



NATURGY FINANCE B.V.

(incorporated with limited liability in the Netherlands)

Guaranteed by

NATURGY ENERGY GROUP, S.A.

(incorporated with limited liability in the Kingdom of Spain)

euro 12,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

This supplement (the “**Supplement**”) to the Base Prospectus dated 15 December 2023 (the “**Base Prospectus**”) constitutes a supplement pursuant to Article 23(1) of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and is prepared in connection with the €12,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Naturgy Finance B.V. (the “**Issuer**”), and guaranteed by Naturgy Energy Group, S.A. (the “**Guarantor**” and, together with its consolidated subsidiaries, the “**Group**”). Capitalised terms and expressions used in this Supplement shall, save to the extent otherwise defined therein, have the meanings given to them in the Base Prospectus.

On 28 May 2024, the Issuer completed a statutory cross-border conversion pursuant to Directive (EU) 2019/2121 and the relevant implementing legislation in the Netherlands and Spain and whereby the Issuer, without being dissolved or wound up or going into liquidation, transferred its registered office from the Netherlands to Spain and converted its legal form from a Dutch limited company (B.V. or *besloten vennootschap*) to a Spanish limited company (S.A. or *sociedad anónima*). As a result, the name of the Issuer has changed from “Naturgy Finance B.V.” to “Naturgy Finance Iberia, S.A.” and, accordingly, all references to “Naturgy Finance B.V.” in this Base Prospectus shall be replaced with references to “Naturgy Finance Iberia, S.A.”.

The Base Prospectus as supplemented by this Supplement constitutes a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the European Council of 14 June 2017 (the “**Prospectus Regulation**”) and was approved in Luxembourg by the Commission de Surveillance du Secteur Financier (the “**CSSF**”) in its capacity as competent authority under the Prospectus Regulation for the approval of the Base Prospectus. This Supplement constitutes a supplement to the Base Prospectus for the purpose of article 23(1) of the Prospectus Regulation.

The CSSF only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer, the Guarantor or of the quality of the Notes.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus. Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Supplement. The information contained in this Supplement is, to the best of the knowledge of each of the Issuer and the Guarantor, in accordance with the facts and this Supplement contains no omission likely to affect the import of such information.

This Supplement has been produced for the purposes of supplementing the sections entitled (i) “*Important Notices*” (page iii *et seq.* of the Base Prospectus); (ii) “*General Description of the Programme*” (page 1 *et*

seq. of the Base Prospectus); (iii) “*Risk Factors*” (page 8 *et seq.* of the Base Prospectus); (iv) “*Documents incorporated by reference*” (page 26 *et seq.* of the Base Prospectus) in order to incorporate by reference the 2023 Annual Consolidated Financial Report of Naturgy Energy Group, S.A., including the English language translation of the audited consolidated annual accounts as at and for the year ended 31 December 2023 together with the audit report thereon and the 2023 Annual Accounts of Naturgy Finance Iberia, S.A., including the audited consolidated annual accounts as at and for the year ended 31 December 2023 together with the audit report thereon; (v) “*Conversion of Naturgy Finance B.V.*” (page 30 *et seq.* of the Base Prospectus); (vi) “*Description of Naturgy Finance B.V.*” (page 125 *et seq.* of the Base Prospectus); (vii) “*Description of Naturgy Energy Group, S.A.*” (page 127 *et seq.* of the Base Prospectus); (viii) “*Taxation and Disclosure of Information in Connection with the Notes*” (page 140 *et seq.* of the Base Prospectus) and (ix) “*General Information*” (page 155 *et seq.* of the Base Prospectus).

With effect from the date of this Supplement, the information set out in, or incorporated by reference into, the Base Prospectus shall be amended and/or supplemented, as the case may be, in the manner described below.

Save as disclosed in this Supplement, there has been no other significant new factor and there is no material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus.

To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any other statement in or incorporated by reference into the Base Prospectus, the statements referred to in (i) above will prevail.

A copy of this Supplement and the document incorporated by reference will be available on the website of the Guarantor (www.naturgy.com) as well as on the website of the Luxembourg Stock Exchange (www.luxse.com).

IMPORTANT NOTICES

The text set out below shall replace, by virtue of this Supplement, in its entirety the third paragraph on page iii of the Base Prospectus:

“References herein to “*Conditions*” are to the *Terms and Conditions of Notes issued by the Issuer on or following the Effective Date of Conversion*. See “—*Conversion of Naturgy Finance B.V.*” below and the section entitled “*Conversion of Naturgy Finance B.V.*” in this Base Prospectus. All references to the *Terms and Conditions of Notes issued by the Issuer prior to the Effective Date of Conversion* shall be disregarded.”

The text set out below shall replace, by virtue of this Supplement, in its entirety the last paragraph of the section entitled “*Alternative Performance Measures*” on page vi of the Base Prospectus:

“For the definitions and reconciliations of such APMs, see “Alternative performance metrics” in Appendix I to the consolidated annual directors’ report of the Guarantor for the years ended 31 December 2023 and 2022 and Appendix I of the interim consolidated directors’ report of the Guarantor for the six-month period ended 30 June 2023 (the “**Interim Consolidated Directors’ Report 2023**”), which are all incorporated by reference in this Base Prospectus.”

The text set out below shall replace, by virtue of this Supplement, in its entirety the sub-section entitled “*Conversion of Naturgy Finance B.V.*” on page vi of the Base Prospectus:

“On 30 November 2023, the board of directors of the Issuer agreed to effectuate a statutory cross-border conversion to be carried out pursuant to Directive (EU) 2019/2121 and the relevant implementing legislation in the Netherlands and Spain and whereby the Issuer, without being dissolved or wound up or going into liquidation, transfers its registered office from the Netherlands to Spain and converts its legal form from a Dutch limited company (*B.V.* or *besloten vennootschap*) to a Spanish limited company (*S.A.* or *sociedad anónima*). On 28 May 2024, completion of the Conversion occurred by means of the registration of the Conversion with the Madrid Commercial Registry. See the section entitled “*Conversion of Naturgy Finance B.V.*” for more information.

