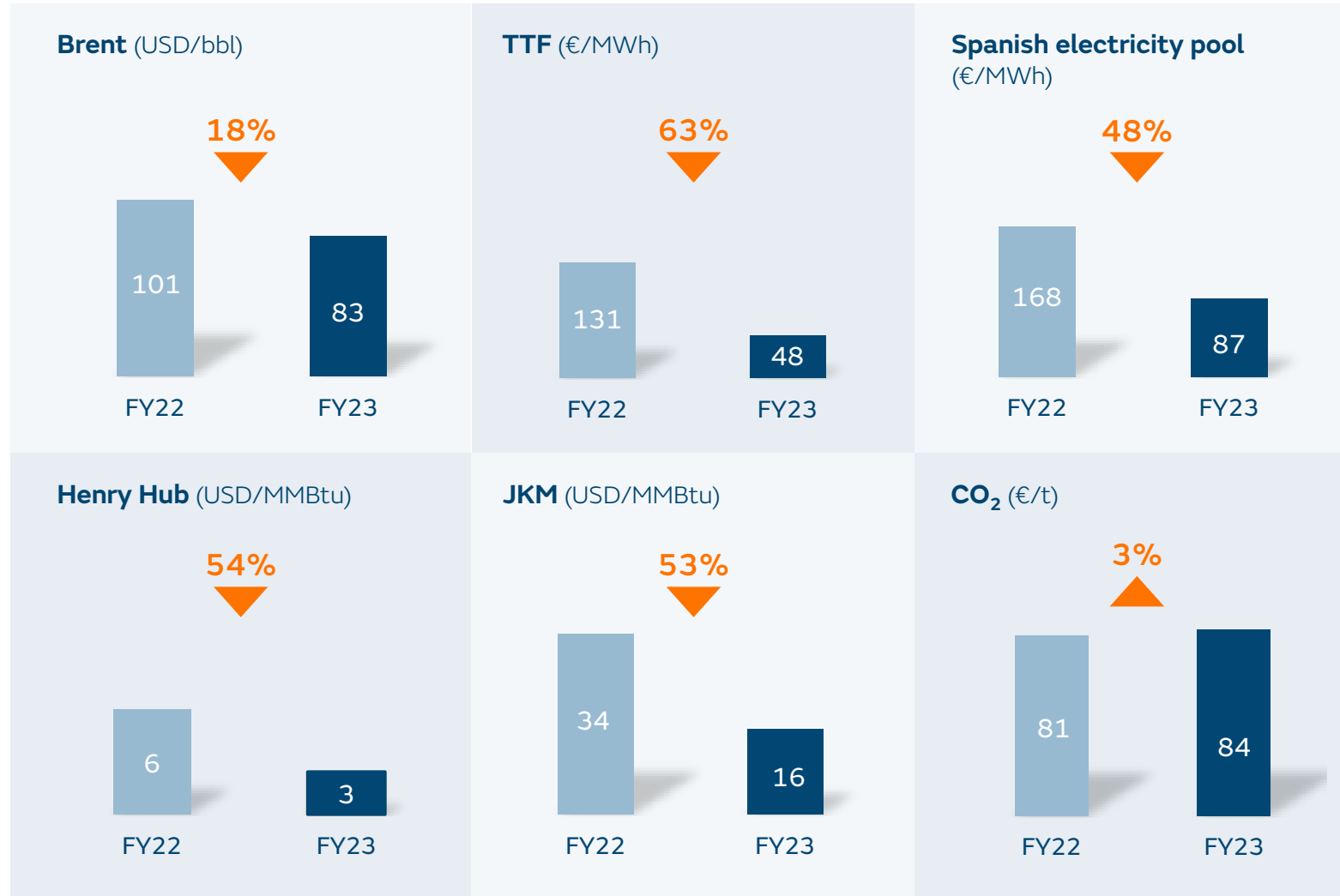


Source:  
Heren, OMIE, GME, EPEX, Eurostat

Note:  
1. Day ahead prices

## Energy markets evolution

Decreasing gas and power prices<sup>1</sup> towards historical average levels



Source:  
Platts, Heren, Bloomberg, ICE, OMIE











Note:  
1. Average prices for the period



## Main regulatory measures and proposals

### Ongoing regulatory developments in 2023



 <p>Fit for 55 package</p>	 <p>European electricity market reform</p>	 <p>Exceptional emergency measures to reinforce energy system stability</p>	  <p>Exceptional income tax</p>	 <p>Temporary cap on regulated gas tariff increases (TUR)</p>
 <p>“Iberian exception” cap on gas prices for CCGTs output</p>	 <p>Infra-marginal generation price cap</p>	 <p>Protection measures on vulnerable clients</p>	 <p>Modified PVPC methodology</p>	 <p>Updated 2023-30 PNIEC draft</p>



