



**2025 MANAGEMENT REPORT
AND ANNUAL CONSOLIDATED
FINANCIAL STATEMENTS**

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01 MANAGEMENT REPORT

1	ENGIE FULL-YEAR 2025 RESULTS	6
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1 ENGIE FULL-YEAR 2025 RESULTS

ENGIE full-year 2025 results

Another year of strong results

Proposed dividend of €1.35 per share for 2025

2026-2028 mid-term outlook highlighting the Group's growth profile

Accretive acquisition of UK Power Networks, best-in-class electricity distribution network

Business highlights

- Targets met across the Renewables & BESS businesses, with 57.2 GW of installed capacity at end-December 2025 and nearly 8 GW under construction
- Record increase in renewable and battery capacity with 6.2 GW added
- ENGIE remains a corporate PPA leader, with 4.8 GW signed
- Strong contribution from Networks
- Market conditions stabilization completed
- Continued progress on our Net Zero 2045 trajectory, with Group-wide GHG emissions from energy production down 57% to 45 Mt in 2025 vs. 2017
- Transfer of the Tihange 3 and Doel 4 reactors into a joint venture equally owned with the Belgian State and successful reactors restart

Financial performance

- FY2025 results at the upper end of the guidance range, with NRIGs⁽¹⁾ of €4.9bn
- EBIT excluding Nuclear: €8.8bn, up +2.2% organically
- Outstanding contribution of €823 million from the performance plan
- Strong cash generation with CFFO⁽²⁾ of €13.6 billion
- Solid balance sheet maintained, with net economic debt / EBITDA at 3.1x, stable year-on-year and Net economic debt down €2.7 billion to €45.2bn
- Net financial debt up €5.7bn to €38.9bn reflecting the cash-out related to the Belgian nuclear deal
- Proposed dividend of €1.35 per share for 2025, corresponding to a 67% payout ratio
- For 2026, NRIGs expected between €4.6-5.2 billion

1.1 Key financial figures at December 31, 2025

In billions of euros	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
Revenues	71.9	73.8	-2.5%	-0.7%
EBITDA (excluding Nuclear)	13.4	13.4	+0.2%	+2.8%
EBITDA	14.7	15.6	-5.4%	-3.2%
EBIT (excluding Nuclear)	8.8	8.9	-1.5%	+2.2%
Net recurring income, Group share	4.9	5.5	-11.5%	-7.3%
Net income, Group share	3.8	4.1	-6.8%	
CAPEX ⁽¹⁾	7.9	10.0	-20.3%	
Cash Flow From Operations (CFFO)	13.6	13.1	+4.4%	
Net financial debt	38.9	+€5.7 billion versus Dec. 31, 2024		
Economic net debt	45.2	-€2.7 billion versus Dec. 31, 2024		
Net financial debt / EBITDA	3.1x	stable compared to Dec. 31, 2024		

(1) Net of DBSO sell down (Develop, Build, Share & Operate), US tax equity proceeds, including net debt acquired.

1.2 Acquisition of UK Power Networks (UKPN)

ENGIE announced on February 25, 2026 the signing of an agreement to acquire 100% of UKPN, the best-in-class UK electricity distributor. This marks a major milestone in the Group's ambition to become the best energy transition utility by

(1) Net recurring income Group share.

(2) Cash Flow From Operations: Free Cash Flow before maintenance Capex and nuclear phase-out expenses.

strengthening its position in regulated electricity networks. The acquisition also bolsters the Group's presence in the UK, which would become its second-largest country in EBIT contribution.

1.3 2026 – 2028 outlook and guidance

The objectives for the financial years ending December 31, 2026, 2027 and 2028 presented below are based on data, assumptions and estimates considered reasonable by the Group at the date of publication of this document.

These data and assumptions may change or be modified as a result of uncertainties relating to the financial, accounting, competitive, regulatory and tax environments, or other factors of which the Group is not aware at the date of registration of this document. Furthermore, the realization of forecasts depends on the success of the Group's strategy. Consequently, the Group neither undertakes nor gives any guarantee that the forecasts set out in this section will be achieved.

The objectives presented below and underlying assumptions have also been established in accordance with the provisions of Delegated Regulation (EU) No. 2019/980, a supplement to Regulation (EU) No. 2017/1129, and the ESMA recommendations on forecasts.

These objectives result from the budget and medium-term plan processes described in Note 13 to the consolidated financial statements; they have been established on a basis comparable to historical financial information and in accordance with the accounting policies applied to the Group's consolidated financial statements for the year ended December 31, 2025 described in the consolidated financial statements.

1.3.1. Outlook and 2026–2028 Guidance illustrating ENGIE's new growth profile

ENGIE expects to achieve a net recurring income Group share of between €4.6 billion and €5.2 billion in 2026, compared with the previously announced range of €4.2 billion to €4.8 billion, reflecting the integration of UKPN from 1st of July and asset portfolio adjustment. EBIT excluding nuclear is expected to be in an indicative range of €8.7 billion to €9.7 billion (compared with €8.2 billion to €9.2 billion previously).

2026 – 2028 Outlook

As of 2026, in line with the announced trajectory, the Group will enter a new phase of sustainable earnings growth, driven by the contribution of its investments including in power distribution networks, its performance plan, and despite soft energy market conditions and unfavorable foreign exchange assumptions. The Group also expects a lower effective tax rate over the period. By 2028, recurring net income Group share is therefore expected to reach a level between €5.2 billion and €5.8 billion. EBIT excluding nuclear is expected to be in an indicative range of €10.3 billion to €11.3 billion.

ENGIE's outlook for 2026–2028 is as follows:

<i>In billions of euros</i>	2026	2027	2028
EBIT excluding nuclear (new)	8.7 – 9.7	9.8 – 10.8	10.3 – 11.3
EBIT excluding nuclear (previous)	8.2 – 9.2	9.0 – 10.0	N/A
NRIGs guidance (new)	4.6 – 5.2	4.9 – 5.5	5.2 – 5.8
NRIGs guidance (previous)	4.2 – 4.8	4.4 – 5.0	N/A

1.3.2. Assumptions

The assumptions used are as follows:

- guidance and indications based on continuing operations;
- no change in accounting policies;
- no major regulatory or macro-economic changes;
- tax based on current legal texts and additional contingencies;
- full pass through of supply costs in French B2C retail tariffs;

- average temperature in France;
- average hydro, wind, and solar production,
- average forex:
 - €/USD: 1.18 - 1.20 - 1.21 for 2026-27-28,
 - €/BRL: 6.38 for 2026-27-28,
 - €/GBP: 0.88, 0.89 et 0.90 for 2026-27-28,
- market commodity prices as of December 31, 2025;
- recurring net financial costs increasing €(2.2-2.4) in 2026 to (2.6-2.9)bn in 2028;
- recurring effective tax rate (including special tax in France): 20-23%;
- no increase in nuclear provisions following CPN triennial revision;
- UKPN:

UKPN acquisition

- Closing of the transaction end of June 2026
- Execution of the finding & disposals plan
- Provisional accounting principles conversion and purchase price allocation to acquired assets and liabilities

UKPN Contribution⁽¹⁾ including funding considerations⁽²⁾

2026	2027	2028
RNRpg indication €0,2 to 0,4 bn	RNRpg indication €0,3 to 0,5 bn	RNRpg indication €0,4 to 0,6 bn

(1) Contribution to ENGIE's financial statements

(2) Funding considerations reflect the combined effects of transaction financing, supplemented by targeted disposals and selective CAPEX reductions to support the financing of the transaction

1.4 Proposed dividend of €1.35 per share for 2025

For 2025, the Board has proposed a dividend of €1.35 per share, corresponding to a payout ratio of 67% of net recurring income Group share, based on the current number of shares, that will be submitted for shareholder approval at the Annual General Meeting on April 29, 2026.

1.5 Strong execution of the strategic plan

Renewable & Flex Power

In 2025, ENGIE's installed renewable and BESS capacity increased by 6.2 GW, including 2.4 GW in the United States, 1.6 GW in Europe, 1.6 GW in Latin America, and 0.6 GW in AMEA. As of December 31, 2025, the Group's total renewable and storage capacity stood at 57.2 GW, whilst the 90 projects under construction represent a total capacity of 7.9 GW. ENGIE also signed 4.8 GW of Power Purchase Agreements (PPAs) in 2025, an increase of 11% versus 2024.

In 2025, ENGIE continued to roll out its renewable and flexibility assets. In Belgium, the Group commissioned the Vilvoorde battery park, with a total capacity of 200 MW / 800 MWh. In India, the Group was awarded its first battery storage project (BESS), with a capacity of 280 MW, making it the second-largest battery project in ENGIE's global portfolio. In Chile, ENGIE launched a battery project on the former Mejillones coal site (140 MW / 802 MWh), supporting the site's conversion and strengthening the flexibility of the Chilean electricity system. In Brazil, the Group commissioned the Serra do Assuruá onshore wind complex (846 MW) in the state of Bahia, its largest onshore wind project worldwide. In the Middle East, ENGIE reached a significant milestone with the signing of a 1.5 GW solar PPA for the Khazna project in Abu Dhabi.

The Group confirms its target of reaching 95 GW of installed renewable and storage capacity by 2030, supported by a 121 GW pipeline at end-December 2025, up 6 GW from end-December 2024.

Data centers

ENGIE has key advantages to support the rapid expansion of data centers: it can use its existing asset base and strong local presence to speed access to energy; it can quickly deliver additional capacity through its existing global pipeline of renewable and battery projects; and it can sustainably optimize the energy competitiveness of the tech and data centers sector through its recognized expertise in supply and energy management.

Building on these, the Group has set its 2030 goals: 3 to 4 GW of co located data centers supported by a 6 GW pipeline as of end of 2025, enabling 5 GW of renewable and battery projects and 50 TWh of power delivered to the tech and data centers sector.

Gas generation

ENGIE successfully commissioned its new combined-cycle gas turbine (CCGT) plant in Flémalle, providing Belgium with an additional 875 MW of electricity generation capacity. The facility will be used mainly to meet peak demand and to balance the grid.

In December, in Chile, ENGIE disconnected three units of the Mejillones coal-fired power plant, two of which had been operating for nearly 30 years. The Group has therefore withdrawn 711 MW of coal-fired capacity and has begun converting the third unit at this site to natural gas (377 MW) to enhance grid flexibility and support system reliability.

In the fourth quarter, the Group completed the divestment of its gas-fired generation and desalination assets in Kuwait and Bahrain, adding to the disposals earlier in the year of a CCGT plant in Pakistan and a 15.7% stake in the Safi power plant in Morocco.

Networks

In 2025, ENGIE commissioned the first 334 km section of the Asa Branca transmission network in Bahia, a strategic infrastructure that will ultimately span more than 1,000 km across the states of Bahia, Minas Gerais and Espírito Santo. The Group is also progressing with the Graúna project, which includes the construction of 780 km of electricity transmission lines between Paraná and Santa Catarina, as well as the remaining 660 km of the Asa Branca project. ENGIE has also received authorization to operate the brownfield section of the Graúna project in Brazil, awarded during the 2024 tender process. This section includes two substations and four transmission lines totalling 162 km. By 2030, the Group confirms its objective of having 10,000 km of transmission lines in operation, mainly in Latin America.

ENGIE continued to advance in the biomethane sector in France, with annual production capacity reaching 14.5 TWh connected to ENGIE's networks, an increase of 1.5 TWh compared with 2024. ENGIE maintains its objective of reaching 50 TWh/year of biomethane production capacity connected to ENGIE's networks in France by 2030.

Local Energy Infrastructure

Local Energy Infrastructures continued its growth momentum in 2025, reaching €9.5 billion in order intake. The development of district heating and cooling networks accelerated, with 56 new networks and 32 amendments, bringing the portfolio to 372 operated networks today, along with a strong pipeline of ongoing projects, in line with the target of 550 networks by 2030.

On site decarbonization solutions for industry also continued to advance, with nearly 200 industrial sites now covered across Europe.

Finally, more than 1,300 Energy Performance Contracts were won in 2025 in the Buildings segment, confirming the strong momentum of energy efficiency solutions and their growing contribution to the low carbon transition.

Capital allocation

In 2025, gross capex amounted to €7.9 billion. Net growth capex amounted to €5.3bn, down compared to last year, mainly due to project delays in the US. More than 75% was allocated to Renewable & Flex Power and Networks.

Performance plan

ENGIE maintained its operational excellence momentum in 2025 with a contribution of €823 million from the performance plan. These outstanding results reflect the recovery of the Group's underperforming activities, as anticipated, as well as acceleration of the Group's competitiveness and improved efficiency of support functions.

1.6 Nuclear in Belgium

In Belgium, ENGIE successfully completed works related to the lifetime extension of Tihange 3 and Doel 4, which were reconnected to the grid on July 10, 2025 and on October 8, 2025 respectively. This milestone triggered the payment to the Belgian State of the second and final instalment related to the transfer of responsibility for nuclear waste and spent fuel. The two extended units are now operated within a joint venture owned equally by the Belgian State and ENGIE, under a quasi-regulated framework.

In line with Belgium's progressive nuclear phase-out calendar, the Doel 1, Tihange 1 and Doel 2 reactors were permanently shut down on February 14, 2025, September 30, 2025 and November 30, 2025 respectively.

The triennial process for revising dismantling provisions, led by the CPN, is still ongoing. As part of this process, ONDRAF has issued a report indicating a significant increase in the estimated costs of future work – including the associated contingency margins – compared with the previous estimates used by the CPN in 2022. ENGIE considers that, based on the experience gained over the past three years during the shutdown of several units and the in depth work carried out over the period, there is, from an industrial standpoint, little basis justification for an upward adjustment of these estimates. Discussions with the authorities are ongoing, with the CPN expected to finalize its comments during the first half of April. The provisions at year end 2025 are based on the assumptions of the 2022 revision.

1.7 Significant progress in ESG objectives

In 2025, in line with its commitments, the Group completed its exit from coal in Continental Europe.

In the same year, greenhouse gas (GHG) emissions related to energy production reached 45 million tonnes, representing a 57% decrease compared to 2017. This significant reduction directly results from the Group's strategy to strongly develop renewable energies and optimize its portfolio of gas-fired power plants worldwide.

In parallel, the share of renewable energy in ENGIE's total power generation capacity increased from 43% at the end of 2024 to 50% at the end of December 2025, mainly due to the addition of renewable capacity throughout the year and the phase-out of thermal generation capacity.

Regarding gender diversity target, ENGIE had 33% women in management positions at the end of 2025, another increase compared to the previous year. The Group continues to implement action plans to achieve the objective of managerial parity of 40% to 60% between women and men.

1.8 Health and safety

In 2025, ENGIE continued the rollout of its global transformation programme, ENGIE One Safety, whose ambition is to permanently eliminate serious and fatal accidents. This year, efforts focused on two key levers: the deployment of the One Safety Tool digital platform and targeted management of risks related to our activities, alongside both employees and subcontractors.

Despite these advances, one person lost their life in 2025 while working for one of the Group's subcontractors. This incident is a stark reminder that achieving zero fatality remains an absolute priority for 2026.

In addition, ENGIE succeeded in stabilising the number of lost-time accident in an environment of heightened risk exposure. The lost-time injury rate stood at 1.7 at end-2025, unchanged from 2024..

1.9 Full-year 2024 financial review

1.9.3. Revenues

Revenues at €71.9 billion was down 2.5% on a gross basis and down 0.7% on an organic basis.

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
Renewable & Flex Power	9,860	10,398	-5.2%	-0.8%
Infrastructures	16,823	16,136	+4.3%	+6.1%
Supply & Energy Management	42,495	44,717	-5.0%	-4.1%
Others	2,226	2,492	-10.7%	-1.4%
TOTAL REVENUES (excluding Nuclear)	71,405	73,744	-3.2%	-1.3%
Nuclear	539	68	NC	NC
TOTAL REVENUES	71,944	73,812	-2.5%	-0.7%

1.9.4. EBITDA

EBITDA at €14.7 billion was down 5.4% on a gross basis and down 3.2% on an organic basis.

EBITDA (ex. Nuclear) at €13.4 billion was up 0.2% on a gross basis and up 2.8% on an organic basis.

1.9.5. EBIT

EBIT (ex. nuclear) stood at €8.8 billion, down 1.5% on a gross basis and up 2.2% organically.

- Foreign exchange: negative net impact of €169 million mainly due to the depreciation of the Brazilian real and US dollar.
- Scope: a negative net effect of €157 million notably due to the disposal of 15.66% in Safi (Morocco), as well as the disposal of Senoko (Singapore) and Uch (Pakistan).
- French temperatures: the temperature effect provided a positive year-on-year variation of €43m across Networks, BtoC and BtoB.

EBIT contribution by activity

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
Renewable & Flex Power	3,577	3,695	-3.2%	+3.3%
Renewables & BESS	2,485	2,391	+3.9%	+6.2%
Gas generation	1,093	1,303	-16.2%	-2.9%
Infrastructures	3,536	2,921	+21.1%	+24.0%
Networks	3,054	2,430	+25.7%	+28.8%
Local Energy Infrastructures	482	491	-1.7%	+0.4%
Supply & Energy Management	2,357	3,010	-24.0%	-23.7%
One BtoC	525	707	-25.7%	-26.8%
One BtoB	1,200	1,080	+11.1%	+12.2%
Energy Management	632	1,315	-51.9%	-51.6%
Others	(714)	(823)	+13.3%	+15.0%
TOTAL EBIT ex. Nuclear	8,757	8,893	-1.5%	+2.2%
Nuclear	714	1,448	-50.7%	-50.7%
TOTAL EBIT	9,471	10,341	-8.4%	-5.5%

Activity/geography matrix

<i>In millions of euros</i>	France	Rest of europe	Latin America	North america	AMEA	Others	Dec. 31, 2025
Renewable & Flex Power	635	635	1,253	736	402	(84)	3,577
Renewables & BESS	468	444	895	664	96	(82)	2,485
Gas generation	167	191	358	72	306	(1)	1,093
Infrastructures	2,463	346	739	(5)	43	(51)	3,536
Networks	2,155	204	739	(5)	(3)	(36)	3,054
Local Energy Infrastructures	308	142	-	-	46	(14)	482
Supply & Energy Management	829	1,262	72	154	71	(33)	2,357
Others	13	(3)	-	(83)	6	(647)	(714)
EBIT ex. Nuclear	3,941	2,241	2,064	803	523	(814)	8,757
Nuclear	355	359	-	-	-	-	714
TOTAL EBIT	4,296	2,600	2,064	803	523	(814)	9,471

<i>In millions of euros</i>	France	Rest of europe	Latin America	North america	AMEA	Others	Dec. 31, 2024
Renewable & Flex Power	960	668	1,208	403	515	(60)	3,695
Renewables & BESS	594	505	915	345	93	(60)	2,391
Gas generation	366	163	294	58	422	-	1,303
Infrastructures	1,809	361	759	(10)	67	(64)	2,921
Networks	1,520	195	759	(10)	(3)	(30)	2,430
Local Energy Infrastructures	289	166	-	-	70	(34)	491
Supply & Energy Management	1,771	1,172	55	133	6	(36)	3,101
Others	8	(8)	(2)	(162)	(2)	(657)	(823)
EBIT ex. Nuclear	4,548	2,193	2,020	364	585	(817)	8,893
Nuclear	423	1,025	-	-	-	-	1,448
TOTAL EBIT	4,971	3,218	2,020	364	585	(817)	10,341

Renewable & Flex Power

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
EBITDA	4,962	4,903	+1.2%	+6.2%
EBIT	3,577	3,695	-3.2%	+3.3%
Renewables & BESS	2,485	2,391	+3.9%	+6.2%
Gas generation	1,093	1,303	-16.2%	-2.9%
Operational KPIs				
Renewable & BESS				
Capacity additions (GW at 100 %)	6.2	5.1	1.1	
Hydro volumes - France (TWh at 100 %)	14.6	18.4	(3.9)	
CNR – achieved prices (€/MWh)	108.0	104.0	+4.0%	
Generation				
Average captured CSS Europe (€/MWh)	24	42	-43.0%	
Load factor Europe (%)	25.0	19.0	+5 pts	
Internal unplanned unavailability (%)	3.7	3.7	-	

(1) Before hydro tax on CNR.

EBIT from **Renewables & BESS** activities recorded an organic growth of 6.2%, driven by the contribution from newly commissioned assets in North America, Latin America and Europe, as well as improved operational performance. In Europe, the decline in volumes due to less favorable hydrology in France compared with the exceptionally high levels seen in 2024 was partially offset by the reduction of the CNR tax in France.

EBIT from **Gas generation** activities decreased organically by 2.9%, reflecting lower captured spreads in Europe and a high comparison base. This trend was partially offset by a favorable price effect internationally, particularly in Australia, Chile and Peru, by the end of the inframarginal tax in France, and positive one-offs.

Networks

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
EBITDA	5,914	5,291	+11.8%	+13.4%
EBIT	3,536	2,921	+21.1%	+24.0%
<i>Networks</i>	3,054	2,430	+25.7%	+28.8%
<i>Local Energy Infrastructures</i>	482	491	-1.7%	+0.4%
Operational KPIs				
Networks				
French RAB (€bn) vs. Dec. 2024	32.1	32.1	-	
Power transmission network length (km) vs. Dec. 2024	5,892	5,439	453	
Local Energy Infrastructures				
EBIT margin	+5.5%	+5.5%	-5 bps	

EBIT from **Networks** increased organically by 28.8%, driven by the positive impact of new tariffs in France and Europe, improved operational performance and, to a lesser extent, colder weather conditions in France and Europe. In Latin America, EBIT was supported by tariff indexation in Brazil and Mexico, as well as by the construction and commissioning of electricity transmission lines in Brazil.

EBIT from **Local Energy Infrastructures** recorded slight organic growth of 0.4%, showing an improvement compared with the first nine months of 2025. EBIT benefited from better operational performance, cost reductions, selective development of new projects, and a favorable climate effect, with colder temperatures in 2025 supporting district heating sales. These factors helped offset the decline in spreads captured by cogeneration assets due to the anticipated normalization of market prices.

Supply and Energy Management

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
EBITDA	2,824	3,599	+21.5%	+21.0%
EBIT	2,357	3,101	+24.0%	+23.7%
One BtoC	525	707	-25.7%	+26.8%
One BtoB	1,200	1,080	+11.1%	+12.2%
Energy Management	632	1,315	-51.9%	-51.6%

EBIT in **One BtoC** activities decreased organically by 26.8%, mainly due to an exceptionally high comparison base last year, linked to non-recurring items and favorable timing effects. This decline was partially offset by strong commercial margins in Europe in a market environment that allows for the full valuation of risk costs, as well as by the continued impact of performance actions.

One BtoB EBIT increased organically by 12.2%, driven by favorable one-off effects, as well a very strong commercial momentum, with margin levels in line with expectations, while the positive impact of contracts historically secured on favorable terms continued, though at a slightly lower level than in 2024.

EBIT in **Energy Management** decreased organically by 51.6%. This decline mainly reflects the continued normalization of market conditions, a lower level of market reserve releases than in 2024, weaker activity in 2025 due to geopolitical and economic uncertainty, as well as a negative one-off related to gas transportation costs in Austria and the Netherlands in the first half of 2025. Conversely, in 2024, EBIT benefited from a positive one-off linked to the renegotiation of gas contracts.

Nuclear

<i>En millions d'euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported basis)	% change (organic basis)
EBITDA	1,318	2,174	-39.3%	-39.3%
EBIT	714	1,448	-50.7%	-50.7%
Operational KPIs				
Output (BE + FR, @ share, TWh)	23.4	31.5	8.1	
Availability (Belgium at 100%)	+79.0%	+86.2%	-720 bps	

EBIT in Nuclear recorded an organic decline of 50.7% in 2025, mainly due to a negative volume effect linked to the shutdown during the year of Doel 1, Tihange 1 and Doel 2, as well as the conformity outages of Tihange 3 and Doel 4 in the second and third quarters of 2025 respectively, prior to their contribution to the joint venture 50%-owned by ENGIE. This decrease also reflects lower captured prices in Europe.

1.9.6. Comparable basis organic growth analysis

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported/organic basis)
Revenues	71,944	73,812	-2.5%
Scope effect	(71)	(716)	-
Exchange rate effect	-	(720)	-
Comparable data	71,873	72,376	-0.7%

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported/organic basis)
EBITDA	14,733	15,566	-5.4%
Scope effect	(76)	(201)	-
Exchange rate effect	-	(220)	-
Comparable data	14,657	15,145	-3.2%

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	% change (reported/organic basis)
EBIT	9,471	10,341	-8.4%
Scope effect	(35)	(191)	-
Exchange rate effect	-	(169)	-
Comparable data	9,436	9,980	-5.5%

The calculation of organic growth aims to present comparable data both in terms of the exchange rates used to convert the financial statements of foreign companies and in terms of contributing entities (consolidation method and contribution in terms of comparable number of months). Organic growth in percentage terms represents the ratio between the data for the current year (Y) and the previous year (Y-1) restated as follows:

- the Y-1 data are corrected by removing the contributions of entities transferred during the Y-1 period or prorata temporis for the number of months after the transfer in Y;
- the Y-1 data are converted at the exchange rate for the period Y;
- the Y data are corrected with the Y acquisition data or prorata temporis for the number of months prior to the Y-1 acquisition.

1.9.7. Other income statement items

The reconciliation between EBIT and Net income/(loss) is presented below:

<i>In millions of euros</i>	Dec 31, 2025	Dec. 31, 2024	% change (reported basis)
EBIT	9,471	10,341	-8.4%
(+) Mark-to-Market on commodity contracts other than trading instruments	29	(309)	
(+) Non-recurring share in net income of equity method entities	(386)	(212)	
Current operating income including operating MtM and share in net income of equity method entities	9,113	9,820	-7.2%
Impairment losses	(778)	(709)	
Restructuring costs	(303)	(369)	
Changes in scope of consolidation	217	439	
Other non-recurring items	42	(151)	
Income/(loss) from operating activities	8,291	9,030	-8.2%
Net financial income/(loss)	(1,973)	(1,842)	
Income tax benefit/(expense)	(1,570)	(2,215)	
NET INCOME/(LOSS)	4,748	4,973	
Net recurring income/(loss), Group share	4,896	5,531	
Net recurring income/(loss) Group share per share	1.96	2.25	
Net income/(loss) Group share	3,827	4,106	
Non-controlling interests	921	867	

The reconciliation between Net recurring income/(loss) Group share and Net income/(loss) Group share is presented below:

<i>In millions of euros</i>	Dec 31, 2025	Dec. 31, 2024
Net recurring income/(loss), Group share	4,896	5,531
Impairment losses	(778)	(709)
Restructuring costs	(303)	(369)
Changes in scope of consolidation	217	439
Other non-recurring items	42	(151)
Mark-to-Market on commodity contracts other than trading instruments	29	(309)
Non recurring net financial income/(loss)	26	66
Non recurring income tax benefit/(expense)	76	(181)
Other	(377)	(211)
Net income/(loss) Group share	3,827	4,106

Net income from operating activities amounted to €8.3 billion (see Note 9 “Other items of net income/(loss) from operating activities”).

Adjusted for non-recurring items, **net financial loss** stood at -€2.0 billion in 2025, with no major change compared to December 31, 2024 (-€1.9 billion).

The **income tax expense** for 2025 amounted to €1.6 billion (versus an income tax expense of €2.2 billion in 2024).

Adjusted for these non-recurring items, the recurring effective tax rate was 25.5% at December 31, 2025 compared with 27.6% at December 31, 2024.

Net recurring income Group share amounted to €4.9bn in 2025 compared to €5.5 billion in 2024.

Net income Group share amounted to €3.8 billion, down €0.3 billion compared to 2024.

1.10 Maintaining a solid balance sheet

1.10.1. Changes in financial net debt

Financial net debt stood at €38.9 billion, up €5.7 billion compared to December 31, 2024. This increase was mainly driven by:

- capital expenditure over the period of €7.9 billion;
- dividends paid to ENGIE SA shareholders and to non-controlling interests of €4.5 billion;
- funding and expenses related to nuclear in Belgium totaling €8.4 billion.

This was partially offset by CFFO of €13.6 billion and other items, amounting to €1.5 billion, mainly related to disposals.

The **financial net debt to EBITDA ratio** stood at 2.6x, up 0.5x compared to December 31, 2024.

<i>In millions of euros</i>	Dec 31, 2025	Dec 31, 2024
Financial net debt	38,902	33,223
EBITDA	14,733	15,566
FINANCIAL NET DEBT/EBITDA RATIO	2.64	2.13

Economic net debt stood at €45.2 billion, down €2.7 billion compared to December 31, 2024.

The **economic net debt to EBITDA ratio** stood at 3.1x, stable compared to December 31, 2024 and in line with the target ratio below or equal to 4.0x.

<i>In millions of euros</i>	Dec 31, 2025	Dec 31, 2024
Economic net debt	45,182	47,874
EBITDA	14,733	15,566
ECONOMIC NET DEBT/EBITDA RATIO	3.07	3.08

Ratings

- S&P: BBB+ / A-2, Stable outlook
- Moody's: Baa1 / P-2, Stable outlook
- Fitch: BBB+ / F1, Stable outlook

Cash Flow From Operations amounted to €13.6 billion, up €0.6 billion compared 2024. This very strong level reflects the strength of the Group's economic model.

Working Capital Requirement was positive at €1.4 billion, with a positive year-on-year variation of €1.6 billion notably due to the impact of margin calls (+€0.8 billion) and the positive cash effect from the progressive phase out of nuclear activities (+€0.6 billion).

The Group maintained a strong level of **liquidity** at €21.6 billion as at 31 December 2025, including €15.3 billion of cash⁽¹⁾.

⁽¹⁾ Cash and cash equivalents plus liquid debt instruments held for cash investment purposes minus bank overdrafts.

1.10.2. Other items of the statement of financial position

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024	Net change
Non-current assets	110,855	110,185	671
Of which goodwill	13,110	13,291	(181)
Of which property, plant and equipment and intangible assets, net	73,418	72,352	1,066
Of which derivative instruments	5,347	6,689	(1,341)
Of which investments in equity method entities	7,192	8,373	(1,180)
Current assets	58,394	79,359	(20,965)
Of which trade and other payables	13,573	16,173	(2,600)
Of which derivative instruments	6,120	6,366	(247)
Of which assets classified as held for sale	388	1,248	(859)
Total equity	40,830	41,458	(628)
Total liabilities excluding equity	128,419	148,086	(19,917)
Provisions	17,968	33,621	(15,652)
Borrowings	54,568	52,006	2,562
Derivative instruments	12,001	13,646	(1,645)
Other liabilities	43,882	48,812	(4,930)
Of which liabilities directly associated with assets classified as held for sale	310	560	(250)

The carrying amount of **property, plant and equipment** and intangible assets amounted to €73.4 billion, up €1.0 billion compared with December 31, 2024. This change was primarily the result of investments over the period (positive €8.8 billion), partially offset by depreciation and amortization (negative €5.2 billion) and translation adjustments (negative €2.3 billion, mainly concerning the US dollar) (see Note 13 “Fixed assets”).

Goodwill amounted to €13.1 billion, stable compared with December 31, 2024 (see Note 13 “Fixed assets”).

Investments in equity method entities amounted to €7.2 billion, down compared to December 31, 2024.

Total equity amounted to €40.8 billion, down by €0.6 billion compared with December 31, 2024. This decline was mainly due to other comprehensive income (negative €2.3 billion, mainly relating to translation adjustments for the period, chiefly concerning the US dollar) and distributed dividends (negative €4.4 billion), partially offset by net income for the period (positive €4.7 billion) and the impact of transactions between owners (positive €1.0 billion).

Provisions amounted to €18.3 billion, strongly down compared with December 31, 2024 (see Note 17 “Provisions”).

1.11 Capital allocation and medium-term performance

ENGIE plans between €34 billion and €38 billion of gross CAPEX over 2026 – 2028. Around 90% of these investments will be dedicated to renewables, batteries and infrastructure. Capital allocation is based on strict discipline, in line with the Group's financial and ESG criteria. The contribution of new investments, including distribution networks, to EBIT over 2026 – 28 is expected to range between €2.7-3.1 billion.

ENGIE will strengthen further performance by improving the efficiency of support functions, accelerating its competitiveness and, to a lower extent, turning around activities where performance is lagging. The Group is targeting a positive EBIT impact of between €0.8-1.0 billion over 2026-28 from these measures.

The Group will keep improving its risk profile, with EBIT becoming less exposed to energy prices. By 2028, ENGIE expects 67% of its EBIT to be either regulated or contracted on a long-term basis, compared with 42% in 2024 and 55% in 2025.

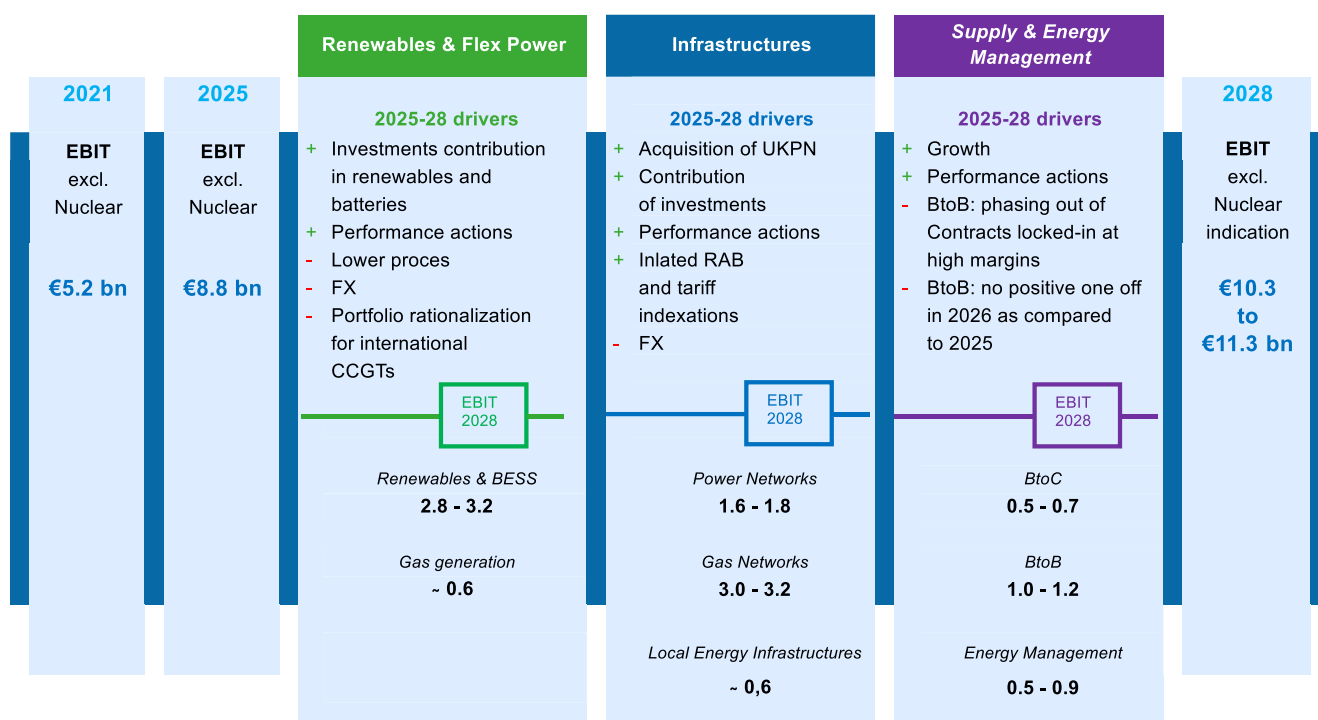
ENGIE plans to divest around €6bn of assets over the 2026 – 2028 period, including c€4 billion in the context of the UKPN acquisition. This disposal plan will remain fully consistent with the strategy of the Group, with all decisions based on strategic fit, capacity to deliver synergies & value creation. ENGIE furthermore intends to raise up to €3 billion equity through an accelerated book building (ABB) and a mix of senior debt and hybrid bonds for a total of about €5 billion.

The Group continues to target a “strong investment grade” credit rating and a net economic debt-to-EBITDA ratio $\leq 4.0x$ over the long term.

ENGIE confirms its dividend policy, with a payout ratio between 65% and 75% of the Group's recurring net income and a floor of €1.10 per share.

EBIT evolution

The main drivers of EBIT evolution between 2026 and 2028, by activity, are as follows:



2 PARENT COMPANY FINANCIAL STATEMENTS

The figures provided below relate to the financial statements of ENGIE SA, prepared in accordance with French GAAP and applicable regulations.

Revenues for ENGIE SA in 2025 totaled €35,078 million, a decrease compared to 2024 (€40,805 million) on the gas and electricity market.

The company reported a net operating gain of €27 million in 2025, a sharp decrease of -€739 million compared with a loss of €766 million in 2024.

Net financial income amounted to €1,322 million, an increase compared to 2024, but lower once the presentation changes resulting from the application of the new Modernisation of Financial Statements (MEF) conventions are adjusted for, due to significant reversals of impairments on equity investments in 2024 following the agreement on nuclear operations in Belgium.

Non-recurring items include exceptional income, which was negative this year at -€15 million.

The income tax benefit amounted to €459 million, versus an income tax benefit of €412 million in 2024, including a tax consolidation benefit of €499 million.

Net income for the year came in at €1,793 million.

Shareholders' equity amounted to €27,538 million compared with €29,372 million at the end of 2024. The -€1,834 million decrease was mainly due to the 2025 net income of €1,793 million, and to the 2024 fiscal year dividend payment of -€3,597 million.

Information relating to payment terms

Pursuant to Articles L.441-14 and D.441-6 of the French Commercial Code, companies whose annual financial statements are subject to a statutory audit must publish information regarding supplier and customer payment terms. The purpose is to demonstrate that there is no significant failure to comply with such terms.

Information relating to supplier and customer payment terms mentioned in Articles L.441-10 to L.441-16 of the French Commercial Code

In millions of euros	Articles L.441-10 to L.441-16 : Invoices received, unpaid and overdue at the reporting date						Articles L.441-10 to L.441-16 : Invoices issued, unpaid and overdue at the reporting date					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) By aging category												
Number of invoices	-					11,317	-					6,085,971
Aggregate invoice amount (incl. VAT)	-	6.3	4.4	-	371.2	381.9	-	12.4	92.9	35.7	808.5	949.5
Percentage of total amount of purchases (incl. VAT) for the period	-	0.02%	0.01%	0.00%	0.93%	0.95%						
Percentage of total revenues (incl. VAT) for the period							-	0.03%	0.22%	0.09%	1.95%	2.29%
(B) Invoices excluded from (A) relating to disputed or unrecognized receivables and payables												
Number of excluded invoices			425						50			
Aggregate amount of excluded invoices			(10.8)						-			
(C) Standard payment terms used (contractual or legal terms - Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Payment terms used to calculate late payments	Legal payment terms: 30 days						Contractual payment terms: 14 days Legal payment terms: 30 days					

02 CONSOLIDATED FINANCIAL STATEMENTS

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INCOME STATEMENT

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
REVENUES	6.3 & 7	71,944	73,812
Purchases and operating derivatives	8.1	(49,047)	(49,465)
Personnel costs	8.2	(8,648)	(8,623)
Depreciation, amortization and provisions	8.3	(5,392)	(5,547)
Taxes	8.4	(1,845)	(2,391)
Other operating income		1,479	1,185
Current operating income including operating MtM		8,491	8,970
Share in net income of equity method entities	6.3	622	850
Current operating income including operating MtM and share in net income of equity method entities		9,113	9,820
Impairment losses	9.1	(778)	(709)
Restructuring costs	9.2	(303)	(369)
Changes in scope of consolidation	9.3	217	439
Other non-recurring items	9.4	42	(151)
NET INCOME/(LOSS) FROM OPERATING ACTIVITIES		8,291	9,030
Financial expenses		(2,994)	(3,845)
Financial income		1,021	2,003
NET FINANCIAL INCOME/(LOSS)	10	(1,973)	(1,842)
Income tax expense	11	(1,570)	(2,215)
NET INCOME/(LOSS)		4,748	4,973
Net income/(loss) Group share		3,827	4,106
Net income/(loss) of Non-controlling interests		921	867
BASIC EARNINGS/(LOSS) PER SHARE (IN EUROS) ⁽¹⁾	12	1.52	1.66
DILUTED EARNINGS/(LOSS) PER SHARE (IN EUROS) ⁽¹⁾	12	1.51	1.65

(1) In accordance with IAS 33 – Earnings Per Share, earnings per share and diluted earnings per share are based on net income/(loss) Group share after deduction of payments to holders of deeply-subordinated perpetual notes.

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

STATEMENT OF COMPREHENSIVE INCOME

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
NET INCOME/(LOSS)		4,748	4,973
Debt instruments	14.1	26	(17)
Net investment hedges	15	691	(265)
Cash flow hedges (excl. commodity instruments)	15	386	(271)
Commodity cash flow hedges	15	(2,246)	4,261
Deferred tax on recyclable or recycled items		349	(763)
Share of equity method entities in recyclable items, net of tax		56	(175)
Translation adjustments		(2,219)	206
TOTAL RECYCLABLE ITEMS		(2,958)	2,978
Equity instruments	14.1	100	225
Actuarial gains and losses		827	404
Deferred tax on non-recyclable items		(264)	(75)
Share of equity method entities in actuarial gains and losses, net of tax		-	-
TOTAL NON-RECYCLABLE ITEMS		664	554
TOTAL RECYCLABLE ITEMS AND NON-RECYCLABLE ITEMS		(2,294)	3,532
TOTAL COMPREHENSIVE INCOME/(LOSS)		2,454	8,505
<i>Of which owners of the parent</i>		<i>1,908</i>	<i>7,586</i>
<i>Of which non-controlling interests</i>		<i>546</i>	<i>919</i>

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

STATEMENT OF FINANCIAL POSITION

ASSETS

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Non-current assets			
Goodwill	13.1	13,110	13,291
Intangible assets, net	13.2	7,919	7,964
Property, plant and equipment, net	13.3	65,499	64,388
Other financial assets	14	10,208	7,722
Derivative instruments	14	5,347	6,689
Assets from contracts with customers	7	16	3
Investments in equity method entities	3	7,192	8,373
Other non-current assets	22	890	908
Deferred tax assets	11	673	847
TOTAL NON-CURRENT ASSETS		110,855	110,185
Current assets			
Other financial assets	14	2,581	11,959
Derivative instruments	14	6,120	6,366
Trade and other receivables, net	7	13,573	16,173
Assets from contracts with customers	7	8,006	9,229
Inventories	22	2,852	5,061
Other current assets	22	10,368	12,395
Cash and cash equivalents	14	14,507	16,928
Assets classified as held for sale	4	388	1,248
TOTAL CURRENT ASSETS		58,394	79,359
TOTAL ASSETS		169,249	189,544

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

LIABILITIES

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Shareholders' equity		32,951	34,556
Non-controlling interests	2	7,879	6,902
TOTAL EQUITY	16	40,830	41,458
Non-current liabilities			
Provisions	17	15,020	15,909
Long-term borrowings	14	43,235	42,880
Derivative instruments	14	7,083	7,695
Other financial liabilities	14	87	97
Liabilities from contracts with customers	7	451	153
Other non-current liabilities	22	2,631	2,591
Deferred tax liabilities	11	6,083	5,875
TOTAL NON-CURRENT LIABILITIES		74,590	75,201
Current liabilities			
Provisions	17	2,948	17,712
Short-term borrowings	14	11,333	9,127
Derivative instruments	14	4,917	5,951
Trade and other payables	14	17,226	19,153
Liabilities from contracts with customers	7	3,606	3,818
Other current liabilities	22	13,489	16,565
Liabilities directly associated with assets classified as held for sale	4	310	560
TOTAL CURRENT LIABILITIES		53,830	72,884
TOTAL EQUITY AND LIABILITIES		169,249	189,544

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

STATEMENT OF CHANGES IN EQUITY

<i>In millions of euros</i>	Share capital	Additional paid-in capital	Consolidated reserves	Deeply-subordinated perpetual notes	Changes in fair value and other	Translation adjustments	Treasury stock	Shareholders' equity	Non-controlling interests	Total
EQUITY AT DECEMBER 31, 2023	2,435	23,916	5,198	3,393	(3,015)	(1,693)	(177)	30,057	5,667	35,724
Net income/(loss)	-	-	4,106	-	-	-	-	4,106	867	4,973
Other comprehensive income/(loss)	-	-	530	-	2,815	135	-	3,480	52	3,532
TOTAL COMPREHENSIVE INCOME/(LOSS)	-	-	4,636	-	2,815	135	-	7,586	919	8,505
Share-based payment	-	(9)	98	-	-	-	-	90	-	90
Dividends paid in cash ⁽¹⁾	-	(2,882)	(621)	-	-	-	-	(3,503)	(627)	(4,130)
Purchase/disposal of treasury stock	-	-	(105)	-	-	-	55	(49)	-	(49)
Operations on deeply-subordinated perpetual notes ⁽¹⁾	-	-	(80)	645	-	-	-	565	-	565
Transactions between owners ⁽¹⁾	-	-	(189)	-	-	-	-	(189)	912	724
Transactions with an impact on non-controlling interests	-	-	-	-	-	-	-	-	1	1
Share capital increases and decreases	-	-	-	-	-	-	-	-	30	30
Other changes	-	-	-	-	-	-	-	-	(1)	(1)
EQUITY AT DECEMBER 31, 2024	2,435	21,025	8,937	4,038	(200)	(1,557)	(122)	34,556	6,902	41,458

(1) Transactions of the period are listed in Note 16 "Equity" to the consolidated financial statements for the year ended December 31, 2024.

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

<i>In millions of euros</i>	Share capital	Additional paid-in capital	Consolidated reserves	Deeply-subordinated perpetual notes	Changes in fair value and other	Translation adjustments	Treasury stock	Shareholders' equity	Non-controlling interests	Total
EQUITY AT DECEMBER 31, 2024	2,435	21,025	8,937	4,038	(200)	(1,557)	(122)	34,556	6,902	41,458
Net income/(loss)	-	-	3,827	-	-	-	-	3,827	921	4,748
Other comprehensive income/(loss)	-	-	624	-	(726)	(1,818)	-	(1,919)	(375)	(2,294)
TOTAL COMPREHENSIVE INCOME/(LOSS)	-	-	4,452	-	(726)	(1,818)	-	1,908	546	2,454
Share-based payment	-	(6)	106	-	-	-	-	100	-	100
Dividends paid in cash ⁽¹⁾	-	-	(3,635)	-	-	-	-	(3,635)	(717)	(4,351)
Purchase/disposal of treasury stock	-	-	(86)	-	-	-	74	(12)	-	(12)
Operations on deeply-subordinated perpetual notes ⁽¹⁾	-	-	(140)	352	-	-	-	213	-	213
Transactions between owners ⁽¹⁾	-	-	(183)	-	-	-	-	(183)	1,148	966
Transactions with an impact on non-controlling interests	-	-	-	-	-	-	-	-	3	3
Share capital increases and decreases	-	-	-	-	-	-	-	-	(6)	(6)
Other changes	-	-	4	-	-	-	-	4	2	6
EQUITY AT DECEMBER 31, 2025	2,435	21,019	9,455	4,390	(926)	(3,375)	(48)	32,951	7,879	40,830

(1) Transactions of the period are listed in Note 16 "Equity".