Consequently, the Terms and Conditions included in this Base Prospectus on pages 31 to 65 (*Terms and Conditions of Notes issued by the Issuer prior to the Effective Date of Conversion*) no longer apply and shall be disregarded. With effect from the date of this Supplement, the Terms and Conditions included in this Base Prospectus on pages 66 to 100 (*Terms and Conditions of Notes issued by the Issuer on or following the Effective Date of Conversion*) shall apply to any Notes issued by the Issuer under the Programme.

Furthermore, all references to “Naturgy Finance B.V.” in this Base Prospectus shall be replaced with references to “Naturgy Finance Iberia, S.A.”.

GENERAL DESCRIPTION OF THE PROGRAMME

The text set out below shall replace, by virtue of this Supplement, in its entirety the section entitled “General Description of the Programme” on pages 1 to 6 of the Base Prospectus:

“The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this document and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in “Form of the Notes”, “Terms and Conditions of Notes Issued by the Issuer on or following the Effective Date of Conversion” and “Conversion of Naturgy Finance B.V.”, as applicable, below shall have the same meanings in this overview.

Issuer:	Naturgy Finance Iberia, S.A.
LEI:	2138005FTXOJUBQ5J563
Guarantor:	Naturgy Energy Group, S.A.
Description:	Euro Medium Term Note Programme
Arranger:	Citigroup Global Markets Europe AG
Dealers:	Banco Bilbao Vizcaya Argentaria, S.A. Banco Santander, S.A. Barclays Bank Ireland PLC BNP Paribas CaixaBank, S.A. Citigroup Global Markets Europe AG Crédit Agricole Corporate and Investment Bank HSBC Continental Europe ING Bank N.V. Intesa Sanpaolo S.p.A. J.P. Morgan SE Morgan Stanley Europe SE MUFG Securities (Europe) N.V. Société Générale UniCredit Bank GmbH

and any other dealer appointed from time to time by the Issuer either in respect of the Programme generally in or in relation to a particular Tranche (as defined below) of Notes only.

Agent:	Citibank, N.A., London Branch
Amount:	Up to euro 12,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) aggregate principal amount of Notes outstanding at any time. The Issuer and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Subject to applicable selling restrictions, Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Currencies:	<p>Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer, the Guarantor and the relevant Dealer including but not limited to euro, U.S. dollars, Yen and Sterling.</p> <p>Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.</p>
Maturities:	<p>Such maturities as may be agreed between the Issuer, the Guarantor and the relevant Dealer and as indicated in the applicable final terms for such issue of Notes (the “Final Terms”), subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer, the Guarantor or the relevant Specified Currency.</p> <p>Unless permitted by then current laws and regulations, where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 by the Issuer.</p>
Issue Price:	<p>Notes may be issued at an issue price which is at par or at a discount to, or premium over, par. The issue price and the nominal amount of the relevant tranche of Notes will be determined before filing of the relevant Final Terms of each Tranche on the basis of the prevailing market conditions.</p>
Form of Notes:	<p>Each Tranche of Notes will initially be represented by a temporary global note (“Temporary Global Note”) which will:</p> <ul style="list-style-type: none"> (i) if the global Notes are intended to be issued in new global note (“NGN”) form, as stated in the applicable Final Terms, be delivered on or prior to the relevant Issue Date to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking, S.A. (“Clearstream, Luxembourg”); or (ii) if the global Notes are not intended to be issued in NGN form, be delivered on or prior to the relevant Issue Date to a common depositary (the “Common Depositary”) for Euroclear and Clearstream, Luxembourg. <p>Interests in each Temporary Global Note will be exchanged either for interests in a permanent global Note (“Permanent Global Note”) or definitive Notes (as indicated in the applicable Final Terms) in either case not earlier than 40 days after the Issue</p>

Date upon certification of non-U.S. beneficial ownership as required by U.S. Treasury Regulations.

Each Permanent Global Note will be exchangeable, unless otherwise specified in the applicable Final Terms, in whole but not in part for definitive Notes in accordance with its terms. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and for any other agreed clearance system as appropriate.

Fixed Rate Notes: Fixed interest will be payable on such date or dates as may be agreed between the Issuer, the Guarantor and the relevant Dealer (as indicated in the applicable Final Terms) and on redemption.

Floating Rate Notes: Floating Rate Notes will bear interest at a rate determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the relevant ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. (“ISDA”), and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or

(iii) on such other basis as may be agreed between the Issuer, the Guarantor and the relevant Dealer,

as indicated in the applicable Final Terms.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer, the Guarantor and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate, or both (as indicated in the applicable Final Terms).

Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to the issue by the Issuer, the Guarantor and the relevant Dealer(s), will be payable on the first day of the next Interest Period or, in the case of the final Interest Payment Date, on the Maturity Date specified in the applicable Final Terms and will be calculated in accordance with the relevant Day Count Fraction or as otherwise indicated in the applicable Final Terms.

Interest Periods for Floating Rate Notes: Such period(s) as the Issuer, the Guarantor and the relevant Dealer may agree (as indicated in the applicable Final Terms).

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.

Redemption: Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer, failing which the Guarantor at its Final Redemption Amount on the Maturity Date (in the case of a Note other than a Floating Rate Note) or on the Specified

Interest Payment Date falling in the Redemption Month (in the case of a Floating Rate Note). Such Final Redemption Amount in respect of any Note shall be its principal amount or such higher amount as may be specified in the relevant Final Terms.

The Final Terms relating to each Tranche of Notes will indicate either that such Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below) or for taxation reasons or following an Event of Default) or that such Notes will be redeemable prior to their stated maturity at the option of the Issuer and/or the Noteholders.

The Final Terms may provide that such Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Notes which have a maturity of less than one year may be subject to restrictions on their denomination and distribution. See “*Maturities*” above.