4

Results in 2023

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## Key figures

Net sales

**€22,617m**

EBITDA

**€5,475m**

Net income

**€1,986m**

Tax contribution

**€982m**

Cash flow generated

**€5,377m**

Investment

**€2,944m**

Dividends

**€1,451m**

Net debt

**€12,090m**

## Contribution to results

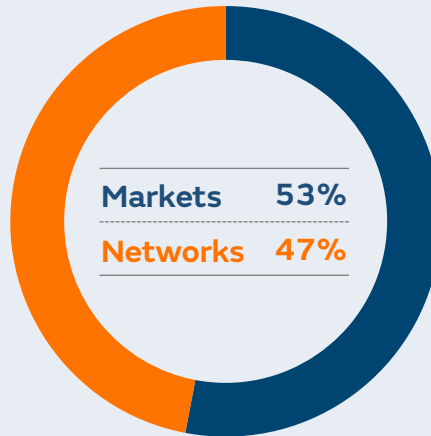
Balanced EBITDA contribution between businesses

EBITDA (€m)

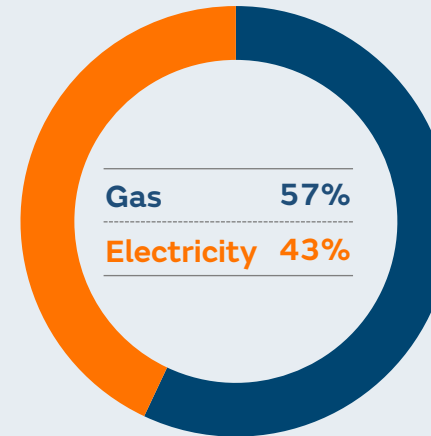
**5,475**

### Breakdown

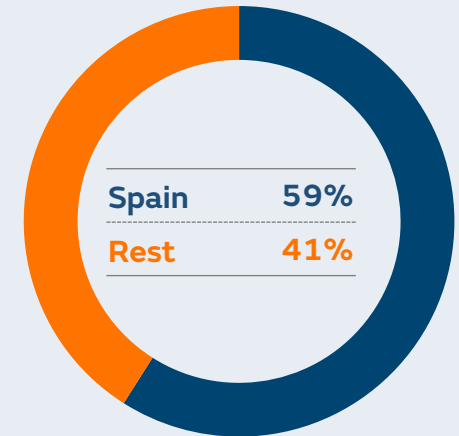
#### Businesses



#### Activities



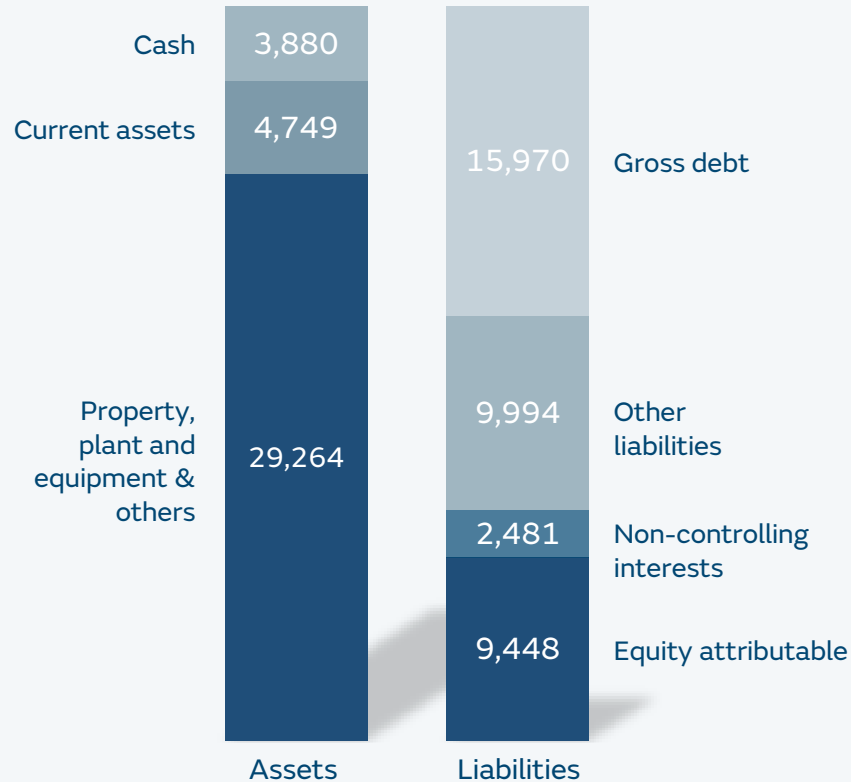
#### Geographies



## Solid balance sheet of €37,893m

**Solid balance sheet with ample liquidity**

Balance sheet as of 31 December 2023 (€m)



