
ISSUER'S PARTICULARS

Financial year-end: [31/12/2020]

CORPORATE TAX CODE: [A-28294726]

Corporate name:

[**ENAGAS, S.A.**]

Registered office:

[PASEO DE LOS OLMOS, 19 MADRID]

A. COMPANY REMUNERATION POLICY FOR THE CURRENT FINANCIAL YEAR

A.1. Explain the current directors' remuneration policy applicable to the current financial year. As far as is relevant, certain information referring to the remuneration policy approved by the general shareholders' meeting can be included, provided that it is clear and specific.

Descriptions must be provided of the specific resolutions for the current financial year, both for the directors' remuneration for the role itself and for the Board's performance of executive functions in accordance with the provisions of the contracts signed with the executive directors and with the remuneration policy approved by the general meeting.

In all cases the following must be provided:

- A description of the corporate procedures and bodies involved in setting and approving the remuneration policy and its conditions.
- Indicate and if necessary explain whether or not comparable companies were taken into account in setting the company's remuneration policy.
- Information on whether or not any external advisor was involved and their personal details.

The Rules and Regulations of the Organisation and Functioning of the Board of Directors of Enagás Board confers the Board the power to adopt decisions on the remuneration of Directors and Senior Management. Specifically, the Sustainability, Appointments and Remuneration Committee (hereinafter the "CSNR") is responsible for supporting the Board on matters relating to remuneration of Directors and Senior Management.

The Committee consists of seven Directors, with six being Independent Directors and one Proprietary Director: Ana Palacio Vallelersundi (Chairwoman, Independent); Ignacio Grangel Vicente (Independent); Antonio Hernández Mancha (Independent); Santiago Ferrer Costa (Proprietary); Gonzalo Solana González (Independent); Patricia Úrbez Sanz (Independent) and Cristóbal José Gallego Castillo (Independent). The General Shareholders' Meeting 2019 approved the Remuneration Policy for the 2019-2021 period. The Policy for the 2019-2021 period is intended to maintain things as they stand and therefore maintains the fundamental premises on which the previous Policy approved for the 2016-2018 period was based.

The first premise of this Policy is the commitment made by the Board to shareholders at the Ordinary General Meeting held in 2015 to introduce a Long-Term Incentive (ILP) in the remuneration structure of Executive Directors, which will also be applicable to the Company's management team, and which complies with recommendations 56 to 64 of the CNMV's Good Governance Code and with the most generally accepted criteria regarding these types of remuneration. The second premise considered in this Policy is the obligation of the CSNR and the Board to maintain a remuneration policy that is suitable, in structure and amount, for achieving the objectives of the Company's Strategic Plan, promoting the creation of value for shareholders, compensating capacity and effort proportionally and retaining the talent that the Company needs. These must be in accordance with general market conditions with respect to the Company's peers and its performance at all times.

To this end, a new analysis has been carried out on the adequacy of the Directors' remuneration compared with the average for benchmark companies. The suitable benchmark companies selected were other Ibex35 Spanish energy companies (Acciona, Endesa, Iberdrola, Naturgy, REE, Repsol and Siemens Gamesa). For these purposes, the latest known public data for financial year 2018, were used. The analysis was conducted with regard to the remuneration of the Directors in their capacity as such, the remuneration of the Executive Directors and the remuneration of the members of the Management Committee and other Company Managers. The CSNR had advice from the Company Management and hired independent external advisory firm Willis Towers Watson, which analysed the current remuneration positioning of the Company's directors and managers and submitted several options on how to update this positioning. The Committee also hired Garrigues, which provided advice about the legal factors of this policy.

This Policy also takes into account the previous Remuneration Policy and Long-Term Incentive, which were widely accepted by shareholders at the General Shareholders' Meeting on March 18, 2016, and a continuation of the Remuneration Policy and Long-term Incentive with respect to those of 2016 were therefore proposed to this Board.

Technical improvements have been introduced that, to a large extent, seek to capture the concerns of international institutional investors and their proxy advisors with whom the Company maintains a policy of continuous engagement, given the broad percentage that these represent on the Company's shareholding body.

From a quantitative point of view, the proposed Policy is very prudent.

The 2016-2018 Policy included a Long-Term Incentive Plan as part of the Executive Directors' Remuneration Policy (also applicable to members of the Management Committee and the rest of the Company's management team). That Policy stated that the Long-Term Incentive Plan should be maintained as part of the Company's remuneration structure and in successive remuneration policies submitted to the Board for approval.

The continuity of this Policy makes it necessary to implement a new Long-Term Incentive for 2019-2021.

The structure and content of the Long-Term Incentive 2019-2021 also provide continuity with the previous Long-Term Incentive, although a series of improvements aligned with the recommendations of corporate governance and proxy advisors have been included:

- Increase in the use of shares as a form of payment.
- Establishment of a deferral period of one year in the delivery of 50% of the incentive.
- Requirement for all beneficiaries to hold shares until the end of the fifth year, so that the total duration of the plan is 5 years.
- Increase in the relative importance of the Total Return metric for the Shareholder, so that in the future the potential effects of large investment projects, such as GSP, will be more clearly captured.

- Relative importance of the variable remuneration components compared to the fixed items (remuneration mix) and the criteria and objectives considered when setting them and to guarantee an adequate balance between the fixed and variable remuneration components. In particular, indicate the actions taken by the company in relation to the remuneration scheme to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, including, where appropriate, measures provided to ensure that the remuneration policy addresses the company's long-term results, measures adopted in relation to categories of personnel whose professional activities have a material impact on the risk profile of the entity and measures provided to avoid conflicts of interest.

Please also indicate whether or not the company has established any period for accrual or consolidation of certain variable remuneration items, in cash, shares or other financial instruments, any deferral in the payment of amounts or delivery of already accrued and consolidated financial instruments or whether there is any agreed clause on reducing the deferred remuneration not yet consolidated or requiring the director to return the remuneration received, when the remunerations have been based on data subsequently clearly shown to be inaccurate.

The General Shareholders' Meeting 2019 approved the Remuneration Policy for the 2019-2021 period. This Policy is continuous and maintains the fundamental premises that inspired the previous Policy approved for the 2016-2018 period.

With respect to the Executive Directors, the remuneration policy for 2019-2021 includes the following bases:

- Maintain the level of contribution to existing social security plans.
- Maintain annual variable remuneration and the three-year Long-Term Incentive.
- Maintain, during the three years of the period, the remuneration for the Executive Directors for their Board membership set for 2018.
- Enable the possibility of applying increases in fixed remuneration in the terms set out in the Policy.

With regard to variable remuneration, the annual variable must be differentiated from the long-term variable.

Variable annual remuneration.

As variable annual remuneration, the Executive Directors have the right to receive a variable bonus for fulfilling the objectives set forth by the Board of Directors at the proposal of the CSNR for the corresponding year. The variable bonus cannot exceed 60% of the annual fixed monetary remuneration in any case.

At the beginning of each year contemplated in the Policy, the Board will approve the objectives applicable to the Executive Chairman and the Chief Executive Officer for these purposes. At year-end, the Board, on the proposal of the CSNR will evaluate the degree to which the targets have been met and decide the variable annual remuneration for the Chairman and the Chief Executive Officer.

At the proposal of the CSNR, the Board has already established the objectives that apply in 2021 to the Executive Directors for these purposes, consisting of the following in general terms:

1. - Improvement of the economic results of the Company in the form of an increase in net profit.
2. - Consolidate the Company's regulated revenue.
3. - Consolidation of the Company's Strategic Plan, particularly in aspects affecting its international development as well as through the development of new services, to contribute to diversification and entrepreneurship.

4. – Sustainability and Good Governance.

An additional aim associated with the management of the COVID-19 situation was also contemplated, in order to enable the response given by the Company to be measured and evaluated. Appendix 2 to this report contains details of the objectives.

Long-term variable remuneration (Long-Term Incentive 2019-2021).

The Executive Directors will be beneficiaries of the 2019-2021 Long-Term Incentive Plan in the terms indicated in the following sections of this section and which are reproduced herein as they affect them.

It must be remembered that the Long-Term Incentive will not have a direct effect on the remuneration of the Chairman and the Chief Executive Officer in 2019, 2020 and 2021, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year.

In 2022, 50% of the Long-Term Incentive will be settled, and the other 50% will be deferred to 2023, thus the Executive Chairman and the Chief Executive Officer will be paid the Incentive according to their Level of Attainment of targets over the multi-year period. They will receive all this Incentive in the form of shares, and will be obliged to hold the shares received in 2022 for two (2) years, and those received in 2023 for one (1) year. In 2024, the Executive Chairman and the Chief Executive Officer may freely dispose of the shares received.

If the minimum degree of achievement of objectives is not met, the Incentive shall amount to zero.

The maximum total remuneration may not exceed 125% of the initial target remuneration. The annualised Incentive in the 100% attainment level scenario for the Executive Directors would 50% of the annual fixed remuneration in 2019.

A maximum of 79,090 shares are assigned to the Chairman and 39,545 to the Chief Executive Officer.

Clawback clauses - If certain circumstances occur which show, at a later date, that targets have not in fact been met, then the Board may, at the proposal of the CSNR, claim back part or all of the Incentive paid. These clauses will apply to all Beneficiaries and will have an application period of two years starting from the date of each of the payment dates.