Denominations of Notes:

Definitive Notes will be in such denominations as may be specified in the relevant Final Terms, save that: (i) the minimum denomination of each Note will be such amount as may be allowed or required, from time to time, by the relevant regulatory authority or any laws or regulations applicable to the relevant Specified Currency; and (ii) the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances that require the publication of a prospectus under the Prospectus Regulation will be euro 100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

So long as the Notes are represented by a Temporary Global Note or Permanent Global Note and the relevant clearing system(s) so permit, the Notes will be tradeable only (a) if the Specified Denomination stated in the relevant Final Terms is “euro 100,000 (or its equivalent in another currency)”, in the authorised denomination of euro 100,000 (or its equivalent in another currency) and integral multiples of euro 100,000 (or its equivalent in another currency) thereafter, or (b) if the Specified Denomination stated in the relevant Final Terms is “euro 100,000 (or its equivalent in another currency) and integral multiples of euro 1,000 (or its equivalent in another currency) in excess thereof”, in the minimum authorised denomination of euro 100,000 (or its equivalent in another currency) and higher integral multiples of euro 1,000 (or its equivalent in another currency), notwithstanding that no definitive Notes will be issued with a denomination above euro 199,000 (or its equivalent in another currency).

Taxation on Notes:

Subject to certain exceptions, all payments in respect of Notes issued by the Issuer will be made without deduction for or on account of withholding taxes. See Condition 10 (*Taxation*) of the “*Terms and Conditions of Notes Issued by the Issuer on or following the Effective Date of Conversion*”.

Status of the Notes:

The Notes will constitute direct, unconditional, unsubordinated and (subject to the Negative Pledge referred to below) unsecured obligations of the Issuer and will rank *pari passu* without any preference among themselves and (subject to any applicable

statutory exceptions) at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer.

Status of the Guarantee: The Notes will be unconditionally and irrevocably guaranteed by the Guarantor pursuant to a deed of guarantee (the “**Deed of Guarantee**”).

The obligations of the Guarantor under the Deed of Guarantee will constitute direct, unconditional unsubordinated and (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Guarantor and (subject to any applicable statutory exceptions) will rank at least *pari passu* with all other present and future outstanding, unsecured and unsubordinated obligations of the Guarantor.

Cross-Default: The Notes will contain a cross-default in respect of Relevant Indebtedness (as defined in Condition 4 (*Negative Pledge*)) of the Issuer or the Guarantor and certain of their subsidiaries.

Negative Pledge: The Notes will have the benefit of a negative pledge in respect of Relevant Indebtedness of the Issuer, the Guarantor and certain of their subsidiaries. The negative pledge is subject to permitted security interests which include, but are not limited to, certain security interests created in respect of the project finance activities of the Group. For the details of the negative pledge provision, please refer to Condition 4 (*Negative Pledge*).

Rating: Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating assigned to Notes already issued. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation on credit rating agencies will be disclosed in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Listing and Admission to Trading: Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and to be listed on the official list of the Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms.

The Final Terms relating to each issue will state on which stock exchange(s) the Notes are to be listed.

Governing Law: Save as otherwise set out in the paragraph below, the conditions of the Notes will be governed by, and construed in accordance with, English law.

Condition 2 (*Status of the Notes*) and Condition 3 (*Status of the Deed of Guarantee*) will be governed by Spanish law. In addition, the Notes will be issued in accordance with the formalities prescribed by Spanish law.

Selling Restrictions:

There are local and worldwide selling restrictions in relation to the laws of the United States, the European Economic Area (including the Republic of Italy, Spain and The Netherlands), the United Kingdom, Switzerland, Japan and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “*Subscription and Sale*”.

The Notes are Category 2 for the purposes of Regulation S under the Securities Act.”

RISK FACTORS

Both the Issuer and the Guarantor consider advisable, pursuant to Article 23(1) of the Prospectus Regulation, to update the section entitled “*Risk Factors*” on pages 8 to 25 of the Base Prospectus. To that end, and by virtue of this Supplement, the following risk factor set forth under “(I) *Risk factors that may affect the Issuer’s and the Guarantor’s ability to fulfil their obligations under the Notes*” shall be replaced in its entirety with the wording set out further below:

“Risks related to increasing levels of taxes in certain jurisdictions where the Group operates” on page 10 and 11 of the Base Prospectus and set forth under “1. *Legal and regulatory risks*”

“In the context of the current uncertain macroeconomic environment, and as a response to rising consumer prices, certain governments have introduced certain measures, including temporary taxes (“windfall taxes”) on companies and/or financial institutions that are deemed to have made unreasonably high profits due to unusually favourable market factors (such as global commodity prices or interest rates hikes).

In December 2022, the Spanish Parliament approved Law 38/2022, of 27 December, which among other measures, created a temporary levy on energy and credit institutions for an initial period of two years. The levy on energy companies includes a 1.2% tax on the aggregated net turnover (*importe neto de la cifra de negocios*) from the activity carried out in Spain for the years 2022 and 2023 with certain adjustments and is payable in 2023 and 2024 (with a carveout for (i) companies below a €1 billion revenue threshold in 2019; and (ii) companies with energy revenues below 50% of total revenues in 2017, 2018 and 2019). However, this tax has been extended for an additional year according to Royal Decree 8/2023, of 27 December. This tax is not deductible for Corporate Income Tax purposes and cannot be passed on to customers.

In addition, energy sector is subject to a unique tax framework. It is common to see specific taxes on profit and production and on product consumption.

Any of the above measures could materially and adversely impact the Group’s profits and, as a result, have a material adverse effect on the Group’s business, prospects, financial condition and results of operations.”

DOCUMENTS INCORPORATED BY REFERENCE

Both the Issuer and the Guarantor consider advisable, pursuant to Article 23(1) of the Prospectus Regulation, to update the section entitled “*Documents Incorporated by Reference*” on pages 26 to 29 of the Base Prospectus. To that end, and by virtue of this Supplement, the following documents shall be added as new paragraphs (M) and (N) in the list of documents on page 26 of the Base Prospectus and the cross-reference list on pages 27 to 29 of the Base Prospectus.

“In case of the document listed under (M) in the table below:

<https://www.naturgy.com/ccaa-consolidadas-ENG.pdf>

In case of the document listed under (N) in the table below:

https://stpropwebcorporativangy.blob.core.windows.net/uploads/2024/04/Naturgy-Finance-FS23_StampedAR.pdf

The page references indicated for documents (M) and (N) below are to the page numbering of the electronic copy of such document as available at the links set forth above.

