



REPORT PREPARED BY THE BOARD OF DIRECTORS OF ENAGÁS, S.A. PURSUANT TO ARTICLE 529 DECIES OF THE CONSOLIDATED TEXT OF THE CORPORATE ENTERPRISES ACT JUSTIFYING THE PROPOSED RE-ELECTION OF DIRECTORS INCLUDED IN ITEM 5 ON THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING CALLED FOR MARCH 29, 2023 AND MARCH 30, 2023, AT FIRST AND SECOND CALL RESPECTIVELY.

1. Introduction.

Pursuant to Article 518 e) of the Consolidated Text of the Corporate Enterprises Act, when issuing a call notice to the General Shareholders' Meeting and when appointing, ratifying or re-electing Directors, companies shall include the identity, CV and position of each Director, in addition to the proposed resolution and reports mentioned in Article 529 decies.

Pursuant to article 529 decies of the Consolidated Text of the Corporate Enterprises Act, the Appointments, and Remuneration Committee shall be responsible for proposing all appointments and re-elections of members of the Board of Directors in the case of Independent Directors, while the Board itself shall be responsible for proposing all other appointments and re-elections. The proposal shall always be accompanied by a report from the Board justifying the competencies, experience and merits of the proposed candidate. This report shall be attached to the minutes of the General Shareholders' Meeting or of the Board. All proposed appointments or re-elections of non-Independent Directors shall also be subject to a report from the Appointments, and Remuneration Committee.

Pursuant to article 529 quidecies, the Appointments, and Remuneration Committee shall, inter alia, formulate proposals for the Board of Directors for appointing Independent Directors in order for them to be designated by the method of co-option or to be subject to the decisions of the General Shareholders' Meeting, along with proposals for the re-election or removal of those Directors by the General Shareholders' Meeting. The Committee shall also report on the proposed appointments, re-elections or removal of the remaining Directors.

The Board of Directors intends to convene a General Shareholders' Meeting for March 29, 2023 at first call and for March 30, 2023 at second call. Item 5 on the agenda will include the following proposed resolutions:

"5. Re-election of members of the Board of Directors. The following proposals shall be put to vote separately:

- 5.1 To re-elect Ms Eva Patricia Úrbez Sanz as Director for the four-year period. Ms Eva Patricia Úrbez Sanz has the role of Independent Director.
- 5.2 To re-elect Mr Santiago Ferrer Costa as Director for the four-year period. Mr Santiago Ferrer Costa has the role of Proprietary Director.
- 5.3 Establishment of the number of members of the Board of Directors at fifteen".

At the meeting held on February 16, 2023, the Sustainability and Appointments Committee of Enagás, S.A., (i) has formulated its proposal for the re-election of Ms

Patricia Úrbez Sanz as Independent Director and (ii) has reported favourably on the re-election of Santiago Ferrer Costa as Proprietary Director of the Company. Following these re-elections the number of Directors remains at fifteen.

The Board shall make available to all shareholders the report referred to in Article 529 decies.

2. "Re-election of Ms Eva Patricia Úrbez Sanz as Independent Director.

Ms Eva Patricia Úrbez Sanz was appointed Independent Director at the General Shareholders' Meeting of March 29, 2019 with 99.046% votes in favour. She is Independent Director and member of the Audit and Compliance Committee.

Personal data.

Eva Patricia Úrbez, 50, is currently Director General of Public Sector at Fujitsu Spain and is a member of Fujitsu's Iberia Executive Committee since joining in June 2014. She is responsible for the management of key customers such as the General State Administration and attached bodies, the institutions of Justice, Security, Defence and Interior, as well as of regional and local government authorities and Fujitsu's head for the digital transformation of its customers in Spain with a large multidisciplinary team in charge.

She holds a degree in Telecommunications Engineering from the University of Zaragoza, complemented by several exclusive management programmes: Transformational Leadership Program, ICLD, Fundación CEDE, Spain (2016); Atos Executive GOLD (Talent Development Programme), HEC Paris, France (2014); Masters in Logistics (APICS) - CEL (Spanish Logistics Centre), Spain (2000) and ESADE Programme for Directors (2020).

