



**PROPOSED RESOLUTIONS FOR THE 2013 ORDINARY GENERAL
SHAREHOLDERS' MEETING**

**First call: 23 April 2013
Second call: 24 April 2013**

AGENDA

1. To examine and approve, if appropriate, the 2012 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 appropriate, the proposed distribution of Enagás, S.A.'s profit for the financial year 2012.
3. To approve, if appropriate, the performance of the Board of Directors of Enagás, S.A. in 2012.
4. To reappoint Deloitte S.L. as Auditor of Enagás, S.A. and its Consolidated Group for 2013.
5. To ratify, appoint or re-elect members of the Board of Directors.
 - 5.1.- Ratification of the appointment as Director, agreed by co-option by the Board of Directors on 17 September 2012, of Mr. Marcelino Oreja Arburua. Mr. Marcelino Oreja Arburua is appointed as an Executive Director.
 - 5.2.- Re-election of Mr. Ramón Pérez Simarro as Director for the statutory four-year period. Mr. Ramón Pérez Simarro is appointed as an Independent Director.
 - 5.3.- Re-election of Mr. Martí Parellada Sabata as an Independent Director for the statutory four-year term. Martí Parellada Sabata is appointed as an Independent Director.
 - 5.4.- Appointment as Director for the statutory four-year term of Mr. Jesús Máximo Pedrosa Ortega. Mr. Jesús Máximo Pedrosa Ortega will be appointed as a Nominee Director following a proposal by Sociedad Estatal de Participaciones Industriales (SEPI).
 - 5.5.- Appointment as Director for the statutory four-year period of Ms. Rosa Rodríguez Díaz. Ms. Rosa Rodríguez Díaz will be appointed as an Independent Director.
6. To approve Board remuneration for 2013.
7. To submit the annual report on directors' remuneration referred to in Article 61 ter of the *Ley de Mercado de Valores* (Securities Market Act, "LMV") to advisory voting.
8. Report not submitted to a vote concerning modifications to the "Rules and Regulations on the Organisation and Functioning of the Board of Directors of Enagás, S.A." since the last General Shareholders' Meeting.
9. To delegate authorisation to supplement, implement, carry out, rectify and formalise the resolutions adopted at the General Meeting.

RESOLUTION 1

To examine and approve, if appropriate, the 2012 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 approve, if appropriate, 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 2012.”

RESOLUTION 2

“To approve, if appropriate, the proposed distribution of Enagás, S.A.’s profit for the financial year 2012

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

“To approve the distribution of Enagás, S.A. profit for 2012, which included net profits of **€287,184,692.93**, in line with the following distribution proposal prepared by the Board of Directors:

Allocation	Euro
Legal reserve	0.00
Voluntary reserves	21,528,776.17
Dividend	265,655,916.76
Total Results	287,184,692.93

To pay out an additional dividend in the amount of **€163,477,653.48**. This amount is the result of deducting from the financial year’s total dividend, **€265,655,916.76**, the interim dividend of **€102,178,263.28** that was agreed by the Board of Directors on **19 November 2012**, and paid to shareholders on **20 December 2012**.

The final dividend will be paid on **3 July 2013**.

The total gross dividend for the financial year, approval of which, in accordance with the previous paragraph, entails the payment of **€1.11276830** per share.

Once the interim dividend already paid has been deducted, of **€0.428** gross per share, the remaining payment will be **€0.68476830** per share before tax deductions.”

RESOLUTION 3

To approve, if appropriate, the performance of the Board of Directors of Enagás, S.A. in 2012.

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 2012.”

PROPOSED RESOLUTION 4

To re-appoint Deloitte S.L. as Auditor of Enagás, S.A. and its Consolidated Group for 2013.

Article 50 of the Company Memorandum and Articles of Association, in concordance with Article 264 of the *Ley de Sociedades de Capital* (“LSC”) 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 time 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. The Company asked several reputable audit firms to make bids for audit services in 2011-2013; the Audit and Compliance Committee took the view that, on balance, the best offer was tabled by Deloitte. Therefore, it is now proposed that the company be re-appointed for a further year in accordance with Article 50 of the Company Memorandum and Articles of Association.

In accordance with the Audit Act, in 2012 the auditor Deloitte S.L. signing the audit report will be rotated.

In 2012 the Company introduced a specific internal engagement procedure for an External Auditor and signature of contracts 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 will 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.”