Information incorporated by reference	Page references
(M) The sections listed below of the 2023 Annual Consolidated Financial Report of Naturgy Energy Group, S.A., including the English language translation of the audited consolidated annual accounts as at and for the year ended 31 December 2023 together with the audit report thereon:	
(a) <i>Independent Auditors’ report on the consolidated annual accounts</i>	2-9
(b) <i>Consolidated annual accounts of Naturgy Energy Group, S.A. and subsidiaries comprising the Naturgy Energy Group, S.A. Group for the financial year 2023:</i>	10-190
- Consolidated balance sheet at 31 December 2023.....	13
- Consolidated income statement for the year ended 31 December 2023	14
- Consolidated statement of comprehensive income for the year ended 31 December 2023	15
- Statement of changes in consolidated equity for the year ended 31 December 2023	16
- Consolidated cash flow statement for the year ended 31 December 2023.....	17
- Notes to the consolidated annual accounts for 2023.....	18-154
- Appendices.....	155-190
(c) <i>Annual Consolidated Directors’ Report 2023</i>	191-756
(N) The annual report of Naturgy B.V. as at and for the year ended 31 December 2023:	
(a) <i>Annual Report</i>	3-17
- Management Board Members Report	3-14
- Supervisory Board Report	15-17
(b) <i>Financial Statements</i>	18-51
- Balance Sheet as of 31 December 2023	18
- Statement of Income for the year ended 31 December 2023	19
- Notes to the financial statements for the year ended 31 December 2023	20-51
(c) <i>Other Information to the financial statements for the year ended 31 December 2023</i>	52
(d) <i>Independent auditor’s report</i>	54-62”

CONVERSION OF NATURGY FINANCE B.V.

The text set out below shall replace, by virtue of this Supplement, in its entirety the section entitled “*Conversion of Naturgy Finance B.V.*” on page 30 of the Base Prospectus:

“On 30 November 2023, the board of directors of the Issuer agreed to effectuate a statutory cross-border conversion to be carried out pursuant to Directive (EU) 2019/2121 and the relevant implementing legislation in the Netherlands and Spain and whereby the Issuer, without being dissolved or wound up or going into liquidation, transfers its registered office from the Netherlands to Spain and converts its legal form from a Dutch limited company (*B.V.* or *besloten vennootschap*) to a Spanish limited company (*S.A.* or *sociedad anónima*) (the “**Conversion**”).

In connection with the Conversion, the Issuer prepared common draft terms of conversion (the “**Conversion Proposal**”). On 11 December 2023, the Conversion Proposal was filed with the Dutch Chamber of Commerce and made available at the offices of the Issuer and a notification was published on 14 December 2023 in the Dutch State Gazette (*Staatscourant*) (the “**Conversion Notice**”). The Issuer also published a regulatory announcement on the Luxembourg Stock Exchange which is available at <https://www.naturgy.com/en/shareholders-and-investors/investors/fixed-income/euro-medium-term-notes-programme-emtn/> (the “**Regulatory Announcement**”). The Conversion Proposal, Conversion Notice and Regulatory Announcement do not form part of this Base Prospectus and are not incorporated by reference in it.

From the date of the Conversion Notice, two periods commenced, namely (i) a four-week waiting period before the general meeting of the sole shareholder of the Issuer may resolve upon the Conversion and (ii) a three month creditor opposition period (together, the “**Conversion Process**”).

On 1 February 2024, the Guarantor, as sole shareholder of the Issuer, resolved to effect the Conversion. On the same day, a Dutch notary issued a pre-conversion certificate, as referred to in Section 2:3351 of the Dutch Civil Code, confirming that all procedural rules and formalities under Dutch law to effect the Conversion have been observed and complied with.

On 28 May 2024, completion of the Conversion occurred by means of the registration of the Conversion with the Madrid Commercial Registry (the “**Effective Date of Conversion**”).

Consequently, as at the date of this Supplement, the Issuer is a limited liability company (*sociedad anónima*) governed by the laws of Spain, under the name Naturgy Finance Iberia, S.A. and with its registered office at Avenida de América, 38, 28028, Madrid, Spain. Pursuant to Directive (EU) 2019/2121 and the relevant implementing legislation in the Netherlands and Spain, the assets and liabilities of the Issuer prior to the Effective Date of Conversion, including all contracts, credits, rights and obligations, remain those of the Issuer.”

DESCRIPTION OF NATURGY FINANCE IBERIA, S.A.

The text set out below shall replace, by virtue of this Supplement, in its entirety the section (including the heading) entitled “*Description of Naturgy Finance B.V.*” on page 125 to 126 of the Base Prospectus:

“DESCRIPTION OF NATURGY FINANCE IBERIA, S.A.

Incorporation and Status

The Issuer was incorporated on 26 November 1993 under the name Union Fenosa Finance B.V. and operates under Spanish law as a limited liability company (*sociedad anónima*) registered at the Commercial Registry of Madrid at Volume 0, Folio 0, Page M-823704. On 23 March 2012, its name changed from Union Fenosa Finance B.V. to Gas Natural Fenosa Finance B.V. Its name changed to Naturgy Finance B.V. pursuant to an amendment to its articles of association on 6 August 2018. As a result of the Conversion, Naturgy Finance B.V. became Naturgy Finance Iberia, S.A. on 28 May 2024. See “—*Conversion*” below. The registered office of the Issuer is at Avenida de América 38, Madrid, 28028, Spain and the telephone number is +34 91 589 34 50. The Legal Entity Identifier of the Issuer is 2138005FTXOJUBQ5J563. The Issuer’s website is www.naturgy.com.

Organisational Structure and Share Capital

The Issuer is a wholly-owned subsidiary of the Guarantor. As at the date of this Supplement, the authorised share capital of the Issuer is €90,756 represented by 200 registered shares having a nominal value of €453.78 each, numbered 1 to 200. The share capital of the Issuer is fully subscribed and paid up. The Issuer has no subsidiaries.