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

STATEMENT OF CASH FLOWS

In millions of euros	Notes	Dec. 31, 2025	Dec. 31, 2024
NET INCOME/(LOSS)		4,748	4,973
- Share in net income/(loss) of equity method entities	6.3	(622)	(850)
+ Dividends received from equity method entities		1,088	1,097
- Net depreciation, amortization, impairment and provisions		5,516	5,991
- Impact of changes in scope of consolidation and other non-recurring items		(268)	(290)
- Mark-to-market on commodity contracts other than trading instruments		(45)	(136)
- Other items with no cash impact		(435)	(441)
- Income tax expense	11	1,570	2,215
- Net financial income/(loss)	10	1,973	1,842
Cash generated from operations before income tax and working capital requirements		13,525	14,401
+ Tax paid		(1,016)	(1,030)
Change in working capital requirements ⁽¹⁾	22.1	(13,986)	(227)
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES		(1,476)	13,144
Acquisitions of property, plant and equipment and intangible assets	13.2 & 13.3	(7,267)	(9,385)
Acquisitions of controlling interests in entities, net of cash and cash equivalents acquired	4 & 14	(653)	(670)
Acquisitions of investments in equity method entities and joint operations	3 & 4	(243)	(66)
Acquisitions of equity and debt instruments	14	(1,750)	1,693
Disposals of property, plant and equipment, and intangible assets	13.2 & 13.3	197	75
Loss of controlling interests in entities, net of cash and cash equivalents sold	4 & 14	497	279
Disposals of investments in equity method entities and joint operations	3 & 4	820	529
Disposals of equity and debt instruments	14	39	32
Interest received on financial assets		295	475
Dividends received on equity instruments		(14)	(12)
Change in loans and receivables originated by the Group and other ⁽¹⁾	14	8,523	(4,289)
CASH FLOW FROM (USED IN) INVESTING ACTIVITIES		444	(11,338)
Dividends paid ⁽²⁾		(4,529)	(4,147)
Repayment of borrowings and debt		(3,080)	(3,707)
Change in financial assets held for investment and financing purposes		459	(475)
Interest paid		(1,512)	(1,732)
Interest received on cash and cash equivalents		489	750
Cash flow on derivatives qualifying as net investment hedges and compensation payments on derivatives and on early buyback of borrowings		93	69
Increase in borrowings		5,993	6,087
Increase/decrease in capital		367	1,040
Purchase and/or sale of treasury stock		(22)	(86)
Changes in ownership interests in controlled entities	16	884	743
CASH FLOW (USED IN) FINANCING ACTIVITIES		(858)	(1,457)
Effects of changes in exchange rates and other		(531)	2
TOTAL CASH FLOW FOR THE PERIOD		(2,421)	350
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	14	16,928	16,578
CASH AND CASH EQUIVALENTS AT END OF PERIOD	14	14,507	16,928

(1) Changes in these two items include the effects of monetizing part of the financial assets set aside to cover nuclear provisions ("Change in loans and receivables originated by the Group and other") in order to settle the payment of the first installment of the nuclear liability ("Change in working capital requirements") (see Note 4.2.2 "Closing of the agreement with the Belgian State on the ten-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State").

(2) The line "Dividends paid" includes the coupons paid to owners of deeply-subordinated perpetual notes (see Note 16 "Equity").

NB: The amounts shown in the tables are expressed in millions of euros. In certain cases, rounding may cause non-material discrepancies in the totals.

03 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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ENGIE SA, the parent company of the Group, is a French *société anonyme* with a Board of Directors and is subject to the provisions of Book II of the French Commercial Code (*Code de Commerce*), as well as to all other provisions of French law applicable to French commercial companies. It was incorporated on November 20, 2004 for a period of 99 years.

It is governed by current and future laws and by regulations applicable to *sociétés anonymes* and its bylaws.

The Group is headquartered at 67, rue Jules Ferry, 92250 La Garenne-Colombes (France).

ENGIE shares are listed on the Paris, Brussels and Luxembourg stock exchanges.

On February 25, 2026, the Group's Board of Directors approved and authorized for issue the consolidated financial statements of the Group for the year ended December 31, 2025.

NOTE 1 ACCOUNTING FRAMEWORK AND BASIS FOR PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 Accounting standards

Pursuant to European Regulation (EU) 2019/980 dated March 14, 2019, financial information concerning the assets, liabilities, financial position and profit or loss of ENGIE has been provided for the last two reporting periods (ended December 31, 2024 and 2025). This information was prepared in accordance with European Regulation (EC) 1606/2002 "on the application of international accounting standards" dated July 19, 2002. The Group's consolidated financial statements for the year ended December 31, 2025 have been prepared in accordance with IFRS Standards as published by the International Accounting Standards Board and endorsed by the European Union⁽¹⁾.

The accounting standards applied in the consolidated financial statements for the year ended December 31, 2025 are consistent with the policies used to prepare the consolidated financial statements for the year ended December 31, 2024, except for those described below.

1.1.1 IFRS Standards, amendments or IFRIC Interpretations applicable as from 2025

- Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability.

These amendments have no material impact on the Group's consolidated financial statements.

1.1.2 IFRS standards, amendments or IFRIC interpretations applicable from 2026, that the Group has elected not to early adopt

- Amendments to IFRS 9 – *Financial Instruments*; and IFRS 7 – *Financial Instruments*: Disclosures – Amendments to the Classification and Measurement of Financial Instruments.
- Amendments to IFRS 9 – *Financial Instruments*; and IFRS 7 – *Financial Instruments*: Disclosures – Contracts Referencing Nature-dependent Electricity
- Annual Improvements to IFRS Accounting Standards – Volume 11.

⁽¹⁾ Available on the European Commission's website:
<http://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX:02002R1606-20080410>

- IFRS 18 – *Presentation and Disclosure in Financial Statements*⁽¹⁾.
- IFRS 19 – *Subsidiaries without Public Accountability: Disclosures*⁽¹⁾.
- Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency*⁽¹⁾.

The impact of these texts is currently being assessed.

1.2 Measurement and presentation basis

1.2.1 Historical cost convention

The Group's consolidated financial statements are presented in euros and have been prepared using the historical cost convention, except for financial instruments, which are accounted for under the financial instrument categories defined by IFRS 9.

1.2.2 Chosen options

1.2.2.1 Reminder of IFRS 1 transition options

The Group used some of the options available under IFRS 1 for its transition to IFRS in 2005. The options that continue to have an impact on the consolidated financial statements are:

- translation adjustments: the Group elected to reclassify cumulative translation adjustments within consolidated equity at January 1, 2004;
- business combinations: the Group elected not to restate business combinations that took place prior to January 1, 2004 in accordance with IFRS 3.

1.2.2.2 Business combinations

Business combinations carried out prior to January 1, 2010 were accounted for in accordance with IFRS 3 prior to the review. In accordance with IFRS 3 revised, these business combinations have not been restated.

Since January 1, 2010, the Group applies the purchase method as defined in IFRS 3 revised, which consists in recognizing the identifiable assets acquired and liabilities assumed at their fair values at the acquisition date, as well as any non-controlling interests in the acquiree. Non-controlling interests are measured either at fair value or at the entity's proportionate interest in the net identifiable assets of the acquiree. The Group determines on a case-by-case basis which measurement option to be used to recognize non-controlling interests.

1.2.2.3 Consolidated statement of cash flows

The consolidated statement of cash flows is prepared using the indirect method starting from net income.

"Interest received on financial assets" is classified within investing activities because it represents a return on investments. "Interest received on cash and cash equivalents" is shown as a component of financing activities because the interest can be used to reduce borrowing costs. This classification is consistent with the Group's internal organization, where debt and cash are managed centrally by the Group Treasury Department.

⁽¹⁾ These standards and amendments have not yet been adopted by the European Union.

As impairment losses on current assets are considered to be definitive losses, changes in current assets are presented net of impairment.

Cash flows relating to the payment of income tax are presented on a separate line.

1.2.3 Foreign currency transactions

1.2.3.1 Translation of foreign currency transactions

Foreign currency transactions are recorded in the functional currency at the exchange rate prevailing on the date of the transaction.

Functional currency is the currency of the primary economic environment in which an entity operates, which in most cases corresponds to local currency. However, certain entities may have a functional currency different from the local currency when that other currency is used for an entity's main transactions and better reflects its economic environment.

At each reporting date:

- monetary assets and liabilities denominated in foreign currencies are translated at year-end exchange rates. The resulting translation gains and losses are recorded in the consolidated income statement for the year to which they relate;
- non-monetary assets and liabilities denominated in foreign currencies are recognized at the historical cost applicable at the date of the transaction.

1.2.3.2 Translation of the financial statements of subsidiaries with a functional currency other than the euro (the presentation currency)

The statements of financial position of these subsidiaries are translated into euros at the official year-end exchange rates. Income statement and cash flow statement items are translated using the average exchange rate for the year. Any differences arising from the translation of the financial statements of these subsidiaries are recorded under "Translation adjustments" as other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of foreign entities are classified as assets and liabilities of those foreign entities and are therefore denominated in the functional currencies of the entities and translated at the year-end exchange rate.

1.3 Use of estimates and judgment

1.3.1 Estimates

The preparation of consolidated financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities and contingent assets and liabilities at the reporting date, as well as income and expenses reported during the period.

Developments in the economic and financial environment, particularly relating to volatile commodities markets, and political instability have prompted the Group to step up its risk oversight procedures, mainly in measuring financial instruments, and assessing counterparty and liquidity risk. The estimates used by the Group, among other things, to test for impairment and to measure provisions, also take into account this environment and the market volatility.

Accounting estimates are made in a context that remains sensitive to energy market developments and regulations.

Due to uncertainties inherent in the estimation process, the Group regularly revises its estimates in light of currently available information. Final outcomes could differ from those estimates.

The key estimates used in preparing the Group's consolidated financial statements relate mainly to:

- measurement of the recoverable amount of goodwill (see Note 13.1 "Goodwill"), other intangible assets (see Note 3.2 "Intangible assets") and property, plant and equipment (see Note 13.3 "Property, plant and equipment");
- measurement of the fair value of financial assets and liabilities, and factoring in the uncertainty surrounding the key assumptions used, in particular updating the main valuation inputs of commodity derivatives (see Notes 14 "Financial instruments" and 15 "Risks arising from financial instruments");
- measurement of provisions, and particularly provisions for dismantling facilities, disputes, and pensions and other employee benefits (see Notes 17 "Provisions" and 18 "Post-employment benefits and other long-term benefits");
- measurement of unmetered revenues (energy in the meter) in a context of fluctuating commodity prices (see Note 7 "Revenues");
- measurement of recognized tax loss carry-forwards, taking into account, where applicable, taxable income revisions and projections (see Note 11 "Income tax expense").

1.3.2 Judgment

As well as relying on estimates, Group management also makes judgments to define the appropriate accounting policies to apply to certain activities and transactions, particularly when the IFRS Standards and IFRIC Interpretations in force do not specifically deal with the related accounting issues.

In particular, the Group exercised its judgment in:

- assessing the nature of control (see Notes 2 "Main subsidiaries at December 31, 2025" and 3 "Investments in equity method entities");
- identifying the performance obligations of sales contracts (see Note 7 "Revenues");
- determining how revenues are recognized for distribution or transmission services invoiced to customers (see Note 7 "Revenues");
- identifying own use contracts as defined by IFRS 9 within non-financial purchase and sale contracts (electricity, gas, etc.) (see Note 14 "Financial instruments");
- identifying offsetting arrangements that meet the criteria set out in IAS 32 – *Financial Instruments*: Presentation (see Note 14 "Financial instruments");
- determining whether arrangements are or contain a lease (see Note 13.3 "Property, plant and equipment").

Entities for which judgment on the nature of control has been exercised are listed in Note 2 "Main subsidiaries at December 31, 2025" and Note 3 "Investments in equity method entities".

1.3.3 Consideration of Environmental, Social and Governance (ESG) issues in the preparation of the Group's financial statements

The risks and opportunities relating to Environmental, Social and Governance issues – identified during the double materiality assessment and described in Chapter 3 "Sustainability statement and other ESG information" – were taken into account when preparing the consolidated financial statements in order to determine any material impacts on the financial information presented.

The Group has exercised its judgment in selecting assumptions reflecting climate-related issues. In particular, it verified whether there were any indications that non-financial assets might be impaired or provisions needed to be recognized:

- the commitments made by France, Europe and various countries at international level, in particular with regard to medium- and long-term carbon neutrality, are taken into account (i) in assessing the value of the Group's assets, in particular through the long-term price scenarios used in impairment tests (see Note 13.4 "Impairment of goodwill, intangible assets, property, plant and equipment and equity method entities"), and (ii) in assessing dismantling provisions, in particular by assessing the useful life of gas infrastructures in France based on the expected change in the energy mix (see Note 17 "Provisions");

- the commitments made specifically by ENGIE are also reflected in the assessment of the value of the Group's assets (see Note 13.4.1 "General assumptions"), in particular (i) the complete withdrawal from coal activities by 2027, which primarily concerns South America, depending on each asset's specific prospects (closure, conversion or disposal and discontinuance of sales) and (ii) the gradual decarbonization of the Group's power generation activities to net zero by 2045 and, more broadly, the Group's investment strategy in favor of the energy transition by expanding its renewable energy fleet, substituting natural gas with renewable gas, thereby confirming a mixed gas/electricity scenario in the Group's long-term projections under the present regulation/remuneration methods for regulated assets (in France in particular), and developing low-carbon services offerings.

Assumptions reflecting other ESG issues were assessed to determine whether a provision needed to be recognized (see Note 17 "Provisions") or to provide additional information (see Note 23 "Legal and anti-trust proceedings") in relation to the following topics:

- rehabilitation or restoration of sites (e.g., infrastructure dismantling obligations, soil decontamination);
- the Group's exposure to risks relating to individuals, commercial disputes and other legal risks in the event of noncompliance with regulations or legislation, and its exposure to other disputes and investigations in connection with its own business activities (see Note 23 "Legal and anti-trust proceedings").

NOTE 2 MAIN SUBSIDIARIES AT DECEMBER 31, 2025

Accounting standards

Controlled entities (subsidiaries) are fully consolidated in accordance with IFRS 10 – *Consolidated Financial Statements*. An investor (the Group) controls an entity and therefore must consolidate it if all of the following three criteria are met:

- it has the ability to direct the relevant activities of the entity;
- it has the rights and is exposed to variable returns from its involvement with the entity;
- it has the ability to use its power over the entity to affect the investor's return.

2.1 List of main subsidiaries at December 31, 2025

The following lists are made available by the Group to third parties, pursuant to Regulation No. 2016-09 of the French accounting standards authority (ANC) issued on December 2, 2016:

- list of companies included in consolidation;
- list of companies excluded from consolidation because their individual and cumulative incidence on the Group's consolidated financial statements is not material. They correspond to entities deemed not significant as regards the Group's main key figures (revenues, total equity, etc.) or entities that have ceased all activities and are undergoing liquidation/closure proceedings;
- list of main non-consolidated interests.

This information is available on the Group's website (www.engie.com, Investors/Regulated information section). Non-consolidated companies are classified as non-current financial assets (see Note 14.1.1.1 "Equity instruments at fair value") under "Equity instruments at fair value".

The list of the main subsidiaries consolidated under the full consolidation method presented below was determined, as regards operating entities, based on their contribution to Group revenues, EBITDA, net income and net financial debt. The main equity-accounted investments (associates and joint ventures) are presented in Note 3 "Investments in equity method entities".

Some entities such as ENGIE SA, ENGIE Énergie Services SA or Electrabel SA comprise both operating activities and headquarters functions which report to management teams of different reportable segments. In the following tables, these operating activities and headquarters functions are shown within their respective reportable segments under their initial company name followed by a * sign.

Renewables & Flex Power – Renewables & BESS

Company name	Activity	Country	% interest	
			Dec. 31, 2025	Dec. 31, 2024
BTE Renewables	Electricity distribution and generation	South Africa	60.0	60.0
Compagnie Nationale du Rhône	Electricity distribution and generation	France	50.0	50.0
ENGIE Energía Perú *	Electricity distribution and generation	Peru	61.8	61.8
ENGIE Green	Electricity distribution and generation	France	100.0	100.0
ENGIE Renouvelables	Electricity distribution and generation	France	100.0	100.0
ENGIE Romania *	Energy sales	Romania	63.0	63.0
Group Broad Reach Power	Battery energy storage systems	United States	100.0	100.0
Groupe ENGIE Brasil Energia *	Electricity distribution and generation	Brazil	68.7	68.7
Groupe ENGIE Energía Chile *	Electricity distribution and generation	Chile	60.0	60.0
Jupiter Equity Holding	Electricity distribution and generation	United States	51.0	51.0
Kathu Solar Park	Electricity distribution and generation	South Africa	57.7	57.7
Mercury Equity Holding	Electricity distribution and generation	United States	51.0	51.0
Saturn Equity Holding	Electricity distribution and generation	United States	51.0	51.0
Saturn Storage Equity Holdings	Electricity distribution and generation	United States	51.0	51.0
Tacoma Equity Holdco	Electricity distribution and generation	United States	51.0	51.0

Renewables & Flex Power – Gas Generation

Company name	Activity	Country	% interest	
			Dec. 31, 2025	Dec. 31, 2024
Electrabel SA *	Electricity generation, Energy sales	Belgium	100.0	100.0
ENGIE Energía Perú *	Electricity generation, Energy sales	Peru	61.8	61.8
ENGIE Energie Nederland N.V.*	Electricity generation, Energy sales	Netherlands	100.0	100.0
ENGIE Italia S.p.A *	Electricity generation, Energy sales	Italy	100.0	100.0
ENGIE SA *	Electricity generation, Energy sales	France	100.0	100.0
ENGIE Thermique France	Electricity generation, Energy sales	France	100.0	100.0
First Hydro Holdings Company	Electricity generation, Energy sales	United Kingdom	75.0	75.0
Groupe ENGIE Energía Chile *	Electricity generation, Energy sales	Chile	60.0	60.0
Pelican Point Power Limited	Electricity generation, Energy sales	Australia	100.0	100.0
UCH Power Limited ⁽¹⁾	Electricity generation, Energy sales	Pakistan	-	100.0

(1) On April 15, 2025, the Group finalized the sale of its entire stake in Uch (see Note 4.1 "Main changes in Group structure").

Networks

Company name	Activity	Country	% interest	
			Dec. 31, 2025	Dec. 31, 2024
Elengy	Natural gas, LNG	France	60.8	60.8
ENGIE Romania *	Natural gas distribution	Romania	63.0	63.0
Fosmax LNG	Natural gas, LNG	France	60.8	60.8
GRDF	Natural gas distribution	France	100.0	100.0
Groupe ENGIE Brasil Energia *	Electricity distribution	Brazil	68.7	68.7
Groupe ENGIE Energía Chile *	Electricity distribution	Chile	60.0	60.0
Groupe NaTran (excluding Elengy)	Natural gas transportation	France, Germany	60.9	60.8
Storengy Deutschland	Underground natural gas storage	Germany	100.0	100.0
Storengy France	Underground natural gas storage	France	100.0	100.0

Local Energy Infrastructures

Company name	Activity	Country	% interest	
			Dec. 31, 2025	Dec. 31, 2024
CPCU	Urban heating networks	France	66.5	66.5
Energie SaarLorLux AG	Energy services	Germany	51.0	51.0
ENGIE Deutschland	Energy services	Germany	100.0	100.0
ENGIE Energie Services SA *	Energy services, Networks	France	100.0	100.0
ENGIE Servizi S.p.A	Energy services	Italy	100.0	100.0

Supply & Energy Management

Company name	Activity	Country	% interest	
			Dec. 31, 2025	Dec. 31, 2024
Electrabel SA *	Electricity generation, Energy sales	Belgium	100.0	100.0
ENGIE Deutschland AG *	Holding, Energy management trading	Germany	100.0	100.0
ENGIE Energy Management *	Energy management trading	France, Belgium, Italy, United Kingdom	100.0	100.0
ENGIE Energie Nederland Holding B.V.	Holding, Energy management trading	Netherlands	100.0	100.0
ENGIE Energie Nederland N.V. *	Electricity generation, Energy sales	Netherlands	100.0	100.0
ENGIE Global Markets	Energy management trading	France, Belgium, Singapore	100.0	100.0
ENGIE Italia S.p.A *	Holding, Energy management trading	Italy	100.0	100.0
ENGIE Romania *	Natural gas distribution, Energy sales	Romania	63.0	63.0
ENGIE SA *	Electricity generation, Energy sales	France	100.0	100.0
Simply Energy	Energy sales	Australia	100.0	100.0

Others

Company name	Activity	Country	% interest	
			Dec. 31, 2025	Dec. 31, 2024
Electrabel SA *	Electricity generation, Energy sales	Belgium	100.0	100.0
Cogac	Holding	France	100.0	100.0
ENGIE CC	Financial subsidiaries, Central functions	Belgium	100.0	100.0
ENGIE Energie Services SA *	Energy services, Networks	France	100.0	100.0
Engie Energy Services International SA	Holding	Belgium	100.0	100.0
ENGIE Finance SA	Financial subsidiaries	France	100.0	100.0
ENGIE Holding Inc.	Holding - parent company	United States	100.0	100.0
ENGIE Investissement International	Holding - parent company	Luxembourg	100.0	100.0
ENGIE North America	Electricity distribution and generation, Natural gas, LNG, Energy services	United States	100.0	100.0
ENGIE Resources Inc.	Energy sales	United States	100.0	100.0
ENGIE Romania *	Natural gas distribution, Energy sales	Romania	63.0	63.0
ENGIE SA *	Holding - parent company, Energy management trading, energy sales	France	100.0	100.0
ENGIE Group Participations	Holding	France	100.0	100.0
Genfina	Holding	Belgium	100.0	100.0
Groupe ENGIE Energía Chile *	Electricity distribution and generation	Chile	60.0	60.0
International Power Limited	Holding	United Kingdom	100.0	100.0
Synatom	Nuclear provisions management	Belgium	100.0	100.0
Tractebel Engineering International	Engineering	Belgium	100.0	100.0

2.2 Significant judgments exercised when assessing control

The Group primarily considers the following information and criteria when determining whether it has control over an entity:

- governance arrangements: voting rights and Group representation in the governing bodies, majority rules and veto rights;
- the nature of substantive or protective rights granted to shareholders, relating to the entity's relevant activities;
- deadlock resolution mechanisms;
- whether the Group is exposed, or has rights, to variable returns from its involvement with the entity.

The Group exercised its judgment regarding the following entities and sub-groups:

Entities in which the Group has the majority of the voting rights

NaTran (Networks): 60.85%

The analysis of the shareholders' agreement concluded with Société d'Infrastructures Gazières, a subsidiary of *Caisse des Dépôts et Consignations* (CDC), which holds 38.47% of the share capital of NaTran, was completed by an assessment of the rights granted to the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* – CRE). As a regulated activity, NaTran has a dominant position on the gas transportation market in France. Accordingly, since the transposition of the Third European Directive of July 13, 2009 into French law (*Code de l'énergie* – Energy Code) on May 9, 2011, NaTran has been subject to independence rules as regards its directors and senior management team. The French Energy Code confers certain powers on the CRE in the context of its duties to control the proper functioning of the gas markets in France, including verifying the independence of the members of the Board of Directors and senior management and assessing the choice of investments. The Group considers that it exercises control over NaTran and its subsidiaries (including Elengy) based on the Group's ability to appoint the majority of the members of the Board of Directors and take decisions about the relevant activities, especially in terms of the level of investment and planned financing.

Entities in which the Group does not have the majority of the voting rights

For entities in which the Group does not have the majority of the voting rights, judgment is exercised with regard to the following items, in order to assess whether there is a situation of *de facto* control:

- dispersion of the shareholding structure: number of voting rights held by the Group relative to the number of rights held respectively by the other holders of voting rights and their dispersion;
- voting patterns at Shareholders' Meetings: the percentages of voting rights exercised by the Group at Shareholders' Meetings in recent years;
- governance arrangements: representation in the governing body with strategic and operational decision-making power over the relevant activities;
- rules for appointing key management personnel;
- contractual relationships and material transactions.

The main fully consolidated entity in which the Group does not have the majority of the voting rights at December 31, 2025 is Compagnie Nationale du Rhône (49.98%).

Compagnie Nationale du Rhône ("CNR" – Renewables & Flex Power – Renewables & BESS): 49.98%

The Group holds 49.98% of the share capital of CNR, with CDC holding 33.2%, and the balance of 16.82% being dispersed among around 200 local authorities. In view of the current provisions of the French "Murcef" law, under which a majority of CNR's share capital must remain under public ownership, the Group is unable to hold more than 50% of the share capital. However, the Group considers that it exercises *de facto* control as it holds the majority of the voting rights exercised at Shareholders' Meetings due to the widely dispersed shareholding structure and the absence of evidence of the minority shareholders acting in concert.

2.3 Main subsidiaries with non-controlling interests

The following table shows the subsidiaries with non-controlling interests that are deemed to be material, the respective contributions to equity and to net income at December 31, 2025 and December 31, 2024, as well as the dividends paid to non-controlling interests:

		Percentage interest of non-controlling interests		Net income/(loss) of non-controlling interests		Equity of non-controlling interests		Dividends paid to non-controlling interests	
Company name		Activity							
		Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
In millions of euros									
NaTran Group (Networks, France)	Regulated gas transportation activities and management of LNG terminals	39.1	39.2	153	121	1,646	1,581	116	175
ENGIE Energía Chile Group (Latin America, Chile) ⁽¹⁾	Electricity distribution and generation - thermal power plants	40.0	40,0	88	67	590	592	24	20
ENGIE Romania Group (Rest of Europe, Romania)	Distribution of natural gas, Energy sales	37.0	37.0	85	82	615	567	19	16
ENGIE Brasil Energia Group (Latin America, Brazil) ⁽¹⁾	Electricity distribution and generation	31.3	31.3	138	204	754	686	65	83
ENGIE Energía Perú (Latin America, Peru) ⁽¹⁾	Electricity distribution and generation - thermal and hydroelectric power plants	38.2	38.2	28	33	378	441	34	11
USA solar, wind & BESS ⁽²⁾	Electricity generation, storage and distribution	49.0	49.0	183	27	2,514	1,525	126	31
Other subsidiaries with non-controlling interests		-	-	247	333	1,381	1,511	333	290
TOTAL				921	867	7,879	6,902	717	627

(1) ENGIE Energía Chile, ENGIE Brasil Energia and ENGIE Energía Perú are listed in their respective countries.

(2) In the United States, ENGIE holds a 51.0% stake in most jointly owned projects (the other projects are jointly owned at 50.5%, 50.9%, 68.0%, and 73.1%).

2.3.1 Condensed financial information on main subsidiaries with non-controlling interests

The condensed financial information concerning these subsidiaries presented in the table below is based on a 100% interest and is shown before intragroup eliminations.

In millions of euros	NaTran Group		ENGIE Energía Chile Group		ENGIE Romania Group	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Income statement						
Revenues	2,625	2,562	1,684	1,597	1,890	1,747
Net income/(loss)	391	309	220	168	230	191
Net income/(loss) Group share	238	188	132	101	145	110
Other comprehensive income/(loss) – Group share	38	16	(100)	62	(34)	(26)
TOTAL COMPREHENSIVE INCOME/(LOSS) –	276	204	32	163	111	83
Statement of financial position						
Current assets	884	1,050	632	1,154	875	727
Non-current assets	9,583	9,675	4,178	3,885	1,310	1,270
Current liabilities	(1,221)	(1,418)	(509)	(586)	(299)	(345)
Non-current liabilities	(5,039)	(5,270)	(2,836)	(2,985)	(239)	(137)
TOTAL EQUITY	4,206	4,036	1,465	1,469	1,646	1,515
TOTAL EQUITY OF NON-CONTROLLING	1,646	1,581	590	592	615	567
Statement of cash flows						
Cash flow from operating activities	1,224	1,064	679	603	323	391
Cash flow from (used in) investing activities	(487)	(495)	(922)	(580)	(131)	(208)
Cash flow from (used in) financing activities	(727)	(588)	(122)	160	(47)	(137)
TOTAL CASH FLOW FOR THE PERIOD ⁽¹⁾	9	(19)	(365)	183	145	47

(1) Excluding effects of changes in exchange rates and other.

In millions of euros	ENGIE Brasil Energia Group		ENGIE Energía Perú		ENGIE USA solar, wind & BESS ⁽²⁾	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Income statement						
Revenues	2,056	1,924	574	664	634	361
Net income/(loss)	344	642	72	86	246	(202)
Net income/(loss) Group share	206	438	45	53	63	(229)
Other comprehensive income/(loss) – Group share	(13)	(176)	(88)	45	(459)	156
TOTAL COMPREHENSIVE INCOME/(LOSS) –	193	262	(43)	98	(396)	(73)
Statement of financial position						
Current assets	1,108	1,141	482	581	708	797
Non-current assets	7,349	6,404	1,579	1,842	12,167	12,078
Current liabilities	(1,028)	(897)	(256)	(375)	(576)	114
Non-current liabilities	(5,399)	(4,928)	(815)	(893)	(5,387)	(7,169)
TOTAL EQUITY	2,030	1,720	989	1,155	6,912	5,819
TOTAL EQUITY OF NON-CONTROLLING	754	686	378	441	2,514	1,525
Statement of cash flows						
Cash flow from operating activities	1,146	1,267	213	239	402	8
Cash flow from (used in) investing activities	(1,106)	(1,482)	(71)	(94)	(437)	(1,715)
Cash flow from (used in) financing activities	(136)	(3)	(101)	(60)	22	1,466
TOTAL CASH FLOW FOR THE PERIOD ⁽¹⁾	(96)	(218)	40	86	(13)	(241)

(1) Excluding effects of changes in exchange rates and other.

(2) In the United States, ENGIE holds a 51.0% stake in most jointly owned projects (the other projects are jointly owned at 50.5%, 50.9%, 68.0%, and 73.1%).

NOTE 3 INVESTMENTS IN EQUITY METHOD ENTITIES

Accounting standards

The Group accounts for its investments in associates and joint ventures using the equity method. Under IFRS 11 – *Joint Arrangements*, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. An associate is an entity over which the Group has significant influence.

The respective contributions of associates and joint ventures in the statement of financial position, the income statement and the statement of comprehensive income at December 31, 2025 and December 31, 2024 are as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024 ⁽¹⁾
Statement of financial position		
Investments in associates	3,423	3,967
Investments in joint ventures	3,769	4,406
INVESTMENTS IN EQUITY METHOD ENTITIES	7,192	8,373
Income statement		
Share in net income/(loss) of associates	273	414
Share in net income/(loss) of joint ventures	349	436
SHARE IN NET INCOME/(LOSS) OF EQUITY METHOD ENTITIES	622	850
Statement of comprehensive income		
Share of associates in "Other comprehensive income/(loss)"	(39)	91
Share of joint ventures in "Other comprehensive income/(loss)"	95	(266)
SHARE OF EQUITY METHOD ENTITIES IN "OTHER COMPREHENSIVE INCOME/(LOSS)"	56	(175)

(1) The contribution of Tirreno Power has been reclassified under joint ventures. Published data at December 31, 2024 have been restated accordingly.

Impairment losses recognized on investments in equity method entities are commented on Note 13.4 "Impairment testing of goodwill, intangible assets, property, plant and equipment and equity method entities".

Significant judgments

The Group primarily considers the following information and criteria in determining whether it has joint control or significant influence over an entity:

- governance arrangements: voting rights and Group representation in the governing bodies, majority rules and veto rights;
- the nature of substantive or protective rights granted to shareholders, relating to the entity's relevant activities. This can be difficult to determine in the case of "project management" or "one-asset" entities, as certain decisions concerning the relevant activities are made upon the creation of the joint arrangement and remain valid throughout the project. Accordingly, the analysis of rights relates to the relevant residual activities of the entity (those that significantly affect the variable returns of the entity);
- deadlock resolution mechanisms;
- whether the Group is exposed, or has rights, to variable returns from its involvement with the entity; This can also involve analyzing the Group's contractual relations with the entity, in particular the conditions in which these contracts are entered into, their duration as well as the management of conflicts of interest that may arise when the entity's governing body casts votes.

The Group exercised its judgment regarding the following entities and sub-groups.

Project management entities in the Middle East and in Africa

The significant judgments made in determining the consolidation method to be applied to these project management entities related to the risks and rewards relating to contracts between ENGIE and the entity concerned, as well as an analysis of the residual relevant activities over which the entity retains control after its creation. The Group considers that it exercises significant influence or joint control over these entities, since the decisions taken throughout the term of the project about the relevant activities such as refinancing, or the renewal or amendment of significant contracts (sales, purchases, operating and maintenance services) require, depending on the case, the unanimous consent of two or more parties sharing control.

Joint control – difference between joint ventures and joint operations

Classifying a joint arrangement requires the Group to use its judgment to determine whether the entity in question is a joint venture or a joint operation. IFRS 11 requires an analysis of “other facts and circumstances” when determining the classification of jointly controlled entities.

The IFRS Interpretations Committee (IFRS IC) (November 2014) decided that for an entity to be classified as a joint operation, other facts and circumstances must give rise to direct enforceable rights to the assets, and obligations for the liabilities, of the joint arrangement.

In view of this position and its application to our analyses, the Group has no material joint operations at December 31, 2025.

3.1 Investments in associates

3.1.1 Contribution of associates to the Group

The table below shows the contribution of each material associate along with the aggregate contribution of associates deemed not material taken individually, in the consolidated statement of financial position, income statement, statement of comprehensive income, and the “Dividends received from equity method entities” line of the statement of cash flows.

The Group used qualitative and quantitative criteria to determine material associates. These criteria include the contribution to the consolidated line items “Share in net income/(loss) of associates” and “Investments in associates”, the total assets of associates in Group share, and associates carrying major projects in the study or construction phase for which the related investment commitments are material (100% capacity).

Company name	Activity	Capacity	Consolidation percentage of investments in associates		Carrying amount of investments in associates		Share in net income/(loss) of associates		Other comprehensive income/(loss) of associates		Dividends received from associates	
			Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
In millions of euros												
Project management entities in the Middle East (Middle-East, Asia & Africa, Saudi Arabia, Bahrain, Qatar, United Arab Emirates, Oman, Kuwait) ^{(1) (2)}	Gas-fired power plants and seawater desalination facilities		-	-	860	1,326	153	174	(22)	29	144	205
Movhera	Hydropower plant	1,706 MW	40.00	40.00	573	549	50	23	2	(5)	10	26
Energia Sustentável do Brasil (Brazil)	Hydropower plant	3,675 MW	40.00	40.00	562	584	25	17	-	-	48	-
GASAG (Germany)	Gas and heat networks		31.57	31.57	285	289	30	18	(17)	33	17	17
Eolia Renovables (Spain)	Wind power plant	964 MW	40.00	40.00	372	358	(9)	8	(1)	7	-	-
Other investments in associates that are not material taken individually					771	861	24	174	(2)	26	55	131
INVESTMENTS IN ASSOCIATES					3,423	3,967	273	414	(39)	91	273	378

(1) Investments in associates operating gas-fired power plants and seawater desalination facilities in the Arabian Peninsula have been grouped together under “Project management entities in the Middle East”. This mainly includes around 30 associates operating thermal power plants with a total installed capacity of 23,179 MW (at 100%).

These associates have fairly similar business models and joint arrangements: the project management entities selected as a result of a competitive bidding process develop, build and operate power generation plants and seawater desalination facilities. The entire output of these facilities is sold to government-owned companies under power and water purchase agreements, over periods generally spanning 20 to 30 years.

In accordance with their contractual arrangements, the corresponding plants are recognized in accordance with IFRIC 12, IFRS 16 or IAS 16 as property, plant and equipment or as financial receivables. The shareholding structure of these entities systematically includes a government-owned company based in the same country as the project management entity. The Group's percentage interest and percentage voting rights in each of these entities varies between 20% and 50%.

(2) In December 2025, the Group finalized the sale of its thermal assets in Bahrain and Kuwait (see Note 4.1 “Main changes in Group structure”).

The share in net income/(loss) of associates includes a net non-recurring expense of €66 million in 2025 (compared to a net non-recurring expense of €1 million in 2024), mainly including an impairment loss on renewable assets in France (see Note 5.3 “Net recurring income Group share (NriGs)”).

3.1.2 Financial information regarding material associates

The tables below provide condensed financial information for the Group's main associates. The amounts shown have been determined in accordance with IFRS, before the elimination of intragroup transactions and after (i) adjustments made in line with Group accounting policies and (ii) fair value measurements of the assets and liabilities of the associate performed at the acquisition date at the level of ENGIE, as required by IAS 28. All amounts are presented based on a 100% interest with the exception of "Total equity attributable to ENGIE".

<i>In millions of euros</i>	Revenues	Net income/(loss)	Other comprehensive income/(loss)	Total comprehensive income/(loss)	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Total equity	Consolidation % of Group	Total equity attributable to ENGIE
AT DECEMBER 31, 2025											
Project management entities in the Middle East	4,395	653	(99)	554	2,167	13,050	2,945	8,561	3,705	-	860
Energia Sustentável do Brasil	591	62	-	62	243	2,677	1,524	(7)	1,404	40.00	562
Movhera	524	126	6	132	255	1,978	133	667	1,433	40.00	573
GASAG	1,716	95	(54)	41	1,347	2,041	2,308	340	905	31.57	285
Eolia Renovables	131	(22)	(1)	(24)	113	2,082	166	1,086	931	40.00	372
AT DECEMBER 31, 2024											
Project management entities in the Middle East	4,686	703	150	852	2,985	18,254	3,302	12,569	5,361	-	1,326
Energia Sustentável do Brasil	610	44	-	44	201	2,842	1,590	(7)	1,460	40.00	584
Movhera	402	58	(11)	46	212	2,015	93	763	1,372	40.00	549
GASAG	1,632	56	105	161	1,294	1,920	2,218	240	918	31.57	289
Eolia Renovables	128	20	17	37	119	2,130	195	1,147	894	40.00	358

3.1.3 Transactions between the Group and its associates

The data below set out the impact of transactions with associates on the Group's 2025 consolidated financial statements.

<i>In millions of euros</i>	Purchases of goods and services	Sales of goods and services	Net financial income (excluding dividends)	Trade and other receivables	Loans and receivables at amortized cost	Trade and other payables	Borrowings and debt
Project management entities in the Middle East	(1)	215	4	46	140	1	-
Contassur ⁽¹⁾	-	-	-	265	2	-	-
Energia Sustentável do Brasil	130	2	-	-	-	13	-
Movhera	-	64	6	29	68	5	-
Other	99	61	7	52	148	21	15
AT DECEMBER 31, 2025	229	342	18	392	358	40	16

(1) Contassur is a life insurance company accounted for using the equity method. Contassur offers insurance contracts, chiefly with pension funds that cover post-employment benefit obligations for Group employees and also employees of other companies mainly engaged in regulated activities in the electricity and gas sector in Belgium. Insurance contracts entered into by Contassur represent reimbursement rights recorded within "Other assets" in the statement of financial position. These reimbursement rights totaled €265 million at December 31, 2025 (€260 million at December 31, 2024).

3.2 Investments in joint ventures

3.2.1 Contribution of joint ventures to the Group

The table below shows the contribution of each material joint venture along with the aggregate contribution of joint ventures deemed not material taken individually to the consolidated statement of financial position, income statement, statement of comprehensive income, and the "Dividends received from equity method entities" line of the statement of cash flows.

The Group used qualitative and quantitative criteria to determine material joint ventures. These criteria include the contribution to the line items "Share in net income/(loss) of joint ventures" and "Investments in joint ventures", the Group's share in the total assets of joint ventures, and joint ventures conducting major projects in the study or construction phase for which the related investment commitments are material.

Company name	Activity	Capacity	Consolidation percentage of investments in joint ventures		Carrying amount of investments in joint ventures		Share in net income/(loss) of joint ventures		Other comprehensive income/(loss) of joint ventures		Dividends received from joint ventures	
			Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
In millions of euros												
Transportadora Asociada de Gás S.A. (TAG) (Brazil) ⁽¹⁾	Gas transmission network		50.00	50.00	540	582	311	343	71	(119)	425	417
National Central Cooling Company "Tabreed" (Middle-East, Asia & Africa, Abu Dhabi)	District cooling networks		40.00	40.00	786	925	42	56	(4)	(21)	60	44
EcoEléctrica (Puerto Rico)	Combined-cycle gas-fired power plant and LNG terminal	534 MW	50.00	50.00	281	306	64	55	-	-	68	63
Portfolio of power generation assets (Portugal)	Electricity generation	864 MW	-	-	43	34	7	23	2	(16)	-	6
WSW Energie und Wasser AG (Germany)	Electricity distribution and generation		33.10	33.10	197	217	2	36	-	-	22	17
Iowa University partnership (United States)	Energy services		39.10	39.10	163	236	9	6	(1)	(1)	55	5
Ocean Winds	Electricity generation	2,747 MW	50.00	50.00	264	187	15	(138)	37	(107)	62	-
Georgetown University partnership (United States)	Energy services		50.00	50.00	158	176	7	6	(2)	-	-	-
Ohio State Energy Partners (United States)	Energy services		50.00	50.00	16	22	-	(17)	2	2	6	16
Megal GmbH (Germany)	Gas transmission network		49.00	49.00	44	52	(3)	2	-	-	5	4
Transmisora Eléctrica del Norte (Chile) ⁽²⁾	Electricity transmission line		50.00	50.00	114	134	6	5	-	-	-	-
Energia Mayakan (Mexico)	Gas transmission network		50.00	50.00	310	355	3	12	(7)	-	5	4
Other investments in joint ventures that are not material taken individually					854	1,179	(116)	49	(3)	(4)	104	143
INVESTMENTS IN JOINT VENTURES					3,769	4,406	349	436	95	(266)	815	719

(1) The Group's interest in Transportadora Associada de Gás S.A. (TAG) is 44.52%.

(2) The Group's interest in Transmisora Eléctrica del Norte is 30%.

The share in net income/(loss) of joint ventures includes a non-recurring loss of €320 million in 2025 (non-recurring loss of €211 million in 2024), mainly resulting from impairment losses on Local Energy Infrastructures RoW assets in the United States and renewables activities in France (see Note 5.3 “Net recurring income Group share (NriGs)”).

3.2.2 Financial information regarding material joint ventures

The amounts shown have been determined in accordance with IFRS before the elimination of intragroup items and after (i) adjustments made in line with Group accounting policies and (ii) fair value measurements of the assets and liabilities of the joint venture performed at the date of acquisition at the level of ENGIE, as required by IAS 28. All amounts are presented based on a 100% interest with the exception of “Total equity attributable to ENGIE” in the statement of financial position.

3.2.2.1 Information on the income statement and statement of comprehensive income

<i>In millions of euros</i>	Revenues	Depreciation and amortization of intangible assets and property, plant and equipment	Net financial income/(loss)	Income tax expense	Net income/(loss)	Other comprehensive income/(loss)	Total comprehensive income/(loss)
AT DECEMBER 31, 2025							
Transportadora Asociada de Gas S.A. (TAG)	1,477	(213)	(300)	(130)	623	141	764
National Central Cooling Company “Tabreed”	-	-	-	-	106	(10)	96
EcoEléctrica	208	(32)	4	(6)	129	-	129
Portfolio of power generation assets in Portugal	16	(1)	(14)	(5)	14	4	18
WSW Energie und Wasser AG	1,324	(17)	5	(24)	8	-	8
Iowa University partnership	122	-	(28)	-	23	-	23
Ocean Winds	298	(246)	(175)	(13)	27	73	101
Georgetown University	137	(1)	(27)	(1)	13	-	13
Ohio State Energy Partners	128	(1)	(65)	-	-	-	-
Megal GmbH	120	(69)	(6)	2	(6)	-	(6)
Transmisora Eléctrica del Norte	67	-	(24)	(5)	14	-	14
Energia Mayakan	76	(13)	7	(35)	7	(14)	(8)
AT DECEMBER 31, 2024							
Transportadora Asociada de Gas S.A. (TAG)	1,554	(189)	(303)	(166)	686	(292)	394
National Central Cooling Company “Tabreed”	-	(8)	(2)	(13)	139	(52)	87
EcoEléctrica	-	-	1	(1)	57	-	57
Portfolio of power generation assets in Portugal	175	(27)	(13)	(16)	56	(14)	42
WSW Energie und Wasser AG	1,064	(12)	-	(59)	106	1	107
Iowa University partnership	-	-	-	-	6	(1)	5
Ocean Winds	87	(20)	(71)	-	(289)	(214)	(503)
Georgetown University	-	-	-	-	6	-	5
Ohio State Energy Partners	-	-	1	-	(16)	2	(14)
Megal GmbH	123	(66)	(3)	1	3	-	3
Transmisora Eléctrica del Norte	72	-	(29)	(5)	12	13	25
Energia Mayakan	60	(10)	(3)	(6)	24	1	25

3.2.2.2 Information on the statement of financial position

<i>In millions of euros</i>	Cash and cash equivalents	Other current assets	Non-current assets	Short-term borrowings	Other current liabilities	Long-term borrowings	Other non-current liabilities	Total equity	Consolidation % of Group	Total equity attributable to ENGIE
AT DECEMBER 31, 2025										
Transportadora Asociada de Gas S.A. (TAG)	101	336	4,270	322	134	2,347	1,386	1,081	50.00	540
National Central Cooling Company "Tabreed"	194	247	2,930	466	261	844	82	2,125	40.00	786
EcoEléctrica	41	75	319	3	21	-	15	396	50.00	281
Portfolio of power generation assets in Portugal	39	172	247	53	75	238	7	86	50.00	43
WSW Energie und Wasser AG	117	366	564	26	481	145	136	586	33.10	197
Iowa University partnership	11	12	1,160	8	6	733	20	416	39.10	163
Ocean Winds	191	164	5,515	3,299	278	931	624	743	50.00	264
Georgetown University partnership	-	8	1,035	-	8	715	4	316	50.00	158
Ohio State Energy Partners	8	67	1,406	98	9	1,309	21	44	50.00	16
Megal GmbH	1	13	561	131	30	271	55	89	49.00	44
Transmisora Eléctrica del	88	19	550	35	4	421	60	137	50.00	114
Energia Mayakan	223	148	1,707	1	442	906	109	619	50.00	310
AT DECEMBER 31, 2024										
Transportadora Asociada de Gas S.A. (TAG)	360	370	4,531	533	151	2,555	1,419	1,165	50.00	582
National Central Cooling Company "Tabreed"	430	288	3,378	14	329	1,633	99	2,481	40.00	925
EcoEléctrica	4	94	557	7	18	-	17	613	50.00	306
Portfolio of power generation assets in Portugal	35	139	274	58	52	262	7	69	50.00	34
WSW Energie und Wasser AG	206	327	510	90	405	97	146	634	33.10	217
Iowa University partnership	7	14	1,254	8	10	652	-	605	39.10	236
Ocean Winds	359	95	5,144	3,264	456	900	386	596	50.00	187
Georgetown University partnership	3	19	1,080	22	18	711	-	351	50.00	176
Ohio State Energy Partners	-	74	1,567	47	48	1,479	22	45	50.00	22
Megal GmbH	13	6	607	50	14	396	59	107	49.00	52
Transmisora Eléctrica del Norte	77	26	757	38	5	549	-	268	50.00	134
Energia Mayakan	144	104	1,351	2	169	587	132	709	50.00	355

3.2.3 Transactions between the Group and its joint ventures

The data below set out the impact of transactions with joint ventures on the Group's 2025 consolidated financial statements.