Specifically, and among other circumstances, the return of the Incentive delivered may be required in the following cases:

- If the Company's financial statements have to be restated for a reason other than the modification of the applicable accounting standards.
- Penalty to the Beneficiary for a serious breach of the code of conduct and other applicable internal regulations.
- When the Incentive has been totally or partially settled and paid based on information which is subsequently clearly proven to be false or seriously inaccurate.
- Other circumstances not foreseen or assumed by the Company that have a material negative effect on the income statements of any of the years of the clawback period.

Malus clauses- Malus clauses are included to allow for partial or total cancellation of deferred amounts pending payment. The deferral period will be one (1) year for 50% of the unpaid Incentive, with the causes of application being the same as those referred to in the previous section for the return clauses.

- Amount and nature of the fixed components that are expected to accrue in the year to the directors in their capacity as such.

Insofar as concerns the "Directors' Remuneration Policy for 2019, 2020 and 2021" approved in the General Shareholders' Meeting 2019, the Director's fixed remuneration for 2019, 2020 and 2021 shall remain unchanged with respect to 2018; the maximum amount to be received for this concept is 2,241,000 euros. This maximum amount was increased to 2,600,000 euros at the GSM held on June 30, 2020 in order to accommodate the incorporation of 3 more members to the board of directors, as explained below.

The amounts and items for 2021 are the following:

Individual remuneration of Directors in their capacity as such.-

The allocation by item and the remuneration for each Director in 2021 will be as follows: (i) A fixed annual amount of 100,000 euros for Board membership; (ii) An annual variable amount of up to 30,000 euros, depending on attendance to Board meetings; (iii) A fixed annual amount for membership in Board Committees of 25,000 euros; (iv) A variable annual amount of up to 5,000 euros, depending on attendance to Committee meetings; (v) A fixed annual amount of 15,000 euros for serving as Chairperson of each Committee; (vi) A fixed annual amount of 15,000 euros for serving as Independent Leading Director.

As a result of applying the aforementioned criteria to determine, in line with the individual remuneration, the maximum remuneration figure for the Board in 2021, the maximum annual remuneration amount to be paid to all the directors in their position as such in that financial year, which was approved by the General Meeting's 2020 pursuant to article 529 septdecies.1 of the Spanish Corporate Enterprises Act and article 36 of the Articles of Association, is 2,600,000 euros.

- The amount and type of the fixed components will accrue in the financial year for the performance of senior management functions by the executive directors.

The company expects the fixed annual remuneration of the Chairman and CEO to remain unchanged in 2021. The amount of fixed annual remuneration received by the Chairman and CEO in 2021 will be reported in next year's annual report on remuneration.

- The amount and type of any remuneration component in kind accrued during the year, including, but not limited to, the insurance premiums paid to the director.

In accordance with the "Directors' Remuneration Policy for 2019, 2020 and 2021" approved by the General Shareholders' Meeting 2019 and in accordance with the terms of the contracts approved by the Board, the executive directors receive a fixed annual remuneration in kind for common items for this type of services and similar to those received by the entire Company management team (vehicle, medical insurance, etc.).

The Executive Directors are also an insured participants in the "Company Directors' Insured Pension Plan", established by the company for its management team by means of a mixed group insurance policy for pension commitments, including benefits in the event of survival, death and disability, which the company has signed with an insurance firm.

The Executive Chairman received the following amounts for these items in 2020: payments in kind amounting to 156 thousands of euros; a life insurance premium amounting to 66 thousands of euros and contributions to the Directors' Pension Plan amounting to 236 thousands of euros.

The Chief Executive Officer received the following amounts for these items in 2020: payments in kind amounting to 27 thousands of euros; a life insurance premium amounting to 0.9 thousands of euros and contributions to the Directors' Pension Plan amounting to 136 thousands of euros.

The Directors' Remuneration Policy for 2019, 2020 and 2021 does not provide for variations in the items that make up the annual fixed remuneration in kind for 2021 and any differences in their amount will be the result of applying the price increases at all times and, where applicable, the valuation rules that apply to them.

- Amount and type of the variable components, differentiating between those established in the short and long-term. Financial and non-financial parameters, the latter including social, environmental and climate change parameters, selected to set the variable remuneration in the current financial year, explanation of the extent to which the parameters relate to the performance of both the director and the entity and to its risk profile, and the methodology, necessary term and techniques provided for ascertaining the effective degree of compliance with the parameters used in the design of the variable remuneration at the end of the financial year, explaining the criteria and factors it applies in terms of the time required and methods for verifying that the performance or other conditions to which the accrual and consolidation of each component of variable remuneration was linked have been effectively met.

Indicate the range, in monetary terms, of the different variable components based on the degree of compliance with the established objectives and parameters and whether or not there is a maximum monetary amount in absolute terms.

The Executive Directors are the only Directors that receive variable remuneration.

Variable annual remuneration.-

In accordance with the "Directors' Remuneration Policy for 2019, 2020 and 2021", the Executive Chairman and the Chief Executive Officer have a recognised right to receive a variable annual bonus for meeting the objectives set forth by the Board of Directors at the proposal of the CSNR for the corresponding year. The variable bonus cannot exceed 60% of the annual fixed monetary remuneration in any case.

At the beginning of each year, and contemplated in the "Directors' Remuneration Policy for 2019, 2020 and 2021", the Board will approve the objectives applicable to the Executive Chairman and Chief Executive Officer for these purposes. At year-end, the CSNR will appraise the extent to which the targets have been fulfilled and decide the variable annual remuneration for the executive directors.

At the proposal of the CSNR, the Board established the objectives that apply in 2021 to the Executive Chairman and Chief Executive Officer for these purposes, consisting of the following in general terms:

1. - Improvement of the economic results of the Company in the form of an increase in net profit.
2. - Consolidate the Company's regulated revenue.
3. - Consolidation of the Company's Strategic Plan, particularly in aspects affecting its international development as well as through the development of new services, to contribute to diversification and entrepreneurship.
4. - Sustainability and Good Governance.

An additional aim associated with the management of the COVID-19 situation was also contemplated, in order to enable the response given by the Company to be measured and evaluated. Appendix 2 to this report contains details of the associated objectives.

Long-term variable remuneration (Long-Term Incentive 2019-2021).-

In accordance with the "Directors' Remuneration Policy for 2019, 2020 and 2021" the Board, after receiving a report from the CSNR, proposed the approval of a Long-term Incentive to the General Shareholders' Meeting, to apply also to the members of the Management Committee and the rest of the Company's management team.

The Executive Chairman and the Chief Executive Officer are beneficiaries of the 2019-2021 Long-Term Incentive Plan and will be entitled to a number of equivalent shares up to 50% of their fixed annual remuneration for each of the three years included in the Plan, under the terms set out in the draft of the "Directors' Remuneration Policy for 2019, 2020 and 2021" put forward to the General Shareholders' Meeting 2019.

The Long-Term Incentive will not have a direct effect on the remuneration in 2019, 2020 and 2021, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year.

The specific number of Enagás shares and the gross cash amount to be handed over to each Beneficiary on the Payment Dates, if the conditions established for this are met, will be established in accordance with the Level of Attainment of the following indicators during the Period for Measuring Targets: (i) Total Shareholder Return (hereinafter, "TSR"). It will comprise two components: the absolute TSR and the relative TSR. The absolute TSR is measured as the acquisition of a target share price in 2021. The target price has been established by investing estimated share dividends and is based on profitability and market parameters. Relative TSR is measured in comparison with a group of 15 companies (RED ELÉCTRICA, SNAM, TERNA, NATIONAL GRID, REN, IBERDROLA, NATURGY, ENEL, RWE, E.ON, ENGIE, CÉNTRICA, UNITED UTILITIES, SEVERN TRENT, PENNON GROUP). (ii) Funds from Operations. (iii) Accumulated cash flow received from affiliates. (iv) Compliance with the Sustainability Plan. Details of the specific indicators that measure these objectives and the associated levels of achievement are included in Appendix 1.

The Long-Term Incentive will be settled in 2022 and the Executive Chairman and the Chief Executive Officer will receive up to 50% of the incentive that corresponds to the degree of achievement of the objectives over the multi-year period and the remaining 50% in 2023. They will receive all this Incentive in the form of shares, and will be obliged to hold the shares received in 2022 for two years, and those received in 2023 for one year. If the minimum degree of achievement of objectives is not met, the incentive shall amount to zero.

- Main properties of long-term savings schemes. Among other information, the contingencies covered by the system will be indicated, whether it is by contribution or a defined benefit, the annual contribution that must be made to defined contribution schemes, the benefit to which beneficiaries are entitled in defined benefit schemes, the conditions of consolidation of the economic rights for directors and their compatibility with any type of payment or compensation for early termination or dismissal or arising from severance of the contractual relationship, in the terms provided, between the company and the director.

It should be indicated whether the accrual or consolidation of any of the long-term savings plans is linked to meeting certain objectives or parameters related to the director's short and long-term performance.

1.- The Directors' Pension Plan is a Mixed Plan with a defined contribution for the contingencies of retirement and permanent disability and with a defined benefit for death in active service of the Participant, the contributions being a percentage of the Participant's Fixed Remuneration. The accrual or consolidation of rights is not linked to any type of achievement of objectives or performance evaluation.