Business

The Issuer was incorporated to facilitate the raising of finance for the Group.

The objectives of the Issuer are to raise funds by issuing financial debt instruments, including ordinary or subordinated debt.

Directors

On 8 March 2024, in the context of the Conversion, the members of the Issuer’s Board of Management and of the Supervisory Board resigned and appointed Mr. Enrique Berenguer Marsal as sole director of the Issuer.

The sole director of the Issuer has the ultimate responsibility for the administration of the affairs of the Issuer. The position of the sole director in the Issuer and his principal activities outside of the Issuer as at the date of this Base Prospectus are as follows:

<u>Name</u>	<u>Position in the Issuer</u>	<u>Principal activities outside the Issuer</u>
Enrique Berenguer Marsal	Sole Director	Finance Director of the Group

The business address of the sole director of the Issuer is Avenida Diagonal 525, Barcelona, 08029, Spain.

Conflicts of Interest

There are no conflicts of interest between any duties owed by the sole director of the Issuer to the Issuer and his private interests and/or duties.

Conversion

On 30 November 2023, the board of directors of the Issuer agreed to effectuate a statutory cross-border conversion to be carried out pursuant to Directive (EU) 2019/2121 and the relevant implementing legislation in the Netherlands and Spain and whereby the Issuer, without being dissolved or wound up or going into liquidation, transfers its registered office from the Netherlands

to Spain and converts its legal form from a Dutch limited company (*B.V.* or *besloten vennootschap*) to a Spanish limited company (*S.A.* or *sociedad anónima*). On 28 May 2024, completion of the Conversion occurred by means of the registration of the Conversion with the Madrid Commercial Registry. See the section entitled “*Conversion of Naturgy Finance B.V.*” for further information.”

DESCRIPTION OF NATURGY ENERGY GROUP, S.A.

The text set out below shall be included, by virtue of this Supplement, as a new sub-section after the sub-section entitled “*Project Gemini*” in the section “*Description of Naturgy Energy Group, S.A.*” on page 130 of the Base Prospectus:

“Recent Developments

Conversion

On 28 May 2024, completion of the Conversion occurred by means of the registration of the Conversion with the Madrid Commercial Registry. For more information, see “*Conversion of Naturgy Finance B.V.*”.

Shareholders’ discussions

On 16 April 2024, the Guarantor published an inside information announcement (*comunicación de información privilegiada*) made on behalf of Criteria Caixa, S.A. Sociedad Unipersonal (***CriteriaCaixa***), one of the principal shareholders of the Guarantor, which informed the market of preliminary conversations CriteriaCaixa is holding with a potential investor who is in contact with certain other significant shareholders of the Guarantor, with respect to entering into a shareholders’ agreement with such potential investor.

Furthermore, on 17 April 2024, the Guarantor published an inside information announcement (*comunicación de información privilegiada*) on behalf of the Abu Dhabi National Energy Company, PJSC (***TAQA***), an international energy and water group whose shares are listed on the Abu Dhabi Securities Exchange, which confirmed that TAQA had engaged in conversations with CriteriaCaixa. The announcement also confirmed that TAQA is holding discussions with CVC and GIP, two of the other significant shareholders of the Guarantor, in relation to the possible acquisition of their shares in the Guarantor. It further informed that if such an acquisition were to occur, a mandatory takeover bid would have to be made for the entire share capital of the Guarantor, but no agreement had been reached with CriteriaCaixa, CVC or GIP to date. Finally, TAQA confirmed that it had not approached the Guarantor.”

TAXATION AND DISCLOSURE OF INFORMATION IN CONNECTION WITH THE NOTES

The text set out below shall replace, by virtue of this Supplement, in its entirety the section entitled “*Taxation and Disclosure of Information in Connection with the Notes*” on pages 140 to 148 of the Base Prospectus:

“The following is a general description of certain Spanish tax considerations. The information provided below does not purport to be a complete overview of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect.

This taxation summary solely addresses the principal Spanish tax consequences of the acquisition, the ownership and disposal of Notes issued by the Issuer after the date hereof held by a holder of Notes. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law or to the special tax regimes applicable in the Basque Country and Navarra (*Territorios Forales*). Where in this summary English terms and expressions are used to refer to Spanish concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Spanish concepts under Spanish tax law. This summary assumes that each transaction with respect to the Notes is at arm’s length.

References in this section to Noteholders include the beneficial owners of the Notes, where applicable.

Any prospective investors should consult their own tax advisers who can provide them with personalised advice based on their particular circumstances. Likewise, investors should consider the legislative changes which could occur in the future.

Introduction

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this document:

- (i) of general application, Additional Provision One of Law 10/2014, of 26 June, on supervision and solvency of credit entities (“**Law 10/2014**”) as well as Royal Decree 1065/2007 of 27 July (“**Royal Decree 1065/2007**”), as amended by Royal Decree 1145/2011 of 29 July (“**Royal Decree 1145/2011**”);
- (ii) for individuals resident for tax purposes in Spain which are subject to the Personal Income Tax (“**PIT**”), Law 35/2006 of 28 November, on the PIT and on the Partial Amendment of the Corporate Income Tax Law, the Non-Residents Income Tax Law and the Net Wealth Tax Law, as amended, and Royal Decree 439/2007 of 30 March promulgating the PIT Regulations, as amended, along with Law 19/1991 of 6 June, on Wealth Tax, Law 38/2022, of 27 December, for the Establishment of Temporary Energy Taxes and Taxes on Credit Institutions and Financial Credit Establishments and which Creates the Temporary Solidarity Tax on Large Fortunes, and Modifies Certain Tax Regulations and Law 29/1987, of 18 December on the Inheritance and Gift Tax;
- (iii) for legal entities resident for tax purposes in Spain which are subject to the Corporate Income Tax (“**CIT**”), Law 27/2014, of 27 November governing the CIT, and Royal Decree 634/2015, of 10 July promulgating the CIT Regulations; and
- (iv) for individuals and entities who are not resident for tax purposes in Spain which are subject to the Non-Resident Income Tax (“**NRIT**”), Royal Legislative Decree 5/2004, of 5 March promulgating the Consolidated Text of the NRIT Law, and Royal Decree 1776/2004 of 30 July promulgating the NRIT Regulations, along with Law 19/1991, of 6 June on Wealth Tax, Law 38/2022 of 27 December for the Establishment of Temporary Energy Taxes and Taxes on Credit Institutions and Financial Credit Establishments and which Creates the Temporary Solidarity Tax on Large Fortunes, and Modifies Certain Tax Regulations and Law 29/1987, of 18 December on the Inheritance and Gift Tax.

