



**PROPOSED RESOLUTIONS FOR THE 2014 ORDINARY GENERAL
SHAREHOLDERS' MEETING**

**First call: 24 March 2014
Second call: 25 March 2014**

AGENDA

1. To examine, and if appropriate, approve the 2013 financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements) and management report of Enagás S.A. and its Consolidated Group.
2. To approve, if applicable, the proposed distribution of Enagás, S.A.'s profit for 2013.
3. To approve, if appropriate, the performance of the Board of Directors of Enagás, S.A. in 2013.
4. To reappoint Deloitte S.L. as Auditor of Enagás, S.A. and its Consolidated Group for 2014.
5. To ratify, appoint or re-elect members of the Board of Directors.
 - 5.1.- To re-elect Antonio Llardén Carratalá as Director for the statutory four-year period. Mr. Llardén shall serve as an Executive Director.
 - 5.2.- To re-elect Marcelino Oreja Arburúa as Director for the statutory four-year period. Mr. Oreja shall serve as an Executive Director.
 - 5.3.- To appoint Ms. Ana Palacio Vallelersundi as Director for the statutory four-year period. Ms. Palacio shall serve as an Independent Director.
 - 5.4.- To appoint Ms. Isabel Tocino Biscarolasaga as Director for the statutory four-year period. Ms. Tocino shall serve as an Independent Director.
 - 5.5.- To appoint Mr. Antonio Hernández Mancha as Director for the statutory four-year period. Mr. Hernández shall serve as an Independent Director.
 - 5.6.- To appoint Mr. Gonzalo Solana González as Director for the statutory four-year period. Mr. Solana shall serve as an Independent Director.
 - 5.7.- To appoint Mr. Luis Valero Artola as Director for the statutory four-year period. Mr. Valero shall serve as an Independent Director.
6. To approve Board remuneration for 2014.
7. To submit the annual report on Directors' remuneration referred to in article 61 ter of the Securities Market Act (Ley de Mercado de Valores) to advisory voting.
8. To delegate authorisation to supplement, implement, carry out, rectify and formalise the resolutions adopted at the General Meeting.

PROPOSED RESOLUTION 1

To examine and, if appropriate, approve the 2013 financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements) and management report of Enagás S.A. and its Consolidated Group.

The following proposed resolution is laid before the Ordinary General Meeting:

"To examine, and, if appropriate, adopt the financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements) and management report of Enagás S.A. and its Consolidated Group between 1 January and 31 December 2013."

PROPOSED RESOLUTION 2

The following proposed resolution is laid before the Ordinary General Meeting:

"To approve the distribution of Enagás, S.A. profit for 2013, which included net profits of **€379,468,548.75**, in line with the following distribution proposal prepared by the Board of Directors:

Allocation	Euro
Legal reserve	0.00
Voluntary reserves	77,081,253.40
Dividend	302,387,295.35
Total results	379,468,548.75

To pay out a final dividend in the amount of **€182,303,962.57**. This amount is the result of deducting from the total dividend for the year of **€302,387,295.35**, the interim dividend of **€120,083,332.78** that was agreed by the Board of Directors on **18 November 2013**, and paid to Shareholders on **19 December 2013**.

The final dividend will be paid on **3 July 2014**.

The total gross dividend for the financial year, approval of which, in accordance with the previous paragraph, entails the payment of **€1.266,627.15** per share.

Once the interim dividend already paid, of **€0.503** gross per share, has been deducted, the remaining payment will be **€0.76362715** per share before tax deductions."

PROPOSED RESOLUTION 3

To approve, if appropriate, the performance of the Board of Directors of Enagás, S.A. in 2013.

The following proposed resolution is laid before the Ordinary General Meeting:

"To approve the performance of the Board of Directors of Enagás, S.A. in 2013."

PROPOSED RESOLUTION 4

To re-appoint Deloitte S.L. as Auditor of Enagás, S.A. and its Consolidated Group for 2014.