With more than 27 years of professional experience in the world of Information and Communication Technologies (ICT), she has developed her professional career in multinational companies:

- Accenture (Spain), as Manager (different areas - Banking, Telecommunications, Utilities, Public Sector - and responsibilities).
- Mercedes Benz (Germany and the Netherlands), as Director of the SAP Logistics Consulting Department in the Daimler Chrysler Solution Center.
- Everis España (currently NTT) as Senior Manager of the Public Sector and Head of Employment Division in Spain.
- Atos Origin (Spain) as Consulting Director and Market Director- Public Sector Spain.
- Atos Corporation (France) as VP Head of Public Sector, Health and Transport Vertical Portfolio - Worldwide
- Fujitsu Technology Solutions (Spain) where she holds her current position as Head of Public Sector at Fujitsu Spain, and member of the Iberia Executive Committee.

Eva Patricia Úrbez began her career as a business consultant, subsequently acquiring negotiation and sales skills complemented by business development and executive management skills. She has over 22 years of experience working for the public

sector, both in Spain and internationally, in which her experience as Global Market Leader of the public sector, health and transport portfolio during her time at Atos stands out. She is a member of the AED (Spanish Association of Directors) and collaborator of the ILCD alumni group.

She actively participates in media outreach activities, being co-founder of the think-tank #somosmujerestech and author of numerous articles in business communication.

Attendance at Board Meetings.

During her previous four-year term of office, Ms Eva Patricia Úrbez attended all meetings of the Board and of the Sustainability and Appointments Committee until the date when she ceased to be a member. She has also attended all the meetings of the Audit and Compliance Committee since she joined it on April 25, 2022.

Contribution of Ms Eva Patricia Úrbez to the Board's skills matrix.

The Sustainability and Appointments Committee re-elected Ms Patricia Úrbez as it particularly values her **vast technical training** and, particularly, **her experience in business management**, in both national and **international** context, in addition to her experience **with new technologies**.

Her skills are ideal for completing the current skills matrix of the Enagás Board of Directors.

The fact that the proposed Director is a woman **allows to maintain the diversity target** of at least **40%** of its Board of Directors members being **women** by 2022.

Proposal submitted to the General Shareholders' Meeting.

Taking into account the foregoing and for the purposes of article 529 decies.4 and 529 quidecies.3 c) of the Consolidated Text of the Corporate Enterprises Act, the Sustainability and Appointments Committee has proposed the re-election of Ms Eva Patricia Úrbez Sanz as Independent Director of the Company. The Board has adopted the Committee's proposal as its own.

3. "Re-election of Mr Santiago Ferrer Costa as Proprietary Director at the proposal of the Sociedad Estatal de Participaciones Industriales (SEPI)."

In October 2018, the SEPI shareholder proposed the appointment of Mr Santiago Ferrer Costa as a Proprietary Director of SEPI, to serve as a Board Member of Enagás, S.A., replacing Mr Jesús Máximo Pedrosa, who resigned from the post.

At its meeting on October 15, 2018, the Board of Directors, following a report from the Sustainability and Appointments Committee, appointed Mr Santiago Ferrer Costa as Director to cover the vacancy left by Mr Pedrosa. Likewise, the Board appointed Mr Ferrer as a member of the Sustainability and Appointments Committee to replace Mr Pedrosa.

The General Meeting of Shareholders held on March 29, 2019 resolved to appoint her as a Director for the statutory period of four years. The appointment received 94.47% of votes in favour.

The Board and the Sustainability and Appointments Committee consider that having two Proprietary Directors proposed by the Sociedad Estatal de Participaciones Industriales (SEPI) - the SEPI itself, a legal entity represented by its Vice-chairman Mr Bartolomé Lora Toro, and Mr Pedrosa - on the Board does not breach

Recommendation 16 of the Code of Good Governance of the National Securities Market Committee given that:

"The percentage of Proprietary Directors out of all Non-Executive Directors should not be greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.

b) In companies with a plurality of shareholders represented on the board but not otherwise related".