Whatever the nature and residence of the Noteholder, the acquisition and transfer of Notes will be exempt from indirect taxes in Spain, *i.e.*, exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September and exempt from Value Added Tax, in accordance with Law 37/1992, of 28 December regulating such tax.

Individuals with Tax Residency in Spain

Personal Income Tax (Impuesto sobre la Renta de las Personas Físicas)

Individuals with tax residency in Spain are subject to PIT on a worldwide basis. Accordingly, income obtained from the Notes will be taxed in Spain when obtained by persons that are considered resident in Spain for tax purposes. The fact that a Spanish company pays interest or guarantee payments under a Note will not lead an individual or entity being considered tax-resident in Spain.

Both interest payments periodically received and income derived from the transfer, redemption or exchange of the Notes constitute a return on investment obtained from the transfer of a person's own capital to third parties in accordance with the provisions of Article 25 of the PIT Law, and therefore must be included in the investor's PIT savings taxable base pursuant to the provisions of the aforementioned law and taxed at a flat rate of 19 per cent. on the first €6,000, 21 per cent. for taxable income between €6,000.01 and €50,000, 23 per cent. for taxable income between €50,000.01 and €200,000, 27 per cent. for taxable income between €200,000.01 and €300,000 and 28 per cent for taxable income exceeding €300,000.

As a general rule, both types of income are subject to a withholding tax on account at the current rate of 19 per cent.

However, it should be noted that Royal Decree 1065/2007 provides for information which are explained under section "*Taxation in Spain—Disclosure of Information in Connection with the Notes*" below and that, in particular, in the case of debt listed securities issued under Law 10/2014 and initially registered in a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state, as the Notes issued by Naturgy Finance Iberia, S.A.:

- (i) it would not be necessary to provide the Issuer with the identity of the Noteholders who are individuals resident in Spain for tax purposes or to indicate the amount of income attributable to such individuals; and
- (ii) interest paid to all Noteholders (whether tax resident in Spain or not) should be paid free of Spanish withholding tax provided that the information procedures are complied with.

Therefore, Naturgy Finance Iberia, S.A. understands that, according to Royal Decree 1065/2007, it has no obligation to withhold any tax amount for interest paid on the Notes corresponding to Noteholders who are individuals with tax residency in Spain provided that the information procedures (which do not require identification of the Noteholders) are complied with.

Nevertheless, Spanish withholding tax at the applicable rate (currently 19 per cent.) may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in the Spanish territory.

The amounts withheld, if any, may be credited by the relevant investors against its final PIT liability.

Net Wealth Tax (Impuesto sobre el Patrimonio)

Net Wealth Tax may be levied in Spain on resident individuals on a worldwide basis. In particular, individuals with tax residency in Spain are subject to Net Wealth Tax to the extent that their net worth exceeds €700,000 (subject to any exceptions provided under relevant legislation in an autonomous region (*Comunidad Autónoma*)). Therefore, they should take into account the value of the Notes which they hold as at 31 December each year, the applicable rates ranging between 0.2

per cent. and 3.5 per cent., although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

Temporary Solidarity Tax on Large Fortunes (Impuesto Temporal de Solidaridad a las Grandes Fortunas)

The Temporary Solidarity Tax on Large Fortunes may be levied in Spain on tax resident individuals on a worldwide basis.

In particular, individuals with tax residency in Spain are subject to the Temporary Solidarity Tax on Large Fortunes to the extent that their net worth exceeds €3,000,000. Therefore, they should take into account the value of the Notes which they hold as of 31 December each year, the applicable rates ranging between 1.7 per cent. and 3.5 per cent.

Since the autonomous regions apply the current regional Net Wealth Tax (as described above), in order to avoid double taxation, the amount paid for the current regional Net Wealth Tax should be deductible from the Temporary Solidarity Tax on Large Fortunes.

Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules. The applicable effective tax rates currently range between 0 per cent. and 81.6 per cent. depending on relevant factors.

Legal Entities with Tax Residency in Spain

Corporate Income Tax (Impuesto sobre Sociedades)

Legal entities with tax residency in Spain are subject to CIT on a worldwide basis.

Both, interest periodically received and income deriving from the transfer, redemption or repayment of the Notes constitute a return on investments for tax purposes obtained from the transfer to third parties of own capital and must be included in the profit and taxable income of legal entities with tax residency in Spain for corporation tax purposes in accordance with the CIT tax rules. The current general tax rate according to CIT Law is 25 per cent.

Pursuant to Article 61.s of the CIT Regulations, there is no obligation to make a withholding on income obtained by taxpayers subject to Spanish CIT (which for the avoidance of doubt, include Spanish tax resident investment funds and Spanish tax resident pension funds) from financial assets traded on organised markets in OECD countries. However, in the case of Notes held by a Spanish resident entity and deposited with a Spanish resident entity acting as depositary or custodian, payments of interest and income deriving from the transfer may be subject to withholding tax at the current rate of 19 per cent. Such withholding may be made by the depositary or custodian if the Notes do not comply with the exemption requirements specified in the ruling issued by the Spanish Tax Authorities (*Dirección General de Tributos*) dated 27 July 2004 (that is, placement of the Notes outside of Spain in another OECD country and admission to listing of the Notes on an organised market in an OECD country other than Spain). The amounts withheld, if any, may be credited by the relevant investors against its final CIT liability.

Notwithstanding the above, according to Royal Decree 1065/2007 (as amended), in the case of listed debt instruments issued under Law 10/2014 and initially registered in a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state (such as the Notes issued by Naturgy Finance Iberia, S.A.), interest paid to investors should be paid free of Spanish withholding tax. The foregoing is subject to certain information procedures having been fulfilled. These procedures are described in “*Taxation in Spain—Disclosure of Information in Connection with the Notes*” below.