<i>In millions of euros</i>	Purchases of goods and services	Sales of goods and services	Net financial income (excluding dividends)	Trade and other receivables	Loans and receivables at amortized cost	Trade and other payables	Borrowings and debt
WSW Energie und Wasser AG	-	18	-	1	-	-	-
Megal GmbH	66	-	-	-	-	7	-
Futures Energies Investissements Holding	47	37	7	5	153	4	-
Ocean Winds	-	-	52	3	500	-	-
Other	362	554	16	107	458	15	(343)
AT DECEMBER 31, 2025	475	609	75	117	1,110	25	(316)

3.3 Other information on equity method investments

3.3.1 Unrecognized share of losses of associates and joint ventures

Cumulative unrecognized losses of associates (corresponding to the cumulative amount of losses exceeding the carrying amount of investments in the associates concerned) including other comprehensive income/(loss), amounted to -€6 million in 2025 (versus -€1 million in 2024).

3.3.2 Commitments and guarantees given by the Group in respect of equity method entities

At December 31, 2025, the main commitments and guarantees given by the Group in respect of equity method entities concern:

- Energia Sustentável do Brasil ("Jirau"), for an aggregate amount of BRL 3,586 million (€555 million). On December 31, 2025, the loans granted by Banco Nacional de Desenvolvimento Econômico e Social, the Brazilian Development Bank, to Energia Sustentável do Brasil amounted to BRL 8,965 million (€1,387 million). Each partner stands as guarantor for this debt to the extent of its ownership interest in the consortium;
- the project management entities in the Middle East for an aggregate amount of €574 million. Commitments and guarantees given by the Group in respect of these project management entities chiefly correspond to:
 - performance bonds and other guarantees for an amount of € 170 million,
 - letters of credit to guarantee debt service reserve accounts for an aggregate amount of €148 million. The project financing set up in certain entities can require those entities to maintain a certain level of cash within the company (usually enough to service its debt for six months). This is particularly the case when the financing is without recourse. However, this level of cash may be replaced by letters of credit,
 - collateral given to lenders in the form of pledged shares in the project management entities, for an aggregate amount of €255 million;
- Ocean Winds for an amount of €0,99 billion mainly corresponding to equity contribution commitments for projects under construction for an amount of €0,97 billion.

NOTE 4 MAIN CHANGES IN GROUP STRUCTURE AND OTHER HIGHLIGHTS OF THE YEAR

Accounting standards

In accordance with IFRS 5 – *Non-Current Assets Held for Sale and Discontinued Operations*, assets or groups of assets held for sale are presented separately on the face of the statement of financial position and are measured and accounted for at the lower of their carrying amount and fair value less costs to sell.

An asset is classified as “held for sale” when its sale is highly probable within twelve months from the date of classification, when it is available for immediate sale under its present condition and when management is committed to a plan to sell the asset and an active program to locate a buyer and complete the plan has been initiated. To assess whether a sale is highly probable, the Group takes into consideration among other things indications of interest and offers received from potential buyers as well as specific execution risks attached to certain transactions.

If an asset classified as “held for sale” no longer meets the above conditions it will be reclassified in accordance with the standard.

Furthermore, assets or groups of assets are presented as discontinued operations in the Group's consolidated financial statements when they are classified as “held for sale” and represent a separate major line of business under IFRS 5.

4.1 Disposals completed in 2025

The table below shows the impact of the main disposals and sale agreements of 2025 on the Group's financial net debt, excluding partial disposals with respect to DBSO or DBOO ⁽¹⁾ activities:

<i>In millions of euros</i>	Disposal price	Reduction in financial net debt
Partial disposal of the Group's equity-accounted stake in SAFIEC SA (“Safi”) – Morocco	30	30
Disposal of gas-fired power plants in Uch – Pakistan	90	11
Disposal of the remaining stake in Gaztransport & Technigaz (GTT)	280	280
Disposal of the stake in ENGIE Services US – United States	101	73
Disposal of the Group's equity-accounted stake in E&E Algeria Touat BV (“Touat”) - Algeria	338	338
Sale of thermal assets (gas-fired power plants and water desalination facilities) in the Middle East – Bahrain & Kuwait	416	364
Other disposals that are not material taken individually	341	223
Effects of classification as “assets classified as held for sale”	-	59
TOTAL	1,596	1,378

In 2025, the Group completed the disposal of several assets previously recognized as “Assets classified as held for sale”:

- **Safi (coal-fired power plant, Morocco)** – sale, on January 21, 2025, of part (15.66%) of the Group's equity-accounted stake in SAFIEC SA (“Safi”), which operates the Safi coal plant in Morocco. This transaction reduced the Group's financial net debt by €0.03 billion, with no material impact on the income statement. In light of the changes in governance that took place in 2025, the Group's residual stake in Safi (17.67%) is now accounted for as an equity instrument in accordance with IFRS 9.
- **Uch** (gas-fired power plants, Pakistan) – complete sale on April 15, 2025 of the Group's two subsidiaries, Uch Power Limited and Uch-II Power Limited, that own and operate gas-fired power plants in Pakistan. The sale price of amounted to €0.1 billion with no material impact on the Group's financial net debt or income statement;
- **Gaztransport & Technigaz (GTT)** – completion of the sale of ENGIE's residual stake in GTT on May 30, 2025. This transaction reduced the Group's financial net debt by €0.3 billion and generated a capital gain of €0.15 billion;

⁽¹⁾ *Develop, Build, Share and Operate, or Develop, Build, Own and Operate: models used in renewable energies based on the continuous rotation of capital employed.*

- **ENGIE Services US (ESUS)** – sale, on June 12, 2025, of the Group's stake in ESUS (a company providing energy solutions in the United States). This transaction, with a sale price of €0.1 billion, generated a capital gain of around €0.035 billion;
- **Touat (stake in the operation of the Touat gas field, Algeria)** – sale, on September 2, 2025, of the Group's entire 46% equity interest in E&E Algeria Touat BV (the company which holds a 65% stake in the TouatGaz consortium, in partnership with Sonatrach, which operates the Touat gas field in Algeria). This transaction reduced the Group's financial net debt by €0.3 billion, with no material impact on the income statement;
- **Thermal assets in the Middle East (gas-fired power plants and water desalination facilities, Bahrain & Kuwait)** – sale of the Group's interest on December 14, 2025 in Hidd Power Company, Al Dur Power and Water Company and Al Ezzel Power Company, three gas-fired power production and water desalination assets in Bahrain, and on December 30, 2025, in Az Zour North, a combined-cycle gas and water desalination asset in Kuwait, together with the respective associated operating and maintenance (O&M) companies. This transaction reduced the Group's financial net debt by €0.4 billion and generated a capital gain of €0.025 billion.

The Group also carried out three disposals in the United States, without loss of control. The three transactions improved net financial debt by €1 billion (see the Note 16 "Equity").

4.1.1 Assets classified as held for sale

Total "Assets classified as held for sale" and total "Liabilities directly associated with assets classified as held for sale" amounted to €388 million and €310 million, respectively, at December 31, 2025.

<i>In millions of euros</i>	Dec. 31, 2025
Property, plant and equipment and intangible assets, net	22
Other assets	367
TOTAL ASSETS CLASSIFIED AS HELD FOR SALE	388
Borrowings and debt, net	59
Other liabilities	251
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE	310

The following assets are classified as held for sale since a sale is highly likely to be completed within 12 months:

- **ENGIE Home Services ("EHS")** – agreement signed on December 14, 2025 with private equity firm Latour Capital. EHS specializes in providing BtoC installation, maintenance and repair services for gas boilers and water heaters for domestic heating, and hot water. This transaction involves the complete sale of the ENGIE Home Services group and its subsidiaries. Due to the difference between the sale price and the book value of the assets, an impairment loss of €0.06 billion was recognized in the December 31, 2025 financial statements. Once finalized, the transaction will have no material impact on the Group's net financial debt.

4.1.2 Acquisitions completed in 2025

In total, acquisitions carried out in 2025 (including financial investments in entities accounted for under the equity method) had an impact of €1.2 billion on net financial debt. The most material of these transactions was the acquisition,

- on March 19, 2025, of a 157 MW renewable energy portfolio in the United Kingdom, comprising three onshore wind farms and four solar farms. The transaction increased financial net debt by €0.2 billion;
- on August 13, 2025, of two hydropower plants in Brazil with a combined installed capacity of 612 MW. The transaction increased financial net debt by €0.5 billion.

4.2 Other highlights of the year

4.2.1 “One Big Beautiful Bill Act” tax reform in the United States

A US tax reform (the One Big Beautiful Bill Act) was signed into law by President Trump on July 4, 2025 providing for the scheduled phase-out of subsidies to renewable energies (IRA Investment Tax Credits and Production Tax Credits).

The law defines conditions for wind/solar and storage assets to receive tax credits depending on several criteria, relating in particular to “beginning of construction” and “placed in service” dates, and to restrictions on projects receiving “material assistance” from “Foreign Entities of Concern” (FEOC).

The conditions lead to a more restrictive application of tax incentives than those applicable prior to the law, particularly for solar and wind projects, and may therefore have an impact on the Group’s investments in the United States.

Two Group Global Business Unit (GBU) benefit from these IRA mechanisms in their business model:

- Renewables & Flex Power, through its solar, wind, and battery activities;
- LEI Rest of World (RoW), through its Distributed Solar & Storage (DSS) business, which is in the process of being sold.

Renewables & Flex Power

ENGIE has around €2.0 billion in capitalized costs related to US projects currently under construction. At this stage, and in light of the criteria mentioned above, these assets are not affected, as construction has already begun and the necessary equipment has been secured.

The Group also has €0.6 billion in intangible assets corresponding to capitalized development costs and pipelines of projects under development recognized through business combinations. These assets cover a range of technologies (onshore wind, solar, and storage) and are at different stages of development with various planned commissioning dates.

The analysis of the viability of projects under development took into account the progress made in sourcing key components, their origin, their potential use in different projects based on technologies, geographies, and production year, as well as the tax documentation still to be produced. This exercise led to the recognition of an impairment loss of approximately €100 million (see Note 9.1.1 “Impairment losses recognized in 2025” and Note 13.4 “Impairment testing of goodwill, intangible assets, property, plant and equipment and equity method entities”).

As a reminder, at December 31, 2024, ENGIE recorded an impairment loss of €133 million (Group share) on its US offshore projects through its investment in the Ocean Winds joint venture. These projects were valued by the Group taking into account a four-year time lag in their development schedule. After examining the impacts of the One Big Beautiful Bill Act, the Group maintains the four-year delay as its central scenario and considers that this law has no additional impact on their recoverable value.

LEI Rest of World

The Distributed Solar & Storage (DSS) business involves developing, installing, and operating solar panels for BtoB customers, based on the American development model with transfer of control to one or more partners when these assets are commissioned (DBSO model - Design, Build, Share and Operate). This business is also currently being sold as part of LEI Rest of World's strategic refocusing.

In this context of divestment and sharp contraction in the market for decentralized installations, which will soon no longer be subsidized, impairment testing resulted in an impairment loss of approximately €250 million (see Note 13.4 “Impairment testing of goodwill, intangible assets, property, plant and equipment and equity method entities”).

4.2.2 Closing of the agreement with the Belgian State on the ten-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State

On March 14, 2025, ENGIE and the Belgian government completed the transaction covering the ten-year extension of the Tihange 3 and Doel 4 nuclear reactors and the transfer of responsibility related to nuclear waste. This final step follows on from the European Commission's approval on February 21, 2025.

The agreements signed with the Belgian State in 2023 (Phoenix agreements) provided for:

- the ten-year extension of the Doel 4 and Tihange 3 nuclear reactors as part of a 50/50 partnership between the Belgian State and the Group, contingent upon the implementation of a contract for difference protecting ENGIE against market risks; and
- the transfer of financial responsibility to the Belgian State for managing nuclear waste and spent fuel in return for the payment of a lump-sum discharge amount of €15 billion²⁰²², within the limit of a volumetric credit covering all nuclear waste produced by the Belgian power plants during their legal operating life, from commissioning to dismantling.

As agreed, the completion of the transaction resulted in the payment of the first installment to the Belgian State in March 2025 (€12.2 billion, including the Electrabel partners' share in certain power generation facilities) related to category B and C waste (highly radioactive waste intended for geological storage). This payment was partially settled through the monetization of a portion of the financial assets set aside to cover nuclear provisions (€9.5 billion) (see "Change in working capital requirements" and "Change in loans and receivables originated by the Group and other" in the statement of cash flows, Note 14.1.1.3 "Loans and receivables at amortized cost", Note 17.2 "Obligations relating to nuclear power generation facilities" and Note 22.1 "Composition of change in working capital requirements").

On July 10, ENGIE restarted the Tihange 3 nuclear reactor and on October 8, reconnected Doel 4 to the grid after having launched a major overhaul to extend their operating life by ten years. The restart of the second reactor resulted in the payment of the second and final installment to the Belgian State (€3.6 billion including the Electrabel partners' share in certain power generation facilities) related to the transfer of responsibility for low-level radioactive category A waste for surface storage).

The two extended reactors, Doel 4 and Tihange 3, were transferred to BE-NUC, an entity owned equally by the Belgian State and ENGIE. Strategic and operational decisions are taken unanimously by both shareholders, giving ENGIE and the Belgian State joint control within the meaning of IFRS 11. As such, BE-NUC is accounted for as a joint venture.

The Doel 1, Tihange 1, and Doel 2 reactors were shut down on February 14, September 30 and November 30, 2025, respectively, in line with Belgium's nuclear phase-out schedule.

NOTE 5 FINANCIAL INDICATORS USED IN FINANCIAL COMMUNICATION

The purpose of this note is to present the main non-GAAP financial indicators used by the Group as well as their reconciliation with the indicators of the IFRS consolidated financial statements.

5.1 EBITDA

The reconciliation between EBITDA and current operating income including operating MtM and share in net income of equity method entities is as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Current operating income including operating MtM and share in net income of equity method entities	9,113	9,820
Mark-to-market on commodity contracts other than trading instruments	(29)	309
Net depreciation and amortization/Other	5,151	5,129
Share-based payments (IFRS 2)	111	97
Non-recurring share in net income of equity method entities	386	212
EBITDA	14,733	15,566
Nuclear	1,318	2,174
EBITDA excluding Nuclear	13,414	13,393

5.2 EBIT

The table below reconciles EBIT and with current operating income including operating MtM and share in net income of equity method entities:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Current operating income including operating MtM and share in net income of equity method entities	9,113	9,820
Mark-to-market on commodity contracts other than trading instruments	(29)	309
Non-recurring share in net income of equity method entities	386	212
EBIT	9,471	10,341
Nuclear	714	1,448
EBIT excluding Nuclear	8,757	8,893

5.3 Net recurring income Group share (NriGs)

Net recurring income Group share is a financial indicator used by the Group in its financial reporting to present net income Group share adjusted for unusual, abnormal or non-recurring items.

The reconciliation of net income/(loss) with net recurring income Group share is as follows:

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
NET INCOME/(LOSS) GROUP SHARE		3,827	4,106
Net income attributable to non-controlling interests		921	867
NET INCOME/(LOSS)		4,748	4,973
Reconciliation items between "Current operating income including operating MtM and share in net income of equity method entities" and "Net income/(loss) from operating activities"		822	790
<i>Impairment losses</i>	9.1	778	709
<i>Restructuring costs</i>	9.2	303	369
<i>Changes in scope of consolidation</i>	9.3	(217)	(439)
<i>Other non-recurring items</i>	9.4	(42)	151
Other adjusted items		256	636
<i>Mark-to-market on commodity contracts other than trading instruments</i>		(29)	309
<i>Ineffective portion of derivatives qualified as fair value hedges</i>	10	21	(16)
<i>Gains/(losses) on debt restructuring and early unwinding of derivative financial instruments</i>	10	(4)	-
<i>Change in fair value of derivatives not qualified as hedges and ineffective portion of derivatives qualified as cash flow hedges</i>	10	(24)	49
<i>Non-recurring income/(loss) from debt instruments and equity instruments</i>	10	(18)	(98)
<i>Other adjusted tax impacts</i>		(76)	181
<i>Non-recurring income/(loss) included in share in net income of equity method entities</i>		386	212
NET RECURRING INCOME/(LOSS)		5,826	6,399
Net recurring income/(loss) attributable to non-controlling interests		930	867
NET RECURRING INCOME/(LOSS) GROUP SHARE		4,896	5,531

5.4 Industrial capital employed

The reconciliation of industrial capital employed with items in the statement of financial position is as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024 ⁽¹⁾
(+) Property, plant and equipment and intangible assets, net	73,418	72,352
(+) Goodwill	13,110	13,291
(-) <i>Goodwill Gaz de France – SUEZ and International Power ⁽²⁾</i>	(7,042)	(7,188)
(+) IFRS 16 and IFRIC 12 receivables ⁽²⁾	3,271	2,950
(+) Investments in equity method entities	7,192	8,373
(+) Financial assets set aside to cover nuclear provisions	5,654	12,896
(+) Initial Margins	706	1,823
(+) Trade and other receivables	13,573	16,173
(-) <i>Margin calls ^{(2) (3)}</i>	(2,307)	(3,556)
(+) Inventories	2,852	5,061
(+) Assets from contracts with customers	8,022	9,232
(+) Other current and non-current assets	11,258	13,304
(+) Deferred tax	(5,410)	(5,028)
(+) <i>Cancellation of deferred tax on other recyclable items ^{(2) (3)}</i>	(314)	(35)
(-) Provisions	(17,968)	(33,621)
(+) <i>Actuarial gains and losses in shareholders' equity (net of deferred tax) ⁽²⁾</i>	550	1,170
(-) Trade and other payables	(17,226)	(19,153)
(+) <i>Margin calls ^{(2) (3)}</i>	2,081	1,990
(-) Liabilities from contracts with customers	(4,057)	(3,971)
(-) Other current and non-current liabilities	(16,189)	(19,260)
INDUSTRIAL CAPITAL EMPLOYED	71,174	66,803

(1) Data at December 31, 2024 have been restated to reflect an adjustment of €89 million corresponding to receivables related to the disposal of financial assets previously excluded from the calculation of industrial capital employed.

(2) For the purpose of calculating industrial capital employed, the amounts recorded in respect of these items have been adjusted from those appearing in the statement of financial position.

(3) Margin calls included in "Trade and other receivables, net" and "Trade and other payables" correspond to advances received or paid as part of collateralization agreements set up by the Group to manage counterparty risk on commodity transactions.

5.5 Cash flow from operations (CFFO)

The reconciliation of cash flow from operations (CFFO) with items in the statement of cash flows is as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Cash generated from operations before income tax and working capital requirements	13,525	14,401
Tax paid	(1,016)	(1,030)
Change in working capital requirements	(13,986)	(227)
<i>Nuclear – expenditure on power plant dismantling and reprocessing, fuel storage</i>	15,860	435
Interest received on financial assets	295	475
Dividends received on equity investments	(14)	(12)
Interest paid	(1,512)	(1,732)
Interest received on cash and cash equivalents	489	750
Change in financial assets held for investment and financing purposes	459	(475)
(+) <i>Change in financial assets held for investment or financing purposes recorded in the statement of financial position and other</i>	(459)	475
CASH FLOW FROM OPERATIONS (CFFO)	13,641	13,060

5.6 Capital expenditure (CAPEX) and growth CAPEX

The table below reconciles capital expenditure (CAPEX) with items in the statement of cash flows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Acquisitions of property, plant and equipment and intangible assets	7,267	9,385
Acquisitions of controlling interests in entities, net of cash and cash equivalents acquired	653	670
(+) <i>Cash and cash equivalents acquired</i>	72	184
Acquisitions of investments in equity method entities and joint operations	243	66
Acquisitions of equity and debt instruments	1,750	(1,693)
Change in loans and receivables originated by the Group and other	(8,523)	4,289
(+) <i>Other</i>	2	(4)
Change in ownership interests in controlled entities	(884)	(743)
Disposal impacts relating to DBSO ⁽¹⁾ activities	(174)	-
(-) Financial investments Synatom / Disposal of financial assets Synatom	7,410	(2,495)
(+) Change in scope - Acquisitions	129	311
TOTAL CAPITAL EXPENDITURE (CAPEX)	7,946	9,970
(-) Maintenance CAPEX	(2,681)	(2,678)
TOTAL GROWTH CAPEX	5,264	7,292

(1) *Develop, Build, Share & Operate; including Tax equity financing received.*

5.7 Net financial debt

The reconciliation of net financial debt with items in the statement of financial position is as follows:

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
(+) Long-term borrowings	14.2 & 14.3	43,235	42,880
(+) Short-term borrowings	14.2 & 14.3	11,333	9,127
(+) Derivative instruments - carried in liabilities	14.4	12,001	13,646
(-) <i>Derivative instruments hedging commodities and other items</i>		(11,382)	(13,083)
(-) Other financial assets	14.1	(12,789)	(19,681)
(+) <i>Loans and receivables at amortized cost not included in net financial debt</i>		5,714	14,022
(+) <i>Equity instruments at fair value</i>		1,732	1,129
(+) <i>Debt instruments at fair value not included in net financial debt</i>		3,859	2,655
(-) Cash and cash equivalents	14.1	(14,507)	(16,928)
(-) Derivative instruments - carried in assets	14.4	(11,467)	(13,055)
(+) <i>Derivative instruments hedging commodities and other items</i>		11,173	12,510
NET FINANCIAL DEBT		38,902	33,223

5.8 Economic net debt

Economic net debt is as follows:

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
NET FINANCIAL DEBT	14.3	38,902	33,223
Provisions for back-end of the nuclear fuel cycle and dismantling of nuclear facilities	17	9,552	24,531
Other nuclear liabilities	17	-	822
Provisions for dismantling of non-nuclear facilities	17	1,622	1,569
Post-employment benefits - Pensions	18	427	827
(-) <i>Infrastructures regulated companies</i>		315	239
Post-employment benefits - Reimbursement rights	18	(265)	(260)
Post-employment benefits - Other benefits	18	3,336	3,765
(-) <i>Infrastructures regulated companies</i>		(2,151)	(2,460)
Deferred tax assets for pensions and related obligations	11	(787)	(918)
(-) <i>Infrastructures regulated companies</i>		436	513
Plan assets relating to nuclear provisions, inventories of uranium and receivables of Electrabel towards EDF	17 & 22	(6,205)	(13,978)
ECONOMIC NET DEBT		45,182	47,874

NOTE 6 SEGMENT INFORMATION

6.1 Operating segments and reportable segments

On January 16, 2025, ENGIE announced that it was reorganizing its Global Business Units (GBU) to meet the expectations of a constantly changing energy market characterized by increased need for flexible solutions to support the stability of power markets as renewables become a key source of generation and as demand grows among customers for a green energy supply, and to maximize value from its integrated model. The new organization was made effective on February 1, 2025.

The Group Executive Committee, which is the chief operating decision maker within the meaning of IFRS 8 – *Operating Segments*, leads operational and financial performance and allocates resources within the Group for each of the activities underlying the GBU: the “operating segments”. These “operating segments” are grouped together in “reportable segments” within the meaning of IFRS 8.

This change has led to a shift in the Group's segment reporting. The relationship between the old and new segments is as follows:

GBU	Reporting segment	Operating segment	Old organization						
			GBU and segments						
			Infrastructures	Renewables	Retail	Flex Gen	Energy Solutions	Nuclear	Other
New organization	Renewables & BESS	Renewables & BESS		X		X			
	Renewables & Flex Power	Gas Generation Europe				X			
		Gas Generation International				X			
	Networks	Gas Infrastructure	X						
		Power Infrastructure	X						
	Local Energy Infrastructures	Local Energy Infrastructures					X		X
	Supply & Energy Management	Energy Management							X
		One BtoB							X
		One BtoC			X				
	Other	Nuclear						X	
		Local Energy Infrastructures Rest of World (LEP&W)					X		
		Other			X				X

As a result, comparative segment information for 2024 has been restated to reflect the new organization that came into effect on February 1, 2025.

6.2 Reportable segments and operating segments

6.2.1 Definition of reportable segments

ENGIE is organized around:

- four Global Business Units (GBU) representing the Group's four strategic activities: Renewables & Flex Power GBU, Networks GBU, Local Energy Infrastructures GBU, and Supply & Energy Management GBU;

- and “Other”, comprising two operating units: Nuclear and Local Energy Infrastructures RoW (“Rest of World”), Tractebel and certain holding companies.

6.2.2 Description of reportable segments

- **Renewables & Flex Power** comprises two reportable segments, Renewables & Batteries, and Gas Generation, divided into three operating segments: Renewables & Batteries, Gas Generation Europe and Gas Generation International.
It comprises all centralized renewable energy generation activities, including financing, construction, operation and maintenance of renewable energy facilities, using various energy sources such as hydroelectric, onshore wind, photovoltaic solar, biomass, offshore wind, and geothermal as well as activities to compensate for the intermittent nature of renewable energy by providing upstream flexibility (flexible thermal generation and pump- or battery-operated storage plants). It also includes the financing, construction and operation of desalination plants, whether or not connected to power plants (CCGT – Combined-Cycle Gas Turbines).
- **Networks** is a reportable segment comprising two operating segments: Gas Infrastructure and Power Infrastructure.
It comprises the Group's electricity and gas infrastructure activities and projects. These activities include the management and development of (i) gas and electricity transportation networks and natural gas distribution networks in and outside Europe, (ii) underground natural gas storage in Europe, and (iii) regasification infrastructure in France and Chile. Apart from the historical infrastructure management activities, its asset portfolio also contributes to energy decarbonization and network greening (gradual integration of green gas, hydrogen-based projects, etc.).
- **Local Energy Infrastructures** meets the criteria of both an operating segment and a reportable segment.
Mainly in Europe (France, Germany, Italy, etc.), it encompasses the construction and management of decentralized energy networks to produce energy (heating and cooling networks, distributed power generation plants, distributed solar power parks, low-carbon mobility, low-carbon cities and public lighting, etc.) and related services (energy efficiency, technical maintenance, sustainable development consulting).
- **Supply and Energy Management** includes three operating segments that are also considered reportable segments: Energy Management, One BtoB and One BtoC.
It combines the Energy Management activities and is responsible, at the global level, for the supply of energy and the management of risk and optimization of assets on the markets. It also sells energy to companies and offers energy management services and solutions to support the decarbonization of the Group and its customers. Lastly, it includes all activities relating to the sale of gas and electricity to individual end customers, as well as services for residential customers.
- **Other** encompasses the activities of two operating segments, Nuclear and Local Energy Infrastructures Rest of World (mainly in North America, Brazil, Slovakia and the United Arab Emirates), as well as Tractebel, Corporate and holding companies. Nuclear, which is considered a reportable segment, encompasses all of the Group's nuclear activities, with seven reactors in Belgium (four in Doel and three in Tihange), four of which are currently in operation, and drawing rights on an number of power plants in France.

6.3 Key indicators by reportable segment

REVENUES

In millions of euros	Dec. 31, 2025			Dec. 31, 2024		
	External	Intra-Group	Total	External	Intra-Group	Total
Renewables & Flex Power	9,860	2,627	12,487	10,398	1,560	11,958
of which Renewables & BESS	5,560	339	5,899	6,010	170	6,180
of which Gas Generation	4,301	2,288	6,589	4,387	1,390	5,777
Networks	7,992	1,036	9,029	7,236	1,045	8,281
Local Energy Infrastructures	8,831	293	9,124	8,900	281	9,181
Supply & Energy Management	42,495	3,741	46,237	44,717	(2,646)	42,071
of which Energy Management	6,626	3,302	9,928	6,083	(3,095)	2,989
of which One BtoB	23,862	183	24,045	25,174	156	25,330
of which One BtoC	11,926	256	12,182	13,316	292	13,608
Other	2,765	2,705	5,470	2,560	3,707	6,267
Nuclear	539	2,654	3,193	68	3,664	3,732
Other	2,226	51	2,277	2,492	43	2,535
Elimination of intercompany transactions	-	(10,402)	(10,402)	-	(3,947)	(3,947)
TOTAL REVENUES	71,944	-	71,944	73,812	-	73,812

PURCHASES AND OPERATING DERIVATIVES

In millions of euros	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	(4,349)	(4,391)
of which Renewables & BESS	(1,456)	(1,861)
of which Gas Generation	(2,881)	(2,510)
Networks	(1,243)	(1,154)
Local Energy Infrastructures	(6,117)	(6,076)
Supply & Energy Management	(37,290)	(39,108)
of which Energy Management	(4,674)	(4,258)
of which One BtoB	(22,093)	(23,231)
of which One BtoC	(10,461)	(11,513)
Other	(47)	1,264
Nuclear	934	2,595
Other	(982)	(1,330)
TOTAL PURCHASES AND OPERATING DERIVATIVES ⁽¹⁾	(49,047)	(49,465)

(1) Of which net income of €29 million in 2025 relating to MtM on commodity contracts other than trading (compared to a net expense of €309 million in 2024), notably on certain economic gas and electricity hedging positions not documented as cash flow hedges, mainly in Energy Management.

PERSONNEL COSTS

In millions of euros	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	(1,129)	(1,104)
of which Renewables & BESS	(692)	(665)
of which Gas Generation	(394)	(402)
Networks	(2,045)	(2,018)
Local Energy Infrastructures	(1,971)	(2,047)
Supply & Energy Management	(1,160)	(1,150)
of which Energy Management	(456)	(458)
of which One BtoB	(212)	(199)
of which One BtoC	(471)	(465)
Other	(2,343)	(2,305)
Nuclear	(385)	(325)
Other	(1,958)	(1,980)
TOTAL PERSONNEL COSTS	(8,648)	(8,623)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 SEGMENT INFORMATION

DEPRECIATION AND AMORTIZATION

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	(1,380)	(1,205)
<i>of which Renewables & BESS</i>	(1,030)	(852)
<i>of which Gas Generation</i>	(344)	(343)
Networks	(1,926)	(1,916)
Local Energy Infrastructures	(460)	(466)
Supply & Energy Management	(469)	(494)
<i>of which Energy Management</i>	(166)	(184)
<i>of which One BtoB</i>	(93)	(92)
<i>of which One BtoC</i>	(208)	(216)
Other	(917)	(1,047)
<i>Nuclear</i>	(604)	(725)
<i>Other</i>	(313)	(322)
TOTAL DEPRECIATION AND AMORTIZATION	(5,151)	(5,129)

EBITDA

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	4,962	4,903
<i>of which Renewables & BESS</i>	3,599	3,304
<i>of which Gas Generation</i>	1,438	1,647
Networks	4,975	4,338
Local Energy Infrastructures	939	954
Supply & Energy Management	2,824	3,599
<i>of which Energy Management</i>	829	1,517
<i>of which One BtoB</i>	1,293	1,172
<i>of which One BtoC</i>	733	923
Other	(286)	(400)
<i>Other</i>	(286)	(400)
TOTAL EBITDA excluding Nuclear	13,414	13,393
<i>Nuclear</i>	1,318	2,174
TOTAL EBITDA	14,733	15,566

EBIT

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	3,577	3,695
<i>of which Renewables & BESS</i>	2,567	2,451
<i>of which Gas Generation</i>	1,093	1,303
Networks	3,054	2,430
Local Energy Infrastructures	482	491
Supply & Energy Management	2,357	3,101
<i>of which Energy Management</i>	665	1,330
<i>of which One BtoB</i>	1,200	1,080
<i>of which One BtoC</i>	525	707
Other	(714)	(823)
<i>Other</i>	(714)	(823)
TOTAL EBIT excluding Nuclear	8,757	8,893
<i>Nuclear</i>	714	1,448
TOTAL EBIT	9,471	10,341

SHARE IN NET INCOME/(LOSS) OF EQUITY METHOD ENTITIES

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	286	282
<i>of which Renewables & BESS</i>	(4)	(4)
<i>of which Gas Generation</i>	290	286
Networks	400	411
Local Energy Infrastructures	55	96
Supply & Energy Management	10	10
<i>of which Energy Management</i>	-	-
<i>of which One BtoB</i>	10	10
<i>of which One BtoC</i>	-	-
Other	(129)	52
<i>Nuclear</i>	66	-
<i>Other</i>	(195)	52
TOTAL SHARE IN NET INCOME/(LOSS) OF EQUITY METHOD ENTITIES	622	850

INDUSTRIAL CAPITAL EMPLOYED

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024 ⁽¹⁾
Renewables & Flex Power	35,158	33,969
<i>of which Renewables & BESS</i>	30,407	28,492
<i>of which Gas Generation</i>	4,850	5,520
Networks	24,831	24,927
Local Energy Infrastructures	6,857	6,837
Supply & Energy Management	4,003	6,354
<i>of which Energy Management</i>	4,244	6,015
<i>of which One BtoB</i>	243	621
<i>of which One BtoC</i>	(470)	(271)
Other	325	(5,284)
<i>Nuclear</i>	(1,646)	(9,655)
<i>Other</i>	1,971	4,372
TOTAL INDUSTRIAL CAPITAL EMPLOYED	71,174	66,803

(1) Data at December 31, 2024, have been restated to reflect an adjustment of €89 million corresponding to receivables related to the disposal of financial assets previously excluded from the calculation of industrial capital employed.

CAPITAL EXPENDITURE (CAPEX)

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	3,774	5,668
<i>of which Renewables & BESS</i>	3,216	5,230
<i>of which Gas Generation</i>	539	429
Networks	2,232	2,353
Local Energy Infrastructures	747	910
Supply & Energy Management	471	435
<i>of which Energy Management</i>	128	101
<i>of which One BtoB</i>	121	117
<i>of which One BtoC</i>	204	161
Other	721	605
<i>Nuclear</i>	335	244
<i>Other</i>	386	360
TOTAL CAPITAL EXPENDITURE (CAPEX)	7,946	9,970

GROWTH CAPEX

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Renewables & Flex Power	3,250	5,193
<i>of which Renewables & BESS</i>	2,974	5,010
<i>of which Gas Generation</i>	258	175
Networks	836	945
Local Energy Infrastructures	589	736
Supply & Energy Management	265	236
<i>of which Energy Management</i>	36	18
<i>of which One BtoB</i>	76	70
<i>of which One BtoC</i>	137	93
Other	324	182
<i>Nuclear</i>	220	78
<i>Other</i>	104	104
TOTAL GROWTH CAPEX	5,264	7,292

6.4 Key indicators by geographic area

The amounts set out below are analyzed by:

- destination of products and services sold for revenues;
- geographic location of consolidated companies for industrial capital employed.

<i>In millions of euros</i>	Revenues		Industrial capital employed	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024 ⁽¹⁾
France	28,968	32,623	30,459	33,471
Belgium	8,068	6,808	400	(7,024)
Other EU countries	16,806	15,869	9,109	8,611
Other European countries	4,689	4,966	2,229	2,166
North America	5,807	5,525	11,051	11,859
Asia, Middle East & Oceania	2,720	3,185	3,758	4,107
South America	4,607	4,458	12,626	11,967
Africa	278	379	1,543	1,646
TOTAL	71,944	73,812	71,174	66,803

(1) Data at December 31, 2024, have been restated to reflect an adjustment of €89 million corresponding to receivables related to the disposal of financial assets previously excluded from the calculation of industrial capital employed.

Due to the variety of its businesses and their geographical location, the Group operates in a very diverse range of situations and for a variety of customer types (industry, local authorities and individual customers). Accordingly, no external customer represents individually 10% or more of the Group's consolidated revenues.

NOTE 7 REVENUES

7.1 Revenues

Accounting standards

Revenues from contracts with customers concern revenues from contracts that fall within the scope of IFRS 15 – *Revenue from Contracts with Customers*. Revenues are recognized when the customer obtains control of goods or services promised in the contract, for the amount of consideration to which an entity expects to be entitled in exchange for said promised goods or services.

A contractual analysis of the Group's sale contracts has led to the application of the following revenue recognition principles:

- **Gas, electricity and other energies**
Revenues from sales of gas, electricity and other energies are recognized upon delivery of the power to the retail, business or industrial customer.
Power deliveries are monitored in real time or on a deferred basis for those customers whose energy consumption is metered during the accounting period, in which case the portion of not yet metered revenues "in the meter" is estimated on the closing date.
- **Gas, electrical and other energy infrastructures**
Revenues derived by gas and electricity infrastructure operators upon providing transportation or distribution or storage capacities, are recognized on a straight-line basis over the contract term.
In the countries where the Group acts as an energy provider (supplier) without being in charge of its distribution or transportation, mainly in France and Belgium, an analysis of the energy sales contracts and of the related regulatory framework is carried out to determine whether the distribution or transportation services invoiced to the customers have to be excluded from the revenues recognized under IFRS 15.
Judgment may be exercised by the Group for this analysis in order to determine whether the energy provider acts as an agent or a principal for the gas or electricity distribution or transportation services re-invoiced to the customers. The main criteria used by the Group to exercise its judgment and conclude, in certain countries, that the energy provider acts as an agent of the infrastructure operator are as follows: who is primarily responsible for fulfillment of the distribution or transportation services? Does the energy provider have the ability to commit to capacity reservation contracts towards the infrastructure operator? To what extent does the energy provider have discretion in establishing the price for the distribution or transportation services?
- **Constructions, installations, Operations and Maintenance (O&M)**
Construction and installation contracts mainly concern assets built on the premises of customers such as cogeneration units, heaters or other energy-efficiency assets. The related revenues are usually recognized according to the percentage of completion on the basis of the costs incurred where the contracts fall within the scope of IFRS 15.
O&M contracts generally require the Group to perform services ensuring the availability of power generating facilities. These services are performed over time and the related revenues are recognized according to the percentage of completion on the basis of the costs incurred.

If it is not possible to conclude from the contractual analysis that the contract falls within the scope of IFRS 15, the revenues are accounted for as non-IFRS 15 revenues.

Revenues from other contracts, corresponding to revenues from operations that do not fall within the scope of IFRS 15, presented in the "Others" column include trading, lease and concession income, as well as any financial component of operating services, and the effects of the tariff shield mechanisms.

NOTE 7 REVENUES

The table below shows a breakdown of revenues by type:

<i>In millions of euros</i>	Sales of gas	Sales of electricity and other energies	Sales of services linked to infrastructures	Constructions, installations, and O&M	Others	Dec. 31, 2025
Renewables & Flex Power	192	8,398	299	557	414	9,860
<i>of which Renewables & BESS</i>	-	4,936	119	231	273	5,560
<i>of which Gas Generation</i>	192	3,462	179	326	140	4,301
Networks	173	16	6,992	626	186	7,992
Local Energy Infrastructures	175	3,722	105	4,756	72	8,831
Supply & Energy Management	18,162	22,198	629	217	1,289	42,495
<i>of which Energy Management</i>	4,396	1,106	443	6	674	6,626
<i>of which One BtoB</i>	7,490	15,800	90	13	469	23,862
<i>of which One BtoC</i>	6,276	5,292	96	140	123	11,926
Other	14	158	15	2,463	116	2,765
<i>Nuclear</i>	-	69	9	365	95	539
<i>Other</i>	14	88	6	2,098	20	2,226
TOTAL REVENUES	18,716	34,492	8,040	8,619	2,077	71,944

<i>In millions of euros</i>	Sales of gas	Sales of electricity and other energies	Sales of services linked to infrastructures	Constructions, installations, and O&M	Others	Dec. 31, 2024
Renewables & Flex Power	361	8,487	425	669	457	10,398
<i>of which Renewables & BESS</i>	-	5,334	200	214	262	6,010
<i>of which Gas Generation</i>	361	3,153	225	453	195	4,387
Networks	133	19	6,451	448	185	7,236
Local Energy Infrastructures	259	3,550	94	4,922	76	8,900
Supply & Energy Management	17,945	23,305	374	350	2,742	44,717
<i>of which Energy Management</i>	3,142	916	231	12	1,783	6,083
<i>of which One BtoB</i>	8,294	16,390	76	19	395	25,174
<i>of which One BtoC</i>	6,509	5,998	68	209	532	13,316
Other	15	95	14	2,402	34	2,560
<i>Nuclear</i>	-	12	10	28	18	68
<i>Other</i>	15	83	4	2,374	16	2,492
TOTAL REVENUES	18,712	35,455	7,359	8,792	3,494	73,812

7.2 Trade and other receivables, assets and liabilities from contracts with customers

Accounting standards

On initial recognition, trade and other receivables are recorded at their transaction price as defined in IFRS 15.

A contract asset is an entity's right to consideration in exchange for goods or services that have been transferred to a customer but for which payment is not yet due or is contingent on the satisfaction of a specific condition stipulated in the contract. When an amount becomes due, it is transferred to receivables.

A receivable is recorded when the entity has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has already received consideration from the customer. The liability is derecognized upon recognition of the corresponding revenue.

Trade and other receivables and assets from contracts with customers are tested for impairment in accordance with the provisions of IFRS 9 on expected credit losses.

The impairment model for financial assets is based on the expected credit loss model. To calculate expected losses, the Group uses a matrix for trade receivables and assets from contracts with customers, for which the change in credit risk is monitored on a portfolio basis. The change in credit risk of for large customers and other large counterparties is monitored on an individual basis.

See Note 15 "Risks arising from financial instruments" for the Group's assessment of counterparty risk.

Fair value

The carrying amount of trade and other receivables, assets and liabilities from contracts with customers represents a reasonable estimate of their fair value.

7.2.1 Trade and other receivables and assets from contracts with customers

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Trade and other receivables	13,573	16,173
Of which IFRS 15	6,101	6,880
Of which non-IFRS 15 ⁽¹⁾	7,473	9,292
Assets from contracts with customers	8,022	9,232
Accrued income and unbilled revenues	5,547	6,874
Energy in the meter ⁽²⁾	2,475	2,358

(1) Most of which relate to commodity, financial or physical delivery commodity contracts, accounted for as derivatives in accordance with IFRS 9.

(2) Net of advance payments.

At December 31, 2025, the most significant assets from contracts mainly concerned Supply & Energy Management (€4,628 million) and Local Energy Infrastructures (€1,970 million).

<i>In millions of euros</i>	Dec. 31, 2025			Dec. 31, 2024		
	Gross	Allowances and expected credit losses	Net	Gross	Allowances and expected credit losses	Net
Trade and other receivables	16,456	(2,883)	13,573	18,487	(2,314)	16,173
Assets from contracts with customers	8,071	(49)	8,022	9,290	(58)	9,232
TOTAL	24,527	(2,932)	21,595	27,777	(2,372)	25,405

Gas and electricity in the meter

For customers whose energy consumption is metered during the accounting period, the gas supplied but not yet metered at the reporting date is estimated based on historical data, consumption statistics and estimated selling prices.

For sales on networks used by a large number of grid operators, the Group is allocated a certain volume of energy transiting through the networks by the grid managers. As the final consumptions are sometimes only known several months down the line, revenue figures cannot be determined with absolute certainty. However, the Group has developed measuring and modeling tools allowing it to estimate revenues with a reasonable degree of accuracy and subsequently ensure that risks of error associated with estimating quantities sold and the related revenues can be considered as immaterial.

In France and Belgium, un-metered revenues ("gas in the meter") are calculated using a direct method taking into account customers' estimated consumption since the last invoice or metering not yet billed. These estimates are in line with the volume of energy allocated by the grid managers over the same period. "Gas in the meter" is measured based on the contract price or average price depending on the delivery month and takes into account the category of customer and the age of the delivered unbilled "gas in the meter".

The portion of unbilled revenues at the reporting date varies according to the assumptions used regarding volume and average price.

“Electricity in the meter” is also determined using a direct allocation method similar to that used for gas, but taking into account specific factors related to electricity consumption. It is also measured on a customer-by-customer basis or by customer type.

Realized but not yet metered revenues (“un-metered revenues”) totaled €4,762 million at December 31, 2025 for France and Belgium (€4,996 million at December 31, 2024).

7.2.2 Liabilities from contracts with customers

<i>In millions of euros</i>	Dec. 31, 2025			Dec. 31, 2024		
	Non-current	Current	Total	Non-current	Current	Total
Liabilities from contracts with customers	451	3,606	4,057	153	3,818	3,971
Advances and downpayments received	31	3,083	3,114	50	2,995	3,045
Deferred revenues	419	524	943	103	822	926

At December 31, 2025, the Global Business Units, reporting greatest amounts of liabilities from contracts with customers, were Supply & Energy Management (€1,948 million) and Local Energy Infrastructures (€1,596 million).

7.3 Revenues relating to performance obligations not yet satisfied

Revenues relating to performance obligations only partially satisfied at December 31, 2025 amounted to €688 million (compared to €563 million at December 31, 2024). They mainly concern Local Energy Infrastructures (for €584 million) which handles a large number of construction, installation, and maintenance contracts under which revenues are recognized over time.

NOTE 8 OPERATING EXPENSES

Accounting standards

Operating expenses include:

- purchases and operating derivatives including:
 - the purchase of commodities and associated costs (infrastructure, transport, storage, etc.);
 - the realized impact, as well as the change in fair value (MtM), of commodity transactions, with or without physical delivery, that fall within the scope of IFRS 9 – *Financial Instruments* and that do not qualify as trading or hedging. These contracts are set up as part of economic hedges of operating transactions in the energy sector;
- purchases of services and other items such as subcontracting and interim expenses, lease expenses (short-term lease contracts, leases with a low underlying asset value or leases with variable expenses), concession expenses, etc.;
- personnel costs;
- depreciation, amortization, and provisions;
- taxes.

8.1 Purchases and operating derivatives

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Purchases and other income and expenses on operating derivatives other than trading ⁽¹⁾	(41,120)	(42,048)
Service and other purchases ⁽²⁾	(7,926)	(7,417)
PURCHASES AND OPERATING DERIVATIVES	(49,047)	(49,465)

(1) Of which a net income of €29 million in 2025 relating to MtM on commodity contracts other than trading (compared to a net expense of €309 million in 2024), notably on certain economic gas and electricity hedging positions not documented as cash flow hedges, mainly in Energy Management.

(2) Of which €62 million in 2025 in lease expenses not included in the IFRS 16 lease liability (compared to €72 million in lease expenses in 2024).

The slight decrease in purchases and operating derivatives is mainly due to changes to MtM positions on commodity contracts other than trading, linked with the return to normal energy prices.

8.2 Personnel costs

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Short-term benefits		(8,260)	(8,175)
Share-based payments	19	(112)	(97)
Costs related to defined benefit plans	18.3.4	(188)	(263)
Costs related to defined contribution plans	18.4	(88)	(88)
PERSONNEL COSTS		(8,648)	(8,623)

8.3 Depreciation, amortization and provisions

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Depreciation and amortization	13	(5,151)	(5,129)
Net change in write-downs of inventories, trade receivables and other assets		(565)	(469)
Net change in provisions	17	324	50
DEPRECIATION, AMORTIZATION AND PROVISIONS		(5,392)	(5,547)

At December 31, 2025, depreciation and amortization mainly break down as €1,150 million for intangible assets and €4,001 million for property, plant and equipment.

8.4 Taxes

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
TAXES	(1,845)	(2,391)

Taxes at end-2025 totaled €1,845 million, down €546 million on 2024. This decrease is due to the elimination of the inframarginal tax on electricity production in France. It also results from the reduction in fees and taxes related to production activities, in particular the decrease in the water fee payable by CNR and the reduction in taxes associated with Electrabel's nuclear activities.