RESOLUTION 5

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

Ratification of Mr. Marcelino Oreja Arburua as Executive Director

At its meeting on 17 September 2012, the Board agreed to co-opt as Director Mr. Marcelino Oreja Arburua to fill the vacancy following the resignation of Sagane Inversiones S.L., a post to which it was appointed for the statutory four-year term pursuant to an agreement at the General Meeting of 30 April 2010. Mr. Oreja was appointed Chief Executive Officer at the aforementioned meeting, pursuant to Article 43 of the Company Memorandum and Articles of Association and to Article 19 of the Rules and Regulations on the Organisation and Functioning of the Board of Directors, and was issued with authorisation to conduct the Company's business under the supervision of the Chairman, who is responsible for the permanent coordination and management of Company business. Following a favourable report by the Appointments, Remuneration and Corporate Responsibility Committee, the Board of Directors proposes that the General Meeting ratify the co-opting of Mr. Marcelino Oreja Arburua by the Board.

Mr. Marcelino Oreja Arburua, born in 1969, is an Industrial Property Officer and an Industrial Engineering graduate from the Higher Technical School of Engineering, and holds a master's from the IESE Business School. He has wide experience in business management and international business at the highest level. He has been chairman of the FEVE rail network since January 2012. He was previously international CEO and managing director of the Systems and Technology Business Unit at the Emte S.A. Group, international CEO of Aldeasa, and managing director of Garrigues & Andersen Patentes y Marcas. Among other responsibilities, he was also a board member of Ente Vasco de la Energía, and a member of the European Parliament between 2002 and 2004.

Re-election of Mr. Ramón Pérez Simarro as an Independent Director

Following expiry of the statutory term, a proposal is tabled for the re-election for the statutory four-year term of Mr. Ramón Pérez Simarro as Independent Director.

Re-election of Mr. Martí Parellada Sabata

Following expiry of the statutory term, a proposal is tabled for the re-election of Mr. Martí Parellada Sabata, also as Independent Director.

Appointment of Mr. Jesús Máximo Pedrosa Ortega as a Nominee Director following a proposal by SEPI

Pursuant to Additional Stipulation Thirty-One of Law 34/1998 of 7 October governing the Hydrocarbons Sector, no natural person or body corporate may directly or indirectly hold an interest in Enagás representing more than 5% of the share capital, or exercise more than 3% of its voting rights. In addition, parties which operate in the gas industry or natural persons or bodies-corporate which, directly or indirectly, hold over 5% of the share capital of such party may not exercise voting rights at Enagás, S.A. These restrictions do not apply to direct or indirect interests held by public-sector enterprises. Sociedad Estatal de

Participaciones Industriales (SEPI) is a public entity governed by Law 5/1996 of 10 January and implementing regulations, with a 5% stake in the share capital of Enagás, S.A., the voting rights of which are not subject to the limitations imposed by Additional Stipulation Thirty-One of the Hydrocarbons Law. SEPI acts as a body-corporate member of the Enagás, S.A. Board, and is represented by its Deputy Chairman. SEPI is a Nominee Director.

As a result of the reorganisation of the Enagás, S.A. Board on 17 September 2012, in order to meet the conditions stipulated in the Resolution by the Spanish National Energy Commission of 26 July 2012 (posted in the BOE Official State Journal on 17 August 2012) to certify the Company as a "gas transmission system operator" pursuant to Article 63 bis of the Hydrocarbons Law and EU Directive 2009/73/EC and departure from their posts of Nominee Directors representing major shareholders disposing of their entire stake in the Company, the number of Nominee Directors was reduced from five to two.

In due consideration of the new composition of the Board and the special scheme concerning the SEPI shareholders, following a proposal by the Board and a favourable report by the Appointments, Remuneration and Corporate Responsibility Committee, the Board agreed to propose to the General Meeting the appointment of Mr. Jesús Máximo Pedrosa Ortega as a Nominee Director nominated by the shareholder SEPI in order to fill a vacant seat on the Board.

Born in Palencia in 1946, Mr. Jesús Máximo Pedrosa is an Industrial Engineering graduate from the Madrid Higher Technical School of Engineering, specialising in energy technology. He is also a Government Tax Inspector, currently on leave. He has worked in economics and taxation departments in the public sector, and also in the private sector in posts of responsibility at several companies. Among other distinctions, he holds the "Encomienda de Número de la Orden del Mérito Civil" Civilian Merit Medal.

Appointment of Ms. Rosa Rodríguez Díaz as Independent Director

Following a proposal by the Appointments, Remuneration and Corporate Responsibility Committee, the Board agreed to propose to the General Meeting the appointment of a new Independent Director to fill the last vacant seat on the Board.