Therefore, Naturgy Finance Iberia, S.A. considers that, pursuant to Royal Decree 1065/2007 (as amended), it has no obligation to withhold any tax on interest paid on the Notes in respect of Noteholders who are Spanish CIT taxpayer, provided that the information procedures are complied with.

However, regarding the interpretation of Royal Decree 1065/2007 (as amended) and the information procedures, please refer to section “*Risk Factors—Risks Relating to Withholding Tax*” above.

Net Wealth Tax (Impuesto sobre el Patrimonio)

Legal entities resident in Spain for tax purposes are not subject to Net Wealth Tax.

Temporary Solidarity Tax on Large Fortunes (Impuesto Temporal de Solidaridad a las Grandes Fortunas)

Spanish resident legal entities are not subject to the Temporary Solidarity Tax on Large Fortunes.

Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax.

Individuals and Legal Entities with no Tax Residency in Spain

Non-Resident Income Tax (Impuesto sobre la Renta de no Residentes)

(A) With permanent establishment in Spain

Ownership of the Notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

If the Notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are, generally, the same as those previously set out for Spanish CIT taxpayers. See “—*Legal Entities with Tax Residency in Spain—Corporate Income Tax (Impuesto sobre Sociedades)*”.

(B) With no permanent establishment in Spain

Both, interest payments periodically received and income deriving from the transfer, redemption or repayment of the Notes, obtained by individuals or legal entities who have no tax residency in Spain, being NRIT taxpayers with no permanent establishment in Spain, are exempt from such NRIT on the same terms laid down for income from Public Debt.

In order for such exemption to apply, it is necessary to comply with the information procedures, in the manner detailed under “—*Disclosure of Information in Connection with the Notes*” as set out in Article 44 of Royal Decree 1065/2007 (as amended by Royal Decree 1145/2011).

Net Wealth Tax (Impuesto sobre el Patrimonio)

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to Net Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights are located in Spain, or that can be exercised within the Spanish territory exceed €700,000 would be subject to Net Wealth Tax, the applicable rates ranging between 0.2 per cent. and 3.5 per cent., although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

Non-Spanish resident individuals should be entitled to apply the specific regulation of the autonomous region where their most valuable assets are located and which trigger this Spanish Net Wealth Tax due to the fact that they are located or are to be exercised or must be fulfilled within the Spanish territory.

Non-Spanish resident legal entities are not subject to Net Wealth Tax.

Temporary Solidarity Tax on Large Fortunes (Impuesto Temporal de Solidaridad a las Grandes Fortunas)

Non-Spanish resident individuals whose properties and rights are located in Spain, or that can be exercised within the Spanish territory, and exceed €3,000,000 may be subject to the Temporary Solidarity Tax on Large Fortunes. In such event, they should take into account the value of the

Notes which they hold as of 31 December each year, the applicable rates ranging between 1.7 per cent. and 3.5 per cent.

Since the autonomous regions apply the current regional Net Wealth Tax (as described above), in order to avoid double taxation, the amount paid for the current regional Net Wealth Tax should be deductible from the Temporary Solidarity Tax on Large Fortunes.

Noteholders should consult their own tax advisors regarding how this tax may apply to their investment in the Notes.

Non-resident legal entities are not subject to the Temporary Solidarity Tax on Large Fortunes.

Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Individuals who do not have tax residency in Spain who acquire ownership or other rights over the Notes by inheritance, gift or legacy will be subject to Inheritance and Gift Tax in Spain in accordance with the applicable Spanish regional and state rules, unless they reside in a country for tax purposes with which Spain has entered into a double tax treaty in relation to Inheritance and Gift Tax. In such case, the individual will be subject to the relevant double tax treaty.

Non-Spanish tax resident individuals are subject to Spanish Inheritance and Gift Tax according to the rules set forth in the Spanish state-level or relevant autonomous region law. If the deceased, the heir or the donee is resident outside of Spain, the applicable rules will be those corresponding to the relevant autonomous regions as per the rules set out in the law. As such, prospective investors should consult their tax advisors.

The effective tax rate, after applying all relevant factors, ranges between 0 per cent. and 81.6 per cent.

Non-resident legal entities which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to Inheritance and Gift Tax. They will be subject to Non-Resident Income Tax. If the entity is resident in a country with which Spain has entered into a double tax treaty, the provisions of the treaty will apply. In general, tax treaties provide for the taxation of this type of income in the country of residence of the beneficiary.

Taxation in Spain - Payments under the Guarantee

On the basis that payments of principal and interest made by the Guarantor under the Deed of Guarantee should be characterised as an indemnity under Spanish law, such payments may be made free of withholding or deduction on account of any Spanish tax.

However, although there is no precedent or regulation on the matter, if the Spanish tax authorities take the view that the Guarantor has effectively assumed the obligations of the Issuer under the Notes (whether contractually or by any other means), they should determine that that interest payments made by the Guarantor, relating to the Notes, will be subject to the same tax rules set out above for payments made by Naturgy Finance Iberia, S.A. Therefore, under this scenario, it would also be necessary to comply with the information procedures, in the manner detailed under “*Taxation in Spain—Disclosure of Information in Connection with the Notes*” below.

Obligation to inform the Spanish Tax Authorities of the Ownership of the Notes

With effects as of 1 January 2013, Law 7/2012, of 29 October, as implemented by Royal Decree 1558/2012, of 15 November, introduced annual reporting obligations applicable to Spanish residents (*i.e.* individuals, legal entities, permanent establishments in Spain of non-resident entities) in relation to certain foreign assets or rights.

Consequently, if the Notes are deposited with or placed in the custody of a non-Spanish entity, Noteholders resident in Spain will be obliged, if certain thresholds are met as described below, to declare before the Spanish Tax Authorities, between 1 January and 31 March every year, the ownership of the Notes held on 31 December of the immediately preceding year (e.g., to declare between 1 January 2024 and 31 March 2024 the Notes held on 31 December 2023).

