



## **REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE ON RELATED-PARTY TRANSACTIONS**

### **1. INTRODUCTION AND BACKGROUND**

By virtue of the provisions of Recommendation 6 of the Unified Code of Good Governance of listed companies, approved in a resolution by the Board of the National Securities Market Commission Board (CNMV) on February 18, 2015, the Audit and Compliance Committee of Enagás, S.A. has drafted this report on the related-party transactions made by its group and subsidiaries in 2021, and which will be published on Enagás' website sufficiently in advance of the 2022 Ordinary General Shareholders' Meeting.

In preparing this report, we have taken into account current securities market regulations, specifically Royal Legislative Decree 4/2015, of October 23, which approves the revised text of the Securities Market Law; Order EHA/3050/2004, of September 15, on the information on related-party transactions that must be provided by companies issuing securities admitted to trading on official secondary markets; and Circular 3/2018, of June 28, of the National Securities Market Commission, on regular reporting by issuers of securities admitted to trading on regulated markets regarding half-yearly financial reports, interim management statements and, where appropriate, quarterly financial reports, as well as Law 5/2021, of April 12, which amends the revised text of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010, of July 2, and other financial regulations, regarding the promotion of long-term shareholder involvement in listed companies. This Law has introduced important amendments to the revised text of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010, of July 2 ("LSC"). Among other matters, this has affected the regime applicable to transactions that listed companies enter into with related parties, which are now specifically regulated in Articles 529 vicies to 529 tervicies of the LSC.

Moreover, the provisions of article 14 bis regarding related-party transactions envisaged in the Regulations of the Organisation and Functioning of the Board of Directors of Enagás, S.A. were taken into account:

1. The Board of Directors shall be responsible for the knowledge and approval, following a report from the Audit and Compliance Committee, of the transactions that the Company or its subsidiaries carry out with Directors, or with shareholders holding 10% or more of the voting rights, or represented on the Board of Directors of the Company, or with any other persons who are considered related parties under the terms set forth in the Law ("Related-Party Transactions"), unless their approval corresponds to the General Meeting. The affected Directors or those who represent or are related to the affected shareholders must refrain from participating in deliberating and voting on the resolution in question in accordance with the provisions of the law. The provisions of this section shall be without prejudice to any limitations on participation in the Company's share capital as set forth in the special industry regulations applicable to Enagás, S.A.

The transactions carried out by the Company with its subsidiaries or

affiliates shall not be considered as Related-Party Transactions, provided that no other party related to the Company has an interest in such subsidiaries or affiliates.

2. The Audit and Compliance Committee shall issue a report prior to the approval of a Related-Party Transaction by the General Shareholders' Meeting or by the Board of Directors. In this report, the Committee must assess whether the transaction is fair and reasonable from the point of view of the Company and, if applicable, of the shareholders other than the related-party, and give an account of the assumptions on which the assessment is based and the methods used.

The members of the Audit and Compliance Committee affected by the Related-Party Transaction may not participate in the preparation of the report.

This report shall not be mandatory in connection with the execution of Related-Party Transactions whose approval has been delegated by the Board of Directors in the cases legally permitted and provided for in these Regulations.

3. In those cases in which, in accordance with the provisions of section 3 of this article, the Board of Directors delegates the approval of Related-Party Transactions, the Board of Directors itself shall establish an internal reporting and periodic control procedure to verify the fairness and transparency of these transactions and, if applicable, compliance with the applicable legal criteria.
4. In relation to Related-Party Transactions whose approval corresponds to the General Shareholders' Meeting, the proposed approval resolution adopted by the Board of Directors shall be submitted to the General Shareholders' Meeting with the indication of whether it has been approved by the Board of Directors with or without the vote against the majority of the Independent Directors.
5. The Board of Directors shall ensure public disclosure of the performance of Related-Party Transactions entered into by the Company or companies of its Group, the amount of which reaches or exceeds either 5% of total assets or 2.5% of the annual amount of the Company's turnover.

To this end, an announcement, with the legally stipulated content, must be published in an easily accessible place on the Company's website and, in turn, it must be communicated to the National Securities Market Commission. The announcement shall be published and notified, at the latest, at the time the Related-Party Transaction is entered into and shall be accompanied by the report issued, if applicable, by the Audit and Compliance Committee.