NOTE 9 OTHER ITEMS OF NET INCOME/(LOSS) FROM OPERATING ACTIVITIES

Accounting standards

Other items of Net income/(loss) from operating activities include:

- “Impairment losses”: this line includes impairment losses on goodwill, other intangible assets, property, plant and equipment and investments in entities consolidated using the equity method;
- “Restructuring costs”: this line concerns costs corresponding to a restructuring program planned and controlled by management that materially changes either the scope of a business undertaken by the entity, or the manner in which that business is conducted, based on the criteria set out in IAS 37;
- “Changes in scope of consolidation”. This line includes:
 - direct costs related to acquisitions of controlling interests,
 - in a business combination achieved in stages, remeasurement at fair value at the acquisition date of the previously held interest,
 - subsequent changes in the fair value of contingent consideration,
 - gains or losses from disposals of investments which result in a change of consolidation method, as well as any impact from the remeasurement of retained interests with the exception of gains and losses arising from transactions realized in the framework of “Develop, Build, Share & Operate” (DBSO) or “Develop, Share, Build & Operate” (DSBO) business models. As they are part of the recurring rotation of the Group’s capital employed, these transactions are recognized in current operating income subject to certain criteria being met (notably their recurrence).
- “Other non-recurring items”: this line includes other elements of an unusual, abnormal or infrequent nature.

9.1 Impairment losses

<i>In millions of euros</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Impairment losses:			
Goodwill	13.1	(105)	(66)
Property, plant and equipment and intangible assets	13.2 & 13.3	(720)	(893)
Investments in equity method entities and related provisions		-	(124)
TOTAL IMPAIRMENT LOSSES		(825)	(1,083)
Reversal of impairment losses:			
Property, plant and equipment and intangible assets		48	39
Investments in equity method entities and related provisions		-	334
TOTAL REVERSALS OF IMPAIRMENT LOSSES		48	373
TOTAL		(778)	(709)

9.1.1 Impairment losses recognized in 2025

Impairment losses recognized in 2025 amounted to €778 million and related in particular disposals not yet completed completed at December 31, 2025 for €257 million, mainly:

- former gas plant sites in France (€125 million);
- assets within the Local Energy Infrastructures Rest of World scope (€66 million);

- ENGIE Home Services (€61 million).

Other impairment losses recognized in 2025 mainly concerned:

- onshore Renewables & BESS assets in North America (€143 million), India (€68 million) and France (€25 million);
- Nuclear goodwill (€105 million);
- Local Energy Infrastructures assets in France (€90 million);
- various assets with a non-material unitary value.

These impairment losses mainly concerned intangible assets, property, plant and equipment. Considering the effects of deferred taxes and the portion of impairment losses attributable to non controlling interests, the impact of the impairment losses on net income Group share amounted to €657 million.

With the exception of the effects arising from the decisions to dispose of non-strategic assets, no impairment losses were recognized on non-financial assets as a result of measures to prevent or mitigate climate risks or to achieve the 2045 net zero-carbon objective.

Impairment tests are carried out in accordance with the procedures described in Note 13.4 "Impairment testing of goodwill, intangible assets, property, plant and equipment and equity method entities".

9.1.2 Impairment losses recognized in 2024

Impairment losses recognized in 2024 amounted to €709 million and related in particular to disposals, representing €247 million:

- thermal power generation assets in Pakistan (€205 million);
- part of the equity accounted stake in Safi, Morocco (€54 million);
- entities holding solar supply solutions and pay-as-you-go mini-grid assets in Africa (€225 million);
- the equity accounted stake in E&E Algeria Touat BV in Algeria (impairment reversal of €171 million);
- the equity accounted stake in Senoko, Singapore (impairment reversal of €66 million).

Other impairment losses recognized in 2024 concerned:

- Local Energy Infrastructures assets in France (€108 million);
- Local Energy Infrastructures Rest of World assets in North America (€73 million);
- onshore renewable energy production assets in North America (€91 million) and hydro assets in Brazil (reversal of impairment recognized against an equity accounted company for €80 million);
- EVBox assets (€96 million) following the decision to cease operations;
- other production or support assets for less significant amounts taken individually.

9.2 Restructuring costs

In 2025, restructuring costs amounted to €303 million (compared with €369 million in 2024), mainly including costs related to staff reduction plans and measures to adapt to the economic situation, particularly in Other for €166 million, Local Energy Infrastructures for €75 million and One BtoC for €35 million, as well as costs related to the shutdown or sale of operations and the closure or restructuring of certain facilities.

9.3 Changes in scope of consolidation

At December 31, 2025, the impact of changes in scope of consolidation (see Note 4.1.1 "Disposals completed in 2025") was a positive €217 million (compared with a positive €439 million at December 31, 2024) and mainly comprised:

- €148 million on the disposal of the remaining interests in Gaztransport et Technigaz, completed on May 30, 2025;

- €35 million on the disposal of ENGIE Services US (ESUS), completed on June 12, 2025, a company providing energy solutions in the United States;
- €25 million on the disposal of power generation and desalination assets in Kuwait and Bahrain;
- €9 million relating to miscellaneous disposals that are not individually significant.

9.4 Other non-recurring items

Other non-recurring items amounted to €42 million at December 31, 2025 (compared with -€151 million at December 31, 2024).

NOTE 10 NET FINANCIAL INCOME/(LOSS)

<i>In millions of euros</i>	Expense	Income	Dec. 31, 2025	Expense	Income	Dec. 31, 2024
<i>Interest expense on gross debt and hedges</i>	(1,986)	-	(1,986)	(2,107)	-	(2,107)
<i>Cost of lease liabilities</i>	(161)	-	(161)	(126)	-	(126)
<i>Foreign exchange gains/losses on borrowings and hedges</i>	(41)	-	(41)	(12)	-	(12)
<i>Ineffective portion of derivatives qualified as fair value hedges</i>	(21)	-	(21)	-	16	16
<i>Gains and losses on cash and cash equivalents and liquid debt instruments held for cash investment purposes</i>	-	532	532	-	803	803
<i>Capitalized borrowing costs</i>	310	-	310	308	-	308
Cost of net debt	(1,900)	532	(1,368)	(1,936)	819	(1,117)
<i>Gains/(losses) on debt restructuring transactions</i>	-	4	4	-	-	-
Gains/(losses) on debt restructuring and early unwinding of derivative financial instruments	-	4	4	-	-	-
<i>Net interest expense on post-employment benefits and other long-term benefits</i>	(152)	-	(152)	(157)	-	(157)
<i>Unwinding of discounting adjustments to other long-term provisions</i>	(586)	-	(586)	(885)	-	(885)
<i>Change in fair value of derivatives not qualified as hedges and ineffective portion of derivatives qualified as cash flow hedges</i>	26	-	26	(53)	-	(53)
<i>Income/(loss) from debt instruments and equity instruments</i>	(328)	361	33	(73)	120	47
<i>Interest income on loans and receivables at amortized cost</i>	-	64	64	-	306	306
<i>Other</i>	(55)	59	5	(740)	757	17
Other financial income and expenses	(1,094)	485	(609)	(1,909)	1,184	(725)
NET FINANCIAL INCOME/(LOSS)	(2,994)	1,021	(1,973)	(3,845)	2,003	(1,842)

NOTE 11 INCOME TAX EXPENSE

Accounting standards

The Group calculates taxes in accordance with prevailing tax legislation in the countries where income is taxable.

In accordance with IAS 12, deferred taxes are recognized according to the liability method on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax bases, using tax rates that have been enacted or substantively enacted by the reporting date. However, under the provisions of IAS 12, no deferred tax is recognized for temporary differences arising from goodwill for which impairment losses are not deductible for tax purposes, or from the initial recognition of an asset or liability in a transaction which (i) is not a business combination and (ii) at the time of the transaction, affects neither accounting income nor taxable income. In addition, deferred tax assets are only recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized.

A deferred tax liability is recognized for all taxable temporary differences associated with investments in subsidiaries, associates, joint ventures and branches, except if the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Net balances of deferred taxes are calculated based on the tax position of each company or on the total income of companies included within the relevant consolidated tax group, and are presented in assets or liabilities for their net amount per tax entity.

Deferred taxes are reviewed at each reporting date to take into account factors including the impact of changes in tax laws and the prospects of recovering deferred tax assets arising from deductible temporary differences.

Deferred tax assets and liabilities are not discounted.

Tax effects relating to coupon payments on deeply-subordinated perpetual notes are recognized in profit or loss.

11.1 Income tax expense recognized in the income statement

11.1.1 Breakdown of income tax expense recognized in the income statement

The income tax expense recognized in the income statement for 2025 amounted to €1,570 million (compared to a €2,215 million income tax expense in 2024). It breaks down as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Current income taxes	(1,073)	(1,679)
Deferred taxes	(498)	(536)
TOTAL INCOME TAX EXPENSE RECOGNIZED IN INCOME	(1,570)	(2,215)

11.1.2 Reconciliation of theoretical income tax expense with actual income tax expense

A reconciliation of theoretical income tax expense with the Group's actual income tax expense is presented below:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Net income/(loss)	4,748	4,973
Share in net income of equity method entities	622	1,060
Income tax expense	(1,570)	(2,215)
Income/(loss) before income tax of consolidated companies (A)	5,697	6,128
Of which French companies	842	654
Of which companies outside France	4,855	5,474
Statutory income tax rate of the parent company (B)	25.8%	25.8%
THEORETICAL INCOME TAX EXPENSE (C) = (A) X (B)	(1,471)	(1,582)
Reconciling items between theoretical and actual income tax expense		
Difference between statutory tax rate applicable to the parent and statutory tax rate in force in jurisdictions in France and abroad	35	(15)
Permanent differences ⁽¹⁾	(113)	(57)
Income taxed at a reduced rate or tax-exempt ⁽²⁾	118	(2)
Additional tax expense ⁽³⁾	(356)	(75)
Effect of unrecognized deferred tax assets on tax loss carry-forwards and other tax-deductible temporary differences ⁽⁴⁾	25	(577)
Recognition or utilization of tax income on previously unrecognized tax loss carry-forwards and other tax-deductible temporary differences ⁽⁵⁾	88	62
Impact of changes in tax rates	(2)	(4)
Tax credits and other tax reductions ⁽⁶⁾	76	56
Other ⁽⁷⁾	28	(21)
INCOME TAX EXPENSE RECOGNIZED IN INCOME	(1,571)	(2,215)

- (1) *Mainly includes disallowable impairment losses on goodwill, operating expenses added-back and the deduction of interest expenses arising from hybrid debt.*
- (2) *Mainly includes capital gains on disposals of securities exempt from tax or taxed at a reduced rate in some tax jurisdictions, the impact of the specific tax regimes used by some entities, disallowable impairment losses and capital losses on securities, and the impact of untaxed income from remeasuring previously-held (or retained) equity interests in connection with acquisitions and changes in consolidation methods.*
- (3) *Mainly includes tax on dividends resulting from the parent company tax regime, withholding tax on dividends and interest levied in several tax jurisdictions, the one-off surtax imposed on the profits of large companies in France, allocations to provisions for income tax, and regional and flat-rate corporate taxes.*
- (4) *Includes (i) the cancellation of the net deferred tax asset position for some tax entities in the absence of sufficient net income and profit forecasts (see Note 11.4 "Unrecognized differed taxes" and (ii) the impact of disallowable impairment losses on fixed assets.*
- (5) *Includes the impact of the recognition of net deferred tax asset positions for some tax entities.*
- (6) *Mainly includes, tax credits in the United States and in France and other tax reductions.*
- (7) *Mainly includes the correction of previous tax charges.*

The Group did not record any significant expense in connection with the implementation of the OECD Pillar Two rules, establishing a minimum tax.

11.1.3 Analysis of the deferred tax income/(expense) recognized in the income statement, by type of temporary difference

<i>In millions of euros</i>	Impact in the income statement	
	Dec. 31, 2025	Dec. 31, 2024
Deferred tax assets:		
Tax loss carry-forwards	(653)	54
Pension and related obligations	29	37
Non-deductible provisions	(655)	(985)
Difference between the carrying amount of PP&E and intangible assets and their tax bases	20	(241)
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	1,405	1,073
Other	(517)	194
TOTAL	(370)	132
Deferred tax liabilities:		
Difference between the carrying amount of PP&E and intangible assets and their tax bases	61	455
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	(183)	(1,293)
Other	(6)	169
TOTAL	(128)	(668)
DEFERRED TAX INCOME/(EXPENSE)	(498)	(536)

11.2 Deferred tax income/(expense) recognized in “Other comprehensive income”

Net deferred tax income/(expense) recognized in “Other comprehensive income” is broken down by component as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Equity and debt instruments	(34)	-
Actuarial gains and losses	(214)	(74)
Net investment hedges	(170)	68
Cash flow hedges on other items	502	(862)
Cash flow hedges on net debt	6	32
TOTAL EXCLUDING SHARE OF EQUITY METHOD ENTITIES	91	(837)
Share of equity method entities	(25)	54
TOTAL	65	(784)

11.3 Deferred taxes presented in the statement of financial position

11.3.1 Change in deferred taxes

Changes in deferred taxes recognized in the statement of financial position, after netting deferred tax assets and liabilities by tax entity, break down as follows:

<i>In millions of euros</i>	Assets	Liabilities	Net position
AT DECEMBER 31, 2024	847	(5,875)	(5,028)
Impact on net income for the year	(370)	(128)	(498)
Impact on other comprehensive income items	282	(196)	86
Impact of changes in scope of consolidation	(14)	(13)	(27)
Impact of translation adjustments	(117)	184	67
Transfers to assets and liabilities classified as held for sale	(39)	15	(24)
Other	-	14	14
Impact of netting by tax entity	84	(84)	-
AT DECEMBER 31, 2025	673	(6,083)	(5,410)

11.3.2 Analysis of the net deferred tax position recognized in the statement of financial position (before netting deferred tax assets and liabilities by tax entity), by type of temporary difference

Accounting standards

Measurement of recognized tax loss carry-forwards

Deferred tax assets are recognized on tax loss carry-forwards when it is probable that taxable profit will be available against which the tax loss carry-forwards can be utilized. The probability that taxable profit will be available against which the unused tax losses can be utilized, is based on taxable temporary differences relating to the same taxation authority and the same taxable entity and estimates of future taxable profits. These estimates and utilizations of tax loss carry-forwards were prepared on the basis of profit and loss forecasts over a six-year tax projection period as included in the medium-term business plan approved by Management, subject to exceptions justified by a particular context and, if necessary, on the basis of additional forecasts.

<i>In millions of euros</i>	Statement of financial position at	
	Dec. 31, 2025	Dec. 31, 2024
Deferred tax assets:		
Tax loss carry-forwards	1,548	2,217
Pension obligations	787	918
Non-deductible provisions	348	1,048
Difference between the carrying amount of PP&E and intangible assets and their tax bases	1,931	1,493
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	6,275	9,088
Other	525	639
TOTAL	11,414	15,403
Deferred tax liabilities:		
Difference between the carrying amount of PP&E and intangible assets and their tax bases	(10,097)	(9,802)
Measurement of assets and liabilities at fair value (IAS 32/IFRS 9)	(5,903)	(9,853)
Other	(824)	(776)
TOTAL	(16,823)	(20,431)
NET DEFERRED TAX ASSETS/(LIABILITIES)	(5,410)	(5,027)

In accordance with the amendment to IAS 12, no deferred tax is recognized in respect of the future implementation of the OECD Pillar Two rules.

11.4 Unrecognized deferred taxes

At December 31, 2025, the tax effect of unused tax loss carry-forwards not recognized in the statement of financial position amounted to € 5,123 million (€4,660 million at December 31, 2024). Most of these unrecognized tax losses relate to companies based in countries which allow losses to be carried forward indefinitely (mainly Belgium, the Netherlands, the United States and Australia). These tax losses carried forward did not give rise to the full or partial recognition of a deferred tax asset due to the absence of profits or sufficient profit forecasts to date.

The tax effect of other tax-deductible temporary differences not recorded in the statement of financial position was €905 million at end-December 2025 versus €1,783 million at end-December 2024.

NOTE 12 EARNINGS PER SHARE

Accounting standards

Basic earnings per share is calculated by dividing net income Group share for the year by the weighted average number of ordinary shares outstanding during the year. The average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year.

For the diluted earnings per share calculation, the weighted average number of shares and basic earnings per share are adjusted to take into account the impact of the conversion or exercise of any dilutive potential ordinary shares (options, warrants and convertible bonds, etc.).

In compliance with IAS 33 – *Earnings per Share*, earnings per share and diluted earnings per share are based on net income/(loss) Group share after deduction of payments to bearers of deeply-subordinated perpetual notes (see Note 16.2.1 “Issuance of deeply-subordinated perpetual notes”).

The Group’s dilutive instruments included in the calculation of diluted earnings per share include bonus shares and performance shares granted in the form of ENGIE securities.

	Dec. 31, 2025	Dec. 31, 2024
Numerator (in millions of euros)		
Net income/(loss) Group share	3,827	4,106
Interest from deeply-subordinated perpetual notes	(140)	(76)
Net income/(loss) used to calculate earnings per share	3,688	4,030
Net recurring income/(loss) Group share		
Net recurring income/(loss) Group share	4,896	5,531
Interest from deeply-subordinated perpetual notes	(140)	(76)
Net recurring income/(loss) used to calculate earnings per share	4,756	5,455
Denominator (in millions of shares)		
Average number of outstanding shares	2,429	2,425
Impact of dilutive instruments:		
Bonus share plans reserved for employees	14	11
Diluted average number of outstanding shares	2,443	2,436
Earnings per share (in euros)		
Basic earnings/(loss) per share	1.52	1.66
Diluted earnings/(loss) per share	1.51	1.65
Basic recurring earnings/(loss) per share		
Basic recurring earnings/(loss) per share	1.96	2.25
Diluted recurring earnings/(loss) per share	1.95	2.24

NOTE 13 FIXED ASSETS

13.1 Goodwill

Accounting standards

Upon a business combination, goodwill is measured as the difference between:

- on the one hand, the sum of:
 - the consideration transferred,
 - the amount of non-controlling interests in the acquiree, and
 - in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree;
- on the other hand, the net fair value of the identifiable assets acquired and liabilities assumed. The key assumptions and estimates used to determine the fair value of assets acquired and liabilities assumed include the market outlook for the measurement of future cash flows as well as applicable discount rates. These assumptions reflect management's best estimates at the acquisition date.

The amount of goodwill recognized at the acquisition date cannot be adjusted after the end of the 12-month measurement period.

Goodwill relating to interests in associates is included in the carrying amount of the investment consolidated under the equity method entities.

13.1.1 Changes in organizational structure

On January 16, 2025, the Group announced a change in the scope of its Global Business Units (GBU). As of February 1, 2025, the Group is structured around four Global Business Units: Renewables & Flex Power, Networks, Local Energy Infrastructures and Supply & Energy Management.

As part of this reorganization, the Group has modified its segment information within the meaning of IFRS 8 – Operating Segments (see Note 6.1 “Reorganization of ENGIE and modification of segment information”) and, consequently, has reallocated the goodwill from the previous operating segments to the new operating segments in accordance with IAS 36 – *Impairment of Assets*.

Of the six operating segments and “Other” activities (including GEMS) under the previous organization:

- for Renewables and Retail goodwill, which amounted to €2,289 million and €1,843 million respectively at January 1, 2025, has been allocated directly to the new operating segments;
- Nuclear keeps its goodwill, which amounted to €797 million at January 1, 2025, in the “Other” segment;
- goodwill for FlexGen, Networks, Energy Solutions and the GEMS operating entity, amounting to €1,483 million, €5,277 million, €1,091 million and €334 million respectively, has been allocated to the new operating segments.

The reallocation of goodwill at segment level as of January 1, 2025 was as follows:

In millions of euros		Old organization							Goodwill at Jan. 1, 2025
		Infrastructures	Renewables	Retail	FlexGen	Energy Solutions	Nuclear	Other	
New organization	Renewables & BESS		2,289		1,031				3,320
	Gas Generation Europe				72				72
	Gas Generation International				380				380
	Gas Infrastructure	5,164							5,164
	Power Infrastructure	113							113
	Local Energy Infrastructures					1,008		12	1,021
	Energy Management							-	-
	One BtoB							322	322
	One BotC			1,843					1,843
	Nuclear						797		797
	Local Energy Infrastructures RoW					83			83
	Other							178	178
Goodwill at Jan. 1, 2025		5,277	2,289	1,843	1,483	1,091	797	512	13,291

Given the existing value headroom, this reallocation of goodwill did not entail any day-one impairment.

13.1.2 Movements in the carrying amount of goodwill

In millions of euros	Net amount
AT DECEMBER 31, 2024	13,291
Impairment losses	(105)
Changes in scope of consolidation and other	123
Translation adjustments	(199)
AT DECEMBER 31, 2025	13,110

13.1.3 Information on goodwill

For the purposes of impairment testing, goodwill is allocated to operating segments, which represent the lowest level at which it is monitored for internal management purposes.

The table below shows the amount of goodwill at December 31, 2025:

In millions of euros	Dec. 31, 2025
Networks	
Gas Infrastructure	5,169
Power Infrastructure	108
Renewables & Flex Power	
Renewables & BESS	3,403
Gas Generation International	312
Gas Generation Europe	72
Supply & Energy Management	
One BtoC	1,839
One BtoB	290
Energy Management	19
Local Energy Infrastructures	972
Other	
Nuclear	692
Other	177
Local Energy Infrastructures RoW	57
TOTAL	13,110

13.2 Intangible assets

Accounting standards

Initial measurement

Intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Amortization

Intangible assets are amortized on the basis of the expected pattern of consumption of the estimated future economic benefits embodied in the asset. Amortization is calculated mainly on a straight-line basis over the following useful lives:

Main depreciation periods (years)	Useful life	
	Minimum	Maximum
Concession rights	10	30
Customer portfolio	3	20
Other intangible assets	1	50

Intangible rights arising on concession contracts

IFRIC 12 – *Service Concession Arrangements* deals with the treatment to be applied by the concession operator in respect of certain concession arrangements.

For a concession arrangement to fall within the scope of IFRIC 12, usage of the infrastructure must be controlled by the concession grantor. This requirement is satisfied when the following two conditions are met:

- the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and
- the grantor controls any residual interest in the infrastructure at the end of the term of the arrangement, for example it retains the right to take back the infrastructure at the end of the concession.

The intangible asset model according to paragraph 17 of IFRIC 12 applies if the operator receives a right (a license) to charge the users, or the grantor, depending on the use made of the public service. There is no unconditional right to receive cash, as the amounts depend on the extent to which the public uses the service.

Concession infrastructures that do not meet the requirements of IFRIC 12 are presented as property, plant and equipment. This is the case of gas distribution infrastructures in France. The related assets are recognized in accordance with IAS 16, given that GRDF operates its network under long-term concession arrangements, most of which are mandatorily renewed upon expiration pursuant to French law No. 46-628 of April 8, 1946.

Research and development costs

Research costs are expensed as incurred.

Development costs are capitalized when the asset recognition criteria set out in IAS 38 are met. Capitalized development costs are amortized over the useful life of the intangible asset.

13.2.1 Movements in intangible assets

<i>In millions of euros</i>	Intangible rights arising on concession contracts	Capacity entitlements	Others	Total
GROSS AMOUNT				
AT DECEMBER 31, 2024	4,132	3,361	15,161	22,654
Acquisitions	290	-	1,123	1,412
Disposals	(74)	(27)	(101)	(202)
Translation adjustments	(10)	-	(224)	(234)
Changes in scope of consolidation	95	-	188	284
Transfer to "Assets classified as held for sale and discontinued operations"	-	-	(227)	(227)
Other changes	(16)	72	(299)	(243)
AT DECEMBER 31, 2025	4,417	3,406	15,620	23,443
ACCUMULATED AMORTIZATION AND IMPAIRMENT				
AT DECEMBER 31, 2024	(1,882)	(2,380)	(10,427)	(14,689)
Amortization	(158)	(121)	(871)	(1,150)
Impairment	(33)	-	(207)	(240)
Disposals	57	27	77	161
Translation adjustments	8	-	127	135
Changes in scope of consolidation	(34)	-	42	8
Transfer to "Assets classified as held for sale and discontinued operations"	-	-	208	208
Other changes	15	-	28	43
AT DECEMBER 31, 2025	(2,027)	(2,474)	(11,023)	(15,524)
CARRYING AMOUNT				
AT DECEMBER 31, 2024	2,250	981	4,734	7,964
AT DECEMBER 31, 2025	2,390	932	4,597	7,919

In 2025, the net decrease in "Intangible assets" was mainly attributable to €1,150 million in amortization expense, largely offset by:

- capital expenditure of €1,412 million for the period, mainly relating to intangible assets in progress (€849 million) and in particular IT projects (€357 million), mostly at ENGIE corporate level in France and the Supply & Energy Management GBU; transmission and distribution network extensions and maintenance (€197 million), mainly in France; capitalized costs in connection with renewable energy projects in the United States and France (€179 million); and concession agreements (€290 million) in the Local Energy Infrastructures sector;
- a net positive €292 million impact resulting from changes in the scope of consolidation, mainly in the Renewables & Flex Power GBU with the acquisition of two hydropower plants in Brazil (positive €198 million) and renewable asset portfolios in the United Kingdom (positive €74 million impact) and in Germany (positive €20 million impact).

13.2.2 Capacity entitlements

The Group has acquired capacity entitlements from power stations operated by third parties. These power station capacity rights were acquired in connection with transactions or within the scope of the Group's involvement in financing the construction of certain power stations. In consideration, the Group received the right to purchase a share of the production over the useful life of the underlying rights. These rights are amortized over the useful life of the underlying assets, not exceeding 50 years. The Group currently holds rights in the Chooz B and Tricastin power plants in France.

13.2.3 Other

At December 31, 2025, this caption mainly relates to software and licenses for €1,338 million, as well as intangible assets in progress for €831 million and intangible assets (client portfolio) acquired for €2,427 million as a result of business combinations and acquisition costs for customer contracts.

13.2.4 Information regarding research and development costs

Research and development activities primarily relate to various studies regarding technological innovation, improvements in plant efficiency, safety, environmental protection, service quality, and the use of energy resources. Research and development priorities are focused on climate change adaptation and mitigation, including renewable energy systems (photovoltaic solar, wind), the production and use of green gases (hydrogen, biomethane) or the development of decentralized energy infrastructure (district heating and cooling, decentralized solar energy and mobility).

Capitalized development costs, related to projects in the development phase that meet the criteria for recognition as an intangible asset as defined in IAS 38, totaled €22 million in 2025.

13.3 Property, plant and equipment

Accounting standards

Initial recognition and subsequent measurement

Items of property, plant and equipment are recognized at historical cost less any accumulated depreciation and any accumulated impairment losses.

The carrying amount of these items is not revalued as the Group has elected not to apply the allowed alternative method, which consists of regularly revaluing one or more categories of property, plant and equipment.

Investment subsidies are deducted from the gross value of the assets concerned.

In accordance with IAS 16, the initial cost of the item of property, plant and equipment includes an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has a present, legal or constructive obligation to dismantle the item or restore the site. A corresponding provision for this obligation is recorded for the amount of the asset component.

Borrowing costs that are directly attributable to the construction of the qualifying asset are capitalized as part of the cost of that asset.

Leases

In accordance with IFRS 16, the Group recognizes a right-of-use asset and a corresponding lease liability with respect to contracts considered as a lease in which the Group acts as lessee, except for leases with a term of 12 months or less ("short-term leases"), and leases for which the underlying asset is of a low value ("low-value asset"). Payments associated with these leases are recognized on a straight-line basis as expenses in profit or loss. The lease contracts in the Group mainly concern real estate, vehicles, LNG vessels, an hydroelectric concession contract and other equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. This rate is calculated based on the Group's incremental borrowing rate adjusted in accordance with IFRS 16, taking into account (i) the economic environment of the subsidiaries, and in particular their credit risk, (ii) the currency in which the contract is concluded and (iii) the duration of the contract at inception (or the remaining duration for contracts existing upon the initial application of IFRS 16). The methodology applied to determine the incremental borrowing rate reflects the profile of the lease payments (duration method).

The lease term is assessed, including whether a renewal option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised, on a case-by-case basis. The lease term is reassessed if a significant event or a significant change in circumstances that is within the control of the lessee occurs and may affect the assessment made. In determining the enforceable period of a lease, the Group applies a broad interpretation of the term penalty and takes into consideration not only contractual penalties arising from termination, but also ancillary costs that could arise in case of an early termination of the lease.

Cushion gas

“Cushion” gas stored in underground storage facilities is essential for ensuring that reservoirs can be operated effectively, and is therefore inseparable from these reservoirs. Unlike “working” gas which is included in inventories (see Note 22.2 “Inventories”), cushion gas is reported in other property, plant and equipment.

Depreciation

In accordance with the components approach, each significant component of an item of property, plant and equipment with a different useful life from that of the main asset to which it relates is depreciated separately over its own useful life.

Property, plant and equipment is depreciated mainly using the straight-line method over the following useful lives:

Main depreciation periods (years)	Useful life	
	Minimum	Maximum
Plant and equipment		
• Storage - Production - Transport - Distribution	5	60*
• Installation - Maintenance	3	10
• Hydraulic plant and equipment	20	65
Solar and wind farms	25	35
Other property, plant and equipment	2	33

* Excluding cushion gas.

The range of useful lives is due to the diversity of the assets in each category. The minimum periods relate to smaller equipment and furniture, while the maximum periods concern network infrastructures and storage facilities.

Fixtures and fittings relating to hydro plants operated by the Group are depreciated over the shorter of the contract term and the useful life of the assets, taking into account the renewal of the concession period if such renewal is considered to be reasonably certain.

The right-of-use asset related to leases is depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term. In that case the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as that used for property, plant and equipment mentioned above.

13.3.1 Movements in property, plant and equipment

<i>In millions of euros</i>	Land	Buildings	Plant and equipment	Vehicles	Dismantling costs	Assets in progress	Right of use	Other	Total
GROSS AMOUNT									
AT DECEMBER 31, 2024	696	3,474	107,914	339	5,525	9,232	6,204	875	134,259
Acquisitions/Increases	9	14	209	24	-	6,476	605	32	7,370
Disposals	(16)	(95)	(1,474)	(33)	(36)	(64)	(379)	(71)	(2,167)
Translation adjustments	(15)	(120)	(2,486)	(5)	(61)	(483)	(262)	-	(3,433)
Changes in scope of consolidation ⁽¹⁾	13	(8)	(2,517)	(14)	1	(74)	(26)	(8)	(2,633)
Transfer to "Assets classified as held for sale and discontinued operations"	-	(3)	(21)	(3)	-	-	(112)	(6)	(146)
Other changes	13	179	7,082	3	90	(6,541)	(711)	(123)	(8)
AT DECEMBER 31, 2025	700	3,441	108,707	311	5,519	8,547	5,320	699	133,244
ACCUMULATED DEPRECIATION AND IMPAIRMENT									
AT DECEMBER 31, 2024	(173)	(2,094)	(59,148)	(245)	(4,868)	(301)	(2,220)	(824)	(69,871)
Depreciation	(4)	(100)	(3,125)	(31)	(252)	-	(478)	(11)	(4,001)
Impairment	-	(63)	(220)	-	(22)	(201)	22	(14)	(498)
Disposals	6	89	1,524	31	37	34	364	81	2,166
Translation adjustments	2	54	1,020	4	30	20	74	19	1,223
Changes in scope of consolidation ⁽¹⁾	(3)	7	2,977	10	-	-	23	7	3,020
Transfer to "Assets classified as held for sale and discontinued operations"	-	3	20	2	-	-	51	6	83
Other changes	(3)	(58)	(61)	3	-	8	249	(4)	134
AT DECEMBER 31, 2025	(176)	(2,161)	(57,013)	(226)	(5,075)	(439)	(1,915)	(739)	(67,744)
CARRYING AMOUNT									
AT DECEMBER 31, 2024	523	1,380	48,766	94	657	8,932	3,985	52	64,388
AT DECEMBER 31, 2025	524	1,280	51,695	85	444	8,107	3,405	(40)	65,499

(1) The nuclear business, representing total gross assets of €3 billion (fully depreciated), was transferred to the BE-NUC joint venture.

In 2025, the net increase in "Property, plant and equipment" essentially takes into account:

- maintenance and development investments for a total amount of €7,370 million, notably related to the construction and development of wind and solar farms and flexible generation assets, primarily in the United States, Chile, France and Belgium (€4,425 million); extensions to the transmission and distribution network extensions in the Networks sector in France, Romania and Latin America (€1,817 million); and activities in the Local Energy Infrastructures operating segment (€545 million), mainly in France;
- a net positive effect of changes in the scope of consolidation amounting to €388 million, mainly in the Renewables & Flex Power GBU with the acquisition of two hydropower plants in Brazil (positive €279 million), and of renewable asset portfolios in the United Kingdom (positive €79 million impact) and in Germany (positive €54 million impact).

These items were largely offset by:

- depreciation (€4,001 million);
- a negative foreign exchange impact of €2,209 million, primarily due to the depreciation of the US dollar (negative €1,995 million impact).

13.3.2 Pledged and mortgaged assets

Items of property, plant and equipment pledged by the Group to guarantee borrowings and debt amounted to €1,225 million at December 31, 2025 compared to €1,490 million at December 31, 2024. The net decrease in this item primarily reflects the depreciation of Renewables & Flex Power GBU pledged in Brazil for €310 million.

13.3.3 Contractual commitments to purchase property, plant and equipment

In the ordinary course of their operations, some Group companies have entered into commitments to purchase, and the related third parties to deliver plant and equipment. These commitments relate mainly to orders for equipment and material related to the construction of energy production units and to service agreements.

Contractual investment commitments made by the Group to purchase property, plant and equipment totaled €3,829 million at December 31, 2025 compared to €2,461 million at December 31, 2024.

13.3.4 Other information

Borrowing costs included in the cost of property, plant and equipment amounted to €310 million at December 31, 2025 compared to €308 million at December 31, 2024.

13.4 Impairment testing of goodwill, intangible assets, property, plant and equipment and equity method entities

Accounting standards

Risk of impairment

Goodwill

Goodwill is not amortized but is tested for impairment each year in accordance with IAS 36, or more frequently where an indication of impairment is identified. All goodwill is tested for impairment based on data at the end of June, supplemented by a review of events in the second half.

Impairment tests are carried out at the level of cash-generating units (CGUs) or groups of CGUs, which constitute groups of assets which generate cash flows that are largely independent from cash flows generated by other CGUs.

Goodwill is impaired if the net carrying amount of the CGU (or group of CGUs) to which the goodwill is allocated is greater than the recoverable amount of that CGU.

Impairment losses in relation to goodwill cannot be reversed and are shown as "Impairment losses" in the income statement.

Intangible assets and property, plant and equipment

In accordance with IAS 36, impairment tests are carried out on items of property, plant and equipment and intangible assets where there is an indication that the assets may be impaired. Such indications may be based on events or changes in the market environment, or on internal sources of information. Intangible assets that are not amortized are tested for impairment annually.

Property, plant and equipment and intangible assets with finite useful lives are only tested for impairment when there is an indication that they may be impaired. This is generally the result of significant changes in the environment in which the assets are operated or when economic performance is lower than expected.

Items of property, plant and equipment and intangible assets are tested for impairment at the level of the cash-generating unit (CGU), as appropriate and determined in accordance with IAS 36. If the recoverable amount of an asset is lower than its carrying amount, the carrying amount is written down to the recoverable amount by recording an impairment loss. Upon recognition of an impairment loss, the depreciable amount and possibly the useful life of the asset concerned is revised.

Impairment losses recorded in relation to property, plant and equipment or intangible assets may be subsequently reversed if the recoverable amount of the asset increases to exceed the carrying amount. The increased carrying amount of an item of property, plant or equipment following the reversal of an impairment loss may not exceed the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognized in prior periods.

Equity method entities

The total carrying amount of equity method entities is tested for impairment as an individual asset in accordance with IAS 36, by comparing the recoverable amount (i.e., the higher of value in use and fair value less costs to sell) with the carrying amount, whenever there is an indication that it may be impaired.

Indicators of impairment

The main indicators of impairment used by the Group are:

- using external sources of information :
 - a decline in an asset's value over the period that is significantly more than would be expected from the passage of time or normal use,
 - significant adverse changes that have taken place over the period, or will take place in the near future, in the technological market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated,
 - an increase over the period in market interest rates or other market rates of return on investments if such increase is likely to affect the discount rate used in calculating an asset's value in use and decrease its recoverable amount materially,
 - the carrying amount of the net assets of the entity exceeds its market capitalization;
- using internal sources of information:
 - evidence of obsolescence or physical damage to an asset,
 - significant changes in the extent to which, or manner in which, an asset is used or is expected to be used, that have taken place in the period or soon thereafter and that will adversely affect it. These changes include the asset becoming idle, plans to dispose of an asset sooner than expected, reassessing its useful life as finite rather than indefinite or plans to restructure the operations to which the asset belongs,
 - internal reports that indicate that the economic performance of an asset is, or will be, worse than expected.

Measurement of recoverable amount

For operating entities which the Group intends to hold on a long-term and going concern basis, the recoverable amount of a CGU corresponds to the higher of its fair value less costs to sell and its value in use. Value in use is primarily determined based on the present value of future operating cash flows including a terminal value. Standard valuation techniques are used based on the following main economic assumptions:

- market perspectives and developments in the regulatory framework;
- discount rates based on the specific characteristics of the operating entities concerned;
- terminal values in line with available market data specific to the operating segments concerned and growth rates associated with these terminal values, not exceeding the inflation rate.

Discount rates are determined on a post-tax basis and applied to post-tax cash flows. The recoverable amounts calculated on the basis of these discount rates are the same as the amounts obtained by applying the pre-tax discount rates to cash flows estimated on a pre-tax basis, as required by IAS 36.

For operating entities which the Group has decided to sell, the related recoverable amount of the assets concerned is based on market value less disposal costs. Where negotiations are ongoing, this value is determined based on the best estimate of their outcome as of the reporting date.

13.4.1 General assumptions

The impairment tests were performed in the context of a volatile economic environment, as described in Note 1.3 "Use of estimates and judgments".

In most cases, the recoverable amounts are determined by reference to a value in use that is calculated using cash flow projections drawn up on the basis of the 2026 budget and the 2027-2028 medium-term business plan, as approved by the Executive Committee and the Board of Directors, and on the basis of extrapolated cash flows beyond that time frame.

Cash flow projections beyond the medium-term business plan period are determined on the basis of macroeconomic assumptions (inflation, exchange rates and growth rates), and price forecasts resulting from the Group's reference scenario for 2029-2050 as revised and validated by the Group Executive Committee in September 2025. The forecasts and projections included in the reference scenario were determined on the basis of the following inputs:

- forward market prices over the liquidity period for fuel (coal, oil and gas), CO₂ and electricity on each market in a context of changing energy prices;
- beyond this period, medium- and long-term energy prices were determined by the Group based on macroeconomic assumptions and fundamental supply and demand equilibrium models, the results of which are regularly compared against forecasts prepared by external energy sector specialists. Long-term projections for CO₂ prices take into account the challenges of electricity price affordability in Europe and the gradual decline in demand for certificates from the energy sector, linked to the rise of renewable energies in the medium- and long-term mix. These projections are in line with the target of reducing emissions by 90% by 2040, set by the December 2025 agreement between the presidency of the Council of the European Union and representatives of the European Parliament. Among the external scenarios, the Group's scenario can be considered as intermediate between the STEPS (Stated Energy Policies Scenario) and NZE (Net Zero Scenario) scenarios of the International Energy Agency or similar to that of ADEME ("green technology") in the case of France;
- more specifically, medium- and long-term electricity prices were determined by the Group using electricity demand forecasting models, medium- and long-term forecasts of fuel and CO₂ prices, and expected trends in installed capacity and in the technology mix of the production assets within each power generation system. ENGIE has opted for a balanced mix, integrating renewable gas and carbon dioxide capture and storage in order to guarantee an energy system with the best levels of efficiency and resilience. This trajectory has been included in the Group's report as part of the "Task Force on Climate Related Financial Disclosures" (TCFD) initiative. The risk factors arising from climate and environmental issues are also detailed in the Group's Universal Registration Document.

Lastly, as part of the Group's efforts to take account of climate matters (see Note 1.3.3 "Consideration of environmental, social and governance (ESG) matters in the preparation of the Group's financial statements"), in measuring its non-financial assets, ENGIE considered its commitment to completely withdraw from coal activities by 2027 (see Note 13.4.5 "Local Energy Infrastructures"), and updated its reference scenario to include changes in energy (heating and cooling) demand in Europe.

This section also discusses the impairment losses recognized in connection with equity method entities (under the "Impairment losses" line of the income statement) as well as impairment losses recognized within these companies (on the "Share in net income of equity method entities" line of the income statement) (see Note 3 "Investments in equity method entities").

13.4.2 Networks

13.4.2.1 Gas Infrastructures

At December 31, 2025, goodwill amounted to €5,169 million, intangible assets to €950 million, property, plant and equipment to €29,551 million, and equity method companies to €1,375 million. French regulated infrastructure assets amounted to €871 million for intangible assets and €27,175 million for property, plant and equipment.

Networks comprises the Group's gas infrastructure activities and projects. These activities include the management and development of (i) gas transportation networks and natural gas distribution networks in and outside Europe, (ii) underground natural gas storage in Europe, and (iii) regasification infrastructure in France and Chile.

Apart from the historical infrastructure management activities, its asset portfolio also contributes to the challenges of the energy transition and network greening (biomethane, hydrogen, etc.).

France

The valuation of activities in France is mainly based on cash flow projections determined on the basis of tariff revenues and terminal values corresponding to the expected value of the regulated Asset Base (RAB), which is the value assigned by the French energy regulator (CRE) to the assets operated by distributors.

The RAB groups together all assets commissioned by an infrastructure operator to carry out its regulated activity. It establishes an economic value for these assets, which is used by the regulator to set tariffs for access to this infrastructure. It includes the assets needed to provide the service, such as infrastructure and equipment. It serves as the basis for calculating investment costs that must be covered by the infrastructure access tariff, including amortization of the investment initially made by the operator and a reasonable return on investment for the industrial activity in question. In other words, it forms the basis of the tariff-setting methodology used by the regulator to ensure that companies can cover their costs and make a fair profit, while protecting consumers from excessive tariffs.

In respect of the valuation of activities in France, the energy mix scenario for 2050, adopted by the Group and detailed in Note 17.3.1 “Dismantling obligations arising on non-nuclear plant and equipment”, will not lead to any significant change in RAB. Given the vital role of gas, a reliable energy source able to supplement renewable energies that are inherently intermittent, uncontrollable and difficult to store, the Group plans to maintain its gas network infrastructures for the transportation of green methane (biomethane in particular) and natural gas for carbon capture, or to convert them to allow for the transportation of hydrogen. These green gases (biomethane, hydrogen, etc.) will gradually replace natural gas. This strategic role will be further strengthened by the new opportunities offered in terms of CO₂ storage, transportation and exportation.

To achieve this, the Group plans to maintain its current level of investment. This approach is largely supported by a rapidly developing regulatory framework supporting the sharp rise in the use of hydrogen and biomethane in the European Union. The EU gas package adopted in April 2024 sets a European biomethane production target (35 bpm by 2030), and defines low-carbon gases and a regulatory framework for hydrogen infrastructure and infrastructure planning obligations (including annually updated 10-year plans for operators of gas and hydrogen transportation networks), the implementation of which is entrusted to Member States and operators.

France’s political and social strategy concerning the energy transition aims to achieve carbon neutrality by 2050. The priorities of France’s climate and energy policy are being updated to reflect the French Energy-Climate Strategy (*Stratégie Française sur l’Énergie et le Climat – SFEC*)⁽⁷⁾. The scenario adopted by the Group is supported by the main findings of the CRE report of April 2023 on the future of gas infrastructures, the conclusions of the public consultation on “decarbonizing the building industry” organized in summer 2023 (highlighting the difficulties associated with a possible ban on the installation of new gas boilers in existing homes), and, to a certain extent, by the latest public outlook for the future Pluriannual Energy Program (Programmation Pluriannuelle de l’Énergie). These reinforce France’s biomethane production targets (44 TWh by 2030) and reaffirm the importance of gas storage for the country’s energy supply security. However, the PPE3, issued on February 13, 2026, introduces a significant target for the replacement of gas-fired boilers by another energy solution, notably electric. The Group considers this target to be unrealistic for reasons of economic sustainability for households, or due to technical constraints that prevent the installation of efficient electrical solutions or connection to a heating network in almost half of all homes. Consequently, the Group considers that the PPE3 does not affect the energy mix scenario for 2050.

Brazil

As part of the five-year tariff review in preparation for the next regulatory period (2026-2030), Transportadora Associada de Gás S.A (“TAG”, an equity-accounted company) submitted the “Malha Nordeste” file to the Brazilian regulator ANP in 2025, the first of its four contracts expired at the end of 2025. This submission is part of a broader review of natural gas transportation tariffs in Brazil, in accordance with the new gas law and Resolution No. 3/2022 of the Brazilian National Energy Policy Council (CNPE), which aims to modernize tariff structures, increase transparency and stimulate investment

(7) The SFEC comprises three documents: the Energy and Climate Planning Bill (LPEC), which defines the objectives and priorities for action; the Multi-Annual Energy Plan (PPE), which is used to manage energy policy over two successive five-year periods; and the National Low-Carbon Strategy (SNBC), which defines a greenhouse gas emissions reduction roadmap through to 2050.

in infrastructure. This submission marks the start of a structured regulatory calendar for TAG's assets. The next contracts expire from November 2030 onwards.

The regulator is currently reviewing the tariff-setting methodology and models for calculating the regulated asset base (RAB), including the transition to an entry-exit pricing system and the redefinition of the maximum allowed revenue (MAR).

The impairment test was performed based on TAG management's best updated estimate of the future tariff likely to result from the ongoing regulatory process, as well as on the contractual compensation mechanisms agreed with the seller at the time of TAG's acquisition in 2019.

Gas infrastructure in Brazil account for 7% of the recoverable value of the Gas Infrastructure CGU.

In 2025, the discount rates applied to all these activities, both in France and internationally, generally ranged between 4.8% and 10.5%. In 2024, they ranged between 5.1% and 10.0%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Sensitivity analysis

France

Given the regulated nature of the Networks business in France, as well as the progressive transition from natural gas to green gas, a reasonable change in any of the valuation inputs (discount rate, inflation rate and rate of return on assets) would not result in any impairment losses.

As mentioned above, the latest public outlook of the Multi-Annual Energy Plan (PPE) and the Energy Performance of Buildings Directive (EPBD) points to potential measures detrimental to gas boilers (removal of financial incentives for installing boilers, ongoing aid for installing heat pumps). These measures will have a much smaller impact on the gas customer portfolio, and therefore on the value of gas infrastructure assets in France, than a ban on installations of gas boilers, which was withdrawn after being proposed in 2023.

A more substantial change in the regulatory framework could have a significant impact on the valuation of gas infrastructure assets in France, including on the goodwill of the Gas Infrastructures CGU. Gas infrastructures in France account for 84% of the recoverable value of the Gas Infrastructures CGU.

The 2025 (and 2024) regulatory asset base (RAB) for gas infrastructure assets in France and the net carrying amount of intangible assets and property, plant and equipment along with the associated depreciation and amortization expense, are set out below:

<i>In millions of euros</i>	2025 RAB	2024 RAB	Carrying amount of PP&E and intangible assets (excluding depreciation and amortization)	Depreciation and amortization
GRDF	16,993	17,281	14,634	(1,116)
NaTran	9,241	9,384	7,614	(547)
Storengy	4,323	4,302	4,543	(152)
Elengy	933	912	388	(64)

Brazil

A substantial change in the regulatory framework in Brazil could have a significant impact on the valuation of gas infrastructure assets in Brazil (carrying amount of €540 million as of December 31, 2025; see Note 3.2.1 “Contribution of joint ventures to the Group”).