The Directors' Pension Plan establishes that the Executive Chairman and the Chief Executive Officer will not have economic rights if their termination results from a decision of the policyholder due to wilful or gross misconduct in the exercise of the functions of these roles, that damages the interests of the policyholder. The insured party will nevertheless have economic rights if the termination takes place by decision of the policyholder for any reason unrelated to any serious or culpable breach of the duties of the Executive Chairman/Chief Executive Officer.

2.- The Employment Pension Plan of the Enagás Group is a defined contribution plan that is endowed externally and covers the contingencies of retirement, disability and death.

The Executive Chairman and the Chief Executive Officer are currently suspended participants of the Enagás Employment Pension Plan and their consolidated economic rights are not conditioned by any assumption; they are suspended until the redemption of the Plan for the reasons specified in its regulations.

The Company and the Executive Chairman have mutually agreed that the rights and obligations of the parties to the Pension Plan and the Directors' Pension Plan will be extended beyond the age of 65.

- Any type of payment or compensation for early termination or dismissal resulting from severance of the contractual relationship in the terms provided between the company and the director, whether at the behest of the company or the director, as well as any agreements entered into, such as exclusivity, post-contractual non-competition and seniority or loyalty arrangements, which give the director the right to any type of receipt.

Enagás is not required to pay out any compensation in the event of termination of the appointment as non-executive director.

- Indicate the conditions to apply to the contracts of executive directors exercising senior management functions. Among them, disclose the duration, limits on the amount of termination payments, seniority requirements, notice periods, payments related to the duration of a notice period ("garden leave") and any other clauses covering hiring bonuses, as well as indemnities or "golden parachutes" in the event of early termination of the contractual arrangement between the company and the executive director. Include, inter alia, non-competition, exclusivity, seniority or loyalty and post-contractual non-competition agreements or arrangements, unless they have been explained in the previous section.

Main conditions of the Executive Chairman's contract.-

The relationship between Enagás and the Executive Chairman is governed by a "Contract for services associated with the position of Executive Chairman" approved by the Board of Directors with all the requirements set forth in Article 249.3 of the Corporate Enterprises Act. The contract is aimed at regulating the rights and obligations for the parties as a result of the position of Executive Chairman, which corresponds to Mr Antonio Llardén Carratalá since his appointment by the Board on January 24, 2007. The contract stipulates the period during which the Executive Chairman performs his duties as such. The contract regulates the services provided by the Executive Chairman when carrying out his functions and those of the Company. The sections above describe the corresponding remuneration in detail. The contract also regulates the circumstances for termination. In the event that the Company freely decides to terminate the contract for whatever reason, as long as this is not due to a breach or being guilty of any actions by the Executive Chairman or because the Company has failed to comply with its contractual obligations, the Executive Chairman will be entitled to an indemnity equivalent to two years' salary of his annual fixed remuneration, understood as that held by the Chairman at the time of the termination of employment plus the remuneration in-kind and the last annual variable remuneration received. The compensation for this item was fixed at three years but the Chairman reduced this to two years in 2016 to better conform with the best practices of good governance. The contract contains an exclusive dedication agreement for the Executive Chairman, which stipulates that the latter cannot provide services of any kind to third parties or form part of any other company or legal firm without the explicit authorisation of the Board. No economic compensation for the Executive Chairman is envisioned for this concept. Neither does the contract include an economic compensation for arrangements of non-competition after contract termination. The seniority and loyalty of the Executive Chairman are motivated by the participation in the "Company Directors' Pension Plan" already described in this report.

Main conditions of the Chief Executive Officer's contract.-

The relationship between Enagás and the Chief Executive Officer is governed by a "Contract for services associated with the position of Chief Executive Officer" approved by the Board of Directors with all the requirements set forth in Article 249.3 of the LSC. The purpose of the contract is to regulate the rights and duties of the parties derived from the position of Chief Executive Officer that corresponds to Mr Marcelino Oreja Arburúa since his appointment by the Board on September 17, 2012. The contract stipulates the period during which the Chief Executive Officer performs his duties as such. The contract regulates the duties of the Chief Executive Officer and those of the Company. The sections above describe the corresponding remuneration in detail. The contract also regulates the circumstances for termination. In the event that the Company freely decides to terminate the contract for whatever reason, as long as this is not due to a breach or being guilty of any actions by the Chief Executive Officer or because the Company has failed to comply with its contractual obligations, the Chief Executive Officer will be entitled to an indemnity equivalent to two years' salary of his annual fixed remuneration, understood as that held by the Chief Executive Officer at the time of the termination of employment plus the remuneration in kind and the last annual variable remuneration received. The contract establishes an exclusivity arrangement for the Chief Executive Officer, through which he cannot provide services of any nature to third parties or participate in or form part of another company or legal entity without the Board's express authorisation. No economic compensation for the Chief Executive Officer is envisioned for this concept. The contract includes a non-competition arrangement after its termination, which expires two years afterwards.

As compensation for this non-competition agreement, the Company shall pay the Chief Executive Officer 80% of the fixed annual remuneration for each of the years contemplated by the agreement. Nevertheless, the amount in his favour from the "Directors' Pension Plan" will be deducted from the resulting amount. The seniority and loyalty of the Chief Executive Officer are motivated by the participation in the "Company Directors' Pension Plan", already described in this report.

- The nature and estimated amount of any other supplementary remuneration accrued by the directors in the current year as payment for services rendered other than those integral to their role.

Enagás Directors have not accrued any other remuneration for this item.

- Other remuneration items such as those resulting, where applicable, from the company granting the director advances, loans and guarantees and other remunerations.

Enagás Directors have not accrued any other remuneration for this item.

- The nature and estimated amount of any other expected supplementary remuneration not included in the previous sections, whether paid by the entity or another group entity, accrued by the directors in the current year.

Enagás Directors have not accrued any other remuneration for this item.

A.2. Explain any relevant change in the remuneration policy applicable in the current year derived from:

- A new policy or change to the policy already approved by the Board.
- Significant changes in the specific board resolutions for the current financial year in respect of the current remuneration policy compared to those of the previous year.
- Proposals applicable to the current financial year that the board of directors would have agreed to submit to the general shareholders' meeting to which this annual report will be submitted.

The remuneration policy for directors currently in force, covering 2019, 2020 and 2021 financial years, was approved by the 2019 General Shareholders' Meeting on March 29, 2019 and it was amended at the 2020 General Shareholders' Meeting on June 30, 2020. Its content is explained in section A.1 of this report.

Concerning this amendment in 2020, the Board, at its meeting on May 25, 2020, agreed to submit a proposal for the amendment of the Policy for approval by the General Shareholders' Meeting scheduled for June 30, 2020, as item 10 on the Agenda. This amendment was proposed to the Board by the CSNR at its meeting on May 22, 2020. The amendment of the Policy proposed by the CSNR to the Board and that the Board presented to the Meeting for approval is reduced, exclusively, to taking into consideration the resolutions previously submitted for approval by the Meeting regarding the increase in the number of directors and the new number of members of the CSNR and the Audit and Compliance Committee.

The maximum number of Directors was fourteen in 2019 and increased to sixteen in 2020, following approval by the General Meeting. Consideration was given to the fact that there will be eleven ordinary meetings of the Board each year and four meetings for each of the Committees, and that the maximum number of members of the Committees, which in 2019 was six for the CSNR and five for the Audit and Compliance Committee, was increased to seven for both in 2020, after approval by the General Meeting.

Thus, the maximum amount of annual remuneration to be paid to all the Directors in that capacity, which is the amount proposed by the Board to the GSM for approval under Article 529 septdecies.1 of the Corporate Enterprises Act and Article 36 of the Articles of Association, is 2,600,000 euros for 2020 and 2021.

In 2021, the new Directors' Remuneration Policy 2022-2024 will be submitted for approval by the General Shareholders' Meeting. It maintains continuity with the fundamental premises of the previous policies while also incorporating technical improvements. Consideration will also be given to the new 2022-2024 Long-Term Incentive Plan that gives continuation to the previous one, although it will include a series of improvements aligned with the

corporate governance and proxy advisors recommendations. Details of this new Policy and the new Long-Term Incentive Plan will be published in the Annual Report on Directors' Remuneration in 2022.

A.3. Identify the direct link to the document that outlines the current remuneration policy of the company, which must be available on the company's website.

<https://www.enagas.es/enagas/es/AccionistasEIInversores/GobiernoCorporativo/PropuestasDocumentacionAccionista>

A.4. Explain, in the light of the information provided in section B.4, how the shareholders' vote in the general meeting to which the annual remuneration report of the previous year was submitted for a vote, in an advisory capacity was taken into account.

The Directors' Remuneration Report submitted to advisory voting in the General Shareholders' Meeting 2020 was approved by 75.91% of votes cast. In addition, the result of the vote on the 2020 remuneration report was analysed with the various proxy advisors and investors during the 2021 Corporate Governance and Sustainability Roadshow. As part of this analysis, one of the investors explained that he had voted against the report after identifying the existence of a "warning" in the report by one of the proxy advisors (ISS).