Robust balance sheet metrics

**Net debt/EBITDA**  
2023 **2.2x**

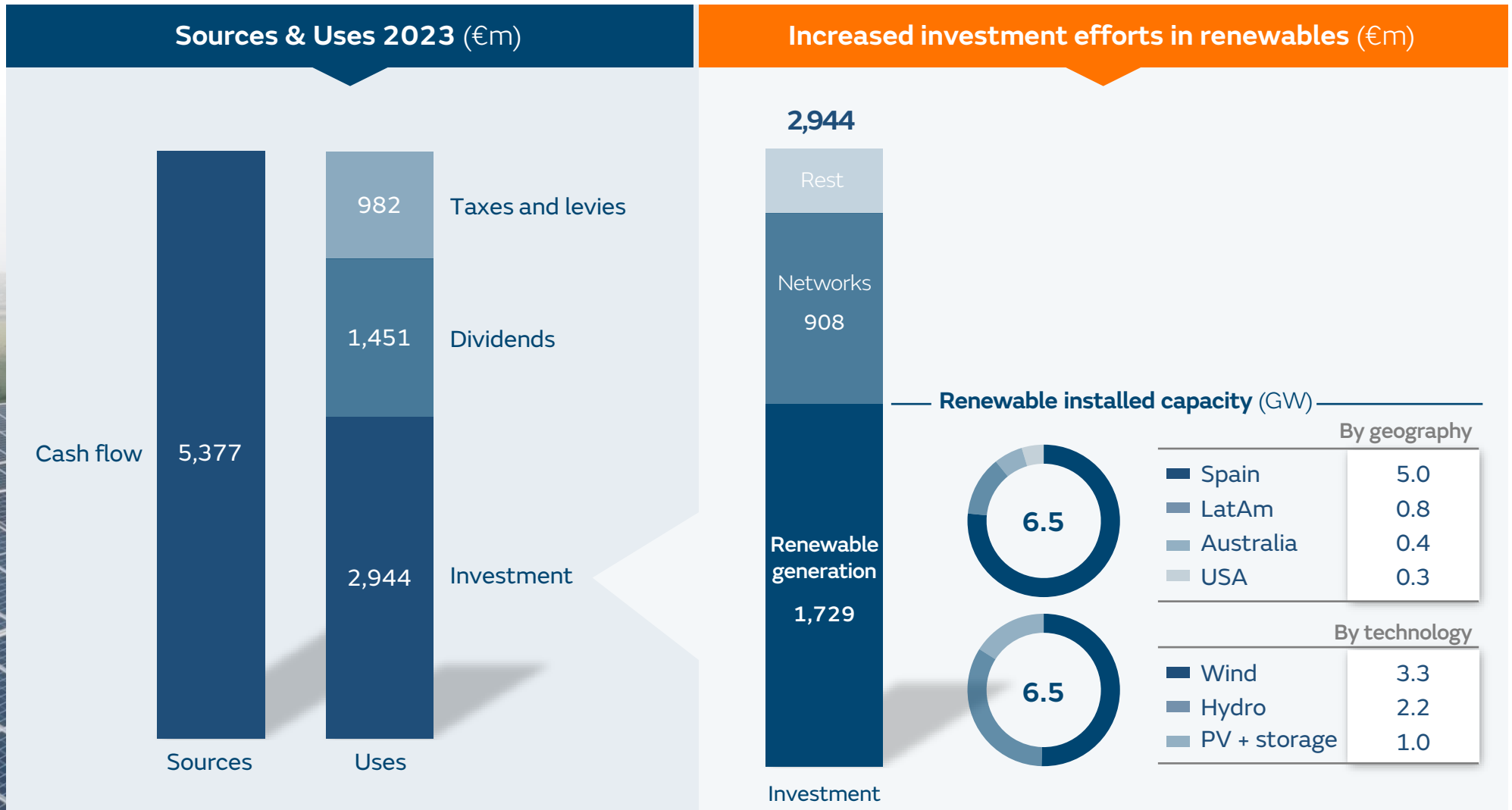
**Rating**  
S&P / Fitch **BBB**

**Liquidity**  
available **>€10,000m**



# Prudent capital allocation of €5,377m

€2,944m were dedicated to investment



## Shareholder remuneration

Final dividend  
as committed

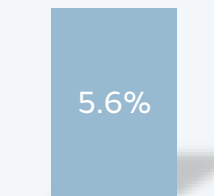
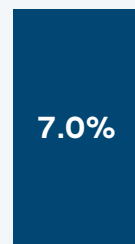
Total dividend 2023: 1.40 €/share

✓ 1<sup>st</sup> int. 2023  
**0.50**  
August-23

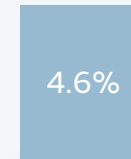
✓ 2<sup>nd</sup> int. 2023  
**0.50**  
November-23

2023 final  
**0.40**  
9 April-24

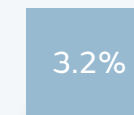
Dividend yield (as of 31 March 2024)