13.4.2.2 Power Infrastructure

At December 31, 2025, goodwill amounted to €108 million, intangible assets to €51 million, property, plant and equipment to €423 million, and equity method companies to €114 million.

Power Infrastructures comprises the Group's electricity infrastructure activities and projects. These activities include managing and developing power transmission networks internationally, mainly in Brazil and Chile.

Power transmission is a sector with low operational risks, due to highly regulated long-term revenues based on a capacity charge linked to availability, indexed to inflation and regularly revised in light of interest rates. Based on regulated, long-term concession agreements (a significant portion of which, in Brazil, is accounted for using the IFRIC 12 financial receivable model), power transmission provides predictable and constant cash flows, with very low counterparty risk.

In 2025, the discount rates applied to all these activities generally ranged between 6.2% and 8.3%, relatively stable compared to 2024. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Sensitivity analysis

Given the regulated nature of the Power Infrastructure business in Brazil and Chile, a reasonable change in any of the valuation inputs (discount rate, inflation rate and rate of return on assets) would not result in any impairment losses.

13.4.3 Renewables & Flex Power

13.4.3.1 Renewables & BESS

At December 31, 2025, goodwill amounted to €3,403 million, intangible assets to €1,954 million, property, plant and equipment to €27,057 million, and equity method companies to €2,725 million.

The Renewables & BESS segment comprises all centralized renewable energy generation activities, including financing, construction, operation and maintenance of renewable energy facilities, using various energy sources such as hydroelectric, onshore wind, photovoltaic solar, biomass, offshore wind, and battery storage associated with a renewable asset, as well as activities to compensate for the intermittent nature of renewable energy by providing upstream flexibility (pump- or battery- operated storage plants). The energy produced is fed into the grid and sold either on the open or regulated market or to third parties through electricity sale agreements.

The main assumptions and key estimates relate to discount rates, assumptions regarding the renewal of hydropower concession agreements and changes in electricity prices beyond the liquid period, as well as, where applicable, renewable energy subsidy mechanisms.

More specifically, a bill was introduced in the French National Assembly on January 13, 2026 to transpose into French law the agreement between France and the European Commission aimed at securing the legal framework for hydropower concessions. This bill provides for the transition from concessions system to an authorization system for facilities exceeding

4,500 kW, with the exception of the Compagnie Nationale du Rhône, whose concession agreement will continue until its expiration.

In 2025, in the absence of a law and implementing decree, this regulatory change was not taken into account in the assessment of SHEM's value in use.

The value in use of Compagnie Nationale du Rhône and SHEM was calculated based on assumptions including the extension or renewal through a tender process for the concession agreements.

The cash flows for the periods covered by the renewal of the concession agreements are based on a number of assumptions relating to the economic and regulatory conditions for operating these assets (royalty rates, required level of investment, etc.) during this period.

In 2025, the discount rates applied to these activities ranged between 5.4% and 12.3%. In 2024, they ranged between 5.4% and 11.3%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €244 million were recognized in 2025 on the "Impairment losses" line of the income statement.

These impairment losses mainly concern onshore renewable assets in North America for €143 million, and a solar power plant in India for €68 million. More specifically, the US onshore renewable assets were tested in accordance with the new US tax legislation, the One Big Beautiful Bill Act. In this context, analysis of the status of projects under development led the Group to write down capitalized costs by approximately €100 million, which is included in the €143 million mentioned above. However, no additional impairment losses were recognized in 2025 on US offshore projects held through the Ocean Winds joint venture. These assets were valued at the end of 2024, taking into account a 4-year delay into their development, and their recoverable value was not further affected by the application of this new legislation, especially since the Group has a solid legal basis to defend, if necessary, the value of its permits (see Note 4.2.1 "One Big Beautiful Bill Act" tax reform in the United States").

At December 31, 2025, impairment losses were recognized against "Share in net income of equity method entities" for €172 million, of which €156 million related to assets in France due to the decrease in electricity market prices.

Sensitivity analysis

The sensitivity of the hydropower generation business in France and the renewable power generation business in North America to changes in electricity prices and changes in discount rates (impact on the recoverable amount) is shown in the table below:

In billion of euros	Dec. 31, 2025			
	Electricity prices		Discount rates	
	+10€/MWh	-10€/MWh	+50 bp	-50bp
Hydropower generation in France	0.4	(0.4)	(0.1)	0.1
Renewables & BESS assets in North America	0.4	(0.5)	(0.1)	0.5

Non-linear increase or decrease due to the method of calculating water-power fees.

An increase of 50 basis points in the discount rates and a decrease of €10/MWh in the electricity price would have a negative impact on the recoverable amount. However, the recoverable amount of goodwill would remain above the carrying amount.

In addition, an increase of 50 basis points in the discount rates would result in an impairment of the Ocean Winds joint venture's equity accounted projects of approximately €30 million (ENGIE share).

13.4.3.2 Gas Generation International

At December 31, 2025, goodwill amounted to €312 million, intangible assets to €108 million, property, plant and equipment to €1,849 million, and equity method companies to €1,222 million.

Gas Generation International brings together all the activities helping to offset the intermittent nature of renewables by providing upstream flexibility through flexible thermal generation, mainly in Latin America, the Middle East and North America. It plays a key role in the energy transition. Its activities also includes the financing, construction and operation of desalination plants, whether or not connected to power plants.

The main assumptions and key estimates relate to discount rates, estimated demand for electricity and changes in the margin captured beyond the liquidity period (i.e., changes in the margin comprising electricity prices, less the price of CO₂ and fossil fuels beyond the liquidity period).

In 2025, the discount rates applied to these activities ranged between 6.3% and 12.3%. In 2024, they ranged between 6.7% and 12.0%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €46 million were recognized in 2025 on the "Impairment losses" line of the income statement.

They mainly relate to revised dismantling costs for facilities in Chile.

Sensitivity analysis

An increase of 50 basis points in the discount rates used would result in a €0.1 billion decrease in the recoverable amount of assets. However, the recoverable amount of goodwill would remain above the carrying amount. A reduction of 50 basis points in the discount rates used would have a positive €0.1 billion impact on this calculation.

A 10% decrease in the margin captured by thermal power plants would result in a €0.3 billion decrease in the recoverable amount. However, the recoverable amount of goodwill would remain above the carrying amount. An increase of 10% in the margin captured would have a positive €0.3 billion impact on this calculation.

13.4.3.3 Gas Generation Europe

At December 31, 2025, goodwill amounted to €72 million, property, plant and equipment to €1,974 million and equity method entities to €130 million.

Gas Generation Europe brings together all the activities helping to offset the intermittent nature of renewables by providing upstream flexibility through flexible thermal generation, mainly in France, Belgium, the Netherlands, Italy and Spain. It plays a key role in the energy transition.

The main assumptions and key estimates relate to discount rates, estimated demand for electricity and changes in the margin captured beyond the liquidity period (i.e., changes in the margin comprising electricity prices, less the price of CO₂ and fossil fuels beyond the liquidity period).

In 2025, the discount rates applied to these activities ranged between 5.8% and 9.2%. In 2024, they ranged between 6.7% and 9.6%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Sensitivity analysis

An increase of 50 basis points in the discount rates used would result in a €0.02 billion decrease on the recoverable amount of thermal power plants. However, the recoverable amount of goodwill would remain above the carrying amount. A reduction of 50 basis points in the discount rates used would have a positive €0.02 billion impact on the recoverable amount.

A 10% decrease in the margin captured by thermal power plants would result in a €0.4 billion decrease on the recoverable amount. However, the recoverable amount of goodwill would remain above the carrying amount. An increase of 10% in the margin captured would have a positive €0.4 billion impact on this calculation.

13.4.4 Supply & Energy Management**13.4.4.1 One BtoC**

At December 31, 2025, goodwill amounted to €1,839 million, intangible assets to €430 million, and property, plant and equipment to €39 million.

One BtoC encompasses all the Group's activities relating to the sale of gas and electricity to end customers. It includes all the Group's activities in services for residential customers. One BtoC also involves the sale of energy management solutions to support the decarbonization of Group businesses and those of its customers.

The terminal value used to calculate the value in use of the main services and energy sales businesses in Europe was determined by extrapolating cash flows beyond the medium-term business plan period using a long-term growth rate of approximately 2% per year.

In 2025, the discount rates applied to these activities ranged between 8.0% and 11.0%. In 2024, they ranged between 7.8% and 10.3%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Sensitivity analysis

Given the capital-light nature of One BtoC activities, a reasonable change in any of the valuation inputs would not result in any impairment losses on goodwill.

13.4.4.2 One BtoB

At December 31, 2025, goodwill amounted to €290 million, intangible assets to €225 million, property, plant and equipment to €1 million, and equity method companies to €60 million.

One BtoB covers gas and electricity sales to large companies, industries and local authorities. One BtoC also involves the sale of energy management solutions to support the decarbonization of Group businesses and those of its customers.

The terminal value used to calculate the value in use of the main services and energy sales businesses in Europe was determined by extrapolating cash flows beyond the medium-term business plan period using a long-term growth rate of approximately 2% per year.

In 2025, the discount rates applied to these activities ranged between 7.0% and 12.0%. In 2024, they ranged between 7.8% and 10.3%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Sensitivity analysis

Given the capital-light nature of One BtoB activities, a reasonable change in any of the valuation inputs would not result in any impairment losses on goodwill.

13.4.4.3 Energy Management

At December 31, 2025, goodwill amounted to €19 million, intangible assets to €236 million, and property, plant and equipment to €585 million.

Energy Management brings together energy management activities involving managing the risks associated with energy volume flows (generation and sales), and consequently optimizing the assets on the market.

The terminal value used to calculate the value in use of the main services and energy sales businesses in Europe was determined by extrapolating cash flows beyond the medium-term business plan period using a long-term growth rate of approximately 2% per year.

In 2025, the discount rates applied to these activities ranged between 8.5% and 12.0%. In 2024, they ranged between 7.8% and 10.3%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Sensitivity analysis

Given the capital-light nature of Energy Management activities, a reasonable change in any of the valuation inputs would not result in any impairment losses on goodwill. Furthermore, property, plant, and equipment mainly relate to leased LNG carriers, with no risk of impairment.

13.4.5 Local Energy Infrastructures

At December 31, 2025, goodwill amounted to €972 million, intangible assets to €2,584 million, property, plant and equipment to €2,689 million, and equity method companies to €1,032 million.

Local Energy Infrastructures encompass the construction and management of decentralized energy networks to produce energy (heating and cooling networks, distributed power generation plants, distributed solar power parks, low-carbon mobility, low-carbon cities and public lighting, etc.) and related services (energy efficiency, technical maintenance, sustainable development consulting) mainly in Europe.

The terminal value used to calculate the value in use of the services and energy sales businesses in France was determined by extrapolating the cash flows beyond the medium-term business plan period using a long-term growth rate of 2% per year.

The main assumptions and key estimates relate primarily to discount rates and changes in price beyond the liquidity period.

In 2025, the discount rates applied to these activities ranged between 4.8% and 10.0%. In 2024, they ranged between 5.1% and 9.8%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €93 million were recognized in 2025 on the "Impairment losses" line of the income statement. These impairment losses mainly relate to assets in France for €90 million whose medium- and long-term outlook was revised or in relation to which operational difficulties have arisen.

Sensitivity analysis

Given the essentially contractual nature of Local Energy Infrastructures activities, a reasonable change in any of the valuation inputs would not result in impairment losses on goodwill.

13.4.6 Other

13.4.6.1 Nuclear

At December 31, 2025, goodwill amounted to €692 million, intangible assets to €932 million, property, plant and equipment to €18 million, and equity method companies to €136 million.

Key assumptions used for the impairment test

On December 13, 2023, ENGIE and the Belgian State signed an agreement to extend the Doel 4 and Tihange 3 nuclear facilities by ten years (see Note 17.2 "Obligations relating to nuclear power generation facilities"). This agreement, which was finalized on March 14, 2025, also provides for the establishment of a legal structure dedicated to the two extended nuclear units, equally owned by the Belgian State and ENGIE (joint venture, using the equity method), aligning the interests of the two parties and ensuring the sustainability of their commitments. The business model of the extension is based on a balanced allocation of risks, notably through a Contract for Difference mechanism guaranteeing the value of extension investments, with a limited incentive for the industrial operator to achieve a favorable technical and economic performance at the plants.

In addition, for drawing rights on nuclear power plants in France, the cash flow projections are based on a large number of key assumptions, such as prices of fuel and CO₂, expected trends in electricity prices, availability of power plants, market outlook, and potential changes in the nuclear regulatory environment in France. Lastly, the key assumptions also include the discount rate used to calculate the value in use of these activities. In 2025, the discount rates applied to these activities ranged between 6.7% and 7.4% (compared to 7.1% in 2024).

Cash flow projections beyond the medium-term business plan for drawing rights on the Chooz B and Tricastin power plants have been determined on the basis of the residual term of the contracts and the assumption of a 10-year extension.

In France, the Nuclear Safety Authority authorized the start-up of Tricastin 1 on December 20, 2019 after its shutdown for its fourth 10-yearly inspection and, on December 3, 2020, published a draft decision setting out the conditions for the 900 MW reactors to continue operating beyond 40 years. Confirmation of a 10-year extension of the operating life of the 900 MW series reactors is therefore expected to be formalized in the next few years, once the conditions for continued operation have been determined by the French Nuclear Safety Authority (Autorité de Sûreté Nucléaire) and a public inquiry has been held. In August 2023, the French Nuclear Safety Authority issued its opinion on the continued operation of Tricastin unit No. 1 for a further 10 years. The reactor, commissioned in 1980, is therefore authorized to operate for 50 years. The Group has therefore considered the 10-year extension of the nuclear units, and the corresponding drawing rights, beyond their fourth 10-yearly inspection. The fourth 10-yearly inspection of Tricastin was completed in 2024 by unit No. 4, while the third 10-yearly inspection of Chooz B took place in 2019. The assumption of an extension was already considered in the impairment tests of previous years.

Results of the impairment test

The recoverable amount of the Nuclear assets remains below the value of goodwill due to the significant drop in electricity prices in France.

An impairment loss totaling €105 million was recognized in 2025 on goodwill on the “Impairment losses” line of the income statement. This loss in value is due to the effect of falling prices on the utility value of French drawing rights and the shutdown of Belgian power plants, partially offset by the value of the extension of the Doel 4 and Tihange 3 nuclear units.

Sensitivity analysis

A decrease of €10/MWh in electricity prices for nuclear-generated power in France beyond the liquidity period would lead to a decrease of €0.5 billion in the recoverable amount and a resulting goodwill impairment loss of €0.5 billion.

In light of the Contract for Difference mechanism put in place in connection with the extension of the Doel 4 and Tihange 3 nuclear facilities, the recoverable amount of these facilities (within the joint venture, equally owned with the Belgian State) is fairly insensitive to changes in electricity prices for nuclear-generated power in Belgium.

A 5% reduction in the availability rate of the French plants would lead to a decrease of €0.5 billion in the recoverable amount and a resulting goodwill impairment loss of €0.5 billion.

13.4.6.2 Local Energy Infrastructures RoW

At December 31, 2025, goodwill amounted to €57 million, intangible assets to €2 million, property, plant and equipment to €403 million, and equity method companies to €374 million.

Local Energy Infrastructures RoW covers the construction and management of decentralized energy networks to produce energy (heating and cooling networks, distributed power generation plants, distributed solar power plants, low-carbon mobility, low-carbon cities and public lighting, etc.) and related services (energy efficiency, technical maintenance, sustainable development consulting) under strategic review in some countries in Europe and further afield.

The main assumptions and key estimates relate primarily to discount rates and changes in price beyond the liquidity period.

In 2025, the discount rates applied to these activities ranged between 5.5% and 13.0%. In 2024, they ranged between 5.1% and 9.8%. These rates vary according to geography and associated risks (notably country risk and risk associated with the economic environment of the underlying business: merchant/contracted/regulated cash flows).

Results of the impairment tests

At December 31, 2025, no impairment losses were recognized on goodwill owing to the recoverable amount of the cash generating unit to which it belongs.

Impairment losses totaling €75 million were recognized in 2025 on the “Impairment losses” line of the income statement against assets currently being sold.

At December 31, 2025, impairment losses of €225 million were recognized against North American assets under “Share in net income of equity method entities”, taking into account the new US tax regulations, the “One Big Beautiful Bill Act” (see Note 4.2.1 ““One Big Beautiful Bill Act” tax reform in the United States”).

Sensitivity analysis

Given the essentially contractual nature of Local Energy Infrastructures RoW activities, a reasonable change in any of the valuation inputs would not result in impairment losses on goodwill.

13.4.6.3 Other

At December 31, 2025, goodwill amounted to €177 million, intangible assets to €442 million, property, plant and equipment to €892 million, and equity method companies to €24 million.

The “Other” segment includes the activities of Tractebel, ENGIE Home Services (EHS), Corporate, holding companies and other entities. These entities present a significant difference between recoverable amount and the carrying amount of the segment’s operating activities carrying goodwill at December 31, 2025.

Impairment losses totaling €170 million were recognized in 2025 on the “Impairment losses” line of the income statement, mainly concerning assets currently being sold, including EHS (see Note 4.1.1.1 “Assets classified as held for sale”) and former gasworks sites in France (see Note 9.1.1 “Impairment losses recognized in 2025”).

NOTE 14 FINANCIAL INSTRUMENTS

14.1 Financial assets

Accounting standards

In accordance with the principles of IFRS 9 – *Financial Instruments*, financial assets are recognized and measured either at amortized cost, at fair value through equity or at fair value through profit or loss based on the following two criteria:

- a first criterion relating to the contractual cash flow characteristics of the financial asset. The analysis of contractual cash flow characteristics makes it possible to determine whether these cash flows are “only payments of principal and interest on the outstanding amounts” (known as the “SPPI” test or Solely Payments of Principal and Interest);
- a second criterion relating to the business model used by the Group to manage its financial assets. IFRS 9 defines three different business models: a first business model whose objective is to hold assets in order to collect contractual cash flows (hold to collect), a second model whose objective is achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell), and other business models.

The identification of the business model and the analysis of the contractual cash flow characteristics require judgment to ensure that the financial assets are classified in the appropriate category.

Where the financial asset is an investment in an equity instrument and is not held for trading, the Group may irrevocably elect to present the gains and losses on that investment in other comprehensive income.

Except for trade receivables, which are measured at their transaction price in accordance with IFRS 15, financial assets are measured, on initial recognition, at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to their acquisition.

At the end of each reporting period, the credit risks of fixed-income financial assets measured using the amortized cost method or at fair value through other comprehensive income are subject to a provision based on the expected credit losses method.

Financial assets also include derivatives that are measured at fair value in accordance with IFRS 9.

In accordance with IAS 1, the Group's current and non-current assets and liabilities are shown separately in the consolidated statement of financial position. In view of the majority of the Group's activities, it was considered that the criterion to be used to classify assets is the expected time to realize the asset or settle the liability: the asset is classified as current if this period is less than 12 months and as non-current if it is more than 12 months after the reporting period.

The following table presents the Group's different categories of financial assets, broken down into current and non-current items:

In millions of euros	Notes	Dec. 31, 2025			Dec. 31, 2024		
		Non-current	Current	Total	Non-current	Current	Total
Other financial assets	14.1.1	10,208	2,581	12,789	7,722	11,959	19,681
Equity instruments at fair value through other comprehensive income		1,463	-	1,463	903	-	903
Equity instruments at fair value through profit or loss		269	-	269	226	-	226
Debt instruments at fair value through other comprehensive income		2,015	-	2,015	1,414	24	1,438
Debt instruments at fair value through profit or loss		2,021	858	2,879	1,468	785	2,253
Loans and receivables at amortized cost		4,441	1,723	6,164	3,711	11,150	14,861
Trade and other receivables ⁽¹⁾	7.2	-	13,491	13,491	-	15,809	15,809
Assets from contracts with customers	7.2	16	8,006	8,022	3	9,229	9,232
Cash and cash equivalents	14.1.3	-	14,507	14,507	-	16,928	16,928
Derivative instruments ⁽¹⁾	14.4	5,347	6,202	11,549	6,689	6,730	13,418
TOTAL		15,572	44,786	60,358	14,413	60,655	75,068

(1) To reflect their similar economic reality, MtM on commodity contracts is presented together with the margin calls, representing a reclassification in the presentation in the statement of financial position from "Derivative instruments" to "Trade and other receivables".

14.1.1 Other financial assets

14.1.1.1 Equity instruments at fair value

Accounting standards

Equity instruments at fair value through other comprehensive income (OCI)

Under IFRS 9 an irrevocable election can be made to present subsequent changes in the fair value of an investment in an equity instrument that is not held for trading in other comprehensive income. This choice is made on an instrument by instrument basis. Amounts presented in other comprehensive income should not be transferred to profit or loss including proceeds of disposals. However, IFRS 9 authorizes the transfer of the accumulated profits and losses to another component of equity. Dividends from such investments are recognized in profit or loss unless the dividend clearly represents the recovery of a portion of the cost of the investment.

The equity instruments recognized under this line item mainly concern investments in companies that are not controlled by the Group and for which OCI measurement has been selected given their strategic and long-term nature.

Upon initial recognition, these equity instruments are recognized at fair value, which is generally their acquisition cost, plus transaction costs directly attributable to their acquisition.

At each reporting date, for listed securities, fair value is determined based on the quoted market price at the reporting date. For unlisted securities, fair value is measured using valuation models based primarily on the latest market transactions, the discounting of dividends or cash flows and the net asset value.

Equity instruments at fair value through profit or loss

Equity instruments that are held for trading or for which the Group has not elected for measurement at fair value through other comprehensive income are measured at fair value through profit or loss.

This category mainly includes investments in companies not controlled by the Group.

Upon initial recognition, these equity instruments are recognized at fair value, which is generally their acquisition cost.

At each reporting date, for listed and unlisted securities, the same measurement method as described above should be applied.

<i>In millions of euros</i>	Equity instruments at fair value through other comprehensive income	Equity instruments at fair value through profit or loss	Total
AT DECEMBER 31, 2024	903	227	1,129
Acquisitions	669	88	757
Disposals	(206)	(24)	(230)
Changes in fair value	100	(3)	96
Changes in scope of consolidation, translation adjustments and other	(3)	(18)	(21)
AT DECEMBER 31, 2025	1,463	269	1,732
Dividends	1	7	8

Equity instruments break down as €1,233 million of listed equity instruments (€653 million at December 31, 2024) and €499 million of unlisted equity instruments (€476 million at December 31, 2024).

14.1.1.2 Debt instruments at fair value

Accounting standards

Debt instruments at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and for which the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding amount (SPPI), are measured at fair value through OCI (with a recycling mechanism). This involves a measurement through profit or loss for interest (at amortized cost using the effective interest method), impairment and foreign exchange gains and losses, and through OCI (with a recycling mechanism) for other gains or losses.

This category mainly includes bonds.

Fair value gains and losses on these instruments are recognized in other comprehensive income, except for the following items which are recognized in profit or loss:

- expected credit losses and reversals;
- foreign exchange gains and losses.

When the financial asset is derecognized, the cumulative gain or loss that was previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Debt instruments at fair value through profit or loss

Financial assets whose contractual cash flows do not consist solely of payments of principal and interest on the amount outstanding (SPPI) or that are held in view of an "other" business model are measured at fair value through profit or loss.

The Group's investments in UCITS are accounted for in this caption. They are considered as debt instruments, according to IAS 32, given the existence of an obligation for the issuer to redeem units, at the request of the holder. They are measured at fair value through profit or loss because the contractual cash flow characteristics do not meet the SPPI test.

	Debt instruments at fair value through other comprehensive income	Liquid debt instruments held for cash investment purposes at fair value through other comprehensive income	Debt instruments at fair value through profit or loss	Liquid debt instruments held for cash investment purposes at fair value through profit or loss	Total
<i>In millions of euros</i>					
AT DECEMBER 31, 2024	1,438	-	1,218	1,035	3,691
Acquisitions	1,078	-	628	85	1,791
Disposals	(413)	(5)	(13)	(101)	(533)
Changes in fair value	26	-	11	15	52
Changes in scope of consolidation, translation adjustments and other	(114)	5	-	-	(108)
AT DECEMBER 31, 2025	2,015	-	1,844	1,034	4,893

Debt instruments at fair value at December 31, 2025 primarily included bonds and money market funds held by Synatom for €3,849 million (€2,633 million at December 31, 2024) (see Note 17.2.4 “Financial assets set aside to cover the future costs of dismantling nuclear facilities and managing radioactive fissile material”) and liquid instruments deducted from net financial debt for €1,034 million (€1,035 million at December 31, 2024).

14.1.1.3 Loans and receivables at amortized cost

Accounting standards

Loans and receivables at amortized cost held by the Group under a business model consisting in holding the instrument in order to collect the contractual cash flows, and whose contractual cash flows consist solely of payments of principal and interest on the principal amount outstanding (SPPI test) are measured at amortized cost. Interest is calculated using the effective interest method.

The following items are recognized in profit or loss:

- interest income using the effective interest method;
- expected credit losses and reversals;
- foreign exchange gains and losses.

The Group has entered into concession agreements with certain public authorities under which the construction, extension or improvement of infrastructure is carried out in return for an unconditional right to receive payment from the concession holder in cash or other financial assets. In this case, the Group recognizes a financial receivable from the concession holders.

The Group has entered into services or take-or-pay contracts that are, or contain, a lease and under which the Group acts as lessor and its customers as lessees. Leases are analyzed in accordance with IFRS 16 in order to determine whether they constitute an operating lease or a finance lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership of the related asset, the contract is classified as a finance lease and a finance receivable is recognized to reflect the financing deemed to be granted by the Group to the customer.

Leasing security deposits are presented in this caption and recognized at their nominal value.

See Note 15 “Risks arising from financial instruments” regarding the assessment of counterparty risk.

Fair value

The carrying value of loans and receivables at amortized cost represents a reasonable estimate of their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 FINANCIAL INSTRUMENTS

In millions of euros	Dec. 31, 2025			Dec. 31, 2024		
	Non-current	Current	Total	Non-current	Current	Total
Loans granted to affiliated companies and other debt instruments at amortized cost	1,317	948	2,265	914	10,020	10,934
Other receivables at amortized cost	271	493	764	264	874	1,139
Amounts receivable under concession contracts	2,501	225	2,726	2,222	195	2,417
Amounts receivable under finance leases	352	57	409	310	61	370
TOTAL	4,441	1,723	6,164	3,711	11,150	14,861

Loans granted to affiliated companies and other debt instruments at amortized cost include the cash of the debt instruments held by Synatom, awaiting investment for €547 million (€9,622 million at December 31, 2024) (see Note 17.2.4. “Financial assets set aside to cover the future costs of dismantling nuclear facilities and managing radioactive fissile material”). The change over the period mainly includes the effect of the monetization of part of the financial assets set aside to cover nuclear provisions (see “Change in loans and receivables originated by the Group and others” in the statement of cash flows) in order to settle, in part, the payment of the first and second last tranches of the nuclear liabilities (see Note 17.2 “Obligations relating to nuclear power generation facilities”).

Amounts receivable under concession contracts amounted to €2,726 million at December 31, 2025 (€2,417 million at December 31, 2024). They are mainly related to the Novo Estado and Gralha Azul electric power transmission networks in Brazil, as well as Kathu’s Solar Park (RF) Proprietary Trading concession in South-Africa.

Other net gains and losses recognized in the income statement relating to loans and receivables at amortized cost break down as follows:

In millions of euros	Interest income	Post-acquisition measurement	
		Impact of translation	Expected credit loss
AT DECEMBER 31, 2025	263	(33)	(2)
AT DECEMBER 31, 2024	531	1	(1)

Amounts receivable under finance leases

Finance leases are covered under IFRS 16. They relate to energy purchase and sale contracts where the contract conveys an exclusive right to use a production asset, and certain contracts with industrial customers relating to assets held by the Group.

In millions of euros	Dec. 31, 2025	Dec. 31, 2024
Undiscounted future minimum lease payments	476	1,011
Unguaranteed residual value accruing to the lessor	38	54
TOTAL GROSS INVESTMENT IN THE LEASE	514	1,065
Unearned financial income	93	440
NET INVESTMENT IN THE LEASE (STATEMENT OF FINANCIAL POSITION)	422	624
Of which present value of future minimum lease payments	386	578
Of which present value of unguaranteed residual value	36	46

Undiscounted minimum lease payments receivable under finance leases can be analyzed as follows:

In millions of euros	Dec. 31, 2025	Dec. 31, 2024
Year 1	70	243
Years 2 to 5 inclusive	195	405
Beyond year 5	210	363
TOTAL	476	1,011

14.1.2 Trade and other receivables, and assets from contracts with customers

Information on trade and other receivables and assets from contracts with customers are provided in Note 7.2 “Trade and other receivables, assets and liabilities from contracts with customers”.

14.1.3 Cash and cash equivalents

Accounting standards

This item includes cash equivalents as well as short-term investments that are considered to be readily convertible into a known amount of cash and where the risk of a change in their value is deemed to be negligible based on the criteria set out in IAS 7.

Bank overdrafts are not included in the calculation of cash and cash equivalents and are recorded under “Short-term borrowings” (see Note 14.3 “Financial net debt”).

At the end of each reporting period, the credit risk of cash and cash equivalent items is subject to a provision calculated in accordance with the expected credit losses model.

“Cash and cash equivalents” totaled €14,507 million at December 31, 2025 (€16,928 million at December 31, 2024). This item comprises standard money market funds with daily liquidity (46%), term deposits with a maturity of less than one month (39%), and deposits with a maturity of less than three months and other products (15%).

This amount included funds related to the green bond issues, which remain unallocated to the funding of eligible projects (see *Chapter 5 of the Universal Registration Document*).

Gains recognized in respect of “Cash and cash equivalents” amounted to €532 million in 2025 compared to €803 million in 2024.

14.1.4 Transfer of financial assets

At December 31, 2025, the outstanding amount of disposals without recourse of financial assets as part of transactions leading to full derecognition, amounted to approximately €0.7 billion (compared with €0.5 billion at December 31, 2024).

14.1.5 Financial assets and equity instruments pledged as collateral for borrowings and debt

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Financial assets and equity instruments pledged as collateral	3,146	3,308

This item mainly includes the carrying amount of equity instruments and shares pledged as collateral for borrowings and debt, mainly in Brazil.

14.2 Financial liabilities

Accounting standards

Borrowings and other financial liabilities are measured at amortized cost using the effective interest rate method.

On initial recognition, any issue or redemption premiums and discounts and issuing costs are added to/deducted from the nominal value of the borrowings concerned. These items are taken into account when calculating the effective interest rate and are therefore recorded in the consolidated income statement over the life of the borrowings using the amortized cost method.

As regards structured debt instruments that do not have an equity component, the Group may be required to separate an “embedded” derivative instrument from its host contract. When an embedded derivative is separated from its host contract, the initial carrying amount of the structured instrument is broken down into an embedded derivative component, corresponding to the fair value of the embedded derivative, and a financial liability component, corresponding to the difference between the amount of the issue and the fair value of the embedded derivative. The separation of components upon initial recognition does not give rise to any gains or losses.

The debt is subsequently recorded at amortized cost using the effective interest method while the derivative is measured at fair value, with changes in fair value recognized in profit or loss.

Financial liabilities are recognized either:

- as “Amortized cost liabilities” for borrowings, trade s and other payables, and other financial liabilities;
- as “Liabilities measured at fair value through profit or loss” for derivative financial instruments and for financial liabilities designated as such.

The following table presents the Group’s different financial liabilities at December 31, 2025, broken down into current and non-current items:

In millions of euros	Notes	Dec. 31, 2025			Dec. 31, 2024		
		Non-current	Current	Total	Non-current	Current	Total
Borrowings and debt	14.3	43,235	11,333	54,568	42,880	9,127	52,006
Trade and other payables ⁽¹⁾	14.2	-	16,606	16,606	-	19,007	19,007
Liabilities from contracts with	7.2	451	3,606	4,057	153	3,818	3,971
Derivative instruments ⁽¹⁾	14.4	7,083	5,537	12,621	7,695	6,096	13,792
Other financial liabilities		87	-	87	97	-	97
TOTAL		50,856	37,083	87,939	50,826	38,048	88,874

(1) To reflect their similar economic reality, MtM on commodity contracts is presented together with the margin calls, representing a reclassification in the presentation in the statement of financial position from “Derivative instruments” to “Trade and other receivables”.

14.2.1 Trade and other payables

In millions of euros	Dec. 31, 2025	Dec. 31, 2024
Trade payables	15,569	17,966
Payable on fixed assets	1,037	1,041
TOTAL	16,606	19,007

The carrying amount of these financial liabilities represents a reasonable estimate of their fair value.

14.2.2 Liabilities from contracts with customers

Information on liabilities from contracts with customers are provided in Note 7.2 “Trade and other receivables, assets and liabilities from contracts with customers”.

14.3 Financial net debt

14.3.1 Financial net debt by type

In millions of euros		Dec. 31, 2025			Dec. 31, 2024		
		Non-current	Current	Total	Non-current	Current	Total
Borrowings and debt	Bond issues	32,450	2,877	35,327	33,341	1,409	34,750
	Bank borrowings	6,467	596	7,063	6,003	844	6,847
	Negotiable commercial paper	-	5,705	5,705	-	5,001	5,001
	Lease liabilities	3,210	464	3,674	3,270	473	3,743
	Other borrowings ⁽¹⁾	1,108	1,490	2,598	266	1,138	1,404
	Bank overdrafts and current accounts	-	201	201	-	262	262
	BORROWINGS AND DEBT	43,235	11,333	54,568	42,880	9,127	52,006
Other financial assets	Other financial assets deducted from financial net debt ⁽²⁾	(257)	(1,227)	(1,484)	(319)	(1,555)	(1,874)
Cash and cash equivalents	Cash and cash equivalents	-	(14,507)	(14,507)	-	(16,928)	(16,928)
Derivative instruments	Derivatives hedging borrowings ⁽³⁾	305	20	325	(41)	60	19
FINANCIAL NET DEBT		43,283	(4,381)	38,902	42,520	(9,296)	33,223

(1) This item corresponds to the revaluation of the interest rate component of debt in a qualified fair value hedging relationship for a negative -€220 million, margin calls on debt hedging derivatives carried in liabilities for €364 million and the impact of amortized cost for €444 million (compared to, respectively, a negative- €42 million, a positive €433 million and a positive €452 million at December 31, 2024).

(2) This item notably corresponds to assets related to financing for €78 million, liquid debt instruments held for cash investment purposes for €1,034 million and margin calls (assets) on derivatives hedging borrowings for €371 million (compared to, respectively, €66 million, €1,035 million and €772 million at December 31, 2024).

(3) This item represents the interest rate component of the fair value of derivatives hedging borrowings in a designated fair value hedging relationship. It also represents the exchange rate and outstanding accrued interest rate components of the fair value of all debt-related derivatives irrespective of whether or not they qualify as hedges.

The fair value of gross borrowings and debt (excluding lease liabilities) amounted to €49,612 million at December 31, 2025, compared with a carrying amount of €50,774 million.

Financial income and expenses related to borrowings and debt are presented in Note 10 "Net financial income/(loss)".

14.3.2 Reconciliation between financial net debt and cash flow from (used in) financing activities

		Dec. 31, 2024	Cash flow from (used in) financing activities	Cash flow from operating and investing activities and change in cash and cash equivalents	Change in fair value	Translation adjustments	Changes in scope of consolidation and others	Dec. 31, 2025
<i>In millions of euros</i>								
Borrowings and debt								
	Bond issues	34,750	1,067	-	-	(568)	78	35,327
	Bank borrowings	6,847	169	-	-	(240)	286	7,063
	Negotiable commercial paper	5,001	772	-	-	(68)	-	5,705
	Lease liabilities ⁽¹⁾	3,743	(458)	-	-	(141)	530	3,674
	Other borrowings	1,404	932	-	185	93	(16)	2,598
	Bank overdrafts and current accounts	262	47	-	-	(63)	(44)	201
	BORROWINGS AND DEBT	52,006	2,529	-	185	(986)	834	54,568
Other financial assets	Other financial assets deducted from financial net debt	(1,874)	459	-	(21)	2	(51)	(1,484)
Cash and cash equivalents	Cash and cash equivalents	(16,928)	-	1,752	-	470	199	(14,507)
Derivative instruments	Derivatives hedging borrowings	19	382	-	209	(285)	-	325
FINANCIAL NET DEBT		33,223	3,370	1,752	373	(798)	982	38,902

(1) Lease liabilities: the negative amount of -€458 million included in the "Cash flow from (used in) financing activities" column corresponds to lease payments, excluding interest (total cash outflow for leases amounted to a negative -€576 million, of which €118 million relating to interest).

14.3.3 Main events of the period

14.3.3.1 Impact of changes in the scope of consolidation and in exchange rates on financial net debt

Foreign-exchange movements in 2025 reduced net financial debt by €798 million, mainly driven by a €738 million favorable impact in relation to the US dollar, partly offset by a €15 million negative impact in relation to the Brazilian real.

Disposals and acquisitions during 2025 (including the effects of changes in the scope of consolidation) are described in Note 4.1 "Main changes in Group structure finalized in 2025".

14.3.3.2 Financing and refinancing transactions

The Group carried out the following main transactions in 2025:

	Entity	Type	Currency	Coupon	Issue date	Maturity date	Outstanding amount (in millions of currency)	Outstanding amount (in millions of euros)
Issues								
	ENGIE SA	green bonds	CHF	1.205%	4/11/2025	4/11/2029	100	107
	ENGIE SA	green bonds	CHF	1.655%	4/11/2025	4/11/2033	200	215
	ENGIE SA	bonds	EUR	2%	7/4/2025	9/28/2037	100	100
	ENGIE SA	bonds	EUR	0.5%	7/2/2025	10/24/2030	100	100
	ENGIE SA	bonds	EUR	3.25%	9/11/2025	1/11/2032	500	500
	ENGIE SA	green bonds	EUR	3.875%	9/11/2025	9/11/2037	700	700
	EECL	bonds	CLF	3.6%	8/1/2025	8/1/2045	3	109
				14.35%				
	EBE Renewables	bonds	BRL	IPCA+7.56%	1/15/2025	1/15/2032	2,000	318
	EBE Renewables	bonds	BRL	IPCA	7/14/2025		1,450	347
	EBE Renewables	bonds	BRL	12.88%	7/14/2025		750	
Reimbursements								
	ENGIE SA	bonds	EUR	1.375%	3/27/2020	3/27/2025	604	604
	ENGIE SA	bonds	EUR	0.875%	9/19/2018	9/19/2025	343	343
	EECL	bonds	USD	5.228%	1/29/2025	1/29/2025	138	124
	EBE Renewables	bonds	BRL	IPCA+5.66%		7/15/2025	727	115

14.4 Derivative instruments

Accounting standards

Derivative financial instruments are measured at fair value. This fair value is determined on the basis of market data, available from external contributors. In the absence of an external benchmark, a valuation based on internal models recognized by market participants and favoring data directly derived from observable data such as OTC quotations is used.

The change in fair value of derivative financial instruments is recorded in the income statement except when they are designated as hedging instruments in a cash flow hedge or net investment hedge. In this case, changes in the value of the hedging instruments are recognized directly in equity, excluding the ineffective portion of the hedges.

The Group uses derivative financial instruments to manage and reduce its exposure to market risks arising from fluctuations in interest rates, foreign currency exchange rates and commodity prices, mainly for gas and electricity. The use of derivative instruments is governed by a Group policy for managing interest rate, currency and commodity risks (see Note 15 “Risks arising from financial instruments”).

Derivative financial instruments are contracts (i) whose value changes in response to the change in one or more observable variables, (ii) that do not require any material initial net investment, and (iii) that are settled at a future date.

Derivative instruments include swaps, options, futures and swaptions, as well as forward commitments to purchase or sell listed and unlisted securities, and firm commitments or options to purchase or sell non-financial assets that involve physical delivery of the underlying.

For purchases and sales of electricity and natural gas, the Group systematically analyzes whether the contract was entered into in the “normal” course of operations and therefore falls outside the scope of IFRS 9. This analysis consists firstly in demonstrating that the contract is entered into and continues to be held for the purpose of physical delivery or receipt of the commodity in accordance with the Group’s expected purchase, sale or usage requirements for volumes intended to be used or sold by the Group within a reasonable time frame, as part of its operations.

The second step is to demonstrate that the Group has no practice of settling similar contracts on a net basis and that these contracts are not equivalent to written options. In particular, in the case of electricity and gas sales allowing the buyer a certain degree of flexibility concerning the volumes delivered, the Group distinguishes between contracts that are equivalent to capacity sales considered as transactions falling within the scope of ordinary operations and those that are equivalent to written financial options, which are accounted for as derivative financial instruments.

Only contracts that meet all of the above conditions are considered as falling outside the scope of IFRS 9. Adequate specific documentation is compiled to support this analysis.

Hedging instruments: recognition and presentation

Derivative instruments qualifying as hedging instruments are recognized in the consolidated statement of financial position and measured at fair value. However, their accounting treatment varies according to whether they are classified as (i) a fair value hedge of an asset or liability; (ii) a cash flow hedge, or (iii) a hedge of a net investment in a foreign operation.

Fair value hedges

A fair value hedge is defined as a hedge of the exposure to changes in fair value of a recognized asset or liability such as a fixed-rate loan or borrowing, or of assets, liabilities or an unrecognized firm commitment denominated in a foreign currency.

The gain or loss from remeasuring the hedging instrument at fair value is recognized in profit or loss. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is also recognized

in profit or loss even if the hedged item is in a category in respect of which changes in fair value are recognized through other comprehensive income. These two adjustments are presented net in the consolidated income statement, with the net effect corresponding to the ineffective portion of the hedge.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that could affect the Group's income. The hedged cash flows may be attributable to a particular risk associated with a recognized financial or non-financial asset or a highly probable forecast transaction.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income, net of tax, while the ineffective portion is recognized in profit or loss. The gains or losses accumulated in equity are reclassified to the consolidated income statement under the same caption as the loss or gain on the hedged item – i.e., current operating income for operating cash flows and financial income or expenses for other cash flows – in the same periods in which the hedged cash flows affect income.

If the hedging relationship is discontinued, in particular because the hedge is no longer considered effective, the cumulative gain or loss on the hedging instrument remains recognized in equity until the forecast transaction occurs. However, if a forecast transaction is no longer expected to occur, the cumulative gain or loss on the hedging instrument is immediately recognized in profit or loss.

Hedge of a net investment in a foreign operation

In the same way as for a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge of the currency risk is recognized directly in other comprehensive income, net of tax, while the ineffective portion is recognized in profit or loss. The gains or losses accumulated in other comprehensive income are transferred to the consolidated income statement when the investment is liquidated or sold.

Hedging instruments: identification and documentation of hedging relationships

The hedging instruments and hedged items are designated at the inception of the hedging relationship. The hedging relationship is formally documented in each case, specifying the hedging strategy, the hedged risk and the method used to assess hedge effectiveness. Only derivative contracts entered into with external counterparties are considered as being eligible for hedge accounting.

Hedge effectiveness is assessed and documented at the inception of the hedging relationship and on an ongoing basis throughout the periods for which the hedge was designated.

Hedge effectiveness is demonstrated both prospectively and retrospectively using various methods, based mainly on a comparison between changes in fair value or cash flows between the hedging instrument and the hedged item. Methods based on an analysis of statistical correlations between historical price data are also used.

Derivative instruments not qualifying for hedge accounting: recognition and presentation

These items mainly concern derivative financial instruments used in economic hedges that have not been – or are no longer – documented as hedging relationships for accounting purposes.

When a derivative financial instrument does not qualify or no longer qualifies for hedge accounting, changes in fair value are recognized directly in profit or loss under (i) current operating income for derivative instruments with non-financial assets as the underlying, and (ii) financial income or expenses for currency, interest rate and equity derivatives.

Derivative instruments not qualifying for hedge accounting used by the Group in connection with proprietary commodity trading activities and other derivatives expiring in less than 12 months are recognized in the consolidated statement of financial position in current assets and liabilities, while derivatives expiring after this period are classified as non-current items.

Fair value measurement

The fair value of instruments listed on an active market is determined by reference to the market price. In this case, these instruments are presented in level 1 of the fair value hierarchy.

The fair value of unlisted financial instruments for which there is no active market and for which observable market data exist is determined based on valuation techniques such as option pricing models or the discounted cash flow method.

The models used to evaluate these instruments take into account assumptions based on market inputs:

- the fair value of interest rate swaps is calculated based on the present value of future cash flows;
- the fair value of forward foreign exchange contracts and currency swaps is calculated by reference to current prices for contracts with similar maturities by discounting the future cash flow spread (difference between the forward exchange rate under the contract and the forward exchange rate recalculated in line with the new market conditions applicable to the nominal amount);
- the fair value of currency and interest rate options is calculated using option pricing models;
- commodity derivatives are valued by reference to listed market prices based on the present value of future cash flows (commodity swaps or commodity forwards) and option pricing models (options), for which market price volatility may be a factor. Contracts with maturities exceeding the depth of transactions for which prices are observable, or which are particularly complex, may be valued based on internal assumptions;
- exceptionally, for complex contracts negotiated with independent financial institutions, the Group uses the values established by its counterparties.

These instruments are presented in level 2 of the fair value hierarchy except when the evaluation is based mainly on data that are not observable, in which case they are presented in level 3 of the fair value hierarchy. Most often, this is the case for derivatives with a maturity that falls outside the observability period for market data relating to the underlying or when certain inputs such as the volatility of the underlying are not observable.

Except in case of enforceable master netting arrangements or similar agreements, counterparty risk is included in the fair value of financial derivative instrument assets and liabilities. It is calculated according to the “expected loss” method and takes into account the exposure at default, the probability of default and the loss given default. The probability of default is determined on the basis of credit ratings assigned to each counterparty (“historical probability of default” approach).

Offsetting of financial assets and liabilities in the statement of financial position

Financial assets and liabilities are presented net in the statement of financial position when the offsetting criteria of IAS 32 are met. Offsetting relates to instruments entered into with counterparties for which the contractual terms provide for a net settlement of transactions and a collateralization agreement (margin calls). In particular, commodity derivative assets and liabilities are offset for transactions with the same counterparty, in the same currency, by type of commodity and delivery point and with identical maturities.

Derivative instruments recognized in assets and liabilities are measured at fair value and break down as follows:

In millions of euros	Dec. 31, 2025						Dec. 31, 2024					
	Assets			Liabilities			Assets			Liabilities		
	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Derivatives hedging borrowings	251	43	294	556	63	619	472	73	545	431	133	564
Derivatives hedging commodities	3,321	6,115	9,436	5,160	5,424	10,584	4,948	6,577	11,525	5,715	5,887	11,602
Derivatives hedging other items ⁽¹⁾	1,775	44	1,819	1,367	51	1,418	1,269	79	1,348	1,549	77	1,626
TOTAL	5,347	6,202	11,549	7,083	5,537	12,621	6,689	6,730	13,418	7,695	6,096	13,792

(1) Derivatives hedging other items mainly include the interest rate component of interest rate derivatives (not qualifying as hedges or qualifying as cash flow hedges) that are excluded from net financial debt, as well as net investment hedge derivatives.