Article 50 of the By-laws, in concordance with article 264 of the Corporate Enterprise Act (Ley de Sociedades de Capital) states that the auditors of the Company's accounts will be appointed by the General Meeting prior to the end of the year to be audited, for an initial period of no less than three years and no more than nine, as of the date of commencement of the first year audited, who may be re-appointed by the General Meeting once the initial period has expired.

Deloitte was appointed as Auditor of the accounts of Enagás, S.A. and its Consolidated Group at the General Meeting held in 2004 for a period of three years. The General Meeting resolved to re-elect the firm in subsequent years. It is now proposed that the firm be re-appointed for a further year in accordance with article 50 of the Company's By-laws.

In accordance with the Audit Act, in 2012 the auditor Deloitte S.L., which signs this audit, will be rotated.

In 2012 the Company introduced a specific internal engagement procedure for awarding contracts to the External Auditor and its group companies for the provision of non-audit services, in order to ensure the necessity or specific advisability of such contracts and limit their number and value, in accordance with the policy deployed by the Company in recent years.

The following proposed resolution is laid before the Ordinary General Meeting:

"To re-appoint Deloitte S.L. as Auditor of Enagás, S.A. and its Consolidated Group for the period of one year. The firm shall also be placed in charge of providing any other mandatory auditing services that are required by the Company until the next Ordinary General Meeting is held."

PROPOSED RESOLUTION 5

To ratify, appoint or re-elect members of the Board of Directors.

Re-election of Antonio Llardén Carratalá as Executive Director

Antonio Llardén Carratalá has been an Executive Director and Chairman of the Company since 2007. Following expiry of the statutory term, he must be re-elected. Pursuant to a favourable report by the Appointments, Remuneration and Corporate Responsibility Committee, the Board proposes his re-election as Director for the statutory four-year period.

Re-election of Marcelino Oreja Arburúa as Executive Director

The appointment of Marcelino Oreja Arburúa as Director was ratified at the General Meeting on 24 April 2013, co-opted by the Board, to fill the vacant seat left by Sagane Inversiones S.L. following its departure from the post to which it was appointed on 30 April 2010. Marcelino Oreja Arburúa is an Executive Director and on being appointed by the Board, was named Chief Executive Officer. Following expiry of the statutory period, he must be re-elected as Director.

Pursuant to a favourable report by the Appointments, Remuneration and Corporate Responsibility Committee, the Board proposes his re-election as Director for the statutory four-year period.

Expiry of the term for occupying the post of Independent Director by Dionisio Martínez Martínez, José Riva Francos, Teresa García-Milá Lloveras, Miguel Angel Lasheras Merino and Isabel Sánchez García

At the April 2010 Ordinary General Meeting, it was resolved to re-elect the Independent Directors Dionisio Martínez Martínez, José Riva Francos, Teresa García-Milá Lloveras and Miguel Angel Lasheras Merino, and appoint Isabel Sánchez García as Independent Director. Since the Ordinary General Meeting this year falls a few days before the date on which the statutory four-year term of appointment elapses, to achieve the greatest possible degree of legal certainty with regard to the appointment of new Directors at the subsequent General Meeting, the aforementioned Directors stood down from their posts at the Board Meeting held on 17 February 2014 with effect from the date of the next Ordinary General Shareholders' Meeting: 24 March 2014 at the first call or 25 March 2014 at the second call.

Consequently, there will be five vacant positions on the Board of Directors at the date of the General Meeting.

The Appointments, Remuneration and Corporate Responsibility Committee has established the following re-election criteria in order to present to the Board and General Shareholders' Meeting the corresponding proposed candidates for appointment as Independent Directors:

- Without prejudice to any legal and statutory requirements of the post, candidates must have acknowledged prestige and appropriate professional knowledge and experience to perform their tasks.
- Candidates must meet all the conditions to qualify as Independent Directors.
- Candidates must be able to satisfy the independence requirements demanded by Enagás' appointment as independent gas transmission network operator.
- It must be sought that the proposals encourage diversity within the Board, whereby they must focus on preferably incorporating women and people who due to their nationality or experience have an international professional profile, in accordance with the Company's new strategy.