€Stoxx Utilities



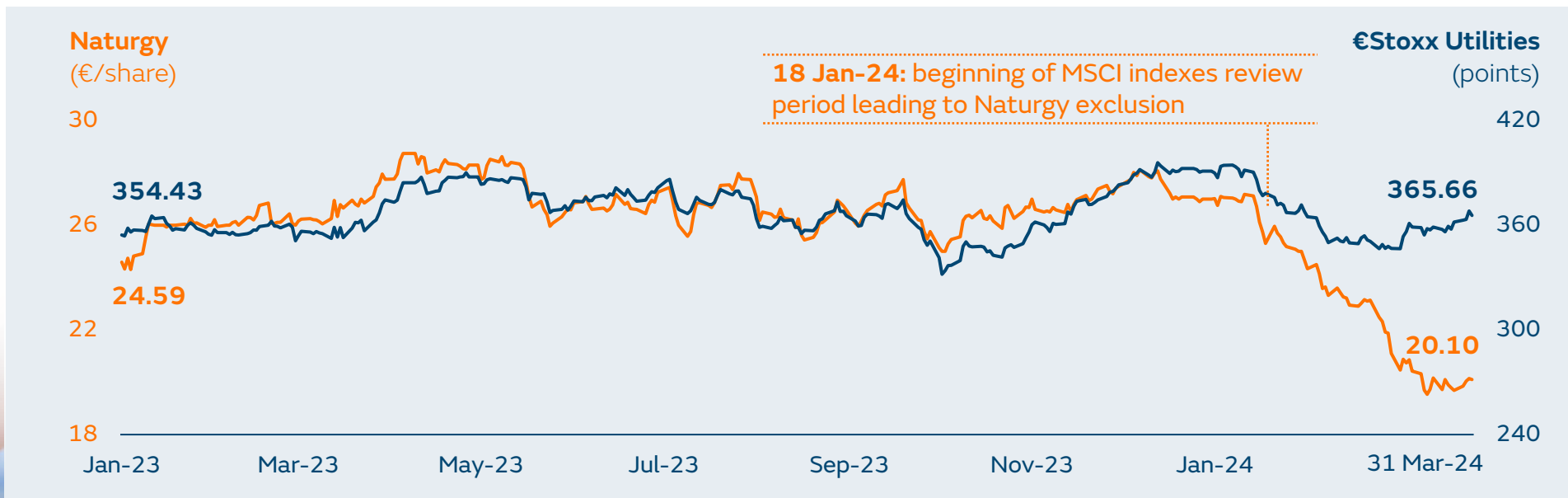
Ibex 35



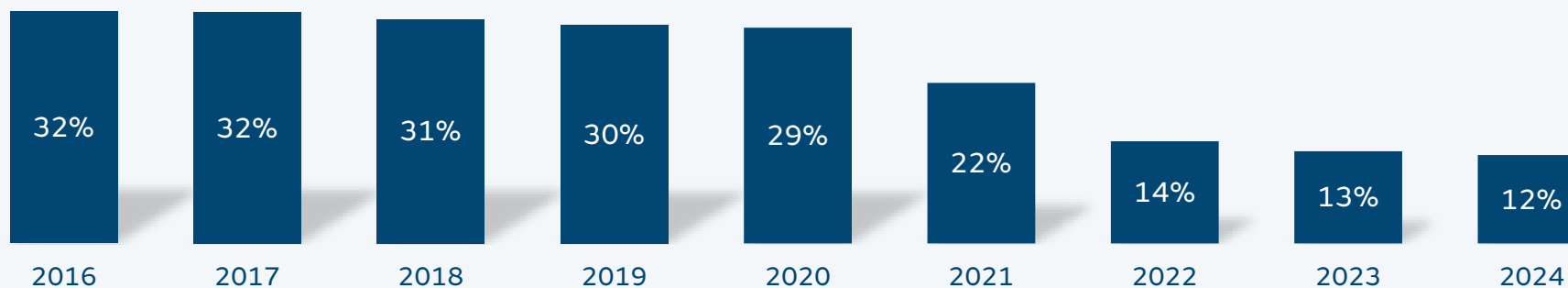
€Stoxx 50

## Share price performance and free float evolution

Reduced free float led to exclusion from MSCI indexes



Free float evolution (annual average)





5

Contribution to  
energy transition

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# Naturgy: a key player in addressing the energy trilemma during 2023

Security of supply at competitive prices



## Security of supply

- > Energy distributed: 410 TWh
- > Energy supplied: 270 TWh
- > 23 CCGTs groups to guarantee security of supply



## Competitive prices

- > Spain electricity prices the most competitive in Europe
- > Naturgy adjusted the price for more than 2 million customers



## Sustainability

- > Renewables represent 40% of current installed capacity
- > Current pipeline to push commitment to energy transition:
  - >19 GW renewable pipeline
  - >4 TWh / year of biomethane production projects



# ESG progress during 2023

Advancing in decarbonization

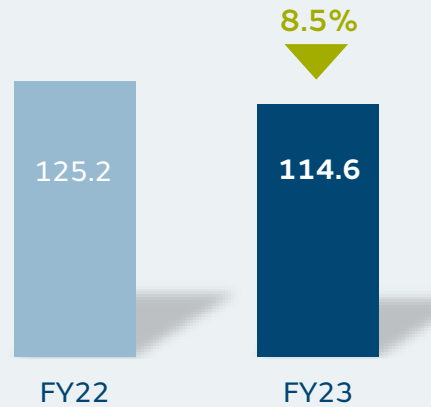
Economic contribution and support to vulnerable customers

Implementation of governance best practices