The net amount of derivatives hedging commodities recognized in the statement of financial position is measured after taking into account offsetting agreements that meet the criteria set out in paragraph 42 of IAS 32. This offsetting generated balance sheet effects of around €4.3 billion in 2025 and mainly concerned OTC derivatives concluded with counterparties for which the contractual terms provide for a net settlement of the transactions as well as a collateralization agreement (margin calls).

The balance of derivative hedging commodities is lower than at December 31, 2024 due to the decrease in commodity prices in 2025. Most of these derivatives mature in 2026, 2027 and 2028.

14.4.1 Offsetting of derivative instrument assets and liabilities

The net amount of derivative instruments after taking into account enforceable master netting arrangements or similar agreements, whether or not they are offset in accordance with paragraph 42 of IAS 32, is presented in the table below:

		Dec. 31, 2025				Dec. 31, 2024			
		Gross amount	Net amount recognized in the statement of financial position ⁽¹⁾	Other offsetting agreements ⁽²⁾	Total	Gross amount	Net amount recognized in the statement of financial position ⁽¹⁾	Other offsetting agreements ⁽²⁾	Total
In millions of euros									
Assets	Derivatives hedging commodities	13,701	9,436	(1,523)	7,913	14,924	11,525	(2,509)	9,016
	Derivatives hedging borrowings and other items	2,113	2,113	(428)	1,685	1,893	1,893	(132)	1,761
Liabilities	Derivatives hedging commodities	(14,849)	(10,584)	1,956	(8,628)	(15,000)	(11,602)	1,332	(10,270)
	Derivatives hedging borrowings and other items	(2,037)	(2,037)	412	(1,625)	(2,190)	(2,190)	605	(1,584)

(1) Net amount recognized in the statement of financial position after taking into account offsetting agreements that meet the criteria set out in paragraph 42 of IAS 32. This offsetting mainly concerns OTC derivatives entered into with counterparties for which the contractual terms provide for a net settlement of the transactions as well as a collateralization agreement (margin calls).

(2) Other offsetting agreements include collateral and other guarantee instruments, as well as offsetting agreements that do not meet the criteria set out in paragraph 42 of IAS 32.

14.5 Fair value of financial instruments by level in the fair value hierarchy

14.5.1 Financial assets

The table below shows the allocation of financial instruments carried in assets to the different levels in the fair value hierarchy:

In millions of euros	Dec. 31, 2025				Dec. 31, 2024			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Other financial assets (excluding loans and receivables at amortized cost)	6,605	5,082	-	1,523	4,796	3,285	-	1,511
Equity instruments at fair value through other comprehensive income	1,463	1,233	-	230	903	653	-	250
Equity instruments at fair value through profit or loss	269	-	-	269	226	-	-	226
Debt instruments at fair value through other comprehensive income	2,015	2,015	-	-	1,438	1,438	-	-
Debt instruments at fair value through profit or loss	2,858	1,834	-	1,024	2,229	1,195	-	1,034
Derivative instruments	11,549	96	9,466	1,987	13,418	47	11,975	1,397
Derivatives hedging borrowings	294	-	294	-	545	-	545	-
Derivatives hedging commodities - relating to portfolio management activities ⁽¹⁾	5,571	2	4,621	949	7,526	-	6,905	620
Derivatives hedging commodities - relating to trading activities ⁽¹⁾	3,864	94	2,732	1,038	4,000	47	3,176	776
Derivatives hedging other items	1,819	-	1,819	-	1,348	-	1,348	-
TOTAL	18,154	5,178	9,466	3,510	18,214	3,332	11,975	2,908

(1) Derivative financial instruments relating to commodities classified in level 3 mainly include long-term gas supply contracts and electricity contracts measured at fair value through profit or loss. This category notably comprises contracts related to renewable electricity supply or offtake arrangements (such as VPPAs or Virtual Power Purchase Agreements), as well as hedges associated with battery power storage operations.

A definition of these three levels is presented in Note 14.4 "Derivative instruments".

Other financial assets (excluding loans and receivables at amortized cost)

Changes in level 3 equity and debt instruments at fair value can be analyzed as follows:

In millions of euros	Equity instruments at fair value through other comprehensive income	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through profit or loss	Debt instruments at fair value through profit or loss	Other financial assets (excluding loans and receivables)
AT DECEMBER 31, 2024	250	-	226	1,034	1,511
Acquisitions	10	-	88	86	184
Disposals	(13)	(5)	(24)	(114)	(156)
Changes in fair value	(15)	-	(3)	10	(8)
Changes in scope of consolidation, translation adjustments and	(2)	5	(18)	8	(7)
AT DECEMBER 31, 2025	230	-	269	1,024	1,523
Gains/(losses) recorded in income relating to instruments held at the end of the period					6

Derivative instruments

Changes in level 3 commodity derivatives can be analyzed as follows:

<i>In millions of euros</i>	Net Asset/(Liability)
AT DECEMBER 31, 2024	(295)
Changes in fair value recorded in income	188
Settlements	(159)
Transfer from level 3 to levels 1 and 2	(19)
Net fair value recorded in income	(285)
Deferred Day-One gains/(losses)	-
AT DECEMBER 31, 2025	(286)

14.5.2 Financial liabilities

The table below shows the allocation of financial instruments carried in liabilities to the different levels in the fair value hierarchy:

<i>In millions of euros</i>	Dec. 31, 2025				Dec. 31, 2024			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Borrowings used in designated fair value hedges	9,159	-	9,159	-	9,555	-	9,555	-
Borrowings not used in designated fair value hedges	40,453	24,717	15,736	-	37,237	23,711	13,527	-
Derivative instruments	12,621	16	10,331	2,273	13,792	30	12,071	1,691
Derivatives hedging borrowings	619	-	619	-	564	-	564	-
Derivatives hedging commodities – relating to portfolio management activities ⁽¹⁾	7,537	-	6,222	1,315	8,114	-	7,094	1,020
Derivatives hedging commodities – relating to trading activities ⁽¹⁾	3,047	16	2,072	958	3,488	30	2,787	671
Derivatives hedging other items	1,418	-	1,418	-	1,626	-	1,626	-
TOTAL	62,233	24,733	35,226	2,273	60,584	23,740	35,152	1,691

(1) Derivative financial instruments relating to commodities classified in level 3 mainly include long-term gas supply contracts and electricity contracts measured at fair value through profit or loss. This category notably comprises contracts related to renewable electricity supply or offtake arrangements (such as VPPAs or “Virtual Power Purchase Agreements”), as well as hedges associated with battery electricity storage operations.

A definition of these three levels is presented in Note 14.4 “Derivative instruments”.

Borrowings used in designated fair value hedges

This caption includes bonds in a designated fair value hedging relationship, which are presented in level 2 in the above table. Only the interest rate component of the bonds is remeasured, with fair value determined by reference to observable inputs.

Borrowings not used in designated fair value hedges

Listed bond issues are included in level 1.

Other borrowings not used in a designated hedging relationship, are presented in level 2 in the above table. The fair value of these borrowings is determined on the basis of future discounted cash flows and relies on directly or indirectly observable data.

NOTE 15 RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group mainly uses derivative instruments to manage its exposure to market risks. Financial risk management procedures are set out in Chapter 2 “Risk factors” of the Universal Registration Document.

15.1 Market risks

15.1.1 Commodity risks

Commodity risks arise primarily from the following activities:

- portfolio management; and
- trading.

The Group has primarily identified two types of commodity risks: price risk resulting from fluctuations in market prices, and volume risk inherent to the business.

In the ordinary course of its operations, the Group is exposed to commodity risks, mainly on natural gas and electricity.

15.1.1.1 Portfolio management activities

Portfolio management seeks to optimize the market value of assets (power plants, gas supply contracts, energy sales and gas storage by pump and battery and transportation) over various timeframes (short-, medium- and long-term). Market value is optimized by:

- guaranteeing supply and ensuring the balance between physical needs and resources;
- managing market risks (price, volume) to unlock optimum value from portfolios within a specific risk framework.

The risk framework aims to safeguard the Group's financial resources over the budget period and smooth out medium-term earnings (over three or five years, depending on the maturity of each market). It encourages portfolio managers to take out economic hedges on their portfolio.

Sensitivities of the commodity-related derivatives portfolio used as part of the portfolio management activities at December 31, 2025 are detailed in the table below. These sensitivities have been established in the current uncertain context.

These assumptions do not constitute an estimate of future market prices and are not representative of future changes in consolidated earnings and equity, insofar as they do not include the sensitivities relating to the purchase and sale contracts for the underlying commodities, which are not recognized at fair value.

Sensitivity analysis ⁽¹⁾

In millions of euros	Price changes	Dec. 31, 2025		Dec. 31, 2024	
		Pre-tax impact on income	Pre-tax impact on equity	Pre-tax impact on income	Pre-tax impact on equity
Oil-based products	+USD 10/bbl	-	42	-	42
Natural gas - Europe	-€10/MWh	238	(1,320)	(284)	(957)
Natural gas - Europe	+€10/MWh	(254)	1,320	278	957
Natural gas - Rest of the world	+€3/MWh	40	189	28	199
Electricity - Europe	-€20/MWh	24	(1,204)	65	(598)
Electricity - Europe	+€20/MWh	(27)	1,204	(65)	598
Electricity - Rest of the world (mainly US)	+€5/MWh	(634)	-	(448)	-
Greenhouse gas emission rights	+€2/ton	37	-	29	4
EUR/USD	+10%	(2)	182	75	(183)
EUR/GBP	+10%	6	-	(1)	-

(1) The sensitivities shown above apply solely to financial commodity derivatives used for hedging purposes as part of the portfolio management activities.

15.1.1.2 Trading activities

Revenues from trading activities totaled €1,324 million in 2025 (€2,253 million in 2024).

The Group's trading activities are primarily conducted within:

- ENGIE Global Markets. Its role is to manage the risks of the physical and financial energy portfolio for the Group or external customers, providing them with access to the market and implementing customized hedging strategies;
- ENGIE SA mainly for the optimization of part of its long-term gas supply contracts.

These entities operate on organized or OTC markets in derivative instruments such as futures, forwards, swaps, or options. Exposure to trading activities is strictly controlled by daily monitoring of compliance with Value at Risk (VaR) limits.

The use of VaR to quantify market risk arising from trading activities provides a transversal measure of risk, taking all markets and products into account. VaR represents the maximum potential loss on a portfolio over a specified holding period based on a given confidence interval. It is not an indication of expected results but is back-tested on a regular basis.

The Group uses a one-day holding period and a 99% confidence interval to calculate VaR, as well as stress tests, in accordance with banking regulatory requirements.

The VaR shown below corresponds to the global VaR of the Group's entities with trading activities.

Value at Risk

In millions of euros	Dec. 31, 2025	2025 average ⁽¹⁾	2025 maximum ⁽²⁾	2025 minimum ⁽²⁾	2024 average ⁽¹⁾
Trading activities	8	12	20	6	13

(1) Average daily VaR.

(2) Maximum and minimum daily VaR observed in 2025.

VaR limits are set within the framework of Group governance. The minimum and the maximum, in 2025, are to be compared respectively with €5 million and with €27 million in 2024.

The continuous monitoring of market risks and the strict application of these measures have enabled the Group to perform its trading activities in a supervised environment during the year.

15.1.2 Hedges of commodity risks

Hedging instruments and sources of hedge ineffectiveness

The Group enters into cash flow hedges, using derivative instruments (firm or option contracts) contracted over the counter or on organized markets, to reduce its commodity risks, which relate mainly to future cash flows from contracted or expected sales and purchases of commodities. These instruments may be settled net or involve physical delivery of the underlying.

Sources of hedge ineffectiveness are mainly related to uncertainty regarding the timing and potential mismatches in settlement dates, and, in a context of volatile commodity market prices, indices between the derivative instruments and the associated underlying exposures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 RISKS ARISING FROM FINANCIAL INSTRUMENTS

The fair values of commodity derivatives are indicated in the table below:

	Dec. 31, 2025				Dec. 31, 2024			
	Assets		Liabilities		Assets		Liabilities	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
<i>In millions of euros</i>								
Derivative instruments relating to portfolio management activities	3,321	2,251	(5,160)	(2,376)	4,948	2,577	(5,715)	(2,399)
<i>Cash flow hedges</i>	536	840	(834)	(1,728)	520	1,570	(575)	(811)
<i>Other derivative instruments</i>	2,785	1,411	(4,326)	(649)	4,428	1,007	(5,140)	(1,588)
Derivative instruments relating to trading activities	-	3,864	-	(3,047)	-	4,000	-	(3,488)
TOTAL	3,321	6,115	(5,160)	(5,424)	4,948	6,577	(5,715)	(5,887)

The fair values shown in the table above reflect the amounts for which assets could be exchanged, or liabilities settled, at the end of the reporting period. They are not representative of an operational performance measure insofar as positions (i) are sensitive to changes in prices, (ii) can be modified by subsequent transactions, and (iii) will be offset by future cash flows arising on the underlying hedged transactions.

15.1.2.1 Cash flow hedges

The fair values of cash flow hedges by type of commodity are as follows:

	Dec. 31, 2025				Dec. 31, 2024			
	Assets		Liabilities		Assets		Liabilities	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
<i>In millions of euros</i>								
Natural gas	103	259	(334)	(634)	313	1,014	(277)	(516)
Electricity	424	366	(488)	(834)	199	251	(297)	(69)
Oil	-	214	-	(256)	-	304	-	(225)
Other ⁽¹⁾	9	1	(12)	(4)	8	1	(1)	(1)
TOTAL	536	840	(834)	(1,728)	520	1,570	(575)	(811)

(1) Mainly includes foreign currency hedges on commodities.

Notional amounts (net) ⁽¹⁾

	Unit	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025
Natural gas	GWh	108,238	53,360	24,352	6,612	1,040	(206)	193,396
Electricity	GWh	36,181	13,868	6,425	2,449	519	52	59,494
Oil-based products	Thousands of barrels	(5,207)	-	-	-	-	-	(5,207)
Forex	Millions of euros	-	-	-	-	-	-	-
Greenhouse gas emission rights	Thousands of tons	98	75	64	20	-	-	257

(1) Long/short position.

Effects of hedge accounting on the Group's financial position and performance

	Dec. 31, 2025			Dec. 31, 2024		
	Fair value			Fair value		
	Assets	Liabilities	Total	Total	Total	Total
<i>In millions of euros</i>						
Cash flow hedges	1,376	(2,562)	(1,186)	5,398	705	4,885
TOTAL	1,376	(2,562)	(1,186)	5,398	705	4,885

The fair values shown in the table above are positive for assets and negative for liabilities.

<i>In millions of euros</i>		Nominal amount	Fair Value	Change in fair value used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognized in other comprehensive income ⁽¹⁾	Ineffective portion recognized in profit or loss ⁽¹⁾	Amount reclassified from the hedge reserve to profit or loss ⁽¹⁾	Line item of the income statement
Cash flow hedges								
	Hedging instruments	5,398	(1,186)		(2,035)	(8)	(211)	Current operating income
	Hedged items			(2,043)				
(1) Gains/(losses).								

Hedge inefficiency is calculated based on the change in fair value of the hedging instrument compared to the change in fair value of the hedged items since inception of the hedging relationship. The fair value of the hedging instruments at December 31, 2025 reflects the cumulative change in fair value of the hedging instruments since their inception.

Maturity of commodity derivatives designated as cash flow hedges

<i>In millions of euros</i>	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Fair value of derivatives by maturity date	(896)	(213)	(71)	(6)	4	(3)	(1,186)	705

Amounts presented in the statement of changes in equity and the statement of comprehensive income

The following table provides a reconciliation of each component of equity and an analysis of other comprehensive income:

<i>In millions of euros</i>	Cash flow hedges	Derivatives hedging commodities
AT DECEMBER 31, 2024		409
Effective portion recognized in equity		(2,034)
Amount reclassified from hedge reserve to profit or loss		(211)
Translation adjustments		-
Changes in scope of consolidation and other		-
AT DECEMBER 31, 2025		(1,837)

15.1.2.2 Other commodity derivatives

Other commodity derivatives include:

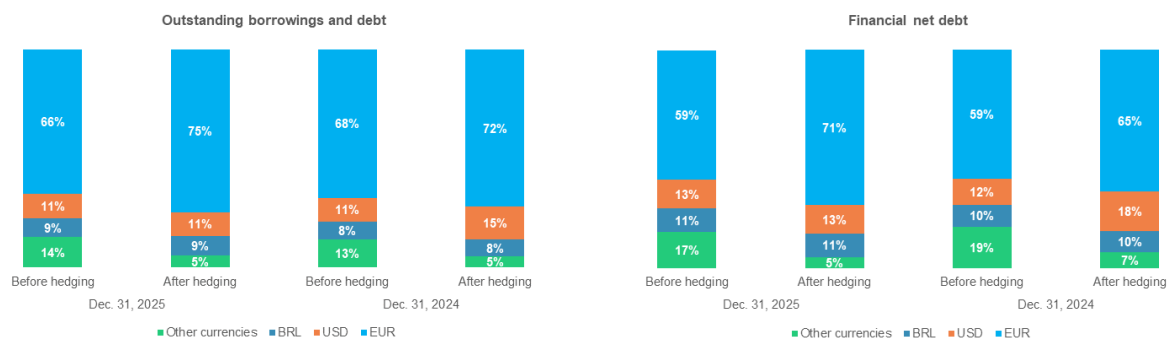
- commodity purchase and sale contracts that were not entered into or are no longer held for the purpose of the receipt or delivery of commodities in accordance with the Group's expected purchase, sale or usage requirements;
- embedded derivatives; and
- derivative financial instruments that are not eligible for hedge accounting in accordance with IFRS 9 or for which the Group has elected not to apply hedge accounting.

15.1.3 Currency risk

The Group is exposed to currency risk, defined as the impact on its statement of financial position and income statement of fluctuations in exchange rates affecting its operating and financing activities. Currency risk comprises (i) transaction risk arising in the ordinary course of business, (ii) specific transaction risk related to investments, mergers and acquisitions or disposal projects, and (iii) translation risk arising from the conversion into euros of income statement and statement of financial position items from subsidiaries with a functional currency other than the euro. The main translation risk exposures correspond to assets in US dollars, Brazilian real and pounds sterling.

15.1.3.1 Financial instruments by currency

The following tables present a breakdown by currency of outstanding borrowings and debt and financial net debt, before and after hedging:



15.1.3.2 Currency risk sensitivity analysis

A sensitivity analysis to currency risk on financial income/(loss) – excluding the income statement translation impact of foreign subsidiaries – was performed based on all financial instruments managed by the Treasury Department and representing a currency risk (including derivative financial instruments).

A sensitivity analysis to currency risk on equity was performed based on all financial instruments qualified as net investment hedges at the reporting date.

For currency risk, sensitivity corresponds to a 10% rise or fall in exchange rates of foreign currencies against the euro compared to closing rates.

In millions of euros	Dec. 31, 2025			
	Impact on income		Impact on equity	
	+10% ⁽¹⁾	-10% ⁽¹⁾	+10% ⁽¹⁾	-10% ⁽¹⁾
Exposures denominated in a currency other than the functional currency of companies carrying the liabilities on their statements of financial position ⁽²⁾	9	(9)	N/A	N/A
Financial instruments (debt and derivatives) qualified as net investment hedges ⁽³⁾	N/A	N/A	631	(634)

(1) +(-)10%: depreciation (appreciation) of 10% of all foreign currencies against the euro.

(2) Excluding derivatives qualified as net investment hedges.

(3) This impact is offset by the change in the net investment hedged.

15.1.4 Interest rate risk

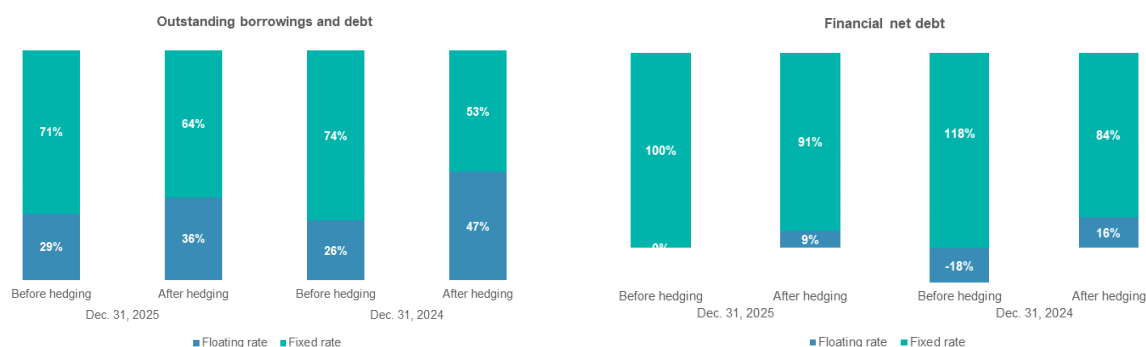
The Group seeks to manage its borrowing costs by limiting the impact of interest rate fluctuations on its income statement. The Group's policy is therefore to arbitrate between fixed rates, floating rates and capped floating rates for its financial net debt. The interest rate mix may shift within a range defined by Group Management in line with market trends.

In order to manage the interest rate structure for its net debt, the Group uses hedging instruments, particularly interest rate swaps and options.

The Group also uses forward interest rate pre-hedges to protect the refinancing rate of part of its debt.

15.1.4.1 Analysis of financial instruments by type of interest rate

The following tables present a breakdown by type of interest rate of outstanding borrowings and debt and financial net debt before and after hedging:



15.1.4.2 Interest rate risk sensitivity analysis

Sensitivity was analyzed based on the Group's financial net debt position (including the impact of interest rate and foreign currency derivatives relating to net debt) at the reporting date.

For interest rate risk, sensitivity corresponds to a 100-basis-point rise or fall in the yield curve compared to year-end interest rates.

In millions of euros	Dec. 31, 2025			
	Impact on income		Impact on equity	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Net interest expense on floating-rate net debt (nominal amount) and on floating-rate leg of derivatives	(32)	32	N/A	N/A
Change in fair value of derivatives not qualifying as	50	(11)	N/A	N/A
Change in fair value of derivatives qualifying as cash flow hedges	N/A	N/A	280	(346)

15.1.5 Currency and interest rate hedges

15.1.5.1 Currency risk management

Foreign currency exchange risk (or "FX" risk) is managed based on a policy approved by Group Management. The policy distinguishes between the three following main sources of currency risk:

- regular transaction risk**

FX risks related to operational activities are systematically hedged when the related cash flows are certain, with a hedging horizon that corresponds at least to the medium-term plan horizon. For cash flows that are not certain, in their entirety, the hedge is initially based on a "no regret" volume.

For FX risks related to financial activities, all significant exposures related to cash, financial debt, etc. are systematically hedged.

- project transaction risk**

Management of these FX risks (i.e. investment projects, acquisitions, disposals and other restructuring projects) takes into account the likelihood of the risk's occurrence and its evolution, as well as the availability of hedging instruments and their associated cost.

- **translation risk**

The relevance of hedging this translation risk (i.e. risk on a net asset whose functional currency is not the euro) is assessed regularly for each currency (as a minimum) or each set of assets in the same currency, taking into account notably the value of the assets and the hedging costs.

Hedging instruments and sources of hedge ineffectiveness

The Group principally uses the following instruments:

- derivative instruments: these mostly correspond to over-the-counter contracts and include FX forward transactions, FX swaps, currency swaps, cross currency swaps, plain vanilla FX options or combinations (calls, puts or collars);
- monetary items such as debt, cash and loans.

Sources of hedge ineffectiveness are mainly related to uncertainty regarding the timing and in some cases the amount of the future cash flows in foreign currency that are being hedged.

15.1.5.2 Interest rate risk management

The Group is exposed to interest rate risk through its financing and investing activities. Interest rate risk is defined as a financial risk resulting from fluctuations in base interest rates that may increase the cost of debt and affect the viability of investments. Base interest rates are market interest rates, such as EURIBOR, SOFR, etc., that do not include the borrower's credit spread.

The two main sources of interest rate risk are as follows:

- **interest rate risk relating to Group net debt**
Interest rate risk is actively managed by monitoring changes in market rates and their impact on the Group's gross and net debt;
- **project interest rate risk**
The interest rate risk management for specific projects (i.e. investment projects, acquisitions, disposals and other restructuring projects) is implemented, on the basis of a number of factors including the likelihood of completion, the availability of hedging instruments and their associated cost.

Hedging instruments and sources of hedge ineffectiveness

The Group principally uses the following instruments:

- derivative instruments: these mostly correspond to over-the-counter contracts that are used to manage base interest rates. Such instruments include:
 - swaps, to change the nature of interest payments on debts, typically from fixed to floating rates or vice versa,
 - plain vanilla interest rate options;
- caps, floors and collars that allow the impact of interest rate fluctuations to be limited by setting minimum and/or maximum limits on floating interest rates.

Sources of hedge ineffectiveness are mainly related to changes in the credit quality of the counterparties and related charges, as well as potential gaps in settlement dates and in indices between the derivative instruments and the related underlying exposures.

15.1.5.3 Currency and interest rate hedges

The Group has elected to apply hedge accounting (cash flow hedges, fair value hedges and net investment hedges) whenever possible and suitable, and also manages a portfolio of undesignated derivatives, corresponding to economic hedges relating to financial net debt and foreign currency exposures.

Net investment hedging instruments are mainly FX swaps, forwards and cross-currency swaps, but also debt denominated in foreign currencies.

The fair values of derivatives (excluding commodity instruments) are indicated in the table below:

	Dec. 31, 2025				Dec. 31, 2024			
	Assets		Liabilities		Assets		Liabilities	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
<i>In millions of euros</i>								
Derivatives hedging borrowings	251	43	(556)	(63)	472	73	(431)	(133)
<i>Fair value hedges</i>	195	1	(390)	(28)	273	48	(318)	(36)
<i>Cash flow hedges</i>	25	-	(123)	(5)	147	3	(66)	(9)
<i>Derivative instruments not qualifying for hedge accounting</i>	31	42	(43)	(29)	52	22	(46)	(88)
Derivatives hedging other items	1,775	44	(1,367)	(51)	1,269	79	(1,549)	(77)
<i>Cash flow hedges</i>	217	21	(370)	(25)	205	30	(739)	(23)
<i>Net investment hedges</i>	242	-	(65)	-	37	-	(115)	-
<i>Derivative instruments not qualifying for hedge accounting</i>	1,316	23	(932)	(27)	1,027	49	(696)	(54)
TOTAL	2,027	87	(1,923)	(114)	1,741	152	(1,980)	(209)

The fair values shown in the table above reflect the amounts relating to the price that would be received for the sale of an asset or paid for the transfer of a liability between market participants in the normal course of business. They are not representative of an operational performance measurement insofar as the positions (i) are sensitive to changes in prices or to changes in credit ratings, (ii) can be modified by subsequent transactions, and (iii) will be offset, for cash flow hedges, by future cash flows arising on the underlying hedged transactions.

Amounts, timing and uncertainty of future cash flows

<i>In millions of euros</i>										
Buy/Sell	Interest rate type	Derivative instrument type	Currency	Total	2026	2027	2028	2029	2030	Beyond 5 years
Buy	Fixed	CCS	USD	(627)	(87)	-	(200)	(43)	-	(298)
			CLF	(111)	-	-	-	-	-	(111)
			GBP	(2,579)	-	-	(573)	-	-	(2,006)
			CLP	(44)	(44)	-	-	-	-	-
			EUR	(3,235)	(11)	(14)	(304)	(5)	(2)	(2,900)
			CHF	(972)	-	(204)	-	(311)	-	(456)
			HKD	(251)	-	(98)	-	-	-	(153)
			PEN	(185)	(63)	(64)	(58)	-	-	-
			AUD	(48)	-	-	-	-	-	(48)
			CNH	(366)	-	(46)	(183)	(137)	-	-
Sell	Fixed	CCS	EUR	4,499	-	146	1,052	292	-	3,008
			USD	3,582	108	66	513	192	-	2,705
	Floating	CCS	EUR	195	-	195	-	-	-	-
			BRL	124	92	13	12	5	2	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 RISKS ARISING FROM FINANCIAL INSTRUMENTS

In millions of euros

Buy/Sell	Interest rate type	Derivative instrument type	Currency	Total	2026	2027	2028	2029	2030	Beyond 5 years
Sell	Fixed	IRS	EUR	15,298	2,142	3,506	520	82	680	8,368
			USD	1,621	414	(223)	(14)	933	125	385
			GBP	287	-	-	-	-	287	-
			MYR	61	4	4	4	4	4	42
			ZAR	224	7	10	42	12	13	140
			AUD	122	(10)	4	5	124	-	-
	Floating	IRS	BRL	1,164	-	-	49	133	232	749
			EUR	20,446	3,257	700	438	300	2,500	13,250
			GBP	573	-	-	-	-	-	573
			USD	851	-	-	-	426	-	426

The tables presented above exclude currency derivatives (except for cross currency swaps – CCS). Their maturity dates are aligned with those of the hedged items.

Pursuant to the FX and interest rate risk management policy, FX sensitivity is presented in Note 15.1.3.2 “Currency risk sensitivity analysis” and the average cost of gross debt is 4.01%.

Effects of hedge accounting on the Group’s financial position and performance

Currency derivatives

<i>In millions of euros</i>	Dec. 31, 2025				Dec. 31, 2024	
	Fair value			Nominal amount	Fair value	Nominal amount
	Assets	Liabilities	Total	Total	Total	Total
Cash flow hedges	117	(469)	(352)	4,825	(611)	4,256
Net investment hedges	242	(65)	178	9,037	(78)	5,531
Derivative instruments not qualifying for hedge accounting	50	(59)	(9)	9,064	(65)	13,026
TOTAL	409	(592)	(183)	22,926	(753)	22,813

Interest rate derivatives

<i>In millions of euros</i>	Dec. 31, 2025				Dec. 31, 2024	
	Fair value			Nominal amount	Fair value	Nominal amount
	Assets	Liabilities	Total	Total	Total	Total
Fair value hedges	197	(419)	(222)	15,265	(33)	12,020
Cash flow hedges	154	(55)	99	5,306	140	2,928
Derivative instruments not qualifying for hedge accounting	1,330	(951)	380	28,266	390	26,081
TOTAL	1,681	(1,425)	256	48,837	497	41,029

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 RISKS ARISING FROM FINANCIAL INSTRUMENTS

The fair values shown in the table above are positive for assets and negative for liabilities.

In millions of euros		Nominal amount	Fair value ⁽¹⁾	Change in fair value used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognized in other comprehensive income ⁽²⁾	Ineffective portion recognized in profit or loss ⁽²⁾	Amount reclassified from the hedge reserve to profit or loss ⁽²⁾	Line item of the income statement
Fair value hedges	Hedging instruments	15,265	(222)	(222)	-	(21)	N/A	Cost of net debt
	Hedged items ⁽³⁾ ⁽⁴⁾	9,055	(220)	(396)	NA		N/A	
Cash flow hedges	Hedging instruments	10,131	(253)	(213)	(382)	(2)	(1)	Other financial income and expenses / Current operating income including operating MtM
	Hedged items			211				
Net investment hedges	Hedging instruments	9,037	178	180	(614)	N/A	(79)	Other financial income and expenses / Current operating income including operating MtM
	Hedged items			(180)				

(1) The adjustment of the fair value of hedged items is presented as long term and short-term borrowings and debt for a negative amount of -€222 million.

(2) Gains/(losses).

(3) The difference between the fair value used to determine the ineffective portion relating to hedging instruments and that relating to the hedged items corresponds to the amortized cost of borrowings and debt that are part of a fair value hedge relationship.

(4) Of which a negative -€6 million relating to hedging items that are no longer adjusted as a result of discontinuation of the fair value hedge relationship.

Hedge inefficiency is calculated based on the change in the fair value of the hedging instrument compared to the change in the fair value of the hedged items since inception of the hedging relationship. The fair value of the hedging instruments at December 31, 2025 reflects the cumulative change in their fair value since inception of the hedges. The same principle applies to the hedged items.

No significant impact in terms of ineffectiveness or discontinuation of certain hedges was recognized at December 31, 2025.

Foreign currency and interest rate derivatives designated as cash flow hedges can be analyzed as follows by maturity

In millions of euros	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Fair value of derivatives by maturity	17	2	(92)	(14)	6	(172)	(253)	(470)

Amounts presented in the statement of changes in equity and the statement of comprehensive income

The following table provides a reconciliation of each component of equity and an analysis of other comprehensive income:

	Cash flow hedges			Net investment
	Derivatives hedging borrowings - currency risk hedging ⁽¹⁾	Derivatives hedging other items - interest rate risk hedging ^{(1) (3)}	Derivatives hedging other items - currency risk hedging ⁽²⁾	Derivatives hedging other items - currency risk hedging ^{(2) (4)}
<i>In millions of euros</i>				
AT DECEMBER 31, 2024	44	(255)	95	(502)
Effective portion recognized in equity	398		(17)	614
Amount reclassified from the hedge reserve to profit or loss	1		-	79
Translation adjustments	-	-	-	-
Changes in scope of consolidation and other	6	(1)	(1)	(2)
AT DECEMBER 31, 2025	49	144	78	189

(1) Cash flow hedges for given periods.

(2) Cash flow hedges for given transactions.

(3) Comprises a positive €323 million of cumulated reserves related to hedge transactions (a positive €313 million at December 31, 2024) for which hedge accounting has been discontinued (instruments canceled prior to their maturity).

(4) All of the reserves relate to continuing hedging relationships.

15.2 Counterparty risk

The Group is exposed to counterparty risk in its financial and operational activities. This risk corresponds to the possibility that a customer, supplier, EPC contractor, partner, intermediary, or banking institution may fail to meet its commitments. A default may result in unpaid bills, delivery disruptions, or a deterioration in asset performance. The Group's activities have varying levels of exposure: some use financial collateral (particularly in Energy Management), while others require third-party guarantees (banks, parent companies).

IFRS 9 approach

The Group applies a harmonized methodology in accordance with IFRS 9, based on two components: a portfolio approach and an individualized approach.

Portfolio approach

Counterparties are grouped into homogeneous portfolios according to:

- their nature (public/private, domestic/BtoB);
- their location;
- the activity concerned;
- their payment behavior.

Depreciation rates are based on historical data adjusted by forward-looking data when reliable correlations are established.

Individualized approach

For material counterparties, the assessment follows the three-stage IFRS 9 model:

- Stage 1: no significant deterioration → losses expected over 12 months;
- Stage 2: increased risk (downgrade in credit worthiness, unfavorable regulations, country risk) → losses expected over lifetime. The existence of maturities > 30 days does not automatically result in a move to stage 2 if information justifies otherwise;
- Stage 3: proven default (financial difficulties, lack of support, litigation); a maturity > 90 days may be refuted if the Group has documented evidence.

Modeling of expected losses

Expected credit losses (ECL) are calculated using the formula “ECL = EAD × PD × LGD” i.e.:

- EAD (Exposure At Default): exposure at the time of default, based on the carrying amount;
- PD (Probability of Default): based on external ratings, or internal ratings for unrated counterparties;
- LGD (Loss Given Default): loss rate according to Basel standards:
 - 75% for subordinated assets,
 - 45% for standard assets,
 - 30% for assets essential to the counterparty (public goods or services).

For lifetime ECL, the valuation is based on future contractual cash flows, PDs specific to each maturity date, and their discounting.

Derecognition of assets

The Group derecognizes receivables in two cases:

- when legal proceedings have been completed;
- in the absence of proceedings:
 - after 3 years past due for the private sector,
 - after 5 years for the public sector.

Role of forward-looking information

In market activities, which are mainly BtoB-oriented, the assessment of losses incorporates forward-looking information on economic sectors deemed critical in order to best reflect potential future developments.

15.2.1 Counterparty risk arising on operating activities

Counterparty risk arising on operating activities is managed via standard mechanisms such as third-party guarantees, netting agreements and margin calls, using dedicated hedging instruments or special prepayment and debt recovery procedures, particularly for retail customers.

15.2.1.1 Trade and other receivables, and assets from contracts with customers

The total outstanding exposures presented in the tables below do not include impacts relating to VAT or to any other item not subject to credit risk, which amounted to €4,464 million at December 31, 2025 (compared to €4,841 million at December 31, 2024).

Individualized approach

		Dec. 31, 2025						
		Individual approach	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade ⁽¹⁾	Other
<i>In millions of euros</i>								Total by counterparty type
Trade and other receivables	Gross	8,598	6,849	514	1,235	8,598	6,184	2,414
	Expected credit losses	(1,590)	(226)	(146)	(1,218)	(1,590)	(229)	(1,361)
TOTAL		7,008	6,623	368	17	7,008	5,955	1,053
Assets from contracts with customers	Gross	3,025	2,973	38	14	3,025	1,837	1,188
	Expected credit losses	(23)	(10)	(3)	(11)	(23)	(8)	(15)
TOTAL		3,002	2,963	36	3	3,002	1,829	1,173

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 RISKS ARISING FROM FINANCIAL INSTRUMENTS

		Dec. 31, 2024							
<i>In millions of euros</i>		Individual approach	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade (1)	Other	Total by counterparty type
Trade and other receivables	Gross	9,289	8,244	625	421	9,289	7,620	1,669	9,289
	Expected credit losses	(1,044)	(489)	(135)	(421)	(1,044)	(474)	(570)	(1,044)
TOTAL		8,245	7,755	490	-	8,245	7,146	1,099	8,245
Assets from contracts with customers	Gross	3,836	3,767	69	-	3,836	2,599	1,237	3,836
	Expected credit losses	(42)	(34)	(8)	-	(42)	(33)	(9)	(42)
TOTAL		3,794	3,733	62	-	3,794	2,566	1,228	3,794

(1) Investment Grade corresponds to counterparties that are rated at least BBB- by Standard & Poor's.

Portfolio approach

		Dec. 31, 2025				Total past due assets
<i>In millions of euros</i>		Collective approach	0 to 6 months	6 to 12 months	beyond	
Trade and other receivables	Gross	3,963	827	379	480	1,686
	Expected credit losses	(1,290)	(32)	(30)	(385)	(447)
TOTAL		2,673	795	349	95	1,239
Assets from contracts with customers	Gross	5,205	298	26	20	344
	Expected credit losses	(26)	-	-	-	-
TOTAL		5,179	298	26	20	344

		Dec. 31, 2024				Total past due assets
<i>In millions of euros</i>		Collective approach	0 to 6 months	6 to 12 months	beyond	
Trade and other receivables	Gross	4,076	497	186	422	1,105
	Expected credit losses	(1,242)	(53)	(48)	(363)	(465)
TOTAL		2,833	444	138	59	641
Assets from contracts with customers	Gross	5,458	357	36	47	440
	Expected credit losses	(16)	-	-	-	-
TOTAL		5,442	357	36	47	440

15.2.1.2 Derivatives hedging commodities

In the case of commodity derivatives, counterparty risk arises from positive fair value. When calculating the fair value of these derivative instruments, counterparty risk (CVA) is based on default probabilities whose parameters have been updated, in a context of uncertainty, to take account of an increased risk of default.

		Dec. 31, 2025		Dec. 31, 2024	
<i>In millions of euros</i>		Investment Grade ⁽¹⁾	Total	Investment Grade ⁽¹⁾	Total
Gross exposure ⁽²⁾		7,583	9,440	9,757	11,522
Net exposure ⁽³⁾		3,827	4,882	4,107	4,961
% of credit exposure to "Investment Grade" counterparties		78.4%		82.8%	

(1) "Investment Grade" corresponds to transactions with counterparties that are rated at least BBB- by Standard & Poor's, Baa3 by Moody's, or equivalent by Dun & Bradstreet. "Investment Grade" is also determined based on an internal rating tool that has been rolled out within the Group, and covers its main counterparties.

(2) Corresponds to the maximum exposure, i.e. the value of the derivatives shown under assets (positive fair value).

(3) After taking into account the liability positions with the same counterparties (negative fair value), collateral, netting agreements and other credit enhancement techniques.

15.2.2 Counterparty risk arising on financing activities

For its financing activities, the Group has put in place procedures for managing and monitoring risk based on (i) the accreditation of counterparties according to external credit ratings, objective market data (credit default swaps, market capitalization) and financial structure, and (ii) counterparty risk exposure limits.

To reduce its counterparty risk exposure, the Group has drawn increasingly on a structured legal framework based on master agreements (including netting clauses) and collateralization contracts (margin calls).

15.2.2.1 Loans and receivables at amortized cost

The total outstanding exposures presented in the tables below do not include impacts relating to VAT or to any other item not subject to credit risk, which amounted to €371 million at December 31, 2025 (compared to €772 million at December 31, 2024).

Dec. 31, 2025						
In millions of euros	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade ⁽¹⁾	Other
Gross	5,757	25	1,003	6,785	2,900	3,587
Expected credit losses	(56)	(9)	(1,004)	(1,069)	(51)	(1,018)
TOTAL	5,701	16	(1)	5,716	2,849	2,569

Dec. 31, 2024						
In millions of euros	Level 1: low credit risk	Level 2: increased credit risk	Level 3: impaired assets	Total by risk level	Investment Grade ⁽¹⁾	Other
Gross	14,296	43	983	15,323	11,367	3,657
Expected credit losses	(88)	(35)	(1,175)	(1,298)	(74)	(1,224)
TOTAL	14,208	9	(192)	14,024	11,292	2,434

(1) Investment Grade corresponds to counterparties that are rated at least BBB- by Standard & Poor's.

15.2.2.2 Counterparty risk arising on investing activities and the use of derivative financial instruments

The Group is exposed to counterparty risk arising on investments of surplus cash and from the use of derivative financial instruments. In the case of financial instruments at fair value through income, counterparty risk arises on instruments with a positive fair value. Counterparty risk is taken into account when calculating the fair value of these derivative instruments.

Dec. 31, 2025				Dec. 31, 2024			
In millions of euros	Total	Investment Grade ⁽¹⁾	Unrated ⁽²⁾	Total	Investment Grade ⁽¹⁾	Unrated ⁽²⁾	Non-Investment Grade ⁽²⁾
Exposure	15,006	94.5%	1.8%	17,429	95.9%	2.5%	1.6%

(1) "Investment Grade" corresponds to counterparties that are rated at least BBB- by Standard & Poor's or Baa3 by Moody's.

(2) The bulk of these two exposures is carried by consolidated companies that include non-controlling interests, or by Group companies that operate in emerging countries, where cash cannot be pooled and is therefore invested locally.

Furthermore, at December 31, 2025, Crédit Agricole SA is the main Group counterparty and represents 32.6% of cash surpluses. This relates mainly to a depositary risk. No other counterparty exceeds 10%.

15.3 Liquidity risk

In the context of its operating activities, the Group is exposed to a risk of having insufficient liquidity to meet its contractual obligations. As well as the risks inherent in managing working capital requirements (WCR), margin calls are required in certain market activities, which are a way of mitigating counterparty risk on hedging instruments through the use of collateral.

The Group has set up a committee that meets weekly and is tasked with managing and monitoring liquidity risk throughout the Group, by maintaining a broad range of investments and sources of financing, and preparing forecasts of cash investments and divestments. ENGIE has set up a comprehensive framework to monitor and streamline cash movements related to OTC margin calls and margin calls via clearing houses, based on the use of liquidity swaps with its key counterparties, as well as the issuing of letters of credit.

The Group centralizes virtually all the financing needs and cash flow surpluses of the companies it controls, as well as most of their medium- and long-term external financing requirements. Centralization is provided by financing vehicles (long-term and short-term) and by dedicated Group cash pooling vehicles based in France, Belgium and Luxembourg.

Surpluses held by these structures are managed in accordance with a uniform policy. In accordance with this policy, unpooled cash surpluses are invested in instruments selected on a case-by-case basis in light of local financial market imperatives and the financial strength of the counterparties concerned.

The Group uses an investment policy with the aim of keeping an extremely high level of liquidity and protecting invested capital, with a daily monitoring of performance and counterparty risk, allowing the Group to take immediate action where required. Consequently, 85% of the cash pooled at December 31, 2025 was invested in overnight bank deposits and standard money market funds with daily liquidity.

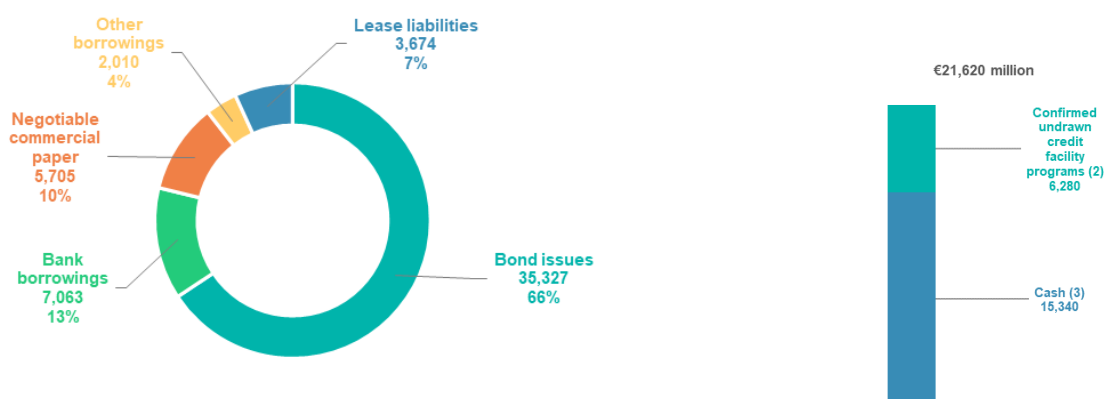
The Group's financing policy is based on:

- centralizing external financing;
- diversifying sources of financing between credit institutions and capital markets;
- achieving a balanced debt repayment profile.

The Group seeks to diversify its sources of financing by carrying out public or private bond issues within the scope of its Euro Medium Term Notes program. It also issues negotiable commercial paper in France (Negotiable European Commercial Paper) and in the United States (US Commercial Paper) as well as deeply-subordinated perpetual notes. As negotiable commercial paper is relatively inexpensive and highly liquid, it is used by the Group in a cyclical or structural manner to finance its short-term cash requirements. However, the refinancing of all outstanding negotiable commercial paper remains secured by confirmed bank lines of credit – mainly centralized – allowing the Group to continue to finance its activities if access to this financing source were to dry up. These facilities are appropriate for the scale of its operations and for the timing of contractual debt repayments.

Diversifying sources of financing and liquidity ⁽¹⁾

In millions of euros



(1) These sources of financing and liquidity do not include the deeply-subordinated perpetual notes recognized in equity (see Note 16.2.1 "Issuance of deeply-subordinated perpetual notes").

(2) Net of negotiable commercial paper.

(3) Cash corresponds to cash and cash equivalents for €14,507 million, other financial assets reducing financial net debt for €1,035 million, net of bank overdrafts and cash current accounts for €201 million; of which 76% was invested in the Eurozone.

At December 31, 2025, all Group entities whose debt is consolidated complied with the covenants and declarations included in their financial documentation, except for some non-significant entities for which compliance actions are being implemented. There are no defaults linked to financial ratios or rating levels on available centralized credit lines.

15.3.1 Undiscounted contractual payments relating to financial activities

Undiscounted contractual payments on outstanding borrowings and debt by maturity

<i>In millions of euros</i>	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Bond issues	2,877	2,936	3,136	3,393	2,791	20,194	35,327	34,750
Bank borrowings	596	720	588	515	502	4,142	7,063	6,847
Negotiable commercial paper	5,705	-	-	-	-	-	5,705	5,001
Lease liabilities	464	537	414	376	377	2,963	3,674	3,743
Other borrowings	210	53	189	212	74	1,271	2,010	562
Bank overdrafts and current accounts	201	-	-	-	-	-	201	262

Other financial assets and cash and cash equivalents deducted from financial net debt have a liquidity of less than one year.