After analysing this aspect with ISS, the "warning" was identified as having been due to the comparative salary of the CEO with regard to that of the peer group. As there were no variations in salary, the "warning" was found to be the result of the way in which the three-year incentive (ILP) is calculated in the report, since the total amount was calculated for a single year (the year in which it was paid).

This effect will only exist in ILP payment years and will be reduced in both the ILP scheme currently in force and the one being proposed for the future, as in both cases a partial deferral scheme has been agreed that provides for two payments instead of one.

B. OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE YEAR

B.1. Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information will include the role performed by the remuneration committee, the decisions taken by the board of directors and, where appropriate, the identity and role of the external advisors whose services have been used in the process of applying the remuneration policy in the year closed.

The Policy was proposed to the Board by the Sustainability, Appointments and Remuneration Committee (hereinafter, the "CSNR"). The CSNR held specific meetings for such purpose on January 11, 2019, January 21, 2019, January 23, 2019, January 31, 2019, February 5, 2019, February 11, 2019, February 14, 2019 and February 22, 2019. The Committee approved the proposal at the latter meeting, pursuant to Article 529 quidecies of the Corporate Enterprises Act and Article 45 of the Articles of Association.

The CSNR hired the independent external advisory firm Willis Towers Watson, which analysed the remuneration positioning of the company's directors and managers and submitted several options on how to update this positioning. The Committee also hired Garrigues, which provided advice about the legal and tax factors of this policy.

The CSNR drafted the specific report referred to in article 529 novodecies of the Spanish Corporate Enterprises Act and was made available to shareholders in the way envisaged therein.

For the purposes envisaged in article 529 septedecies of the Spanish Corporate Enterprises Act, the policy submitted for the Shareholders' Meeting's approval includes the maximum annual remuneration amount to be paid to all the directors in their status as such during the three years in which the policy is applied.

Likewise, for the purposes envisaged in article 529 octodecies of the Corporate Enterprises Act, the policy approved by the Shareholders' Meeting's approval includes, regarding the directors with executive functions, the amount of the fixed annual remuneration and the variation therein in the period, the different parameters for setting the variable components and the main conditions of directors' contracts and, in particular, the length of their contracts, compensation for early removal or termination of the contractual relationship, and exclusivity, post-contractual non-competition and seniority or loyalty arrangements.

B.2. Explain the different actions taken by the company with respect to the remuneration scheme and how they have contributed to reducing exposure to excessive risks and adjusting it to the company's long-term objectives, values or interests, including a reference to: measures in place to guarantee that the remuneration accrued takes account of the long-term results of the company and achieves an appropriate balance between the fixed and variable components of the remuneration; the measures adopted with respect to categories of personnel whose professional activities have a material effect on the entity's risk profile and what measures have been taken to avoid conflicts of interest, if any.

The General Shareholders' Meeting 2019 approved the Remuneration Policy for the 2019-2021 period. The Policy for the 2019-2021 period is intended to maintain things as they stand and therefore maintains the fundamental premises on which the previous Policy approved for the 2016-2018 period was based. One of the premises of this Policy is the commitment made by the Board to shareholders at the Ordinary General Meeting held in 2015 to introduce a Long-Term Incentive (ILP) in the remuneration structure of Executive Directors, which will also be applicable to the Company's management team, and which complies with recommendations 56 to 64 of the CNMV's Good Governance Code and with the most generally accepted criteria regarding these types of remuneration.

The Executive Directors will be beneficiaries of the 2019-2021 Long-Term Incentive Plan in the terms indicated in section A) above and which are reproduced herein as they affect them.

It must be remembered that the Long-Term Incentive will not have a direct effect on the remuneration of the Chairman and the Chief Executive Officer in 2019, 2020 and 2021, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year.

In 2022, 50% of the Long-Term Incentive will be settled, and the other 50% will be deferred to 2023, thus the Executive Chairman and the Chief Executive Officer will be paid the Incentive according to their Level of Attainment of objectives over the multi-year period. They will receive all this Incentive in the form of shares, and will be obliged to hold the shares received in 2022 for two (2) years, and those received in 2023 for one (1) year. In 2024, the Executive Chairman and the Chief Executive Officer may freely dispose of the shares received.

If the minimum degree of achievement of objectives is not met, the Incentive shall amount to zero.

The maximum total remuneration may not exceed 125% of the initial target remuneration. The annualised Incentive in the 100% attainment level scenario would be up to 50% of Executive Directors' fixed annual remuneration by 2019. A maximum of 79,090 shares are assigned to the Chairman and 39,545 to the Chief Executive Officer.

Clawback clauses - If certain circumstances occur which show, at a later date, that targets have not in fact been met, then the Board may, at the proposal of the CSNR, claim back part or all of the Incentive paid. These clauses will apply to all Beneficiaries and will have an application period of two years starting from the date of each of the payment dates.

Specifically, and among other circumstances, the return of the Incentive delivered may be required in the following cases:

- If the Company's financial statements have to be restated for a reason other than the modification of the applicable accounting standards.
- Penalty to the Beneficiary for a serious breach of the code of conduct and other applicable internal regulations.
- When the Incentive has been totally or partially settled and paid based on information which is subsequently clearly proven to be false or seriously inaccurate.
- Other circumstances not foreseen or assumed by the Company that have a material negative effect on the income statements of any of the years of the clawback period.

Malus clauses- Malus clauses are included to allow for partial or total cancellation of deferred amounts pending payment. The deferral period will be one (1) year for 50% of the unpaid Incentive, with the causes of application being the same as those referred to in the previous section for the return clauses.

B.3. Explain how the remuneration accrued and consolidated in the year complies with the provisions of the current remuneration policy.

Disclose the relationship between remuneration obtained by directors and the company's profits or some other measure of enterprise results, explaining, as appropriate, how changes in the company's performance may have influenced the variation in directors' remuneration,

including accruals whose payment has been deferred and how they contribute to the short and long-term results of the company.

In accordance with the 2019-2021 Remuneration Policy applicable to financial year 2020 and amended by the 2020 General Shareholders' Meeting, the maximum amount of annual remuneration payable to all the Directors in their capacity as such for that year amounts to 2,600,000 euros. In accordance with the information reported in section C.1 of this report, the remuneration amounts actually received by the directors for this item in 2020 amounts to 2,272,000 euros.

As regards the executive directors, the Remuneration Policy 2019-2021 mentions the specific amounts that the executive directors accrue in the years in which the Policy was in force as monetary and in kind fixed remuneration, as well as the percentages of annual variable remuneration due to them and the parameters to set them, linked to financial, sustainability and development ratios of the Company's strategic plan. The variable bonus cannot exceed 60% of the annual fixed monetary remuneration in any case. The amount charged under this item in 2020 corresponds to the degree of compliance with the 2019 company objectives approved by the Board of Directors of Enagás and reported in section D of the Directors' Remuneration Report for 2019. Under this item, the Chairman collected 600 thousands of euros and the Chief Executive Officer 300 thousands of euros.

Likewise, the Remuneration Policy 2019-2021 established that the executive directors are also beneficiaries of the 2019-2021 Long-Term Incentive Plan in the terms already indicated in section B.7 of this report, which aims to link the long-term remuneration of the executive directors with the performance of a set of parameters (dividend, sustainability, etc.) guaranteeing the long-term sustainable growth of the Company. Under the terms of the Remuneration Policy 2019-2021, this plan would grant the Chairman a maximum of 79,090 shares and the Chief Executive Officer a maximum of 39,545, based on the level of compliance with the objectives set and which will be defined and settled in 2022 once the General Shareholders' Meeting approves the annual accounts for the 2021 financial year.

B.4. Disclose the outcome of the advisory vote at the annual general meeting on the Annual Report on Directors' Remuneration of the previous year, indicating the number of votes against:

	Number	% of total
Votes cast	126,202,139	100.00

	Number	% of votes cast
Votes against	13,832,922	11.44
Votes in favour	91,824,974	75.91
Abstentions	15,304,441	12.65

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B.5. Explain how the fixed components accrued and consolidated during the year were determined by the directors in their capacity as such, and how they varied with respect to the previous year.

Insofar as concerns the "Directors' Remuneration Policy for 2019, 2020 and 2021" approved in the GSM of 2019, the fixed remuneration amounts for the members of the Board of Directors shall be as follows for the year 2020:

Individual remuneration of Directors in their capacity as such.-

The allocation by item and the remuneration amount for each Director in 2019 will be as follows: (i) A fixed annual amount of 100,000 euros for Board membership; (ii) An annual variable amount of up to 30,000 euros, depending on attendance to Board meetings; (iii) A fixed annual amount for membership in Board Committees of 25,000 euros; (iv) A variable annual amount of up to 5,000 euros, depending on attendance to Committee meetings; (v) A fixed annual amount of 15,000 euros for serving as Chairperson of each Committee; (vi) A fixed annual amount of 15,000 euros for serving as Independent Leading Director. As a result of applying the aforementioned criteria to determine, in line with the individual remuneration, the maximum remuneration figure for the Board in 2019, the maximum annual remuneration amount to be paid to all the Directors in their position as such, and which the Board proposes for the General Meeting's approval for the purposes of Article 529 septdecies.1 of the Corporate Enterprises Act and Article 36 of the Articles of Association is 2,241,000 euros.