## Environment

CO<sub>2</sub> emissions evolution (MtCO<sub>2</sub> eq)

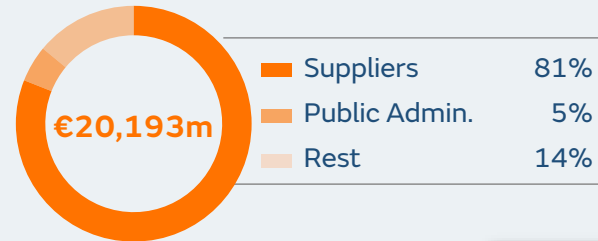


	FY22	FY23
Biodiversity projects	345	353
Emissions-free installed capacity	37%	41%



## Social

Economic value distributed



	FY23
Women in management positions	36%

## Naturgy's Foundation

Energy vulnerability plan since its creation

>250,000 people

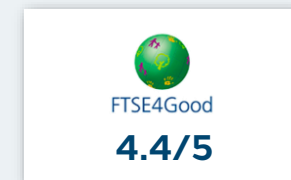


## Governance

Management remuneration ESG linked

	FY22	FY23
Management remuneration ESG linked	10%	20%

## ESG recognitions and indexes





6

Priorities 2024

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## Priorities 2024

**Continue** with proactive regulatory management

**Strengthen** distribution networks and progress on gas networks decarbonization

**Adapt** gas contracts to reflect current market conditions

**Achieve** the recognition of CCGTs critical role

**Execute** growth plan in renewable generation

**Growth** in renewable gases, particularly in biomethane

**Improve** our customers' experience

**Continue** the solid progress on all ESG matters



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[www.naturgy.com](http://www.naturgy.com)



Av. de América 38, Madrid