- An independent expert must be involved in the selection process, who can bring a more objective perspective to the process.

The Appointments, Remuneration and Corporate Responsibility Committee has proposed the appointment of the following new Independent Directors having adhered to the aforementioned criteria and received support from an executive recruitment and development firm of recognised renown.

Appointment of Ana Palacio Vallelersundi as Independent Director

Ana Palacio Vallelersundi has a Degree in Law, Politics and Sociology. She is the founding partner of the law firm Palacio y Asociados, specialising in regulatory and government matters. She is a member of the Spanish Council of State.

Her positions and duties include: sitting on the Panel of Arbitrators of the International Centre for Settlement of Investment Disputes (ICSID); acting as a member of the Advisory Group on Foreign Affairs and Security established by the President of the European Union; holding the post of advisor to the European Commission's Vice-President for Industry and Entrepreneurship; and acting as a member of *Le Conseil d'Orientation et de Réflexion de l'Assurance* (CORA) [a leading insurance think tank] and of the Article 255 Panel, established by the Treaty of Lisbon. She is a member of the International Advisory Board of Investcorp and of the International Advisory Board of Anadarko Petroleum Corporation, while also sitting on the boards of directors of Pharmamar and Hidroeléctrica del Cantábrico.

Moreover, she is a member of the advisory boards of several public and private entities including: the Atlantic Council of the United States, the European Council on Foreign Relations, the Institute for Strategic Dialogue, the Carnegie Corporation of New York, the World Economic Forum's Global Agenda Council and the Foundation for Social Studies and Analysis (FAES).

She has been Spain's Foreign Affairs Minister (2002-2004), a member of the lower house in the Spanish Parliament (2004-2006) and a member of the European Parliament (1994-2002).

She has also occupied the posts of Senior Vice-President and General Counsel of the World Bank Group, Secretary General of the International Center for the Settlement of Investment Disputes (ICSID) and Senior Vice-President for International Affairs of AREVA.

Appointment of Isabel Tocino Biscarolasaga as Independent Director

Isabel Tocino Biscarolasaga received the qualification of Juris Doctor from the Complutense University of Madrid and is a Full Professor of Civil Law. She has completed the Advanced Management Program at the IESE Business School and the Harvard Business School. She is a member of the Spanish Council of State.

Ms. Tocino is a member of the board of directors of Banco Santander and also sits on this company's executive committee and risk committee. She is also a board member of ENCE.

She has been Environment Minister in the Spanish government (1996-2000) and a member of the lower house in the Spanish Parliament (1986-2002).

Ms. Tocino has occupied the post of President for Spain and Portugal and Vice President of Siebel (subsequently taken over by Oracle), and, as well as lecturing, has been a legal advisor to the Nuclear Energy Board (currently CIEMAT), having participated in several working groups and international bodies in the energy field.

She is Vice President of the International Association of Women Lawyers and a member of the Spanish Royal Academy of Doctors and Vice-President of the Federal Council of the European Movement.

Appointment of Antonio Hernández Mancha as Independent Director

Holding a Law Degree from the Complutense University of Madrid, Mr. Hernández is a public prosecutor. He is a practising lawyer specialising in corporate and international law, and is a member of the Court of Arbitration of Madrid's Chamber of Commerce and Industry.

He is the founding President and Sole Director of Apple Energy Group Iberia, S.L, a member of the board of directors of Isolux Corsán, S.A. and a member of the advisory committee of M&A Arcano.