Ms. Rosa Rodríguez holds a doctorate in Economics and Business Administration. She currently lectures at the Las Palmas de Gran Canaria University's Economics and Business Administration Faculty. She has taught doctoral and postgraduate courses, and has supervised a number of research projects. She has published five books, and is also the author of a large number of publications concerning financial economics and budget administration. She is, moreover, a shareholder in a family tourism business, and has sat on the boards of a number of companies. Among other public posts, she has worked as Vice-Secretary of Tax Administration and Planning for the Government of the Canary Islands and Vice-President of Gran Canaria's "Cabildo" Council, with responsibilities in the areas of Presidency, Economics and Tax Administration.

Board composition

Following the ratification, re-election and appointments proposed, the Board will be composed of fifteen Directors, of which two will be Executive Directors, three Nominee Directors, nine Independent Directors, and one will act as "Other External Director".

It is stipulated that Mr. Luis Javier Navarro Vigil, acting as the "Other External Director", has confirmed to the Company that he has stood down as Board member at Companies that were incompatible with the Company's certification as a "transmission system operator", pursuant to compliance with the conditions laid down in the National Energy Commission's Resolution of 26 July 2012 (posted in the BOE Official State Journal on 17 August 2012), which also considered Mr. Navarro should act as "Other External Director". In accordance with the Rules and Regulations on the Organisation and Functioning of the Board of Directors of Enagás, S.A., at least one year must elapse from when the cause prohibiting individuals from being appointed as Independent Directors no longer exists before they may be classified as such, provided they meet the necessary conditions.

The following proposed resolution is laid before the General Meeting:

- "5.1.- Ratification of the appointment of Mr. Marcelino Oreja Arburua as Director, co-opted by the Board on 17 September 2012 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. Mr. Marcelino Oreja Arburua is appointed as an Executive Director.
- 5.2.- Re-election of Mr. Ramón Pérez Simarro as Director for the statutory four-year period. Mr. Ramón Pérez Simarro is appointed as an Independent Director.
- 5.3.- Re-election of Mr. Martí Parellada Sabata as an Independent Director for the statutory four-year term. Martí Parellada Sabata is appointed as an Independent Director.
- 5.4.- Appointment as Director for the statutory four-year period of Mr. Jesús Máximo Pedrosa Ortega. Mr. Jesús Máximo Pedrosa Ortega will be appointed as a Nominee Director following a proposal by Sociedad Estatal de Participaciones Industriales (SEPI).
- 5.5.- Appointment as Director for the statutory four-year period of Ms. Rosa Rodríguez Díaz. Ms. Rosa Rodríguez Díaz will be appointed as an Independent Director."

RESOLUTION 6

To approve directors' remuneration for 2013.

Article 36 of the Articles of Association 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 that another part be apportioned by the Board on such basis as may be determined at the General Meeting.

The remuneration to be received by members of the Board of Directors in 2013 is approved. It entails no individual increases, and is as approved by the General Meeting in 2008, 2009, 2010, 2011 and 2012.

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 Memorandum and Articles of Association, agrees to set the figure of €1,115,741 as the total maximum payment for members of the Board of Directors for 2013, 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 normal labour relationship, special senior executive contract, or a contract for services. These relationships must be compatible with membership of the Board of Directors.

RESOLUTION 7

To submit the annual report on directors' remuneration referred to in Article 61 ter of the *Ley de Mercado de Valores* (Securities Market Act, "LMV") to advisory voting.

The Board of Directors of Enagás, S.A., at its meeting on 19 March 2013, following a report by the Appointments, Remuneration and Corporate Social Responsibility Committee, drew up its annual report on the 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 the remuneration paid to directors, which includes the company's remuneration policy adopted for the current year, that anticipated for future years, 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 submitted 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.

ITEM 8

Report not submitted to a vote concerning modifications to the "Rules and Regulations on the Organisation and Functioning of the Board of Directors of Enagás, S.A." since the last General Shareholders' Meeting.

Article 528 of the LSC Law stipulates that, at listed *sociedades anónimas*, the Board of Directors reporting to the General Meeting will adopt internal regulations governing the operation of the board, in accordance with law and the Company Memorandum and Articles of Association, which will establish specific procedures designed to guarantee the best possible administration of the company.

The Board of Directors has made a number of modifications to the Rules and Regulations on the Organisation and Functioning of the Board of Directors of Enagás, S.A., the content of which is provided to the General Meeting via a report made available to shareholders when notice of the meeting is issued.

RESOLUTION 9

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

The following resolution is laid before the 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 19 March 2013.

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