Insofar as concerns the "Directors' Remuneration Policy for 2019, 2020 and 2021" approved by the 2020 General Shareholders' Meeting, explained in section A.2 of this report, the fixed remuneration amounts for the Directors shall be as follows for the year 2020:

Individual remuneration of Directors in their capacity as such.-

The allocation by item and the remuneration amount for each Director in 2020 will be as follows: (i) an annual fixed amount of 100,000 euros for belonging to the Board; (ii) an annual variable amount of up to 30,000 euros for attending the Board meetings; (iii) an annual fixed amount of 25,000 euros for belonging to one of the Board Committees; (iv) an annual variable amount of up to 5,000 euros for attending the Committee meetings; (v) an annual fixed amount of 15,000 euros for the holding the position of Chairperson on each Committee; and (vi) an annual fixed amount of 15,000 euros for the holding the position of Independent Leading Director. As a result of applying the aforementioned criteria to determine, in line with the individual remuneration, the maximum remuneration figure for the Board in 2020, the maximum annual remuneration amount to be paid to all the Directors in their position as such, and which the Board proposes for the General Meeting's approval for the purposes of Article 529 septdecies.1 of the Corporate Enterprises Act and Article 36 of the Articles of Association is 2,600,000 euros.

In accordance with the information reported in section C.1 of this report, the remuneration amounts actually received by the Directors under this item in 2020 amounted to 2,272,000 euros while the amount accrued for this item in 2019 was 2,064,000 euros.

B.6. Explain how the salaries accrued and consolidated during the closed financial year were determined for each of the executive directors for the performance of management functions and how they varied with respect to the previous year.

The remuneration for the Executive Chairman in 2020 was approved in detail by the General Shareholders' Meeting on March 29, 2019 as part of the "Directors' Remuneration Policy for 2019, 2020 and 2021". During financial year 2019, the Executive Chairman received fixed remuneration of 1,000 thousands of euros and variable remuneration of 600 thousands of euros. The annual variable remuneration (up to 60% of annual fixed remuneration) paid in 2020 was approved by the Board and is in proportion to the level of attainment of the 2019 company objectives reported in section D of the Annual Report on Directors' Remuneration for the previous year; likewise, he received remuneration for membership of the Board in the amount of 130 thousands of euros, as well as other remuneration in kind in the amount of 156 thousands of euros (the variations in remuneration in kind with respect to previous years is exclusively due to valuation differences in the remuneration without receipt of remuneration in kind for new items), with an aggregate total of 1,886 thousands of euros.

The remuneration for the Chief Executive Officer in 2020 was approved in detail by the General Shareholders' Meeting on March 29, 2019 as part of the "Directors' Remuneration Policy for 2019, 2020 and 2021". During financial year 2020, he received fixed remuneration of 500 thousands of euros and variable remuneration of 300 thousands of euros. The annual variable remuneration (up to 60% of annual fixed remuneration) was approved by the Board and is in proportion to the degree of achievement of the 2019 company objectives reported in section D of the Annual Report on Directors' Remuneration for the previous year; likewise, he received remuneration for membership of the Board in the amount of 130 thousands of euros, as well as other remuneration in kind in the amount of 27 thousands of euros (the variations in remuneration in kind with respect to previous years is exclusively due to valuation differences in the remuneration without receipt of remuneration in kind for new items), with an aggregate total of 957 thousands of euros.

In 2019, the Executive Chairman received 1,000 thousands of euros of fixed remuneration and 564 thousands of euros of variable remuneration; likewise he was paid 130 thousands of euros in attendance fees (fixed remuneration plus fee for attending Board meetings) and 153 thousands of euros of remuneration in kind, with an aggregate total of 1,847 thousands of euros.

In 2019, the Chief Executive Officer received 500 thousands of euros of fixed remuneration and 282 thousands of euros of variable remuneration, with both components approved by the Board. In addition, the Chief Executive Officer was paid 130 thousands of euros in attendance fees (fixed remuneration plus fee for attending Board meetings) and 25 thousands of euros of remuneration in kind, with an aggregate total of 937 thousands of euros.

B.7. Explain the nature and main features of variable components of the remuneration schemes accrued and consolidated in the closed financial year.

In particular:

- Identify each of the remuneration plans that have set the different variable remunerations accrued by each of the directors during the year, including information on their scope, their approval date, implementation date, conditions of consolidation (if any), accrual periods and validity, criteria used for the evaluation of performance and how this has impacted on the setting of the variable amount accrued, as well as the measurement criteria used and the time needed for suitable measurement of all the stipulated conditions and criteria. The criteria and factors it has applied in terms of the time required and methods for verifying that the performance or other conditions to which the accrual and consolidation of each component of variable remuneration was linked have been effectively met must be explained in detail.

In the case of share option plans or other financial instruments, the general characteristics of each plan shall include information on the conditions both for acquiring unconditional ownership (consolidation), and for the exercise of such options or financial instruments, including the price and period in which they can be exercised.

- Each of the directors, and their class (executive, external proprietary, external independent or other external directors) that are entitled to schemes or plans that include variable remuneration.
- Disclose, where applicable, the periods of accrual or deferral of payment established and/or any holding or lock-up periods of the shares or other financial instruments.

Explain the short-term variable components of the remuneration schemes:

The Executive Directors are the only Directors that receive variable remuneration.

Variable annual remuneration.-

In accordance with the 2019-2021 Remuneration Policy, the annual variable remuneration of the Executive Chairman and the Chief Executive Officer involves receipt of a variable annual bonus for meeting the objectives set forth by the Board of Directors at the proposal of the CSNR for the corresponding financial year. The variable bonus cannot exceed 60% of the annual fixed monetary remuneration in any case. At the beginning of each year contemplated in the "Director's remuneration Policy for 2019, 2020 and 2021", the Board will approve the objectives applicable to the Executive Chairman and Chief Executive Officer for these purposes. At year-end, the Board, at the proposal of the CSNR, shall appraise the degree of achievement of the objectives set and decide the variable annual remuneration for the executive directors.

The Board, at the proposal of the CSNR, established the Company's objectives applicable to the Chairman and Chief Executive Officer for 2019 and which were actually collected in 2020 based on the level of compliance, also approved by the Board and reported in section D of the Directors' Remuneration Report for 2019 and generally refer to:

1. - Improvement of the economic results of the Company in the form of an increase in net profit.
2. - Consolidate the Company's regulated revenue.
3. - Consolidation of the Company's strategic plan, specifically as regards its international development, as well as the development of new services, to contribute to diversification and Entrepreneurship
4. - Sustainability and Good Governance.

The amounts collected by the executive directors in 2020 under this item are: 600 thousands of euros by the Chairman and 300 thousands of euros by the Chief Executive Officer.

Explain the long-term variable components of the remuneration schemes:

The Executive Directors are the only Directors that receive variable remuneration.

Long-term incentive (ILP 2019-2021).

The CSNR and the Board deemed it convenient to include an ILP as part of the remuneration policy of Executive Directors for the 2019-2021 period. This will also apply to the members of the Management Committee and the rest of the Company's management team. The intention of the CSNR and the Board is for the ILPs to remain as an element in the company's remuneration structure and their proposal is that they be included in subsequent remuneration policies presented to the GSM for approval.

Objectives:

- Boost the sustainable achievement of objectives contemplated in the Company's Strategic Plan.
- Provide the opportunity of sharing the creation of value by the participants.
- Enhance the sense of pertaining to the Company and a common destiny.
- Be competitive.
- Be aligned with the requirements of the institutional investors and proxy advisors and with the best Good Corporate Governance practices, particularly those based on the recommendations of the Code of Good Governance approved by the CNMV.

The Executive Chairman and the Chief Executive Officer are beneficiaries of the 2019-2021 Long-Term Incentive in the terms set forth in the "Directors' Remuneration Policy for 2019, 2020 and 2021" and in section A.1 of this report, which are understood. It must be remembered that the Long-Term-Incentive will not have a direct effect on the remuneration in 2019, 2020 and 2021, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year. The Long-Term-Incentive will be settled in 2022 once the General Shareholders' Meeting approves the annual accounts for 2021 and the Executive Chairman and the Chief Executive Officer will receive the incentive that corresponds to the degree of achievement of the objectives over the multi-year period. This incentive will be received, in full, in shares, with the obligation to hold them for two (2) years on the first Payment Date and for one (1) year on the second Payment Date.

B.8. Indicate whether there has been a reduction or claim for the return of certain variable components accrued when, in the first case, the payment of amounts not consolidated was deferred or, in the second case, was consolidated and paid, based on data which has subsequently proved to be manifestly inaccurate. Describe the amounts reduced or returned under the reduction (malus) or clawback clauses, why they have been enforced and the financial years to which they correspond.

No amount was reduced or reclaimed.

B.9. Explain the main characteristics of long-term savings schemes whose amount or annual equivalent cost is shown in the tables in Section C, including retirement and any other survival benefit, which are partially or totally funded by the company, whether gifted internally or externally, indicating the type of plan, whether it is contribution-based or defined benefit, the contingencies it covers, the conditions for consolidating economic rights for the directors and their compatibility with any type of compensation for early termination or severance of the contractual relationship between the company and the director.