Undiscounted contractual interest payments on outstanding borrowings and debt by maturity

<i>In millions of euros</i>	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Undiscounted contractual interest payments on outstanding borrowings and debt	974	1,464	4,547	228	4,513	260	11,985	12,822

Undiscounted contractual payments on outstanding derivatives (excluding commodity instruments) by maturity

<i>In millions of euros</i>	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Derivatives (excluding commodity instruments)	14	40	(63)	28	20	414	453	1,120

To better reflect the economic substance of these transactions, the cash flows linked to the derivatives recognized in assets and liabilities shown in the table above relate to net positions.

Undiscounted contractual payments related to leases

At December 31, 2025, the Group, as lessee, was potentially exposed to future cash outflows not reflected in the measurement of lease liabilities for €964 million (of which approximately 65% relate to potential cash outflows beyond 2030). This amount relates to leases not yet in force to which the Group is committed (primarily LNG vessels and real estate).

In addition, the Group is also exposed to future cash outflows in the form of variable lease payment, mainly in connection with the extension of the Rhone concession. These variable lease payments are dependent on revenue from electricity sales.

Undrawn credit facility programs

<i>In millions of euros</i>	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Confirmed undrawn credit facility programs	974	1,464	4,547	228	4,513	260	11,985	12,822

Of these undrawn programs, an amount of €5,705 million is allocated to covering negotiable commercial paper.

At December 31, 2025, no single counterparty represented more than 10% of the Group's confirmed undrawn credit lines.

15.3.2 Undiscounted contractual payments relating to operating activities

The table below provides an analysis of undiscounted fair values due and receivable in respect of commodity derivatives recorded in assets and liabilities at the reporting date.

The Group provides an analysis of residual contractual maturities for commodity derivative instruments included in its portfolio management activities. Derivative instruments relating to trading activities are considered to be liquid in less than one year, and are presented under current items in the statement of financial position.

<i>In millions of euros</i>	2026	2027	2028	2029	2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Derivative instruments carried in								
<i>relating to portfolio management activities</i>	(2,453)	(2,594)	(950)	(532)	(257)	(951)	(7,737)	(8,343)
<i>relating to trading activities</i>	(3,074)	-	-	-	-	-	(3,074)	(3,502)
Derivative instruments carried in assets								
<i>relating to portfolio management activities</i>	2,201	1,701	512	277	140	941	5,771	7,632
<i>relating to trading activities</i>	3,918	-	-	-	-	-	3,918	4,052
TOTAL	592	(892)	(438)	(255)	(117)	(10)	(1,121)	(161)

15.3.3 Commitments relating to commodity purchase and sale contracts entered into in the ordinary course of business

Some Group operating companies have entered into long-term contracts, some of which include “take-or-pay” clauses. These consist of firm commitments to purchase or sell specified quantities of gas, electricity or steam as well as related services, in exchange for a firm commitment from the other party to deliver or purchase said quantities and services. These contracts were documented as falling outside the scope of IFRS 9. The table below shows the main future commitments arising from contracts entered into by Renewables & Flex Power and Supply & Energy Management GBU (expressed in TWh).

<i>In TWh</i>	2026	2027-2030	Beyond 5 years	Total at Dec. 31, 2025	Total at Dec. 31, 2024
Firm purchases	(314)	(699)	(1,042)	(2,054)	(2,155)
Firm sales	391	754	312	1,457	1,198

NOTE 16 EQUITY

16.1 Share capital

	Number of shares			Value (in millions of euros)		
	Total	Treasury stock	Outstanding	Share capital	Additional paid-in capital	Treasury stock
AT DECEMBER 31, 2024	2,435,285,011	(9,443,689)	2,425,841,322	2,435	21,025	(122)
Link 2025 employee share plan	-	4,180,875	4,180,875	-	-	68
Capital increase Link 2025	554,191	-	554,191	1	4	-
Capital decrease Link 2025	(554,191)	554,191	-	(1)	(10)	10
Purchase/disposal of treasury stock	-	(3,000,000)	(3,000,000)	-	-	(56)
Delivery of treasury stock (bonus)	-	4,361,137	4,361,137	-	-	52
AT DECEMBER 31, 2025	2,435,285,011	(3,347,486)	2,431,937,525	2,435	21,019	(48)

Changes in the number of shares during 2025 resulted from:

- share issues under the “Link 2025” worldwide employee share plan. All in all, 4.7 million shares were subscribed. At July 31, 2025 the transaction resulted in the sale to employees of 4.2 million shares purchased on the market for €68 million and a capital increase of €4.5 million. The latter amount is divided into a capital increase of €0.6 million and additional paid-in capital of €3.9 million;
- a capital decrease of €10.2 million through the cancellation of 0.6 million shares in the form of a capital decrease and €9.6 million charged to additional paid-in capital;
- the delivery of 4.4 million treasury shares as part of bonus share plans.

16.1.1 Potential share capital and instruments providing a right to subscribe for new ENGIE SA shares

Since 2017, the Group no longer has any stock purchase or subscription option plans.

Shares to be allocated under the performance share award plans described in Note 19 “Share-based payments” are covered by existing ENGIE SA shares.

16.1.2 Treasury stock

Accounting standards

Treasury shares are recognized at acquisition cost and deducted from equity. Gains and losses on disposals of treasury shares are recorded directly in equity and do not, therefore, impact income for the period.

The Group has a stock repurchase program as a result of the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders’ Meeting of April 24, 2025. This program provides for the repurchase of up to 10% of the shares comprising the share capital of ENGIE SA at the date of the said Shareholders’ Meeting. The aggregate amount of acquisitions net of expenses under the program may not exceed €7.3 billion, and the purchase price must be less than €30 per share excluding acquisition costs.

At December 31, 2025, the Group held 3.3 million treasury shares. To date, all the shares have been allocated to cover the Group's share commitments to employees and corporate officers.

The liquidity agreement signed with an investment service provider assigns to the latter the role of operating on the market on a daily basis, to buy or sell ENGIE SA shares, in order to ensure liquidity and an active market for the shares on the Paris and Brussels stock exchanges. To date, the resources allocated to the implementation of this agreement amount to €55 million.

16.2 Other disclosures concerning additional paid-in capital, consolidated reserves and issuance of deeply-subordinated perpetual notes (Group share)

Total additional paid-in capital, consolidated reserves and issuance of deeply-subordinated perpetual notes (including net income for the year), amounted to €34,864 million at December 31, 2025, including €21,019 million in additional paid-in capital.

Consolidated reserves include the cumulative income of the Group, the legal and statutory reserves of ENGIE SA, cumulative actuarial gains and losses, net of tax and the change in fair value of equity instruments at fair value through OCI.

Under French law, 5% of the net income of French companies must be allocated to the legal reserve until the latter reaches 10% of share capital. This reserve can only be distributed to shareholders in the event of liquidation. The ENGIE SA legal reserve amounts to €244 million.

16.2.1 Issuance of deeply-subordinated perpetual notes

On 28 February 2025, ENGIE SA carried out a redemption at the first option date of the remaining deeply-subordinated perpetual notes (PERP NC 02/2025, a 3.25% coupon, ISIN code: FR0013398229) for an amount of €454.5 million.

On 6 June 2025, ENGIE SA gave notice of the exercise of the annual redemption option for the remaining deeply-subordinated perpetual notes (PERP NC 07/2025, a 1.625% coupon, ISIN code: FR0013431244) for an amount of €193 million (€196 million including accrued interest). The redemption was carried out on 8 July 2025.

On October 13, 2025, ENGIE SA carried out an issuance of non-ended green deeply-subordinated perpetual notes for a total amount of €1,000 million, resulting in:

- A €500 million issue (4.0% coupon) with a redemption option from April 2032 (ISIN code: FR0014013BG2);
- A €500 million issue (4.5% coupon) with a redemption option from April 2035 (ISIN code: FR0014013BH0).

In accordance with IAS 32 – *Financial Instruments*: Presentation, and given their characteristics, these instruments are recognized in equity in the Group's consolidated financial statements.

At December 31, 2025, the outstanding nominal value of deeply subordinated perpetual notes amounted to €4,390 million, versus €4,038 million at December 31, 2024.

In 2025, the Group paid €128 million to the holders of these notes, i.e., €135 million in coupons, net of €7 million early redemption allowances received. A sum of €12 million was also paid in respect of premiums and the issue costs of the two new deeply subordinated notes. This amount is accounted for as a deduction from equity in the Group's consolidated financial statements; the related tax saving is accounted for in the income statement.

16.2.2 Distributable capacity of ENGIE SA

ENGIE SA's distributable capacity totaled €23,634 million at December 31, 2025 (compared with €25,535 million at December 31, 2024), including €21,019 million of additional paid-in capital.

16.2.3 Dividends

On April 24, 2025, the Shareholders' Meeting approved the payment of a €1.48 dividend per share for 2024. In accordance with Article 26.2 of the bylaws, a 10% bonus loyalty dividend of €0.148 per share was awarded to shares registered for at least two years at December 31, 2024 and that remained registered in the name of the same shareholder until the dividend payment date. This bonus dividend may not apply to a number of shares representing more than 0.5% of the share capital for any one shareholder. On April 29, 2025, the Group settled the dividend of €1.48 per share with rights to ordinary dividends in cash (total of €3,597 million), as well as the dividend for shares eligible for the loyalty bonus (for a total of €38 million).

Proposed dividend in respect of 2025

At the Shareholders' Meeting convened to approve the ENGIE Group financial statements for the year ended December 31, 2025, the shareholders will be asked to approve a dividend of €1.35 per share, representing a total payout of €3,288 million based on the number of shares outstanding at December 31, 2025. It will be increased by 10% for all shares held for at least two years at December 31, 2025 and up to the 2025 dividend payment date. Based on the number of outstanding shares at December 31, 2025, this increase is valued at €38 million.

Subject to approval by the Shareholders' Meeting of Wednesday April 29, 2026, this dividend's ex-coupon date is Thursday April 30, 2026 and it will be paid on Tuesday May 5, 2026. It is not recognized as a liability in the financial statements at December 31, 2025, since the financial statements at the end of 2025 were presented before the appropriation of earnings.

16.2.4 Main transactions affecting shareholders' equity in 2025

In March 2025, ENGIE North America sold a minority stake in the 905 MW portfolio (Aspen) of storage and solar energy assets in the United States to the Ares Management Opportunities (Ares) fund. ENGIE will retain a majority interest in the portfolio and will continue to operate and manage the assets. Ares contributed USD 430 million (€380 million). As the transaction was carried out between owners within the meaning of IFRS 10, consolidated equity was impacted by the difference between the proceeds (net of transaction costs) and the net assets sold. Given the impairment booked in 2024 for €78 million, the impact on equity in 2025, before allocation of part of the goodwill from the Renewables & Flex Power CGU, was limited. The allocation of part of the goodwill to non-controlling interests negatively impacted consolidated equity.

ENGIE North America sold a minority stake in a portfolio of battery storage assets with a capacity of 2.4 GW in Texas and California to funds managed by CBRE Investment Management (CBRE IM). ENGIE will retain a majority interest in the portfolio and will continue to operate and manage the assets. CBRE made an initial investment of USD 291 million (€258 million). A second tranche of USD 221 million (€196 million) was received at end-December 2025. A final tranche of around USD 70 million (€62 million) is scheduled for the first quarter of 2026.

ENGIE North America entered into a new partnership with the Ares Management Opportunities (Ares) fund for a 270 MW wind portfolio (Big Sampson) and for a 460 MW solar portfolio (Anson solar 2 and Syper Branch) in Texas. ENGIE will retain a majority interest in the portfolio and will continue to operate and manage the assets. Ares contributed USD 153 million (€135 million) in 2025 for Big Sampson. A second contribution of around USD 280 million (€248 million) has been scheduled for 2026.

16.3 Recyclable gains and losses recognized in equity (Group share)

All items shown in the table below correspond to cumulative gains and losses (Group share) at December 31, 2025 and December 31, 2024, which are recyclable to income in subsequent periods.

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Debt instruments	(36)	(61)
Net investment hedges ⁽¹⁾	189	(502)
Cash flow hedges (excl. commodity instruments) ⁽¹⁾	239	(149)
Commodity cash flow hedges ⁽¹⁾	(1,877)	340
Deferred taxes on the items above	345	6
Share of equity method entities accounted in recyclable items, net of tax ⁽²⁾	214	167
TOTAL RECYCLABLE ITEMS BEFORE TRANSLATION ADJUSTMENTS	(926)	(200)
Translation adjustments	(3,375)	(1,557)
TOTAL RECYCLABLE ITEMS	(4,301)	(1,758)

(1) See Note 15 "Risks arising from financial instruments".

(2) See Note 3 "Investments in equity method entities".

16.4 Capital management

ENGIE SA seeks to optimize its financial structure at all times by pursuing an optimal balance between its economic net debt and its EBITDA. The Group's key objective in managing its financial structure is to maximize value for shareholders and reduce the cost of capital, while ensuring that the Group has the financial flexibility required to continue its expansion. The Group manages its financial structure and makes any necessary adjustments in light of prevailing economic conditions. In this context, it may choose to adjust the amount of dividends paid to shareholders, reimburse a portion of capital, carry out share buybacks (see Note 16.1.2 "Treasury stock"), issue new shares, launch share-based payment plans, recalibrate its investment budget, or sell assets in order to scale back its financial net debt.

The Group's policy is to maintain a "strong investment grade" rating from the rating agencies. To achieve this, it manages its financial structure in line with the indicators usually monitored by these agencies, namely the Group's operating profile, financial policy and a series of financial ratios. One of the most commonly used ratios is the ratio where the numerator includes operating cash flows less cost of debt and taxes paid, and the denominator includes adjusted net financial debt. Net financial debt is mainly adjusted for nuclear provisions and provisions for pensions, as well as for 50% of hybrid debt (deeply-subordinated perpetual notes). In addition, the Group has issued a guidance targeting an "economic net debt to EBITDA" ratio less than or equal to 4x.

The Group's objectives and processes for managing capital have remained unchanged over the past few years.

ENGIE SA is not obliged to comply with any external minimum capital requirements except those provided for by law.

NOTE 17 PROVISIONS

Accounting standards

General principles related to the recognition of a provision

The Group recognizes a provision where it has a present obligation (legal or constructive) towards a third party arising from past events and where it is probable that an outflow of resources will be necessary to settle the obligation with no expected consideration in return.

A provision for restructuring costs is recognized when the general criteria for setting up a provision are met, i.e., when the Group has a detailed formal plan relating to the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Provisions with a maturity of over 12 months are discounted when the effect of discounting is material. The Group's main long-term provisions are provisions for the back-end of the nuclear fuel cycle, provisions for dismantling facilities, provisions for site restoration costs, and provisions for post-employment and other long-term benefits. The discount rates used reflect current market assessments of the time value of money and the risks specific to the liability concerned. Expenses with respect to unwinding the discount on the provision are recognized as other financial income and expenses.

Estimates of provisions

Factors having a significant influence on the amount of provisions, and particularly, but not solely, those relating to the back-end of the nuclear fuel cycle, to the dismantling of nuclear facilities and of gas infrastructures in France, include:

- cost estimates (see Note 17.2 “Obligations relating to nuclear power generation facilities”);
- the timing of expenditure (notably the timetable for the end of gas operations regarding the main gas infrastructure businesses in France) (see Notes 17.2 “Obligations relating to nuclear power generation facilities” and 17.3 “Dismantling of non-nuclear plant and equipment and site rehabilitation”); and
- the discount rate applied to cash flows.

These factors are based on information and estimates deemed by the Group to be the most appropriate as of today.

Modifications to certain factors could lead to a significant adjustment in these provisions.

NOTE 17 PROVISIONS

<i>In millions of euros</i>	Post-employment and other long-term benefits	Back-end of the nuclear fuel cycle and dismantling of nuclear facilities	Dismantling of non-nuclear facilities	Other contingencies	Total
AT DECEMBER 31, 2024	4,979	24,531	1,569	2,541	33,621
Additions	207	117	19	940	1,283
Utilizations	(344)	(456)	(69)	(942)	(1,811)
Reversals	-	-	-	71	71
Changes in scope of consolidation	(27)	-	6	(69)	(90)
Impact of unwinding discount adjustments	161	343	52	20	576
Translation adjustments	(6)	-	(77)	(25)	(108)
Other	(754)	(14,983)	122	42	(15,574)
AT DECEMBER 31, 2025	4,217	9,552	1,622	2,578	17,968
Non-current	4,130	8,980	1,554	357	15,020
Current ⁽¹⁾	87	572	68	2,221	2,948

The impact of unwinding discount adjustments in respect of post-employment and other long-term benefits relates to the interest expense on the benefit obligation, net of interest income on plan assets.

The “Other” line mainly comprises actuarial gains and losses arising on post-employment benefit obligations in 2025 which are recorded in “Other comprehensive income”, as well as the effects of transferring responsibility for nuclear waste management to the Belgian State.

Additions, utilizations, reversals and the impact of unwinding discount adjustments are presented as follows in the consolidated income statement:

<i>In millions of euros</i>	Dec. 31, 2025
Net income from operating activities	440
Other financial income and expenses	(564)
TOTAL	(124)

The different types of provisions and the calculation principles applied are described below.

17.1 Post-employment benefits and other long-term benefits

See Note 18 “Post-employment benefits and other long-term benefits”.

17.2 Obligations relating to nuclear power generation facilities

17.2.1 Closing of the agreement with the Belgian State on the ten-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State

On March 14, 2025, ENGIE and the Belgian government completed the transaction covering the ten-year extension of the Tihange 3 and Doel 4 nuclear reactors and the transfer of responsibility related to nuclear waste. This final step follows on from the European Commission's approval on February 21, 2025.

The agreements signed with the Belgian State in 2023 (Phoenix agreements) provided for:

- the 10-year extension of the Doel 4 and Tihange 3 nuclear reactors as part of a 50/50 partnership between the Belgian State and the Group, contingent upon the implementation of a contract for difference protecting ENGIE against market risks; and
- the transfer of financial responsibility to the Belgian State for managing nuclear waste and spent fuel in return for the payment of a lump-sum discharge amount of €15 billion²⁰²², within the limit of a volumetric credit covering all nuclear waste produced by the Belgian power plants during their legal operating life, from commissioning to dismantling.

As agreed, the completion of the transaction resulted in the payment of the first installment to the Belgian State in March 2025 (€12.2 billion, including the Electrabel partners' share in certain power generation facilities) related to category B and C waste (highly radioactive waste intended for geological storage). This payment was partially settled by monetizing part of the financial assets dedicated to covering nuclear provisions (€9.5 billion).

On July 10, ENGIE restarted the Tihange 3 nuclear reactor and on October 8, reconnected Doel 4 to the grid after a major overhaul to extend their operating life by ten years. The restart of the second reactor resulted in the payment of the second and final installment to the Belgian State (€3.6 billion including the Electrabel partners' share in certain power generation facilities) related to the transfer of responsibility for low-level radioactive category A waste for surface storage). The two extended-life reactors, Doel 4 and Tihange 3, were brought to BE-NUC, a joint venture owned equally by the Belgian state and ENGIE. The Doel 1, Tihange 1 and Doel 2 reactors were shut down on February 14, September 30 and November 30, 2025, respectively, in line with Belgium's nuclear phase-out schedule.

At the end of this agreement, the Group essentially retains responsibility for the on-site storage of spent fuel waste until the end of the dismantling operations and until 2050 at the latest, as well as for the conditioning of all waste in accordance with the contractual agreement. The Group will also remain responsible for the final shutdown of the reactors, their dismantling and the clean-up of the site at the end of their operating life. The process of setting up and managing all these provisions, for which the Group is responsible, will continue to be reviewed by the Commission for Nuclear Provisions (CPN) every three years.

17.2.2 Three-year review by the Commission for Nuclear Provisions (CPN)

The Belgian law of April 11, 2003, partially repealed and amended by the law of July 12, 2022, granted Group subsidiary Synatom responsibility for managing provisions set aside to cover the costs of dismantling nuclear power plants and managing spent fuel. This law is supplemented by the law implementing the Phoenix Agreement of April 26, 2024, on guaranteeing security of supply in the energy sector and reforming the nuclear energy sector.

The tasks of the Commission for Nuclear Provisions (CPN), set up pursuant to the above-mentioned law, are to oversee the process of computing and managing these provisions. In accordance with the law, every three years the CPN conducts an audit of the application and adequacy of the calculation methods used to compute nuclear provisions.

To enable the Commission for Nuclear Provisions to carry out its work in accordance with the law, Synatom is required to submit a report every three years describing the core inputs used to measure these provisions.

In this context, on October 2, 2025, Synatom submitted a request to the CPN for a review of nuclear provisions, which was approved a second time by its Board of Directors after an initial decision was overturned by the Minister of Energy in a letter dated September 12, 2025, following the suspensive appeal lodged on September 2, 2025, by the Belgian government representatives on Synatom's Board of Directors. The file submitted to the CPN proposes, in addition to various updates, a provision decrease of approximately €1 billion, resulting from technical optimizations, a downward assessment of the overall risk level, and an increase in the discount rate.

On December 23, 2025, the CPN sent Synatom a copy of the notice it had received from the National Agency for Radioactive Waste and Enriched Fissile Material (*Organisme National pour Déchets Radioactifs et des matières Fissiles enrichies* – ONDRAF). This notice recommends a very significant increase, approximately €2,5 billion, in the total estimated expenditure compared to the assumptions made during the last triennial review. In an exchange with the CPN on January 8, 2026, confirmed by letter dated January 9, 2026, the Group rejected these recommendations, considering them preliminary, overly conservative and, in some cases, contradictory.

The notice issued by ONDRAF is in line with the methodology to be adopted by the CPN when reviewing Synatom's proposed provision adjustments. It is not binding on the CPN, which has 120 days from submission of the documentation to inform Synatom of its comments and invite it to submit, within 60 days, either a new proposal that takes its comments into account, or a reasoned opinion outlining the reasons why the comments cannot be acted upon. Moreover, it is common for the CPN to revise the estimates provided by ONDRAF— estimates that we challenge whenever they diverge from the most recent technical, economic, or financial data, as well as from the most likely industrial scenarios. Those estimates should also include the upward trend in interest rates. The CPN then adopts its decision. In view of the significant changes proposed in the ONDRAF notice, Synatom requested and obtained a 75-day extension to the usual 120-day deadline in

order to continue discussions with ONDRAF and CPN on the parameters and cost assumptions underlying the assessment of provisions.

Consequently, in light of the above and in the absence of an opinion from the CPN, the Group considers that the latest assumptions reviewed and approved by the CPN in its final opinion issued on July 7, 2023, during the last triennial review exercise, supplemented by the opinion of June 24, 2024, on the assessment of the impact of the extension of Doel 4 and Tihange 3, remain the most appropriate to date for establishing nuclear provisions as of December 31, 2025.

17.2.3 Provisions for the back-end of the nuclear fuel cycle

Under the terms of the agreement with the Belgian State, the risks associated with this liability have been considerably reduced. With regard to waste management, the Group's responsibility is essentially limited to on-site storage of fuel elements until the end of dismantling operations, and until 2050 at the latest, as well as compliance with the contractual criteria for transferring waste to ONDRAF, with the liability estimated at €1.7 billion₂₀₂₂, as indicated in the draft law implementing the agreement.

Provisions not covered by the lump-sum discharge payment are calculated based on the following principles and inputs:

- storage costs primarily comprise the costs of building and operating additional dry storage facilities and operating existing facilities, along with the costs of purchasing containers;
- a discount rate of 3.0% (including inflation of 2.0%) was used by the CNP at the time of the previous triennial review, for the portion not covered by the lump-sum discharge payment.

The costs effectively incurred in the future may differ from the estimates in terms of their nature and timing of payment.

Sensitivity

As indicated in the previous section, uncertainty surrounding the finalization of the 2025 documentation submitted to the CPN led the Group to maintain the carrying amount of nuclear provisions at December 31, 2025 on the basis of the CPN's definitive July 2023 opinion, supplemented by the opinion of June 24, 2024 on the impact assessment of the extension of Doel 4 and Tihange 3. Following the assumption by the Belgian State of all obligations relating to nuclear waste after its transfer to ONDRAF, the Group will only remain exposed to changes in future storage and conditioning costs and the corresponding discounting inputs prior to the transfer (as mentioned above, liability estimated at €1.7 billion₂₀₂₂):

- the costs of building dry storage facilities and purchasing fuel element containers at the Group's sites could differ from those covered by the provisions. A 10% change in these costs, still to be incurred would represent a €60 million change in provisions;
- a 10% change in the annual operating costs of the storage facilities would result in a €30 million change in the provision;
- a 25 basis point change in the discount rate would result in a €40 million adjustment to non-transferred provisions. A fall in the discount rate would lead to an increase in outstanding provisions, while a rise in the discount rate would reduce the provisions' amount.

It should be noted that the risk of exceeding volumetric credits is considered, at this stage, to be highly unlikely, as the volumetric credits established in the agreement have incorporated the volumetric contingencies estimated as part of the provision review in 2022.

17.2.4 Provisions for dismantling nuclear facilities

Accounting standards

A provision is recognized when the Group has a present legal or constructive obligation to dismantle facilities or to restore a site. The present value of the obligation at the time of commissioning represents the initial amount of the provision for dismantling with, as the counterpart, an asset for the same amount, which is included in the carrying

amount of the facilities concerned. This asset is depreciated over the operating life of the facilities and is included in the scope of assets subject to impairment tests. Adjustments to the provision due to subsequent changes in (i) the expected outflow of resources, (ii) the timing of dismantling expenses or (iii) the discount rate, are deducted from or subject to specific conditions, added to the cost of the corresponding asset. The impacts of unwinding the discount each year are recognized in expenses for the period.

In view of the legal end-of-life of the Belgian nuclear reactors, any provision adjustments will have a direct impact on the income statement for the year (including provisions relating to the two extended-life reactors whose assets have been transferred to the joint venture equally owned with the Belgian State). A provision is also recorded for nuclear units for which the Group holds a capacity (France) right up to its share of the expected dismantling costs to be borne by the Group.

At the end of their operating life, the nuclear power plants must be shut down for the period during which spent fuel is unloaded from the plant, and until the site is dismantled and cleaned up.

The dismantling strategy is based on the facilities being dismantled (i) immediately after the reactor is shut down, (ii) on a mass basis rather than on a unit-by-unit basis, and (iii) completely, the land being subsequently returned to greenfield status.

As a result of the agreement, financial responsibility for the management of all category A and B waste conditioned in accordance with the contractual transfer criteria will henceforth lie with the State, with the Group now only liable for final shutdown and dismantling.

The Group's remaining liability for the final shutdown and dismantling is estimated at €6.7 billion²⁰²², as set out in the law implementing the agreement. At December 31, 2025, provisions for dismantling nuclear facilities are calculated based on the following inputs:

- the start of the technical shutdown procedures depends on the unit concerned and on the timing of operations for the whole nuclear reactor. The shutdown procedures are immediately followed by dismantling operations;
- the scenario adopted is based on a dismantling program and on timetables that must be approved by the nuclear safety authorities. The safety conditions for the shutdown phases have been defined with the Belgian Federal Agency for Nuclear Control (AFCN) for the Doel 3 and Tihange 2 units that have already been shut down. The safety conditions for the dismantling phase have not yet been determined. The costs may change depending on the outcome of these discussions and the detailed schedule for the implementation of these phases which is currently being defined;
- costs payable over the long term are calculated by reference to the estimated costs for each nuclear facility, based on a study conducted by independent experts under the assumption that the facilities will be dismantled on a mass basis. The costs effectively incurred in the future may differ from the estimates in terms of their nature and timing of payment;
- for the various phases, margins for contingencies, reviewed by ONDRAF and the Commission for Nuclear Provisions (CPN), are included during the last triennial review;
- an inflation rate of 2.0% is applied until the dismantling obligations expire in order to determine the value of the future obligation;
- the discount rate used by the CPN, during the last triennial review, was 2.5% (including inflation of 2.0%).

The costs effectively incurred in the future may differ from the estimates in terms of their nature and timing of payment.

Lastly, the Group sets aside provisions to cover the costs relating to the final shutdown phase of its drawing rights in Tricastin and Chooz B, as well as for the dismantling period leading to the dismantling and clean-up of the Chooz B site, in accordance with the respective agreements with EDF. These remain unchanged compared to 2024, and are based on provisions for Belgian assets that most closely resemble these power plants, and are updated in line with revisions by the CPN.

Sensitivity

As indicated in the previous section, uncertainty surrounding the finalization of the 2025 CPN documentation led the Group to maintain the carrying amount of nuclear provisions at December 31, 2025 on the basis of the CPN's definitive July 2023 opinion, supplemented by the opinion of June 24, 2024 on the impact assessment of the extension of Doel 4 and Tihange 3. In light of the agreement, the Group is only responsible for shutdown and dismantling, including conditioning of the nuclear waste arising from these operations, in accordance with the contractual transfer criteria (as indicated above, liability estimated at €6.7 billion₂₀₂₂):

- a 10% change in shutdown costs of the units would lead to a change in the provisions of around €200 million;
- a 10% change in unit dismantling costs would lead to a change of around €400 million in nuclear provisions;
- a 25 basis point change in the discount rate would lead to an adjustment of approximately €170 million in the provisions. A fall in the discount rate would lead to an increase in outstanding provisions, while a rise in the discount rate would reduce the provisions' amount.

17.2.5 Financial assets set aside to cover the future costs of dismantling nuclear facilities and managing radioactive fissile material

As indicated above, the Belgian law of July 12, 2022, partially repealing and amending the law of April 11, 2003, granted the Group's wholly-owned subsidiary Synatom responsibility for managing and investing funds received from operators of nuclear power plants in Belgium and intended to cover the costs of dismantling nuclear power plants and managing spent fuel. Pursuant to the law of April 11, 2003, Synatom could lend up to 75% of these funds to nuclear power plant operators provided that certain credit quality criteria are met.

The amount of outstanding loans between Synatom and nuclear operators, representing the countervalue of provisions for spent fuel management, was repaid to Synatom as at December 31, 2025, and the amount of outstanding loans between Synatom and Electrabel, representing the countervalue of provisions for dismantling, will be repaid by September 30, 2031.

The percentage of the provisions not subject to loans to nuclear operators is invested by Synatom either in external financial assets or in loans to legal entities meeting the "credit quality" criteria imposed by law.

The Synatom Board of Directors and its Investment Committee are responsible for defining Synatom's investment policy after consultation with the CPN, in accordance with the law of July 12, 2022. Based on a rigorous risk control policy, the Investment Committee oversees investment decisions, which are managed by a team headed by an Investment Director.

Synatom invested some €2.1 billion in such assets in 2025.

The value of financial assets dedicated to covering nuclear provisions amounted to €5,624 million at December 31, 2025, and their return was 5.4% for the year.

17.2.5.1 Valuation of financial assets in 2025

Loans to entities outside the Group and other cash investments are shown in the table below:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Cash awaiting investment and cash UCITS	547	9 624
Total loans and receivables at amortized cost	547	9 624
Equity instruments at fair value through other comprehensive income	1,221	640
Equity instruments at fair value through profit or loss	23	-
Equity instruments at fair value through income	1,244	640
Debt instruments at fair value through other comprehensive income	2,015	1,438
Debt instruments at fair value through profit or loss	1,834	1,195
Debt instruments at fair value	3,849	2,632
Total equity and debt instruments at fair value	5,093	3,273
Derivative instruments	13	(25)
TOTAL ⁽¹⁾	5,653	12,871

(1) Not including €243 million in uranium inventories at December 31, 2025 (€301 million at December 31, 2024).

Loans to legal entities outside the Group and the cash held by the Undertaking for Collective Investment in Transferable Securities (UCITS) are presented in the statement of financial position under “Loans and receivables at amortized cost”. Bonds and associated hedging instruments held by Synatom through the UCITS are presented under equity or debt instruments (see Note 14.1 “Financial assets”).

The change in the period mainly includes the effects of monetizing part of the nuclear provisions hedging assets in order to settle the payment of the first and second last installments of the nuclear liabilities (see Notes 4.2.2 “Closing of the agreement with the Belgian State on the ten-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State” and 14.1.1.3 “Loans and receivables at amortized cost”).

The breakdown in the change in the cumulative fair value of Synatom’s assets is presented as follows:

<i>In millions of euros</i>	Cumulative change in the fair value of dedicated financial assets	
	Dec. 31, 2025	Dec. 31, 2024
Equity instruments at fair value through other comprehensive income	174	81
Debt instruments at fair value through other comprehensive income	(103)	(19)
Debt instruments at fair value through profit or loss	166	83
TOTAL	237	145

The net gain for the period generated by these assets amounted to €283 million in 2025 (net profit of €324 million in 2024).

<i>In millions of euros</i>	Effects on the result of the return on dedicated financial assets	
	Dec. 31, 2025	Dec. 31, 2024
Disposal proceeds	110	(61)
Return on assets	126	329
Change in fair value of derivatives not designated as hedges	38	(212)
Change in fair value of dedicated assets through income	9	268
TOTAL	283	324

17.3 Dismantling of non-nuclear plant and equipment and site rehabilitation

17.3.1 Dismantling obligations arising on non-nuclear plant and equipment

Certain items of plant and equipment, including conventional power stations, transmission and distribution pipelines, storage facilities and LNG terminals, have to be dismantled at the end of their operational lives or safely shut down. These obligations are the result of prevailing environmental regulations in the countries concerned, contractual agreements, or an implicit Group commitment. The most important issue for the Group concerns gas infrastructures in France.

France’s political guidelines for the energy transition aim to achieve carbon neutrality by 2050, by reducing greenhouse gas emissions and promoting renewable energies, particularly biomethane and hydrogen. The scenarios for achieving this goal, including France’s National Low Carbon Scenario, the ADEME scenarios, and RTE’s “Energy Futures” prospective study, project a significant decline in gas consumption, while maintaining an important role for gas infrastructure, which is necessary to ensure the flexibility of the energy system and limit the rise in peak electricity demand.

The Multi-Year Energy Program (PPE 3), which was open for public consultation from November 4 to December 16, 2024, and whose implementing decree was published on February 13, 2026, confirms the growing importance of renewable gases in the future energy mix, with a target of 44 TWh injected by 2030, a target confirmed by the March 2025 report of the Court of Auditors. The roadmap also provides for increased development of hydrogen and the need to strengthen national green gas and CO₂ networks. These guidelines reinforce the Group’s vision of the importance of gas infrastructure in France and its continued role in the national energy landscape.

This analysis is also shared by the CRE, which in April 2023 issued a report entitled “The future of gas infrastructure in 2030 and 2050, in the context of achieving carbon neutrality” following its work with gas infrastructure operators and various stakeholders. The CRE continued its study during 2025 with a view to publishing a new report in 2026.

In addition, the gas package published in May 2024 paves the way for the implementation of a regulatory framework for hydrogen transport to be rolled out by 2033 at the latest. To this end, in October 2025, the CRE began preparatory work, including workshops between November 2025 and May 2026, focusing in particular on the certification of network operators, transport, balancing, storage, and terminals. This work increases the visibility of the gradual conversion and future use of existing infrastructure.

Due to the projected importance of green gases in the French energy mix scheduled for 2050 and beyond, gas infrastructures will remain largely necessary. Their adaptation and reconversion to green gas, hydrogen or CO₂ transport mean that they can be used in the very distant future, which means that the present value of future dismantling expenses is almost zero, except in the specific cases of LNG terminals and reduced operation and non-regulated storage sites mainly in France and Germany, for which provisions for dismantling amounted to €363 million at December 31, 2025 and €353 million at December 31, 2024.

Given its time horizon and developments in French and European public policies, the Group will continue to assess the long-term scenario that will enable it to achieve carbon neutrality by 2050 on a regular basis. These assessments will be accompanied by a review of the valuation of dismantling provisions.

A more substantial change in the regulatory framework could have an impact on the sizing, operating life and dismantling schedule of gas infrastructures in France, and could have an impact on the amount of the provision for dismantling.

17.3.2 Hazelwood Power Station & Mine (Australia)

The Group and its partner Mitsui announced in November 2016 their decision to close the coal-fired Hazelwood Power Station, and cease coal extraction operations from the adjoining mine from late March 2017. The Group holds a 72% interest in the former 1,600 MW power station and adjoining coal mine, which has been consolidated as a joint operation.

At December 31, 2025, the Group's share (72%) of the provision covering the obligation to dismantle and rehabilitate the mine amounted to €194 million, versus €239 million at December 31, 2024.

Dismantling and site rehabilitation work commenced in 2017 and focused on: managing site contamination; planning site wide environmental clean-up; the demolition and dismantling of all of the site's industrial facilities, including the former power station; and ongoing aquifer pumping and designated earthworks within the mine to ensure mine floor and batter stability with a view to long-term rehabilitation into a pit lake.

The ultimate regulatory obligations are likely to be revised during the life of the project and could therefore have an impact on provisions.

The amount of the provision recognized is based on the Group's best current estimate of the demolition and rehabilitation costs that Hazelwood is expected to incur. However, the amount of this provision may be adjusted in the future to take into account any changes in the key inputs.

17.4 Other contingencies

This caption essentially includes provisions for commercial litigation, tax claims and disputes (except income tax, pursuant to IFRIC 23), provisions for restructuring and provisions for onerous contracts relating to storage and transport capacity reservation contracts.

NOTE 18 POST-EMPLOYMENT BENEFITS AND OTHER LONG-TERM BENEFITS

Accounting standards

Depending on the laws and practices in force in the countries where the Group operates, Group companies have obligations in terms of pensions, early retirement payments, retirement bonuses and other benefit plans. Such obligations generally apply to all employees within the companies concerned.

The Group's obligations in relation to pensions and other employee benefits are recognized and measured in compliance with IAS 19. Accordingly:

- the cost of defined contribution plans is expensed based on the amount of contributions payable in the period;
- the Group's obligations concerning pensions and other employee benefits payable under defined benefit plans are assessed on an actuarial basis using the projected unit credit method. These calculations are based on assumptions relating to mortality, staff turnover and estimated future salary increases, as well as the economic conditions specific to each country or entity of the Group. Discount rates are determined by reference to the yield, at the measurement date, on investment grade corporate bonds in the related geographical area (or on government bonds in countries where no representative market for such corporate bonds exists).

Pension commitments are measured on the basis of actuarial assumptions. The Group considers that the assumptions used to measure its obligations are relevant and documented. However, any change in these assumptions could have a significant impact on the resulting calculations.

Provisions are recorded when commitments under these plans exceed the fair value of plan assets. Where the value of plan assets (capped where appropriate) is greater than the related commitments, the surplus is recorded as an asset under "Other assets" (current or non-current).

As regards post-employment benefit obligations, actuarial gains and losses are recognized in other comprehensive income. Where appropriate, adjustments resulting from applying the asset ceiling to net assets relating to overfunded plans are treated in a similar way. However, actuarial gains and losses on other long-term benefits such as long-service awards, are recognized immediately in profit or loss.

Net interest on the net defined benefit liability (asset) is presented in net financial income/(loss).

18.1 Description of the main pension plans

18.1.1 Companies belonging to the Electricity and Gas Industries sector in France

Since January 1, 2005, the CNIEG (*Caisse Nationale des Industries Électriques et Gazières*) has operated the pension, disability, death, occupational accident and occupational illness benefit plans for electricity and gas industry (hereinafter "EGI") companies in France. The CNIEG is a social security legal entity under private law placed under the joint responsibility of the ministries in charge of social security and the budget.

Employees and retirees of EGI sector companies have been fully affiliated to the CNIEG since January 1, 2005. The main affiliated Group entities are ENGIE SA, GRDF, NaTran, Elengy, Storengy, ENGIE Thermique France, CPCU, CNR and SHEM.

Following the funding reform of the special EGI pension plan introduced by Law No. 2004-803 of August 9, 2004 and its implementing decrees, specific benefits (pension benefits on top of the standard benefits payable under ordinary law) already vested at December 31, 2004 ("past specific benefits") were allocated between the various EGI entities. Past

specific benefits (benefits vested at December 31, 2004) relating to regulated transmission and distribution businesses ("regulated past specific benefits") are funded by the levy on gas and electricity transmission and distribution services (*Contribution Tarifaire d'Acheminement*) and therefore no longer represent an obligation for the ENGIE Group. Unregulated past specific benefits (benefits vested at December 31, 2004) are funded by EGI sector companies to the extent defined by Decree No. 2005-322 of April 5, 2005.

The specific benefits vested under the plan since January 1, 2005 are wholly financed by EGI sector companies in proportion to their respective weight in terms of payroll costs within the EGI sector.

As this plan is a defined benefit plan, the Group has set aside a pension provision in respect of specific benefits payable to employees of unregulated businesses and specific benefits vested by employees of regulated businesses since January 1, 2005. This provision also covers the Group's early retirement obligations. The provision amount may be subject to fluctuations based on the weight of the Group's companies within the EGI sector.

The special EGI pension plan, unlike other EGI benefits, has been closed to new entrants since September 1, 2023.

Pension benefit obligations and other "mutualized" obligations are assessed by the CNIEG.

At December 31, 2025, the projected benefit obligation in respect of the special pension plan for EGI sector companies amounted to €2.571 billion.

The duration of the pension benefit obligation of the EGI pension plan is 17 years.

18.1.2 Companies belonging to the electricity and gas sector in Belgium

In Belgium, the rights of employees in electricity and gas sector companies, principally Electrabel, Laborelec and some ENGIE Energy Management Trading and ENGIE CC employee categories, are governed by collective bargaining agreements.

These agreements, applicable to "wage-rated" employees recruited prior to June 1, 2002 and managerial staff recruited prior to May 1, 1999, specify the benefits entitling employees to a supplementary pension equivalent to 75% of their most recent annual income, for a full career and in addition to the statutory pension. These top-up pension payments provided under defined benefit plans are partly reversionary. In practice, the benefits are paid in the form of a lump sum for the majority of plan participants. Most of the obligations resulting from these pension plans are financed through pension funds set up for the electricity and gas sector and by certain insurance companies. Pre-funded pension plans are financed by employer and employee contributions. Employer contributions are calculated annually based on actuarial assessments.

The actuarial "pension" liability relating to these plans amounted to €1.2 billion at December 31, 2025. The average duration of these plans is 9 years.

"Wage-rated" employees recruited after June 1, 2002 and managerial staff (i) recruited after May 1, 1999 or (ii) having opted for the transfer through defined contribution plans, are covered under defined contribution plans. Prior to January 1, 2017, the law specified a minimum average annual return (3.75% on wage contributions and 3.25% on employer contributions) when savings are liquidated.

The law on supplementary pensions, approved on December 18, 2016 and enforced on January 1, 2017 henceforth specifies a minimum rate of return, depending on the actual rate of return of Belgian government bonds, within a range of 1.75%-3.25% (the rates are now identical for employee and employer contributions). In 2025, the minimum rate of return stood at 2.5%.

An expense of €45 million was recognized in 2025, and €44 million in 2024 in respect of these defined contribution plans.

18.1.3 Other pension plans

Most other Group companies also grant their employees retirement benefits. In terms of financing, pension plans within the Group are almost equally split between defined benefit and defined contribution plans.

The Group's main pension plans outside France and Belgium concern:

- the United Kingdom: the large majority of defined benefit pension plans are now closed to new entrants and future benefits no longer vest under these plans. All entities run a defined contribution scheme. The pension obligations of International Power's subsidiaries in the United Kingdom are covered by the special Electricity Supply Pension Scheme (ESPS). The assets of this defined benefit scheme are invested in separate funds. Since June 1, 2008, the scheme has been closed and a defined contribution plan has been set up for new entrants;
- Germany: the Group's German subsidiaries have closed their defined benefit plans to new entrants and now offer defined contribution plans;
- Brazil: ENGIE Brasil Energia operates its own pension scheme. This scheme has been split into two parts, one for the (closed) defined benefit plan, and the other for the defined contribution plan that has been available to new entrants since the beginning of 2005.

18.2 Description of other post-employment benefit obligations and other long-term benefits

18.2.1 Other benefits granted to current and former EGI sector employees

Other benefits granted to EGI sector employees are:

- Post-employment benefits:
 - reduced energy prices;
 - end-of-career indemnities;
 - bonus leave;
 - death capital benefits.
- Long-term benefits:
 - allowances for occupational accidents and illnesses;
 - temporary and permanent disability allowances;
 - long-service awards.

The Group's main obligations are described below.

18.2.1.1 Reduced energy prices

Under Article 28 of the national statute for electricity and gas industry personnel, all employees (current and former employees, provided they meet certain length-of-service conditions) are entitled to benefits in kind, which take the form of reduced energy prices known as "employee rates".

This benefit entitles employees to electricity and gas supplies at a reduced price. For retired employees, this provision represents a post-employment defined benefit. Retired employees are only entitled to the reduced rate if they have completed at least 15 years' service within EGI sector companies.

In accordance with the agreements signed with EDF in 1951, ENGIE provides gas to all current and former employees of ENGIE and EDF, while EDF supplies electricity to these same beneficiaries. ENGIE pays (or benefits from) the balancing contribution payable in respect of its employees as a result of energy exchanges between the two utilities.

The obligation to provide energy at a reduced price to current and former employees during their retirement is measured as the difference between the energy sale price and the preferential rate granted to employees.

The provision set aside in respect of reduced energy prices stood at €2.38 billion at December 31, 2025. The duration of the obligation is 16 years.

18.2.1.2 End-of-career indemnities

Retiring employees (or their dependents in the event of death during active service) are entitled to end-of-career indemnities, which increase in line with the length of service within the EGI sector.

18.2.1.3 Compensation for occupational accidents and illnesses

EGI sector employees are entitled to compensation for accidents at work and occupational illnesses. These benefits cover all employees or the dependents of employees who die as a result of occupational accidents or illnesses, or injuries undergone on the way to work.

The amount of the obligation corresponds to the likely present value of the benefits to be paid to current beneficiaries, taking into account any reversionary annuities.

18.2.2 Other benefits granted to employees of the gas and electricity sector in Belgium

Electricity and gas sector companies also grant other post-employee benefits such as the reimbursement of medical expenses, electricity and gas price reductions, as well as length-of-service awards and early retirement schemes. These benefits are not prefunded, with the exception of the special “*allocation transitoire*” termination indemnity, considered as an end-of-career indemnity.

18.2.3 Other collective agreements

Most other Group companies also grant their staff post-employment benefits (early retirement plans, medical coverage, benefits in kind, etc.) and other long-term benefits such as jubilee and length-of-service awards.

18.3 Defined benefit plans

18.3.1 Amounts presented in the statement of financial position and statement of comprehensive income

In accordance with IAS 19, the information presented in the statement of financial position relating to post-employment benefit obligations and other long-term benefits results from the difference between the gross projected benefit obligation and the fair value of plan assets. A provision is recognized if this difference is positive (net obligation), while a prepaid benefit cost is recorded in the statement of financial position when the difference is negative, provided that the conditions for recognizing the prepaid benefit cost are met.

Changes in provisions for pension plans, post-employment benefits and other long-term benefits, plan assets and reimbursement rights recognized in the statement of financial position are as follows:

<i>In millions of euros</i>	Provisions	Plan assets	Reimbursement rights
AT DECEMBER 31, 2024	(4,979)	386	260
Exchange rate differences	19	(6)	-
Changes in scope of consolidation and other	1	8	(5)
Actuarial gains and losses	736	91	(1)
Periodic pension cost	(302)	(46)	8
Contributions/benefits paid	312	15	3
AT DECEMBER 31, 2025	(4,212)	449	266

Plan assets and reimbursement rights are presented in the statement of financial position under “Other non-current assets” or “Other current assets”.