This obligation would only need to be complied with if certain thresholds are met: specifically, if the only rights/assets held abroad are the Notes, this obligation would only apply if the value of the Notes together with other qualifying assets held on 31 December exceeds €50,000 (with the corresponding valuation to be made in accordance with Wealth Tax rules). If this threshold is met, a declaration would only be required in subsequent years if the value of the Notes together with other qualifying assets increases by more than €20,000 as against the declaration made previously. Similarly, cancellation or extinguishment of the ownership of the Notes before 31 December should be declared if such ownership was reported in previous declarations.

Taxation in Spain - Disclosure of Information in Connection with the Notes

Disclosure of Information in Connection with Interest Payments

In accordance with section 5 of Article 44 of Royal Decree 1065/2007 as amended by Royal Decree 1145/2011 and provided that the Notes issued by Naturgy Finance Iberia, S.A. are initially registered for clearance and settlement in Euroclear and Clearstream Luxembourg, the Paying Agent designated by Naturgy Finance Iberia, S.A. would be obliged to provide Naturgy Finance Iberia, S.A. (or the Guarantor in relation to the payments made under the Deed of Guarantee) with a declaration (the form of which is set out in the Agency Agreement), which should include the following information:

- (i) description of the Notes (and date of payment of the interest income derived from such Notes);
- (ii) total amount of interest derived from the Notes; and
- (iii) total amount of interest allocated to each non-Spanish clearing and settlement entity involved.

According to section 6 of Article 44 of Royal Decree 1065/2007, the relevant declaration will have to be provided to Naturgy Finance Iberia, S.A. (or the Guarantor, as the case may be) on the business day immediately preceding each Interest Payment Date. If this requirement is complied with, Naturgy Finance Iberia, S.A. (or the Guarantor) will pay gross (without deduction of any withholding tax other than any withholding tax under FATCA) all interest under the Notes to all Noteholders (irrespective of whether they are tax resident in Spain).

In the event that the Paying Agent designated by Naturgy Finance Iberia, S.A. were to fail to provide the information detailed above, according to section 7 of Article 44 of Royal Decree 1065/2007, Naturgy Finance Iberia, S.A. (or the Guarantor, as the case may be) or the Paying Agent acting on its behalf would be required to withhold tax from the relevant interest payments at the general withholding tax rate (currently, 19 per cent.). If on or before the 10th day of the month following the month in which the interest is payable, the Paying Agent designated by Naturgy Finance Iberia, S.A. were to submit such information, Naturgy Finance Iberia, S.A. (or the Guarantor) or the Paying Agent acting on its behalf would refund the total amount of taxes withheld.

Notwithstanding the foregoing, Naturgy Finance Iberia, S.A. has agreed that in the event that withholding tax were required by law, Naturgy Finance Iberia, S.A., failing which the Guarantor, would pay such additional amounts as may be necessary such that a Noteholder would receive the same amount that he would have received in the absence of any such withholding or deduction, except as provided in “*Terms and Conditions of Notes issued by the Issuer on or following the Effective Date of Conversion—10. Taxation*”.

In the event that the current applicable procedures were to be modified, amended or supplemented by, amongst others, a Spanish law, regulation, interpretation or ruling of the Spanish Tax Authorities, Naturgy Finance Iberia, S.A. would inform the Noteholders of such information procedures and of their implications, as Naturgy Finance Iberia, S.A. (or the Guarantor, as the case may be) may be required to apply withholding tax on interest payments under the Notes if the Noteholders were not to comply with such information procedures.

Disclosure of Noteholder Information in Connection with the Redemption or Repayment of Zero Coupon Notes

In accordance with Article 44 of Royal Decree 1065/2007, in the case of Zero Coupon Notes with a maturity of 12 months or less, the information obligations established in Article 44 (see “—*Disclosure of Information in Connection with Interest Payments*” above) will have to be complied with upon the redemption or repayment of the Zero Coupon Notes.

If the Spanish tax authorities consider that such information obligations must also be complied with for Zero Coupon Notes with a longer term than 12 months, the Issuer will, prior to the redemption or repayment of such Notes, adopt the necessary measures with the Clearing Systems in order to ensure its compliance with such information obligations as may be required by the Spanish tax authorities from time to time.

The proposed European financial transactions tax

The European Commission published in February 2013 a proposal for a Directive for a common financial transaction tax (“**EU FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (excluding Estonia, the “**participating Member States**”). Estonia has since stated that it will not participate.

The proposed EU FTT has very broad scope and could, if introduced, apply to certain dealings in financial instruments (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

The EU FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. It may therefore be changed prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and participating Member States may withdraw. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

The Spanish financial transactions tax

On 16 October 2020, the Spanish Parliament approved the Law 5/2020, of 15 October, on the Tax on Financial Transactions (“**Spanish FTT Law**”) introducing the Spanish Financial Transaction Tax (“**Spanish FTT**”) that has entered into force on 16 January 2021.

Spanish FTT charges a 0.2% rate on specific onerous acquisitions of listed shares issued by Spanish companies whose market capitalisation exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction.

However, according to the Spanish FTT Law, the Spanish FTT should not apply in relation to an issue of Notes under the Programme.”

GENERAL INFORMATION

The text set out below shall replace, by virtue of this Supplement, in its entirety sub-paragraphs 7(a) and 7(b) in the section entitled “*General Information*” on page 156 of the Base Prospectus:

“7.

- (a) There has been no material adverse change in the prospects of the Issuer nor has there been any significant change in the financial position or financial performance of the Issuer since 31 December 2023 (being the date of the latest available financial statements of the Issuer); and
- (b) There has been no material adverse change in the prospects of the Guarantor nor has there been any significant change in the financial position or financial performance of the Group since 31 December 2023 (being the date of the latest available financial information of the Group).”

BACK PAGE

The text set out below shall replace, by virtue of this Supplement, in its entirety the contact information of the Issuer on page 159 of the Base Prospectus:

“Naturgy Finance Iberia, S.A.
Avenida de América, 38
28028 Madrid
Spain”