1.- The Directors' Pension Plan is a Mixed Plan with a defined contribution for the contingencies of retirement and permanent disability and with a defined benefit for death in active service of the Participant, the contributions being a percentage of the Participant's Fixed Remuneration. The accrual or consolidation of rights is not linked to any type of achievement of objectives or performance evaluation.

The Directors' Pension Plan establishes that the Executive Chairman and the Chief Executive Officer will not have economic rights if their termination results from a decision of the policyholder due to wilful or gross misconduct in the exercise of the functions of these roles, that damages the interests of the policyholder. The insured party will nevertheless have economic rights if the termination takes place by decision of the policyholder for any reason unrelated to any serious or culpable breach of the duties of the Executive Chairman/Chief Executive Officer.

In 2020, the Company contributed 236 thousands of euros to the Chairman for this item and 136 thousands of euros to the Chief Executive Officer.

2.- The Employment Pension Plan of the Enagás Group is a defined contribution plan that is endowed externally and covers the contingencies of retirement, disability and death.

The Executive Chairman and the Chief Executive Officer are currently suspended participants of the Enagás Employment Pension Plan and their consolidated economic rights are not conditioned by any assumption; they are suspended until the redemption of the Plan for the reasons specified in its regulations.

The Company and the Executive Chairman have mutually agreed that the rights and obligations of the parties to the Pension Plan and the Directors' Pension Plan will be extended beyond the age of 65.

B.10. Explain, where appropriate, compensation or any other type of payment derived from the early termination, whether decided by the company or the director, or cancellation of contract, in the terms provided therein, accrued and/or received by the directors during the year closed.

No director of Enagás has received or accrued any amount under this item during 2020.

B.11. Indicate whether there have been significant changes in the contracts of those with senior management functions as executive directors and, where appropriate, explain them. Likewise, explain the main conditions

of the new contracts signed with executive directors during the financial year, unless they have been explained in section A.1.

The contracts of the Chairman and the Chief Executive Officer were not modified during 2020.

B.12. Explain any supplementary remuneration accrued by directors as compensation for services provided other than those inherent in their post.

The Enagás Directors do not receive any remuneration under this item.

B.13. Explain any remuneration derived from advances, loans or guarantees granted, along with the rate of interest, essential features and any amounts returned, as well as the obligations assumed on their behalf in the form of guarantees.

The Enagás Directors do not receive any remuneration under this item.

B.14. Detail the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the different salary components.

Executive Chairman.-

In accordance with the Remuneration Policy 2019-2021 and with the terms of the contract approved by the Board, the Chairman receives an annual fixed remuneration in kind for items that are normal in these cases and similar to those of the entire management team of the Company (vehicle, medical insurance, etc., including the account deposits that correspond to personal income tax). The Executive Chairman is also an insured participant in the "Company Directors' Insured Pension Plan", established by the company for its management team by means of a mixed group insurance policy for pension commitments, including benefits in the event of survival, death and disability, which the company has signed with an insurance firm.

The Executive Chairman received the following amounts for these items in 2020: Payments in kind amounting to 156 thousands of euros (variations in remuneration in kind in relation to previous years are exclusively the result in differences in valuation of said remuneration, with no further remuneration in kind paid for other items); a life insurance premium totalling 66 thousands of euros.

In addition, contributions were made to the Directors' Pension Plan amounting to 236 thousands of euros. The Executive Chairman is a member of the group insured by the civil liability policy that covers the contractual and non-contractual responsibilities that correspond to the activities undertaken in their posts. The Company compensates the Executive Chairman for the amounts incurred as travel, accommodation, board and other similar expenses as a result of carrying out the functions of the post, in accordance with the expense and travel policy prevailing at the Company at any given time.

Chief Executive Officer.-

In the terms of the contract approved by the Board, the Chief Executive Officer receives an annual fixed remuneration in kind for items that are normal in these cases and similar to those of the entire management team of the company (vehicle, medical insurance, etc., including the account deposits that correspond to personal income tax). Furthermore, the Chief Executive Officer is also an insured participant in the "Company's Directors' Pension Plan" which the Company established for its management team by means of a mixed group insurance policy. In addition to pension obligations, the cover provides benefits in the cases of life expectancy, death or disability, which the Company has signed with an insurance company.

The Chief Executive Officer received the following amounts for these items in 2020: Payments in kind amounting to 27 thousands of euros (variations in remuneration in kind in relation to previous years are exclusively the result in differences in valuation of said remuneration, with no further remuneration in kind paid for other items); a life insurance premium totalling 0.9 thousands of euros and contributions to the Directors' Pension Plan totalling 136 thousands of euros. The Chief Executive Officer forms part of the group insured by the civil liability policy that covers the contractual and non-contractual liabilities that correspond to the activities undertaken in their posts. The Company will compensate the Chief Executive Officer for the amounts incurred as travel, accommodation, board and other similar expenses as a result of carrying out his functions, in accordance with the expense and travel policy prevailing at the Company at any given time.

B.15. Explain the remuneration accrued by the director by virtue of payments made by the listed company to another entity at which the director is employed where such payments are designed to remunerate the services provided by the director at the listed company.

[Enagás Directors have not accrued any other remuneration for this item.]

B.16. Explain any kind of compensation other than those listed above, of whatever nature and provenance within the group, especially when it may be a related-party transaction or when its issuance would detract from a true and fair view of the total remuneration accrued by the director.

[Enagás Directors have not accrued any other remuneration for this item.]

C. ITEMISED INDIVIDUAL REMUNERATION CORRESPONDING TO EACH DIRECTOR

Name	Type	2020 accrual period
MR ANTONIO LLARDÉN CARRATALÁ	Executive Chairman	From 01/01/2020 to 31/12/2020
MR MARCELINO OREJA ARBURÚA	Chief Executive Officer	From 01/01/2020 to 31/12/2020
MR ANTONIO HERNÁNDEZ MANCHA	Independent Director	From 01/01/2020 to 31/12/2020
MS ANA PALACIO VALLELERSUNDI	Independent Director	From 01/01/2020 to 31/12/2020
MR MARTÍ PARELLADA SABATA	Other External Directors	From 01/01/2020 to 31/12/2020
MR SANTIAGO FERRER COSTA	Proprietary Director	From 01/01/2020 to 31/12/2020
MR LUIS GARCÍA DEL RÍO	Independent Director	From 01/01/2020 to 31/12/2020
MS ISABEL TOCINO BISCAROLASAGA	Independent Director	From 01/01/2020 to 31/12/2020
MS ROSA RODRÍGUEZ DÍAZ	Independent Director	From 01/01/2020 to 31/12/2020
MR GONZALO SOLANA GONZÁLEZ	Independent Director	From 01/01/2020 to 31/12/2020
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Proprietary Director	From 01/01/2020 to 31/12/2020
MR IGNACIO GRANGEL VICENTE	Independent Director	From 01/01/2020 to 31/12/2020
MS EVA PATRICIA URBEZ SANZ	Independent Director	From 01/01/2020 to 31/12/2020
MR JOSÉ BLANCO LÓPEZ	Independent Director	From 30/06/2020 to 31/12/2020
MR JOSÉ MONTILLA AGUILERA	Independent Director	From 30/06/2020 to 31/12/2020
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO	Independent Director	From 30/06/2020 to 31/12/2020

C.1. Complete the following tables regarding the individual remuneration accrued by each director (including remuneration received for the discharge of executive duties) during the year.

a) Remuneration accrued at the reporting company:

i) Remuneration accrued in cash (in thousands of euros)

Name	Fixed remuneration	Per diems	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2020	Total 2019
MR ANTONIO LLARDÉN CARRATALÁ	100	30		1,000	600				1,730	1,694
MR MARCELINO OREJA ARBURÚA	100	30		500	300				930	912
MR ANTONIO HERNÁNDEZ MANCHA	100	35	25						160	160
MS ANA PALACIO VALLELERSUNDI	100	35	40					15	190	190
MR MARTÍ PARELLADA SABATA	100	35	25						160	160
MR SANTIAGO FERRER COSTA	100	35	25						160	160
MR LUIS GARCÍA DEL RÍO	100	35	25						160	160
MS ISABEL TOCINO BISCAROLASAGA	100	35	40						175	175
MS ROSA RODRÍGUEZ DÍAZ	100	35	25						160	160
MR GONZALO SOLANA GONZÁLEZ	100	35	25						160	160
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	100	35	25						160	160
MR IGNACIO GRANGEL VICENTE	100	35	25						160	160
MS EVA PATRICIA URBEZ SANZ	100	35	25						160	115
MR JOSÉ BLANCO LÓPEZ	45	16	8						69	
MR JOSÉ MONTILLA AGUILERA	45	16	8						69	
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	45	16	8						69	

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ii) Table of movements in remuneration systems based on shares and gross profit of shares or consolidated financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2020		Financial instruments granted during financial year 2020		Financial instruments consolidated during the financial year				Instruments maturing but not exercised	Financial instruments at the end of 2020	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR ANTONIO LLARDÉN CARRATALÁ	Long-term incentive plan	79,090	79,090					0.00			79,090	79,090
MR MARCELINO OREJA ARBURÚA	Long-term incentive plan	39,545	39,545					0.00			39,545	39,545
MR ANTONIO HERNÁNDEZ MANCHA	Plan							0.00				
MS ANA PALACIO VALLELERSUNDI	Plan							0.00				
MR MARTÍ PARELLADA SABATA	Plan							0.00				
MR SANTIAGO FERRER COSTA	Plan							0.00				
MR LUIS GARCÍA DEL RÍO	Plan							0.00				
MS ISABEL TOCINO BISCAROLASAGA	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2020		Financial instruments granted during financial year 2020		Financial instruments consolidated during the financial year				Instruments maturing but not exercised	Financial instruments at the end of 2020	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MS ROSA RODRÍGUEZ DÍAZ	Plan							0.00				
MR GONZALO SOLANA GONZÁLEZ	Plan							0.00				
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Plan							0.00				
MR IGNACIO GRANGEL VICENTE	Plan							0.00				
MS EVA PATRICIA URBEZ SANZ	Plan							0.00				
MR JOSÉ BLANCO LÓPEZ	Plan							0.00				
MR JOSÉ MONTILLA AGUILERA	Plan							0.00				
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Plan							0.00				

Observations

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iii) Long-term savings schemes.