Sociedad Estatal de Participaciones Industriales (SEPI) is a public entity governed by Law 5/1996 of January 10, and implementing regulations, with a 5% stake in the share capital of Enagás, S.A., but the voting rights of which are not subject to the limitations determined by additional provision thirty-one of Hydrocarbons Law 34/1998 of October 7. There are currently very few significant shareholdings in the Company's capital. In Enagás' case, this justifies relaxing the proportionality criterion set forth in recommendation 16, as outlined above, as the situation described in its section a) is applicable to the Company.

Attendance at Board Meetings.

During his previous four-year term, Mr Ferrer attended all the meetings of the Board of Directors and all the meetings of the Sustainability and Appointments Committee.

Personal data.

Mr Santiago Ferrer Costa, 51 years old, holds a degree in Economics and Business Administration from the University of the Balearic Islands (UIB), specialising in business in general.

Director of the Economic and Social Council (CES) of the Balearic Islands. Member of the Economics Committee.

He is a practising economist from the Association of Economists of the Balearic Islands. Sole Director of Morna Assessors, associated with Grupo Tax Economistes i Advocats.

Mr Ferrer's contribution to the Board's skills matrix.

Mr Ferrer holds the status of Proprietary Director proposed by the SEPI shareholder. The trust placed in him by the proposing shareholder is very important in his designation. Nevertheless, the Committee and the Board value very highly the contribution of Mr Ferrer to the skills set required of the Board for the best performance of its functions.

His economic background and practical professional experience in the field of consulting help cover the Board's needs for knowledge and experience in this field.

Proposal submitted to the General Shareholders' Meeting.

Taking into account the foregoing and for the purposes of Article 529 decies.4 and 529 quidecies.3 c) of the Consolidated Text of the Corporate Enterprises Act, the Sustainability and Appointments Committee has proposed the appointment of Mr Santiago Ferrer Costa as Proprietary Director of the Company. The Board proposes the re-election of Mr Ferrer.

4. Board structure following the appointment proposed to the General Shareholders' Meeting.

Independence and diversity.

Following the proposed appointments, the Board maintains the number of members at 15. The percentage of independent directors is 66.66% (10 out of 15), although this will increase to 73.33% (11 out of 15) once the Director Ms María Teresa Costa Campí, who currently holds the category of Other External Director, is reclassified as an Independent Director in March 2023, in accordance with the CNMV's instructions. The percentage of women remains at 40% (6 out of 15).

With this, the Board of Directors complies with all the recommendations currently established by the CNMV's Good Governance Code for Listed Companies in terms of size and composition.

Separation of the offices.

Since 2012, the Company has separated the posts of Chairperson of the Board of Directors and Chief Executive Officer and since 2010 it boasts an Independent Leading Director, the post held by Ms Ana Palacio Vallelersundi, providing an additional guarantee that the Board is functioning properly.

Mr Antonio Llardén Carratalá has the role of Non-Executive Chairman. Having served as Executive Chairman until March 31, 2022, the Meeting held on March 31, 2022 resolved to re-elect him as an "other external" Director.

As Chief Executive Officer, Mr Arturo Gonzalo Aizpiri is the only executive member of the Board of Directors.

The internal structure guarantees that all the functions promoting the control that must be exercised by the Board of Directors in relation to the executive and business functions that fall to the Chief Executive Officer maintain the necessary independence, and are functionally assigned to the Board of Directors through the Audit and Compliance Committee.

Assessment of the Board's performance.

The Board is subject to an annual evaluation process by an independent expert. The assessment for the 2022 financial year has been carried out with the collaboration of the firm KPMG.

The result of the valuation is reflected in the Annual Corporate Governance Report.

Skills matrix.

Enagás has a Board’s skills matrix that is kept up to date. The one corresponding to 2022 has been published as part of the “Annual Report” prior to the call to Meeting and is set out below.