He has been a director of Banco de Inversión y Servicios Financieros, advisor to Proudfoot Consulting Group and Norman Broadvent, a board member of Aceites Toledo, S.A., Vice President of NAP de las Américas Madrid, S.A., and Chief Executive Officer of NAP de África Occidental e Islas Canarias, S.A. He has also sat on the Scientific Council of the Elcano Royal Institute.

Appointment as Independent Director of Gonzalo Solana González

Mr. Solana has a Degree in Economics and Business Studies, specialising in the tax system and economic structure and in law. He is Director of the Nebrija Santander Chair in International Business Management, a founding partner of the law firm Huerta & Solana specialising in competition law and regulations, an Independent Director of OMIClear, and a member of the advisory board of Centro Atlántico de Pensamiento Estratégico.

Mr. Solana has been President of the Tribunal for the Defence of Competition (2000-2005). He has also been Deputy President and Director of Analysis and Strategy of the High Council of Chambers of Commerce, Industry and Navigation of Spain (2006-2011); Director of Study Services at the High Council of Chambers of Commerce (1986-2000); board member at the National Institute of Statistics (INE); Economist at the Institute for Economic Studies(IEE) and Professor of Applied Economics at the University of San Pablo-CEU and University of Deusto.

He has also been technical advisor to the Spanish committee of the International Chamber of Commerce (ICC), representing Spain on the ICC's Commission on Taxation and the Economy Commission of EUROCHAMBERS.

Appointment as Independent Director of Luis Valero Artola

Holding a Law and Economics Degree from the Complutense University of Madrid, Mr. Valero is a Trade Technical Expert and State Economist.

He has been General Secretary of the Ministry of Industry, Energy and Tourism, and was formerly the General Manager of the Spanish Association of Automobile and Truck Manufacturer's (ANFAC), President of the Institute for Automotive Studies, and President of the Outreach Committee of the European Automobile Manufacturer's Association(ACEA).

Other posts held include: member of the Management Committee of the Spanish Confederation of Employers' Organisations (CEOE); Director of Santander Consumer Finance; Director of SEPI; Director of Navantia; Director of Operadora del Mercado Eléctrico (OMEL); Director of Compañía Española de Seguros de Crédito a la Exportación (CESCE); Deputy Director of International Finance of Banco Español de Crédito; Business Director of Banco Saudí Español; Deputy General Manager of Trade Transactions; Manager of Spanish Foreign Investment Services and Commercial Director in the Republic of South Africa.

Board structure

Following the aforesaid appointments, the Board will retain its existing structure. Nine of its 15 members will be Independent Directors, while the number of women on the Board will stay at three. The Board will benefit from slightly more knowledge of international affairs thanks to the new appointments.

Once the Board has been constituted with the proposed new members, it is intended that vacancies on the Audit and Compliance Committee and the Appointments, Remuneration and Corporate Responsibility Committee will be filled by Independent Directors. Two of the Independent Directors will be appointed as Chairpersons of each of these committees, while an Independent Director will be appointed as a new Lead Independent Director.

The following proposed resolutions are laid before the Ordinary General Shareholders' Meeting:

"5.1.- To re-elect Antonio Llardén Carratalá as Director for the statutory four-year period. Mr. Llardén shall serve as an Executive Director.

5.2.- To re-elect Marcelino Oreja Arburúa as Director for the statutory four-year period. Mr. Oreja shall serve as an Executive Director.

5.3.- To appoint Ms. Ana Palacio Vallelersundi as Director for the statutory four-year period. Ms. Palacio shall serve as an Independent Director.

5.4.- To appoint Ms. Isabel Tocino Biscarolasaga as Director for the statutory four-year period. Ms. Tocino shall serve as an Independent Director.

5.5.- To appoint Mr. Antonio Hernández Mancha as Director for the statutory four-year period. Mr. Hernández shall serve as an Independent Director.

5.6.- To appoint Mr. Gonzalo Solana González as Director for the statutory four-year period. Mr. Solana shall serve as an Independent Director.