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NOTE 18 POST-EMPLOYMENT BENEFITS AND OTHER LONG-TERM BENEFITS

The cost recognized for the period amounted to €348 million in 2025 (€428 million in 2024). The components of this defined benefit cost in the period are set out in Note 18.3.3 "Components of the net periodic pension cost".

The Eurozone represented 98% of the Group's net obligation at December 31, 2025, (99% at December 31, 2024).

Cumulative actuarial gains and losses recognized in equity amounted to -€742 million at December 31, 2025, compared to -€1,576 million at December 31, 2024.

Net actuarial gains and losses arising in the period and presented on a separate line in the statement of comprehensive income represented a net actuarial gain of €827 million in 2025 and a net actuarial gain of €406 million in 2024.

18.3.2 Change in benefit obligations and plan assets

The table below shows the amount of the ENGIE Group's projected benefit obligations and plan assets, changes in these items during the periods presented, and their reconciliation with the amounts reported in the statement of financial position:

	Dec. 31, 2025				Dec. 31, 2024			
	Pension benefit obligations (1)	Other post-employment benefit obligations (2)	Long-term benefit obligations (3)	Total	Pension benefit obligations (1)	Other post-employment benefit obligations (2)	Long-term benefit obligations (3)	Total
<i>In millions of euros</i>								
A - CHANGE IN PROJECTED BENEFIT OBLIGATION								
Projected benefit obligation at January 1	(6,022)	(3,332)	(435)	(9,788)	(5,966)	(3,529)	(433)	(9,928)
Current service cost	(148)	(49)	(43)	(239)	(174)	(57)	(38)	(269)
Interest expense	(231)	(119)	(15)	(364)	(228)	(124)	(14)	(367)
Contributions paid	(8)	-	-	(8)	(8)	-	-	(8)
Amendments	15	-	-	15	2	-	-	2
Changes in scope of consolidation	1	6	-	7	1	-	-	1
Curtailments/settlements	13	-	-	13	-	-	-	-
Financial actuarial gains and losses	421	415	15	852	(62)	2	(4)	(64)
Demographic actuarial gains and losses	(14)	31	9	26	8	245	7	261
Benefits paid	325	134	49	508	358	133	46	537
Other (of which translation adjustments)	21	-	1	22	47	-	1	47
Projected benefit obligation at December 31	A (5,627)	(2,912)	(418)	(8,958)	(6,022)	(3,332)	(435)	(9,788)
B - CHANGE IN FAIR VALUE OF PLAN ASSETS								
Fair value of plan assets at January 1	5,267	-	-	5,267	5,067	-	-	5,067
Interest income on plan assets	205	-	-	205	202	-	-	202
Financial actuarial gains and losses	(26)	-	-	(26)	213	-	-	213
Contributions received	91	-	-	91	80	-	-	80
Benefits paid	(263)	-	-	(263)	(293)	-	-	(293)
Other (of which translation adjustments)	(24)	-	-	(24)	(2)	-	-	(2)
Fair value of plan assets at December 31	B 5,250	-	-	5,250	5,267	-	-	5,267
C - FUNDED STATUS	A+B (377)	(2,912)	(418)	(3,708)	(754)	(3,332)	(435)	(4,521)
Asset ceiling	(56)	-	-	(56)	(71)	-	-	(71)
NET BENEFIT OBLIGATION	(433)	(2,912)	(418)	(3,764)	(827)	(3,332)	(435)	(4,593)
TOTAL LIABILITIES	(882)	(2,912)	(418)	(4,212)	(1,214)	(3,332)	(435)	(4,979)
TOTAL ASSET	449	-	-	449	386	-	-	386

(1) Pensions and retirement bonuses.

(2) Reduced energy prices, healthcare, gratuities and other post-employment benefits.

(3) Length-of-service awards and other long-term benefits.

18.3.3 Components of the net periodic pension cost

The net periodic cost recognized in respect of defined benefit obligations for the years ended December 31, 2025 and 2024 breaks down as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Current service cost	239	269
Actuarial gains and losses ⁽¹⁾	(24)	(4)
Gains or losses on pension plan curtailments, terminations and settlements	(27)	(2)
Total accounted for under current operating income including operating MtM and share in net income of equity method entities	188	263
Net interest expense	160	165
Total accounted for under net financial income/(loss)	160	165
TOTAL	348	428

(1) On the long-term benefit obligation.

18.3.4 Funding policy and strategy

When defined benefit plans are funded, the related plan assets are invested in pension funds and/or with insurance companies, depending on the investment practices specific to the country concerned. The investment strategies underlying these defined benefit plans are aimed at striking the right balance between return on investment and acceptable levels of risk.

The objectives of these strategies can be summarized as follows: to maintain sufficient liquidity to cover pension and other benefit payments; and as part of risk management, to achieve a long-term rate of return higher than the discount rate or, where appropriate, at least equal to future required returns.

When plan assets are invested in pension funds, investment decisions are the responsibility of the fund management concerned. For French companies, where plan assets are invested with an insurance company, the latter manages the investment portfolio for unit-linked policies or euro-denominated policies, in a manner adapted to the risk and long-term profile of the liabilities.

The funding of these obligations for each of the periods presented can be analyzed as follows:

<i>In millions of euros</i>	Projected benefit obligation	Fair value of plan assets	Asset ceiling	Total net obligation
Underfunded plans	(2,338)	1,613	(52)	(777)
Overfunded plans	(3,168)	3,637	(3)	466
Unfunded plans	(3,452)	-	-	(3,452)
AT DECEMBER 31, 2025	(8,958)	5,250	(56)	(3,764)
Underfunded plans	(4,063)	3,393	(68)	(738)
Overfunded plans	(1,469)	1,874	(3)	402
Unfunded plans	(4,256)	-	-	(4,256)
AT DECEMBER 31, 2024	(9,788)	5,267	(71)	(4,593)

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NOTE 18 POST-EMPLOYMENT BENEFITS AND OTHER LONG-TERM BENEFITS

The allocation of plan assets by principal asset category can be analyzed as follows:

In %	Dec. 31, 2025	Dec. 31, 2024
Equity investments	25	27
Sovereign bond investments	27	23
Corporate bond investments	31	34
Money market securities	3	3
Real estate	1	2
Other assets	13	11
TOTAL	100	100

All plan assets were quoted on an active market at December 31, 2025.

The actual return on assets of EGI sector companies stood at a positive 4.7% in 2025.

In 2025, the actual return on plan assets of Belgian entities amounted to approximately a positive 5.7% in Group insurance and a positive 6.8% in pension funds.

The allocation of plan asset categories by geographic area of investment can be analyzed as follows:

In %	Europe	North America	Latin America	Asia –Oceania	Rest of the World	Total
Equity investments	49	30	-	15	5	100
Sovereign bond investments	56	7	16	14	7	100
Corporate bond investments	50	27	-	11	11	100
Money market securities	53	-	-	-	46	100
Real estate	84	11	-	3	3	100
Other assets	4	2	-	-	94	100

18.3.5 Actuarial assumptions

Actuarial assumptions are determined individually by country and company in conjunction with independent actuaries. Weighted discount rates for the main actuarial assumptions are presented below:

		Pension benefit obligations		Other post-employment benefit obligations		Long-term benefit obligations		Total benefit obligations	
		2025	2024	2025	2024	2025	2024	2025	2024
Discount rate	Eurozone	4.2%	3.5%	4.2%	3.5%	4.2%	3.5%	4.2%	3.5%
	UK Zone	5.6%	5.1%	-	-	-	-	-	-
Inflation rate	Eurozone	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	UK Zone	3.2%	3.5%	-	-	-	-	-	-

18.3.5.1 Discount and inflation rates

The discount rate applied is determined based on the yield, at the date of the calculation, of investment grade corporate bonds with maturities mirroring the term of the plan.

The rates were determined for each monetary area based on data for AA corporate bond yields. For the Eurozone, data (from Bloomberg) are extrapolated on the basis of government bond yields for long maturities.

According to the Group's estimates, a 100-basis-point increase (decrease) in the discount rate would result in a decrease (increase) of approximately 12% in the projected benefit obligation.

The inflation rates were determined for each monetary area. A 100-basis-point increase (decrease) in the inflation rate (with an unchanged discount rate) would result in an increase (decrease) of approximately 11% in the projected benefit obligation.

18.3.6 Estimated employer contributions payable in 2026 under defined benefit plans

The Group expects to pay around €186 million in contributions into its defined benefit plans in 2026, including €124 million for EGI sector companies. Annual contributions in respect of EGI sector companies will be made by reference to rights vested during the year, taking into account the funding level for each entity in order to even out contributions over the medium term.

18.4 Defined contribution plans

In 2025, the Group recorded a €88 million expense in respect of amounts paid into Group defined contribution plans of which €8 million concerning multi-employer plans in Netherlands (compared with €88 million in 2024, of which €9 million concerned multi-employer plans in the Netherlands). These contributions are recorded under "Personnel costs" in the consolidated income statement.

NOTE 19 SHARE-BASED PAYMENTS

Accounting standards

Under IFRS 2, share-based payments made in consideration for services provided are recognized as personnel costs. These services are measured at the fair value of the instruments awarded.

The fair value of bonus share plans is estimated by reference to the share price at the grant date, taking into account the fact that no dividend is payable over the vesting period, and based on the estimated turnover rate for the employees concerned and the probability that the Group will meet its performance targets. The cost of shares granted to employees is expensed over the vesting period of the rights and offset against equity.

A Monte Carlo pricing model is used for performance shares granted on a discretionary basis and subject to external performance criteria.

Expenses recognized in respect of share-based payments break down as follows:

In millions of euros	Expense for the year	
	Dec. 31, 2025	Dec. 31, 2024
Employee share issues ⁽¹⁾	(55)	(51)
Bonus/performance share plans ^{(2) (3)}	(51)	(46)
Other	(6)	-
TOTAL	(112)	(97)

(1) Including Share Appreciation Rights set up within the scope of employee share issues in certain countries.

(2) Following a review of the performance and presence conditions of plans whose vesting period ended in 2025, a downward adjustment of €4.8 million was recognized in 2025. An adjustment of €3.5 million in respect of these conditions was recognized for plans delivered in 2024.

19.1 Link 2025

19.1.1 Description of available ENGIE share plans

In 2025, Group employees and former Group employees were entitled to purchase ENGIE shares as part of the “Link 2025” worldwide employee share ownership plan. The offering mainly involved the sale of treasury shares. Employees had the option of acquiring these shares through the classic formula with a discount and employer contribution, either directly or through an employee share ownership fund (FCPE).

The Link Classique plan featured an employer top-up contribution corresponding to 200% of the employee contribution up to €250, and to 100% of the employee contribution between €250 and €750, and hence limited to €1,000.

19.1.2 Accounting impacts

The subscription price for the 2025 plan represents the average closing price of the ENGIE share on Euronext Paris between May 5, 2025 and May 30, 2025 inclusive. The reference price is set at €18.45 less 24.39% for the Link Classique plan, i.e. €14.76.

The expense recognized in the consolidated financial statements in respect of the Link Classique plan corresponds to the difference between the fair value of the shares subscribed and the subscription price.

The accounting impacts break down as follows:

	Link Classique	Link Classique - employer top up contribution	Total
Amount subscribed (in millions of euros)	70	-	70
Number of shares subscribed (in millions of shares)	4.7	2.2	6.9
Discount (in euros/share)	4.8	14.8	-
Cost for the Group (in millions of euros)	23	33	55

Subscriptions to the Link 2025 plan totaled €70 million and break down as follows:

- the sale of treasury shares to employees amounted to €66 million;
- a capital increase and additional paid-in capital of €4 million (excluding issuance costs).

The Group recognized a total expense of €55 million for 2025 in respect of the 4.7 million shares subscribed and the 2.2 million bonus shares awarded under employer top-up contributions.

19.2 Performance shares

19.2.1 New awards in 2025

ENGIE Performance Share plan of February 26, 2025

On February 26, 2025, the Board of Directors approved the award of 5.0 million performance shares to members of the Group's executive and senior management. This plan consists of performance shares vesting on March 14, 2028. At March 15, 2028, the shares are transferable without further restriction.

In addition to a condition requiring employees to be employed with the Group at the vesting date, each tranche is made up of instruments subject to three different conditions, excluding the first 500 performance shares granted to beneficiaries (excluding senior management), which are exempt from performance conditions. The performance conditions are as follows:

- a condition relating to the evolution of the Total Shareholder Return (TSR) of the ENGIE share over three years, the reference price corresponding to the average of the index and the last 40 quoted prices for the ENGIE share preceding the first day of the month of the grant, this average being compared with the same measurement three years later, which accounts for 35% of the total award;
- a condition relating to the level of Return On Average Capital Employed (ROACE), which accounts for 35% of the total award;
- a condition relating to non-financial criteria in terms of greenhouse gas emissions linked to energy production, an increase in the proportion of renewable capacities and an increase in the proportion of women in management, which accounts for 30% of the total award.

Under this plan, performance shares without conditions were also awarded notably to the winners of the Innovation and Incubation programs (86,050 shares awarded).

19.2.2 Fair value of bonus share plans with or without performance conditions

The following assumptions were used to calculate the unitary fair value of the new plans awarded by ENGIE in 2025:

Award date	Vesting date	End of the lock-up period	Price at the award date	Expected dividend	Market-related performance condition	Unitary fair value
February 26, 2025	February 26, 2025	March 14, 2028	16.52	1,20	yes	11,26

19.2.3 Review of internal performance conditions applicable to the plans

In addition to the condition of continuing employment within the Group, eligibility for certain bonus share and performance share plans is subject to an internal performance condition. When this condition is not fully met, the number of bonus shares granted to employees is reduced in accordance with the plans' regulations leading to a decrease in the total expense recognized in relation to the plans in accordance with IFRS 2. Performance conditions are reviewed at each reporting date.

NOTE 20 RELATED PARTY TRANSACTIONS

This note describes material transactions between the Group and its related parties.

Compensation payable to key management personnel is disclosed in Note 21 “Executive compensation”.

Transactions with joint ventures and associates are described in Note 3 “Investments in equity method entities”.

Only material transactions are described below.

20.1 Relations with the French State and with entities owned or partly owned by the French State

20.1.1 Relations with the French State

The French State’s interest in the Group at December 31, 2025 remained unchanged at 23.64% compared with the previous year. This entitles it to three of the 14 seats on the Board of Directors (one Director representing the State appointed by decree, and two Directors appointed by the Shareholders’ Meeting at the proposal of the State).

The French State holds 34.15% of the theoretical voting rights (34.19 % of exercisable voting rights) compared with 34.13% at end-2024.

On May 22, 2019, the PACTE Law (“Action plan for business growth and transformation”) was enacted, enabling the French State to dispose of its ENGIE shares without restriction.

In addition, the French State holds a golden share aimed at protecting France’s critical interests and ensuring the continuity and safeguarding of supplies in the energy sector. The French State’s golden share in ENGIE, governed by the Energy Code, gives it a limited right of veto on certain decisions concerning gas infrastructures in France, which represent only a small percentage of the Group’s strategic assets.

Public service engagements in the energy sector are defined by the law of January 3, 2003.

Transmission rates on the NaTran transportation network and the gas distribution network in France, as well as rates for accessing the French LNG terminals and revenues from storage capacities, are all regulated.

The Law on Energy and Climate enacted on November 8, 2019 provided for the phase out of regulated gas tariffs and the restriction of regulated electricity tariffs to residential consumers and small businesses. Regulated gas tariffs were phased out on July 1, 2023.

20.1.2 Relations with EDF

Following the creation on July 1, 2004 of the French gas and electricity distribution network operator (EDF Gaz de France Distribution), Gaz de France SA and EDF entered into an agreement on April 18, 2005 setting out their relationship as regards the distribution business. The December 7, 2006 law on the energy sector reorganized the natural gas and electricity distribution networks. Enedis SA, a subsidiary of EDF SA, and GRDF SA, a subsidiary of ENGIE SA, were created on January 1, 2007 and December 31, 2007, respectively, and act in accordance with the agreement previously signed by the two incumbent operators.

With the deployment of smart meters for both electricity and gas, the “common” businesses deployed by the two distributors evolved significantly. Since 2024, the remaining mixed activities have been reduced to occupational medicine, medical advice and the management of rates for residential customers. A project coordinated by the two distributors aims to finalize the unbundling of these activities.

20.2 Relations with the CNIEG (*Caisse Nationale des Industries Électriques et Gazières*)

The Group's relations with the CNIEG, which manages all old-age, death and disability benefits for active and retired employees of the Group who belong to the special EGI pension plan, employees of EDF and Non-Nationalized Companies (*Entreprises Non Nationalisées* – ENN), are described in Note 18 "Post-employment benefits and other long-term benefits".

NOTE 21 EXECUTIVE COMPENSATION

The executive compensation presented below includes the compensation of the members of the Group's Executive Committee and Board of Directors.

The Executive Committee had 10 members at December 31, 2025 unchanged compared to December 31, 2024.

Their compensation breaks down as follows:

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Short-term benefits	31	27
Share-based payments	7	6
TOTAL	38	33

NOTE 22 WORKING CAPITAL REQUIREMENTS, INVENTORIES, OTHER ASSETS AND OTHER LIABILITIES

Accounting standards

In accordance with IAS 1, the Group's current and non-current assets and liabilities are shown separately in the consolidated statement of financial position. In view of the majority of the Group's activities, it was considered that the criterion to be used to classify assets is the expected time to realize the asset or settle the liability: the asset is classified as current if this period is less than 12 months and as non-current if it is more than 12 months after the reporting period.

Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value corresponds to the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories is determined based on the first-in, first-out method or the weighted average cost formula.

Nuclear fuel purchased is consumed in the process of producing electricity over a number of years. The consumption of this nuclear fuel inventory is recorded based on estimates of the quantity of electricity produced per unit of fuel.

Gas inventories

Gas injected into underground storage facilities includes working gas, which can be extracted without adversely affecting the subsequent operation of the reservoirs, and cushion gas, which is inseparable from the reservoirs and essential for their operation (see Note 13.3 "Property, plant and equipment").

Working gas is classified in inventories and measured at weighted average purchase cost upon entering the transportation network regardless of its source, including any regasification costs.

Group inventory outflows are valued using the weighted average unit cost method.

Certain inventories are used for trading purposes and are recognized at fair value less selling costs, in accordance with IAS 2. Any changes in said fair value are recognized in the consolidated income statement for the year in which they occur.

Greenhouse gas emission rights, energy saving certificates and green certificates

In the absence of specific IFRS standards or IFRIC interpretations on accounting for greenhouse gas emission allowances, energy saving certificates and green certificates, the Group has decided to recognize certificates in inventories at their acquisition or production cost. At the reporting date, a liability is recognized if the certificates held by the Group are insufficient to meet the obligation to return certificates to the French government. When not covered by the certificates held in inventories, the liability is measured at the market value or based on the price of any future contracts that have been entered into, when applicable.

Tax equity

The ENGIE Group finances its renewables projects in the United States through tax equity structures, in which part of the necessary funds is provided by a tax partner. The tax partner obtains, up to a pre-determined level, a preferential right essentially to the project's tax credits, which it can deduct from its own tax base.

The tax partner's investments meet the definition of a liability under IFRS. Since the tax equity liability corresponding to these tax benefits does not give rise to any cash outflow for the project entity, it does not represent a financial debt and is accounted for in "Other liabilities".

Besides the unwinding effect, the liability changes mainly in line with the tax credits allocated to the tax partner and recognized in profit or loss.

22.1 Composition of change in working capital requirements

<i>In millions of euros</i>	Change in working capital requirements at Dec. 31, 2025	Change in working capital requirements at Dec. 31, 2024
Inventories	837	1,140
Trade and other receivables	2,819	4,266
Trade and other payables	(2,581)	(2,564)
Tax and employee-related receivables/payables	(343)	(601)
Margin calls and derivative instruments hedging commodities relating to trading activities	233	(1,198)
Other	(14,951)	(1,270)
TOTAL	(13,986)	(227)

The change in working capital requirements includes, under the Other line, the effects of the settlement of the first and last installments of the nuclear liabilities (see Note 4.2.2 "Closing of the agreement with the Belgian State on the ten-year extension of two reactors and on the transfer of financial responsibility for nuclear waste management to the Belgian State").

22.2 Inventories

<i>In millions of euros</i>	Dec. 31, 2025	Dec. 31, 2024
Inventories of natural gas, net	1,082	2,139
Inventories of uranium ⁽¹⁾	243	301
CO ₂ emissions allowances, green certificates and energy saving certificates, net	618	1,546
Inventories of commodities other than gas and other inventories, net	909	1,074
TOTAL	2,852	5,061

(1) Financial hedging instruments are backed by these uranium inventories and represented a negative amount of €14 million at December 31, 2025.

22.3 Other assets and other liabilities

<i>In millions of euros</i>	Dec. 31, 2025				Dec. 31, 2024			
	Assets		Liabilities		Assets		Liabilities	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Other assets and liabilities	890	10,368	(2,631)	(13,489)	908	12,395	(2,591)	(16,565)
Tax receivables/payables	-	6,974	-	(7,353)	-	7,906	-	(8,711)
Employee receivables/payables	718	19	(3)	(2,594)	646	20	(3)	(2,638)
Dividend receivables/payables	-	208	-	(218)	-	170	-	(190)
Other	172	3,167	(2,628)	(3,325)	262	4,299	(2,588)	(5,026)

At December 31, 2025, other assets included a receivable towards EDF in respect of nuclear provisions amounting to €322 million (€637 million at December 31, 2024).

Other liabilities include €2,010 million in investments made by tax partners as part of the financing of renewable projects in the United States by tax equity (€1,975 million at December 31, 2024).

NOTE 23 LEGAL AND ANTI-TRUST PROCEEDINGS

In the ordinary course of its business, the Group is involved in a number of disputes and investigations before state courts, arbitral tribunals or regulatory authorities. The disputes and investigations that could have a material impact on the Group are presented below.

The main disputes and investigations presented hereafter are recognized as liabilities or give rise to contingent assets or liabilities.

23.1 Renewables & Flex Power

23.1.1 Italy – Vado Ligure

On March 11, 2014, the Court of Savona seized and closed down the VL3 and VL4 coal-fired production units at the Vado Ligure thermal power plant belonging to Tirreno Power S.p.A. (TP), a company which is 50%-owned by the ENGIE Group. This decision was taken as part of a criminal investigation against the present and former executive managers of TP into environmental infringements and public health risks. The investigation was closed on July 20, 2016. The case was referred to the Court of Savona to be tried on the merits. The proceedings before the Court of First Instance began on December 11, 2018 and carried on into 2023, seeking the liability of the former members of the Board of Directors and management. Third parties, including the Italian Ministry of the Environment and Ministry of Health, joined the proceedings to claim damages. On October 3, 2023, the Court of Savona acquitted all 26 directors and managers of all charges. The subsidiary Tirreno Power SpA, in which ENGIE has a 50% stake, has also been acquitted. The decision was notified in January 2024. The public prosecutor appealed the decision in February 2024 along with the Ministry of Health, the Ministry of the Environment, and two citizens associations. The date of the first hearing before the Court of Appeal has not yet been set.

23.1.2 Italy – exceptional tax on the energy sector

23.1.2.1 Exceptional tax 2022

In December 2022, ENGIE filed an action against the tax authorities to obtain the reimbursement of the tax it had paid in July and November 2022 for a total amount of more than €308 million, pursuant to two legislative decrees (No. 21 and No. 50/2022) that introduced an exceptional solidarity contribution to be paid by operators in the energy sector. ENGIE contests the validity of the basis of the tax in relation to the decree's objective, its compatibility with the Italian Constitution and its compatibility with Italy's European commitments (EU law). The Italian Constitutional Court upheld the tax's conformity with the Constitution and referred the case to the Milan Court of First Instance, which dismissed the claim. ENGIE appealed the negative decision of the Court of first instance and the proceedings are pending.

23.1.2.2 Exceptional tax 2023

In April 2023, ENGIE filed an administrative action against the Tax Authority before the Administrative Court (TAR Lazio) to obtain the annulment of the decision issued on April 23, 2023 regarding the Solidarity Levy for the 2023 fiscal year (amount paid of €133 million). ENGIE is also claiming for the incompatibility of its decision in relation to European Council Regulation (EU) No. 2022/1854 of October 6, 2022 regarding the emergency intervention to address high energy prices in the European Union. On November 21, 2023, at the merit hearing the Court referred the case to the Constitutional Court. On February 20, 2025, the Constitutional Court referred to the European Court of Justice a request (Case C-153/25) for preliminary ruling on the interpretation of the said European Council Regulation. On June 30, 2025, Engie filed its observations.

In parallel, in October 2024, ENGIE also filed an action against the Tax Authority before the Italian fiscal court to obtain the reimbursement of the tax it had paid in June 2023.

23.1.3 Flémalle – EPC

In November 2021, Electrabel SA entered into an EPC (Engineering, Procurement, Construction) agreement with SEPCO III for the construction of a gas-fired power plant in Flémalle (Belgium), in the context of the CRM (Capacity Remuneration Mechanism).

In August 2022, Electrabel SA terminated the EPC agreement with SEPCO III for non-performance of its contractual obligations and initiated arbitration proceedings in November 2022, to obtain compensation for the damage sustained.

SEPCO III filed a counterclaim against Electrabel seeking damages to cover the alleged loss it had sustained due to the termination of the contract. The parties reached an agreement in December 2025. The file is closed.

23.1.4 Brazil – Claim against sales tax adjustments

ENGIE Brasil Energia SA was subject to a tax reassessment covering fiscal years 2014, 2015, 2016 and 2018 in respect of federal value-added taxes (PIS and COFINS) for refunds relating to fuel used in the production of energy by thermopower plants. The total amount at stake is BRL 944 million, including a principal amount of BRL 259 million.

The company is contesting these reassessments and has lodged administrative appeals.

While the administrative appeal for fiscal year 2018 is still being examined at a higher administrative level following a favorable decision, the appeals for fiscal years 2014, 2015 and 2016 were rejected and the company brought the discussion before the judicial court; the company is awaiting a decision at appeal level, following an unfavorable decision at first instance.

Diamante Geração de Energia (controlled by ENGIE Brasil Energia SA at the time and owner of the thermopower plants) was also subject to reassessments for the tax treatment of comparable fuel reimbursements. The reassessments concerned both PIS and COFINS taxes (fiscal years 2019 to 2022) and corporate income tax (fiscal year 2018). Although ENGIE Brasil Energia SA sold this company in 2021, it remains financially responsible under the vendor's warranty regarding the years prior to June 30, 2021. The total amount at stake under ENGIE Brasil Energia SA's responsibility is BRL 728 million, including a principal amount of BRL 289 million. The company is contesting these reassessments, and fiscal years 2018 to 2020 are currently under review at administrative appeal level.

If ENGIE Brasil Energia SA and/or Diamante Geração de Energia are not successful before the administrative courts, these cases could also be referred to the ordinary courts.

23.1.5 Chile – TotalEnergies

On January 3, 2023, ENGIE Energía Chile SA initiated international arbitration proceedings against TotalEnergies Gas & Power Limited for breaching its contractual obligations under an LNG supply contract entered into in August 2011. On June 13, 2025, the relevant arbitral tribunal rendered its award in which it found that TotalEnergies had breached its contractual obligations and should be held liable to pay damages in the amount of approximately USD 100 million plus interest to ENGIE Energía Chile S.A.

23.1.6 Chile – ENGIE Austral

The Chilean tax authorities contest the price at which ENGIE Austral (ENAU) sold its shares in Eolica Monte Redondo (EMR) to ENGIE Energía Chile (EECL) in 2020 alleging that the price at which ENAU sold EMR to EECL was significantly below market price. In June 2024, the authorities ordered ENAU to pay a penalty of USD 62 million, plus interest and fines, bringing the total amount to USD 108 million. Following ENAU's challenge of the adjustment, the Chilean tax authorities reduced the penalty to around USD 52 million (including interest and fines). In April 2025, ENAU filed an appeal before the relevant court against the tax assessment.

23.1.7 Saudi Arabia – Jubail 3B RO plant

On January 9, 2025, following completion of the construction of the Jubail 3B desalination plant in Saudi Arabia, the EPC Contractor consortium formed by Acciona and SEPCO III issued a notice of dispute against ENGIE regarding certain construction-related matters.

On January 24, 2025, ENGIE replied to the EPC notice and issued a counterclaim based on certain disputed matters (including construction delays, costs incurred by ENGIE to take certain remediation actions, and liquidated damages due to the plant's unavailability).

Amicable negotiations to settle the ongoing disputes were unsuccessful. Hence, on April 2, 2025, Acciona filed a request for arbitration before the Saudi Center for Commercial Arbitration ("SCCA"). On April 6, 2025, the SCCA initiated the arbitration process. The arbitral tribunal was constituted in July 2025 and the proceedings are currently ongoing.

23.2 Networks

23.2.1 Brazil – Challenge regarding goodwill amortization and financial expenses

In 2019, Transportadora Associada de Gas ("TAG") was acquired through a competitive bidding process. Given the transaction's size and the need for financing from both local and international lenders, the acquisition was structured through a consortium formed via Alianca, a Brazilian entity acquired by ENGIE and a third party.

TAG subsequently absorbed Alianca through a reverse merger, as required under the loan agreements. This transaction resulted in the recognition of *mais-valia* and goodwill in its accounts, both amortizable under the applicable accounting and tax legislation.

The Brazilian tax authorities are challenging the deduction by TAG of *mais-valia* and goodwill amortization and financial expenses recognized in 2019 and 2020 following the merger of TAG's acquiring company with TAG, due to an alleged failure to meet legal requirements.

The reassessment amounts to approximately BRL 864 million (BRL 561 million attributable to ENGIE) and 2,722 million of Brazilian reais (BRL 1,770 million attributable to ENGIE) for 2019 and 2020, respectively. The Company has lodged an administrative appeal against these reassessments after receiving negative decisions at the court of first instance.

23.3 Local Energy Infrastructures

23.3.1 Spain – Púnica

In the Púnica case (procedure concerning the awarding of contracts), 15 Cofely España employees, as well as the company itself, were placed under investigation by the examining judge in charge of the case. The criminal investigation was closed on July 19, 2021, with the referral of Cofely España and eight (former) employees before the criminal court. Cofely España lodged an appeal against this decision on September 30, 2021. On March 9, 2022, the appeal was dismissed and the referral decision upheld. The first hearings for this matter were held on April 7, 2025, and concluded on September 26, 2025. In December 2025, Cofely España was fined €3.6 million for bribery and influence peddling as well as six out of eight former employees involved for facts dating back more than a decade.

23.3.2 Italy – Manitalidea

In 2012, ENGIE Servizi formed a temporary association ("*associazione temporanea di imprese*" or "ATI") with Manitalidea with the aim of submitting a bid for a public contract launched by CONSIP. ENGIE Servizi had an 85% stake in the ATI, with Manitalidea holding the remaining 15%. The purpose of the contract was to provide energy and maintenance services to hospitals.

In September 2012, three lots of the contract were awarded to the ATI.

On March 11, 2022, Manitalidea filed for damages against ENGIE Servizi in the Rome Civil Court, claiming that (i) ENGIE Servizi had not complied with the provisions of the temporary association agreement relating to the distribution of contracts between the partners, and (ii) as a result, Manitalidea had missed an opportunity to increase its revenue. After Manitalidea filed for bankruptcy, the claim was extended to include the alleged responsibility of ENGIE Servizi for Manitalidea's financial difficulties and bankruptcy.

As part of the first-instance proceedings, a technical assessment by a court-appointed expert is currently underway.

23.4 Nuclear

23.4.1 Extension of operations at the nuclear power plants 2015-2025

Various associations have brought actions before the Constitutional Court, the *Conseil d'État* and the ordinary courts against the laws and administrative decisions authorizing the extension of operations at the Doel 1 and Doel 2 plants. On June 22, 2017 the Constitutional Court referred the case to the Court of Justice of the European Union (CJEU) for a preliminary ruling. In its judgment of July 29, 2019, the CJEU ruled that the Belgian law extending the operating lives of the Doel 1 and Doel 2 reactors (law extending Doel 1 and Doel 2) was adopted without the required environmental assessments being carried out first, but that the effects of the law on extension could provisionally be maintained where there was a genuine and serious threat of an interruption to the electricity supply, and then only for the length of time strictly necessary to eliminate this threat. In its decision of March 5, 2020, the Constitutional Court overturned the law extending Doel 1 and Doel 2, while maintaining its effects until the legislator adopts a new law after having carried out the required environmental assessment, including a cross-border public consultation process, by December 31, 2022 at the latest.

The environmental assessment and the cross-border public consultation were carried out by the Belgian State in 2021. The draft law incorporating the conclusion of the assessment and the consultation was passed by the Belgian Federal Parliament on October 11, 2022 and the law was published on November 3, 2022.

The auditor submitted his report on January 21, 2025, concluding the inadmissibility of the appeal before the *Conseil d'État* against the administrative decisions that allowed the extension of operations at the Doel 1 and Doel 2 plants. The Court acknowledged the withdrawal of the parties on May 13, 2025. The case is closed.

23.4.2 Shutdown of the Doel 3 and Tihange 2 power plants

Various associations have lodged appeals before the Brussels Court of First Instance against Electrabel, the Belgian State, the Nuclear Safety Authority and/or the Elia electricity transmission network to contest the decisions and actions to shut down the Doel 3 (on September 23, 2022) and/or Tihange 2 (on January 31, 2023) power plants. In a first judgment dated November 16, 2022, the Brussels Court of First Instance, ruling in summary proceedings in one of the cases, confirmed the decisions and actions taken in relation to the shutdown. The applicants in this case withdrew their action on the merits. In the second case on the merits, a judgment was handed down on June 30, 2023, rejecting the interim measures requested, including the request to prohibit Electrabel from taking any irreversible action in connection with the shutdown of Doel 3 and Tihange 2. The case is continuing on the merits, with no precise timetable at this stage.

23.4.3 Appeal against the Belgian energy regulator's decision to implement the law of December 16, 2022 introducing a cap on electricity producers' market revenues

Electrabel lodged an appeal with the Belgian Market Court (*Cour des Marchés*) on March 29, 2023 against the decision of the Belgian energy regulator (CREG) to implement the December 16, 2022 law introducing a cap on electricity producers' market revenues for 2022. Electrabel lodged a second action for annulment with the same court against the same regulator's decision for 2023 revenues.

Electrabel contests the validity of this revenue cap, arguing that it is contrary to the European Regulation that introduced it, notably because it falsely determines market revenues using presumptions and not on the basis of revenues actually received, as provided for by the Regulation, and because it is implemented retroactively from August 1, 2022, outside the period covered by the Regulation. The Market Court handed down its ruling in the first case on October 18, 2023, finding that the action was admissible and prima facie founded, and referred three questions to the Court of Justice of the European Union for a preliminary ruling. On January 10, 2025, CREG lodged an appeal against this ruling. The second case was heard on January 10, 2024, and the ruling handed down on January 31 suspends delivery until the Court of Justice of the European Union ("CJEU") has ruled on the first case. By its judgment dated December 1, 2025, the CJEU ruled that the Regulation does not preclude the use of presumptions provided the presumptions are "reasonable" and representative of the reality of the market during the crisis period and that the early application of the cap from August 1, 2022 is not in breach of the invoked provisions.

An appeal was also lodged with the Constitutional Court in June 2023, and was joined with the actions for annulment lodged by the various parties. The Court handed down its ruling on June 20, 2024, referring 15 questions to the Court of Justice of the European Union for a preliminary ruling. In addition to the above-mentioned appeals, a claim for restitution of the 2022 tax has been lodged, as well as an appeal to the Court of First Instance for the annulment of the tax.

23.4.4 Arbitration procedure in application of the Tihange 1 and Doel 1 and 2 agreements following the adoption of the law of December 16, 2022 introducing a cap on electricity producers' market revenues

On October 17, 2023, Electrabel initiated arbitration proceedings against the Belgian State for the breach of the agreements signed for the extension of Tihange 1 on March 12, 2014 and the extension of Doel 1 and Doel 2 on November 30, 2015. These agreements excluded, by virtue of the royalties paid, any other charges in favor of the State (with the exception of general application taxes) linked to the ownership or operation of Tihange 1 or Doel 1 and Doel 2, the revenues, production or production capacity of these plants, or their use of nuclear fuel. Under the terms of the agreements, Electrabel is claiming reimbursement of the tax paid for 2022 and the levy for 2023 on these plants.

23.4.5 Action for annulment before the Belgian Constitutional Court against the Phoenix Law

Five Flemish and five French-speaking universities have each filed an appeal with the Constitutional Court to strike down certain sections of the law on energy security and nuclear energy reform, known as the Phoenix Law. The sections concerned are those relating to (i) the lump sums to be paid, in particular by Electrabel, to obtain the transfer of financial responsibility to the public institution Hedera for the management of radioactive waste and spent fuel from the Doel and Tihange nuclear power plants, (ii) the conditions for the operational transfer of this waste and spent fuel between Electrabel and the National Agency for Radioactive Waste and Enriched Fissile Materials, and (iii) the protective measures enjoyed by Electrabel, ENGIE (and Luminus) in certain cases listed in Sections 39 to 41 of the Phoenix Law, which cause direct losses to one of these parties. The appellants mainly argue that these sections are discriminatory and violate the principle of equality protected in particular by the Constitution as well as the polluter pays principle enshrined in the EURATOM Treaty and Council Directive 2011/70/Euratom establishing a community framework for the responsible and safe management of spent fuel and radioactive waste. Electrabel filed an application to join the proceedings in order to defend its interests on February 17, 2025.

23.5 Supply & Energy Management

23.5.1 GPE

At the beginning of the fourth quarter of 2022, ENGIE initiated an arbitration procedure against Gazprom Export LLC seeking, in particular to obtain (i) recognition of Gazprom Export LLC's non-performance of its gas delivery obligations towards ENGIE under long-term gas delivery agreements and (ii) payment of contractual penalties as well as compensation for damage resulting from this non-performance from Gazprom Export LLC.

This arbitration procedure is due to the significant delivery shortages by Gazprom Export LLC to ENGIE as of mid-June 2022, followed by Gazprom Export LLC's unilateral decision at the end of summer 2022 to reduce its deliveries to ENGIE due to a disagreement between the parties on the application of the agreements. This complex situation has led each party to withdraw their claims by the end of 2026, with the arbitration being suspended in the meantime.

23.6 Other

23.6.1 Withholding tax

In their tax deficiency notice dated December 22, 2008, the French tax authorities questioned the treatment as corporate income tax of the non-recourse Daily sale by SUEZ (now ENGIE) of a disputed withholding tax (*précompte*) receivable in 2005 for an amount of €995 million (receivable relating to the *précompte* paid in respect of the 1999-2003 fiscal years). The Montreuil Administrative Court handed down a judgment in ENGIE's favor in 2019, which led the French tax authorities to appeal the decision before the Versailles Court of Appeal, which overturned the prior Court's decision in 2021. On April 14, 2023, the Conseil d'État overturned the Court's ruling on the grounds that the assigned claim should be classified as an advance repayment of non-deductible tax, irrespective of the fact that the State had not authorized its repayment by the bank assigning the claim, and that the repayment was only partial. The Conseil d'État referred the case back to the Versailles Administrative Court of Appeal to decide on the basis of a procedure that made the tax treatment of the disputed assignment of receivables in 2005 dependent on the outcome of the *précompte* litigation itself.

On April 3, 2025, the Court of Appeal ruled in favor of ENGIE SA. The decision was made final and had no impact on the 2025 financial statements, as the favorable effects had already been taken into account in previous fiscal years.

23.6.2 Poland – Competition procedure

On November 7, 2019, a fine of 172 million Polish zloty (€40 million) was imposed on ENGIE Energy Management Holding Switzerland AG (EEMHS) for failing to respond to a request for disclosure of documents from the Polish Competition Authority (UOKiK) in proceedings initiated by the UOKiK which suspected a potential failure to notify by EEMHS and other financial investors involved in the financing of the Nord Stream 2 pipeline (main proceedings). EEMHS filed an appeal with the Competition Protection Court. On November 7, 2023, the Court reduced the penalty to around €100,000. The UOKiK has appealed this decision to the Warsaw Court of Appeal (2nd instance). On 21 October 2025, the Warsaw Court of Appeal (second instance) upheld the lower court's decisions, confirmed the €100,000 penalty and recognized the merits of EEMHS's arguments.

In the context of the main proceedings, on October 6, 2020, the UOKiK ordered EEMHS to pay a fine of 55.5 million Polish zlotys (approximately €12.3 million). The UOKiK also ordered the termination of the financing agreements for the Nord Stream 2 project. On November 5, 2020, EEMHS appealed this decision with the Competition Protection Court (the "Court"). The appeal automatically suspends the execution of all of the penalties ordered by the UOKiK. On November 21, 2022, the Court overturned the UOKiK's decision in its entirety. The UOKiK has appealed this decision. On October 16, 2023, the Warsaw Court of Appeal (2nd instance) upheld the lower court's decisions, which overturned the UOKiK's decision in its entirety. The UOKiK has not lodged an appeal before the court of cassation. The proceedings are now definitively closed.

23.6.3 Claim by the Dutch tax authorities related to interest deductibility

Based on a disputable interpretation of a statutory modification that came into force in 2007, the Dutch tax authorities refused the deductibility of a portion (€1.1 billion) of the interest paid on financing contracted for the acquisition of investments made in the Netherlands since 2000. Following the Dutch tax authorities' rejection of the administrative claim against the 2007 tax assessment, action was brought before the Arnhem Court of First Instance in June 2016. On October 4, 2018, the court ruled in favor of the tax authorities. On October 26, 2020, the ruling was confirmed by the Arnhem Court of Appeal. ENGIE Energie Nederland Holding BV considers that the Court committed errors in law and that its decision was not well-founded, under either Dutch or European law. It has therefore appealed the decision before the Court of Cassation. In July 2022, the Court of Cassation decided to refer questions on the compatibility of the Dutch

legislation on interest with three of the European fundamental freedoms to the Court of Justice of the European Union for a preliminary ruling. In October 2024, the Court of Justice of the European Union (CJEU) ruled that Dutch legislation was compatible with the Treaties and European case law. Following the ruling of the CJEU, the Dutch Court of Cassation issued its ruling on January 16, 2026 upholding the outcome of the 2020 Amhem Court of Appeal decision. With this ruling the court case came to an end.

NOTE 24 SUBSEQUENT EVENTS

On February 25, 2026, ENGIE entered into an agreement to acquire 100% of UK Power Networks (UKPN), an electricity distribution network operator in the United Kingdom. The company operates three electricity distribution licenses covering the regions of London, South-East England and East England, representing a total network of approximately 192,000 km. UKPN distributes 71 TWh of electricity each year to 8.5 million customers.

The transaction is based on an equity value⁽¹⁾ of GBP 10.5 billion (€12.1 billion). The company's enterprise value⁽¹⁾ (100%) amounts to GBP 15.8 billion (€18.2 billion), corresponding, for the regulated activity, to a multiple of approximately 1.5x the Regulated Asset Value (RAV) estimated at end-March 2026, and to an estimated 2027 EBITDA multiple of around 10x, including the additional contribution from non-regulated assets.

ENGIE plans to finance this acquisition through a combination of debt and hybrid issuances for approximately €5 billion, as well as through an asset disposal program representing around €4 billion by 2028. The Group also plans to raise up to €3 billion in equity through an accelerated bookbuilding (ABB).

The transaction is expected to close in mid-2026, subject to the prior receipt of the necessary regulatory approvals. The combined effect of the acquisition and the expected progress of the disposal plan during the year should result in a net increase of €17 to €19 billion in the Group's capital employed by the end of 2026. Given the chosen financing structure, the transaction is expected to lead to an increase in the Group's financial net debt of €13 to €15 billion by the end of 2026.

(1) At locked box date, i.e. March 31, 2025.

NOTE 25 FEES PAID TO THE STATUTORY AUDITORS AND TO MEMBERS OF THEIR NETWORKS

Pursuant to Article 222-8 of the General Regulations of the French Financial Markets Authority (AMF), the following table presents information on the fees paid by ENGIE SA, its fully consolidated subsidiaries and joint operations to each of the Auditors in charge of auditing the annual and consolidated financial statements of the ENGIE Group.

The Shareholders' Meeting of ENGIE SA of May 14, 2020 decided to renew the terms of office of Deloitte and EY as Statutory Auditors for a six-year period from 2020 to 2025.

	Deloitte			EY			Total
	Deloitte & Associés	Network	Total	EY & others	Network	Total	
<i>In millions of euros</i>							
Statutory audit and review of consolidated and parent company financial statements	6.3	7.9	14.2	5.9	12.3	18.2	32.4
ENGIE SA	3.2	-	3.2	3.0	-	3.0	6.2
Controlled entities	3.0	7.9	10.9	2.9	12.3	15.2	26.1
Certification of sustainability information	0.5	-	0.5	0.5	-	0.5	1.0
ENGIE SA	0.5	-	0.5	0.5	-	0.5	1.0
Controlled entities	-	-	-	-	-	-	-
Missions and services other than certification of financial statements and sustainability information	0.4	0.9	1.3	1.1	0.5	1.6	2.8
ENGIE SA	0.3	-	0.3	0.9	-	0.9	1.1
<i>Of which services related to legal and regulatory requirements</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>0.4</i>	<i>-</i>	<i>0.4</i>	<i>0.4</i>
<i>Of which other audit services</i>	<i>0.2</i>	<i>-</i>	<i>0.2</i>	<i>0.5</i>	<i>-</i>	<i>0.5</i>	<i>0.7</i>
<i>Of which reviews of internal control</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Of which due diligence services</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Of which tax services</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Controlled entities	0.1	0.9	1.0	0.2	0.5	0.7	1.7
<i>Of which services related to legal and regulatory requirements</i>	<i>-</i>	<i>0.2</i>	<i>0.2</i>	<i>0.1</i>	<i>0.1</i>	<i>0.2</i>	<i>0.4</i>
<i>Of which other audit services</i>	<i>0.1</i>	<i>0.2</i>	<i>0.3</i>	<i>-</i>	<i>0.1</i>	<i>0.1</i>	<i>0.4</i>
<i>Of which reviews of internal control</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>0.1</i>	<i>-</i>	<i>0.1</i>	<i>0.1</i>
<i>Of which due diligence services</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Of which tax services</i>	<i>-</i>	<i>0.6</i>	<i>0.6</i>	<i>-</i>	<i>0.2</i>	<i>0.2</i>	<i>0.8</i>
TOTAL	7.1	8.8	15.9	7.4	12.8	20.2	36.1

NOTE 26 INFORMATION REGARDING LUXEMBOURG AND DUTCH COMPANIES EXEMPTED FROM THE REQUIREMENTS TO PUBLISH ANNUAL FINANCIAL STATEMENTS

Some companies do not publish annual financial statements pursuant to domestic provisions under Luxembourg law (Article 70 of the Law of December 19, 2002) and Dutch law (Article 403 of the Civil Code) relating to the exemption from the requirement to publish audited annual financial statements.

The companies exempted are notably: ENGIE Energie Nederland NV, ENGIE Energie Nederland Holding BV, ENGIE Nederland Retail BV, ENGIE United Consumers Energie BV, ENGIE Treasury Management SARL and ENGIE Invest International SA.

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