Likewise, Related-Party Transactions shall be reported in the Annual Corporate Governance Report and in the periodic public information under the terms set forth in the applicable regulations.

6. To determine the amount of a Related-Party Transaction, the transactions entered into with the same counterpart in the last twelve months shall be taken into account in aggregate.

## **2. CRITERIA TO DETERMINE WHICH RELATED-PARTY TRANSACTIONS SHOULD BE REPORTED INDIVIDUALLY**

Based on the regulations stated in the preceding section, the Company has applied the following criteria to determine which related-party transactions must be reported individually. The criteria are as follows:

- It is not necessary to disclose transactions between companies or entities belonging to the same consolidated group, provided that these are eliminated in the process of drawing up the consolidated financial statements and that their subject matter and terms form part of the Company's ordinary course of business.

- It is not necessary to disclose transactions which, though part of the Company's routine transactions, are carried out on an arm's length basis and are of a small amount, which are understood to be those that are not required to be reported in order to provide a true and fair view of the Company's equity, financial position and results. Accordingly, given the scale of Enagás, S.A.'s financial statements, any transactions whose cumulative volume is less than 1% of the consolidated revenues are considered immaterial, although the Company may still on occasion decide to disclose transactions that fall below this threshold.

- To clarify this: (i) it is necessary to disclose any related-party transactions that are not made on an arm's length basis, regardless of the amount, and (ii) it is advisable to disclose any related-party transactions with Directors or with companies where they have a significant influence, regardless of the amount.

## **3. INFORMATION ABOUT ENAGÁS, S.A.'S RELATED-PARTY TRANSACTIONS**

Based on the regulations referred to in the first section of this report, from a corporate perspective, the Company would not have carried out transactions during the 2021 fiscal year that meet the requirements to be considered as related-party transactions in accordance with the provisions of Article 529 vices of the LSC.

Notwithstanding the foregoing, and since accounting and corporate regulations may differ, the transactions carried out in 2021, which, although they do not meet the requirements to be considered as related-party transactions from a corporate perspective, would be considered as such under current accounting regulations, are detailed below:

Corporate name	Brief description of the transaction	Amount (in thousands of euros)
Gasoducto de Morelos, S.A.P.I de C.V.	Financial revenue on the loan	689 thousands of euros
PLANTA DE REGASIFICACIÓN DE SAGUNTO, S.A. (SAGGAS)	Financial revenue on the loan	146 thousands of euros
ENAGÁS TRANSPORTE DEL NORTE	Financial revenue on the loan	2,119 thousands of euros
ENAGÁS TRANSPORTE DEL NORTE	Rendering of services	3,167 thousands of euros
GASODUCTO DE MORELOS SAPI DE CV	Guarantees and sureties extended	8,791 thousands of euros
TRANS ADRIATIC PIPELINE AG	Guarantees and sureties extended	609,205 thousands of euros

Corporate name	Brief description of the transaction	Amount (in thousands of euros)
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Dividends and other earnings distributed	22,111.9 thousands of euros
BANK OF AMERICA CORPORATION	Dividends and other earnings distributed	15,982.5 thousands of euros
BLACKROCK INC	Dividends and other earnings distributed	14,960.9 thousands of euros
MUBADALA INVESTMENT COMPANY PJS	Dividends and other earnings distributed	13,721.9 thousands of euros
PARTLER PARTICIPACIONES, S.L.U.	Dividends and other earnings distributed	22,111.9 thousands of euros
STATE STREET CORPORATION	Dividends and other earnings distributed	13,302.5 thousands of euros

#### 4. CONCLUSION

Based on the information included in this report, Enagás' Audit and Compliance Committee confirms that the Company has complied with the securities market regulations regarding related-party transactions and verifies that they form part of the Company's ordinary course of business and were made on an arm's length basis and approved by the Company's Board of Directors.

And for all appropriate legal reasons, it is hereby stated that the Audit and Compliance Committee approved this report at its meeting held on February 10, 2022.

The Secretary to the Board of Directors  
Rafael Piqueras Bautista  
**Enagás, S.A.**