Name	Remuneration through consolidation of rights to savings schemes
MR ANTONIO LLARDÉN CARRATALÁ	236
MR MARCELINO OREJA ARBURÚA	136
MR ANTONIO HERNÁNDEZ MANCHA	
MS ANA PALACIO VALLELERSUNDI	
MR MARTÍ PARELLADA SABATA	
MR SANTIAGO FERRER COSTA	
MR LUIS GARCÍA DEL RÍO	
MS ISABEL TOCINO BISCAROLASAGA	
MS ROSA RODRÍGUEZ DÍAZ	
MR GONZALO SOLANA GONZÁLEZ	
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	
MR IGNACIO GRANGEL VICENTE	
MS EVA PATRICIA URBEZ SANZ	
MR JOSÉ BLANCO LÓPEZ	
MR JOSÉ MONTILLA AGUILERA	
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2020	2019	2020	2019	2020	2019	2020	2019
MR ANTONIO LLARDÉN CARRATALÁ	236	246			2,981	2,825		
MR MARCELINO OREJA ARBURÚA	136	160			742	635		
MR ANTONIO HERNÁNDEZ MANCHA								
MS ANA PALACIO VALLELERSUNDI								
MR MARTÍ PARELLADA SABATA								
MR SANTIAGO FERRER COSTA								
MR LUIS GARCÍA DEL RÍO								
MS ISABEL TOCINO BISCAROLASAGA								
MS ROSA RODRÍGUEZ DÍAZ								
MR GONZALO SOLANA GONZÁLEZ								
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)								

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2020	2019	2020	2019	2020	2019	2020	2019
MR IGNACIO GRANGEL VICENTE								
MS EVA PATRICIA URBEZ SANZ								
MR JOSÉ BLANCO LÓPEZ								
MR JOSÉ MONTILLA AGUILERA								
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO								

Observations

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iv) Details of other items

Name	Category	Remuneration amount
MR ANTONIO LLARDÉN CARRATALÁ	Life insurance premium	66
MR MARCELINO OREJA ARBURÚA	Life insurance premium	1
MR ANTONIO HERNÁNDEZ MANCHA	Category	
MS ANA PALACIO VALLELERSUNDI	Category	

Name	Category	Remuneration amount
MR MARTÍ PARELLADA SABATA	Category	
MR SANTIAGO FERRER COSTA	Category	
MR LUIS GARCÍA DEL RÍO	Category	
MS ISABEL TOCINO BISCAROLASAGA	Category	
MS ROSA RODRÍGUEZ DÍAZ	Category	
MR GONZALO SOLANA GONZÁLEZ	Category	
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Category	
MR IGNACIO GRANGEL VICENTE	Category	
MS EVA PATRICIA URBEZ SANZ	Category	
MR JOSÉ BLANCO LÓPEZ	Category	
MR JOSÉ MONTILLA AGUILERA	Category	
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO	Category	

Observations

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b) Remuneration accrued by directors for sitting on the boards of other group companies:

i) Remuneration accrued in cash (in thousands of euros)

Name	Fixed remuneration	Per diems	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2020	Total 2019
MR ANTONIO LLARDÉN CARRATALÁ										
MR MARCELINO OREJA ARBURÚA										
MR ANTONIO HERNÁNDEZ MANCHA										
MS ANA PALACIO VALLELERSUNDI										
MR MARTÍ PARELLADA SABATA										
MR SANTIAGO FERRER COSTA										
MR LUIS GARCÍA DEL RÍO										
MS ISABEL TOCINO BISCAROLASAGA										
MS ROSA RODRÍGUEZ DÍAZ										
MR GONZALO SOLANA GONZÁLEZ										
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)										
MR IGNACIO GRANGEL VICENTE										
MS EVA PATRICIA URBEZ SANZ										
MR JOSÉ BLANCO LÓPEZ										
MR JOSÉ MONTILLA AGUILERA										
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO										

Observations

ii) Table of movements in remuneration systems based on shares and gross profit of shares or consolidated financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2020		Financial instruments granted during financial year 2020		Financial instruments consolidated during the financial year				Instruments maturing but not exercised	Financial instruments at the end of 2020	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR ANTONIO LLARDÉN CARRATALÁ	Plan							0.00				
MR MARCELINO OREJA ARBURÚA	Plan							0.00				
MR ANTONIO HERNÁNDEZ MANCHA	Plan							0.00				
MS ANA PALACIO VALLELERSUNDI	Plan							0.00				
MR MARTÍ PARELLADA SABATA	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2020		Financial instruments granted during financial year 2020		Financial instruments consolidated during the financial year				Instruments maturing but not exercised	Financial instruments at the end of 2020	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR SANTIAGO FERRER COSTA	Plan							0.00				
MR LUIS GARCÍA DEL RÍO	Plan							0.00				
MS ISABEL TOCINO BISCAROLASAGA	Plan							0.00				
MS ROSA RODRÍGUEZ DÍAZ	Plan							0.00				
MR GONZALO SOLANA GONZÁLEZ	Plan							0.00				
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Plan							0.00				
MR IGNACIO GRANGEL VICENTE	Plan							0.00				
MS EVA PATRICIA URBEZ SANZ	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2020		Financial instruments granted during financial year 2020		Financial instruments consolidated during the financial year				Instruments maturing but not exercised	Financial instruments at the end of 2020	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR JOSÉ BLANCO LÓPEZ	Plan							0.00				
MR JOSÉ MONTILLA AGUILERA	Plan							0.00				
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Plan							0.00				

Observations

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iii) Long-term savings schemes.

Name	Remuneration through consolidation of rights to savings schemes
MR ANTONIO LLARDÉN CARRATALÁ	
MR MARCELINO OREJA ARBURÚA	

Name	Remuneration through consolidation of rights to savings schemes
MR ANTONIO HERNÁNDEZ MANCHA	
MS ANA PALACIO VALLELERSUNDI	
MR MARTÍ PARELLADA SABATA	
MR SANTIAGO FERRER COSTA	
MR LUIS GARCÍA DEL RÍO	
MS ISABEL TOCINO BISCAROLASAGA	
MS ROSA RODRÍGUEZ DÍAZ	
MR GONZALO SOLANA GONZÁLEZ	
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	
MR IGNACIO GRANGEL VICENTE	
MS EVA PATRICIA URBEZ SANZ	
MR JOSÉ BLANCO LÓPEZ	
MR JOSÉ MONTILLA AGUILERA	
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO	

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2020	2019	2020	2019	2020	2019	2020	2019
MR ANTONIO LLARDÉN CARRATALÁ								

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2020	2019	2020	2019	2020	2019	2020	2019
MR MARCELINO OREJA ARBURÚA								
MR ANTONIO HERNÁNDEZ MANCHA								
MS ANA PALACIO VALLELERSUNDI								
MR MARTÍ PARELLADA SABATA								
MR SANTIAGO FERRER COSTA								
MR LUIS GARCÍA DEL RÍO								
MS ISABEL TOCINO BISCAROLASAGA								
MS ROSA RODRÍGUEZ DÍAZ								
MR GONZALO SOLANA GONZÁLEZ								
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)								
MR IGNACIO GRANGEL VICENTE								

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2020	2019	2020	2019	2020	2019	2020	2019
MS EVA PATRICIA URBEZ SANZ								
MR JOSÉ BLANCO LÓPEZ								
MR JOSÉ MONTILLA AGUILERA								
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO								

Observations

iv) Details of other items

Name	Category	Remuneration amount
MR ANTONIO LLARDÉN CARRATALÁ	Category	
MR MARCELINO OREJA ARBURÚA	Category	
MR ANTONIO HERNÁNDEZ MANCHA	Category	
MS ANA PALACIO VALLELERSUNDI	Category	
MR MARTÍ PARELLADA SABATA	Category	
MR SANTIAGO FERRER COSTA	Category	

Name	Category	Remuneration amount
MR LUIS GARCÍA DEL RÍO	Category	
MS ISABEL TOCINO BISCAROLASAGA	Category	
MS ROSA RODRÍGUEZ DÍAZ	Category	
MR GONZALO SOLANA GONZÁLEZ	Category	
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Category	
MR IGNACIO GRANGEL VICENTE	Category	
MS EVA PATRICIA URBEZ SANZ	Category	
MR JOSÉ BLANCO LÓPEZ	Category	
MR JOSÉ MONTILLA AGUILERA	Category	
MR CRISTÓBAL JOSÉ GALLEGRO CASTILLO	Category	

Observations

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c) Summary of remuneration (in thousands of euros):

Should include amounts for all remuneration components referred to in the present report accrued by the director, in thousands of euros.