	Audit and Compliance Committee						Sustainability and Appointments Committee						Remuneration Committee		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Senior management	x	x	x	x	x				x		x				x
Industry experience	x	x		x		x		x	x			x	x		
International experience	x	x	x	x	x	x	x		x	x	x		x		
Audit and finance	x	x		x				x							
Risk management		x	x	x	x			x							
Strategy		x	x	x	x	x	x	x	x		x	x			x
Institutional experience and public service	x	x	x	x	x		x	x	x		x			x	x
Legal, regulatory and corporate governance				x	x		x							x	x
Technology		x	x	x				x		x		x			x
Innovation		x	x	x				x	x	x					
Cybersecurity			x	x											x
People, culture, talent and human rights management	x	x	x	x	x				x						
Sustainability, climate change and environment	x	x	x		x	x	x	x	x	x	x	x	x	x	

The re-election of the Directors aims to maintain the skills of the Board.

Implication of the Directors.

Fourteen meetings of the Board of Directors were held during 2022. **All the Directors attended all of them.** The individual breakdown is as follows:

- Mr Antonio Llardén Carratalá (Chairman) attended all the Board meetings.
- Mr Arturo Gonzalo Aizpiri (Chief Executive Officer) attended all the Board meetings.
- Ms Ana Palacio Vallelersundi attended all the meetings of the Board and of the Sustainability and Appointments Committee.
- Ms Patricia Úrbez Sanz attended all the meetings of the Board and of the Sustainability and Appointments Committee until the date on which she ceased to be a member. She has also attended all meetings of the Audit and Compliance Committee since she joined it on April 25, 2022.
- Sociedad Estatal de Participaciones Industriales (SEPI), represented by Mr Bartolomé Lora Toro, attended all the meetings of the Board and of the Audit and Compliance Committee.
- Mr Santiago Ferrer Costa attended all the meetings of the Board of Directors and of the Sustainability and Appointments Committee.

- Mr José Blanco López attended all meetings of the Board of Directors and of the Audit and Compliance Committee, until the date on which he ceased to be a member. He has also attended all meetings of the Sustainability and Appointments Committee since joining the Committee on April 25, 2022.
- Mr José Montilla Aguilera attended all meetings of the Board of Directors and the Audit and Compliance Committee.
- Mr Cristóbal José Gallego Castillo attended all the meetings of the Board and of the Sustainability and Appointments Committee.
- Ms Natalia Fabra Portela attended all meetings of the Board of Directors and of the Audit and Compliance Committee, **with the exception of the Committee meeting of July 21.**
- Ms Maria Teresa Arcos Sánchez attended all meetings of the Board of Directors and the Sustainability and Appointments Committee until the date on which she ceased to be a member. She has also attended all meetings of the Remuneration Committee since she joined it on April 25, 2022.
- Ms María Teresa Costa Campí attended all meetings of the Board of Directors and of the Sustainability and Appointments Committee.
- Ms Clara Belén García Fernández-Muro attended all the meetings of the Board of Directors and of the Remuneration Committee.
- Mr Manuel Gabriel González Ramos attended all meetings of the Board of Directors and of the Remuneration Committee.
- Mr David Sandalow attended all meetings of the Board of Directors and of the Sustainability and Appointments Committee, with the exception **of the Committee meetings of June 20 and December 19.**

The Directors, especially the Chairwomen and the Chairman of the Committees, maintain permanent contact with those Senior Managers responsible for the areas of their competence.

Accordingly,

the following resolutions are proposed for adoption before the General Shareholders' Meeting, which will be subject to separate votes:

"5. Re-election of members of the Board of Directors. The following proposals shall be put to vote separately:

- 5.1 To re-elect Ms Eva Patricia Úrbez Sanz as Director for the four-year period. Ms Patricia Úrbez Sanz has the role of Independent Director.
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- 5.3 Establishment of the number of members of the Board of Directors at fifteen".

And for all appropriate legal reasons, it is hereby stated that the Company's Board of Directors prepared this report at its meeting held on February 20, 2023.

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