5.7.- To appoint Mr. Luis Valero Artola as Director for the statutory four-year period. Mr. Valero shall serve as an Independent Director."

PROPOSED RESOLUTION 6

To approve Board members' remuneration for 2014.

Article 36 of the Company's By-laws stipulates that the General Meeting will determine the total maximum remuneration to be paid to Directors, and this will comprise a cash sum payable on an annual basis or in respect of such period as the General Meeting may determine. When setting remuneration, the General Meeting may resolve that part of such pay should remunerate the directorship itself, equally for all Directors, and another part be apportioned by the Board on such basis as may be determined at the General Meeting.

Pursuant to a report by the Appointments, Remuneration and Corporate Responsibility Committee, the Board proposes the remuneration to be received by the members of the Board of Directors in 2014, which does not involve any individual rises from those approved by Shareholders since 2008.

The following proposed resolution is laid before the General Meeting:

"The General Shareholders' Meeting, in accordance with paragraph two of article 36 of the Company's By-laws, agrees to set the figure of €1,115,741 as the total maximum payment for members of the Board of Directors for 2014, to be paid in accordance with the following procedures and criteria:

- Each Board member personally attending a minimum of two meetings during the year will be entitled to a payment of €22,050.
- In addition, actual attendance of meetings will entitle Directors to a maximum annual payment of €42,446. The Board of Directors will decide the exact amount to be paid for actual attendance of each meeting.
- Additionally, Board Committee members will be entitled to the sum of €11,025 per annum, with chairmanship of any committee entitling them to an additional €5,513 per annum.
- The post of Lead Independent Director will be remunerated with the complementary sum of €16,000.

The above amounts are compatible with and independent of salaries, wages, indemnifications, pensions or compensations of any type established in general or in particular for members of the Board of Directors who are linked to the Company through a business relationship or normal employment or special senior executive contract or contract for services. These relationships must be compatible with membership of the Board of Directors.

PROPOSED RESOLUTION 7

To submit the annual report on Directors' remuneration referred to in article 61 ter of the Securities Market Act to advisory voting.

The Board of Directors of Enagás, S.A., at its meeting on 17 February 2014, following a report by the Appointments, Remuneration and Corporate Social Responsibility Committee, drew up its annual report on remuneration paid to Directors, for the purposes of article 61 ter of Law 24/1988 of 28 July, and this has been made available to Shareholders. In accordance with section 2 of the aforementioned article, this annual report on remuneration paid to Directors, which includes the Company's remuneration policy adopted for the current year, future projections, the overall summary of how the remuneration policy was applied over the year, and details of individual remuneration received by each of the Directors,

is subject to an advisory vote as a separate item on the agenda.

The proposed advisory vote on the Annual Directors' Remuneration Report, made available to Shareholders, is laid before the General Meeting.

PROPOSED RESOLUTION 8

To delegate authorisation to supplement, implement, carry out, rectify and formalise the resolutions adopted at the General Meeting.

The following proposed resolution is laid before the Ordinary General Meeting:

- "One.- To delegate to the Board of Directors the broadest powers to supplement, implement, carry out, rectify and formalise the resolutions adopted at the General Meeting. The power to rectify will include the power to make any required or advisable modifications, amendments and additions arising from any objections or remarks made by the regulatory bodies of securities markets, stock exchanges, the Spanish Companies Register or any other public authority with powers relating to the resolutions adopted.
- Two.- To delegate indiscriminately to the Chairman of the Board of Directors, Mr. Antonio Llardén Carratalá, and the Secretary, Mr. Rafael Piqueras Bautista, and to each of the Board members, the powers required formally to record the resolutions adopted by the General Meeting and register those so requiring, in full or in part, with powers to that end to draw up all manner of notarised and non-notarised instruments, including those supplementing or rectifying these resolutions."

These draft resolutions were approved by the Board of Directors at its meeting on 17 February 2014.

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