Name	Remuneration accrued in the Company					Remuneration accrued in group companies					Total 2020 company + group
	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2020	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2020 group	
MR ANTONIO LLARDÉN CARRATALÁ	1,730		236	222	2,188						2,188
MR MARCELINO OREJA ARBURÚA	930		136	28	1,094						1,094
MR ANTONIO HERNÁNDEZ MANCHA	160				160						160
MS ANA PALACIO VALLELERSUNDI	190				190						190
MR MARTÍ PARELLADA SABATA	160				160						160
MR SANTIAGO FERRER COSTA	160				160						160
MR LUIS GARCÍA DEL RÍO	160				160						160
MS ISABEL TOCINO BISCAROLASAGA	175				175						175
MS ROSA RODRÍGUEZ DÍAZ	160				160						160

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REMUNERATION FOR LISTED COMPANIES**

Name	Remuneration accrued in the Company					Remuneration accrued in group companies					Total 2020 company + group
	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2020	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2020 group	
MR GONZALO SOLANA GONZÁLEZ	160				160						160
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	160				160						160
MR IGNACIO GRANGEL VICENTE	160				160						160
MS EVA PATRICIA URBEZ SANZ	160				160						160
MR JOSÉ BLANCO LÓPEZ	69				69						69
MR JOSÉ MONTILLA AGUILERA	69				69						69
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	69				69						69
TOTAL	4,672		372	250	5,294						5,294

Observations

Of the 222,000 euros under the heading "through other items" of the remuneration paid to Mr Antonio Llardén Carratalá, 156,000 euros correspond to remuneration in kind and 66,000 euros to the life insurance premium. In the case of the remuneration paid to Mr Marcelino Oreja Arburúa, of the 28,000 euros under the heading "through other items", 27,000 correspond to remuneration in kind and 900 to the life insurance premium.

D. OTHER INFORMATION OF INTEREST

If any material aspect of directors' remuneration exists that has not been addressed in this report, which you feel is necessary to provide a fuller view of the company's director remuneration practices, please explain these details briefly.

[Not applicable.]

This Annual Report on Directors' Remuneration was approved by the company's board of directors at its meeting held on:

[22/02/2021]

List whether any directors voted against or abstained from voting on the approval of this Report.

[] Yes

[] No

Name or corporate name of board members who voted against or abstained from voting on the approval of this report	reasons (voted against, abstention, non-attendance)	Explain the reasons
MR SANTIAGO FERRER COSTA	Abstention	Mr Santiago Ferrer Costa, Proprietary Director at the proposal of the shareholder Sociedad Estatal de Participaciones Industriales (SEPI), abstained from voting on the current report, expressing that the SEPI Board of Directors must determine whether SEPI's vote, as an Enagás, S.A. shareholder, matters on this and other proposals for discussion at the 2021 General Shareholders' Meeting.
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Abstention	Mr Bartolomé Lora Toro, representative, who is a natural person, of the legal person Sociedad Estatal de Participaciones Industriales (SEPI), abstained from voting on the current report, expressing that the SEPI Board of Directors must determine whether SEPI's vote, as an Enagás, S.A. shareholder, matters on this and other proposals for discussion at the 2021 General Shareholders' Meeting.

Appendix 1. 2019-2021 Long-Term Incentive Plan Targets

Strategic priorities	Targets	Minimum (75%)	Target (100%)	Maximum (125%)	Weight
Shareholder remuneration	<p>Guarantee of Total Return for Enagás Shareholders (TSR).</p> <ul style="list-style-type: none"> • Relative TSR: Enagás position in the ranking of the Comparison Group. (<i>REE, SNAM, TERNA, NATIONAL GRID, REN, IBERDROLA, NATURGY, ENEL, RWE, E.ON, ENGIE, CÉNTRICA, UNITED UTILITIES, SEVERN TRENT, PENNON GROUP</i>). • Absolute TSR. 	<ul style="list-style-type: none"> • 8 (40%) • 23.5 €/share 	<ul style="list-style-type: none"> • 5 (104%) • 24.3 €/share 	<ul style="list-style-type: none"> • 1-4 (125%) • 25.2 €/share 	<p>30%</p> <p>(15% / 15%)</p>
Regulated assets	<p>Consolidation of cash flows as a driver for solvency and ensuring a dividend payment for Enagás shareholders.</p> <ul style="list-style-type: none"> • Accumulated results corresponding to the Company's Funds From Operations (FFO) 	2,079 M€	2,110 M€	2,140 M€	25%
International growth	<p>Consolidation of cash flows contributed by affiliates to the shareholder (Enagás Group)</p> <ul style="list-style-type: none"> • Accumulated cash flows received from affiliates (Dividend) 	292 M€	353 M€	413 M€	35%
Sustainability	<p>Guarantee of sustainable and organic growth through the fulfilment of initiatives contained in the Sustainability Plan.</p> <ul style="list-style-type: none"> • Average reduction in CO₂ emissions in the 2019-2021 period vs. 2018. • Percentage of women on: <ul style="list-style-type: none"> • the Board of Directors • Pre-executive and executive positions • Workforce • Investment associated with the increased presence of renewable gases in the energy mix. 	<ul style="list-style-type: none"> • 5% • 25% • 30% • 30% • 15 M€ 	<ul style="list-style-type: none"> • 5.5% • 30% • 35% • 35% • 20 M€ 	<ul style="list-style-type: none"> • 7.5% • 35% • 40% • 40% • 25 M€ 	10%

Appendix 2. 2020 Company Targets – Enagás S.A.

Strategic guidelines	Targets	Annual targets	Indicators	Target value	Weight	Result	Percentage achieved
DE1. Shareholder remuneration	C1: Improve Company Financial Performance	a) Net profit growth	a) Net profit at December 31, 2020	a) 440 ME	30%	a) 444 ME	100%
DE2. Regulated assets	C2: Strengthening Regulated Revenues	a) Efficiency b) Small scale development c) Digitalisation promotion	a ₁) Gas Assets Department operating margin a ₂) Preparation of proposals for the interests of Enagás b ₁) Origination of demand and service quality b ₂) Preparation of virtual gas pipeline proposal and sustainability analysis c) Fulfilment of identified cross-cutting digital initiatives	a ₁) 41% a ₂) 3 proposals b ₁) 700 GWh b ₂) 100% c) 100%	20%	a ₁) 42.6% a ₂) 100% b ₁) 965 GWh b ₂) 100% c) 100%	100%
DE3. International growth	C3: Consolidation of the Company's Strategic Plan	a) Consolidation of international business b) Diversification, Rendering of services and Entrepreneurship	a ₁) Monitoring of business drivers in the markets where present a ₂) Identification and development of new business opportunities a ₃) Fulfilment of the subsidiaries' business plan and growth promotion (fulfilment of budget and business plan) b ₁) Investments and actions to promote hydrogen and other renewable gases and undertaking actions associated with Fibre Optics and Services projects b ₂) Fulfilment of the Enagás Emprende action plan	a ₁) 100% a ₂) 100% a ₃) 100% b ₁) 100% b ₂) 100%	25%	a ₁) 100% a ₂) 100% a ₃) 70% b ₁) 100% b ₂) 98%	92%
DE4. Sustainability	C4: Sustainability and Good Governance	a) Enagás Positioning vis-à-vis socially responsible investors b) Action on climate change c) People and culture: c ₁) Diversity and equal opportunities c ₂) Fostering people and cultural transformation	a) Sustained presence on sustainability indexes (DJSI) b ₁) Emission reduction (CO _{2e} , GHG and CH ₄) b ₂) Undertaking promotion projects c ₁) Percentage of women in managerial and pre-managerial positions and degree of achievement regarding the associated action plan c ₂) Degree of achievement regarding the Strategic Plan for People and Resources and the Agility Programme	a) Sustained presence on DJSI b ₁) 276,913 t CO _{2e} (GHG) and 46,706 t CO _{2e} (CH ₄) b ₂) 100% c ₁) 35% and 90% c ₂) 90% and 90%	15%	a) Sustained presence on DJSI b ₁) 209,968 t CO _{2e} (GHG) / 44,021 t CO _{2e} (CH ₄) b ₂) 100% c ₁) 37.1% and 100% c ₂) 99% and 100%	100%
DE5. COVID	C5: Managing the COVID-19 crisis	a) Company response to the COVID-19 situation. Contingency plans b) Actions to improve resilience c) Crisis management assessment	a) Implementation of contingency plans associated with people, infrastructure, security of supply and stakeholders. b) Achievement of initiatives regarding people (new ways of working), infrastructure and security of supply c) Qualitative evaluation of crisis management regarding the impact of COVID-19 on sustainability and stakeholders	a) 100 % b) 100% c) Approval by the Board of Directors, Chairman and CEO	10%	a) 100 % b) 100% c) 100%	100%

