



REPORT FROM THE AUDIT AND COMPLIANCE COMMITTEE ON RELATED PARTY TRANSACTIONS.

1. INTRODUCTION AND BACKGROUND

By virtue of the provisions of Recommendation 6 of the Unified Code of Good Governance of listed companies, approved in a resolution by the Board of the National Securities Market Commission (CNMV) on February 18, 2015, the Audit and Compliance Committee of Enagás, S.A. has drafted this report on the related party transactions made by its group and subsidiaries in 2019, and which will be published on Enagás' website sufficiently in advance of the 2021 Ordinary Shareholders' Meeting.

The information included in this report is also made available to the shareholders in the notes to the financial statements and the annual corporate governance report, documents which form part of Enagás group's 2020 consolidated annual accounts.

To draft this report, the prevailing securities market regulations were taken into account, specifically Legislative Royal Decree 4/2015 of October 23, which approves the consolidated text of the Securities Market Act, Order EHA/3050/2004 of September 15, on reporting of related party transactions that must be undertaken by companies issuing securities listed for trading in official secondary markets, and CNMV Circular 3/2018 of June 28, on regular information from issuers with securities admitted to trading on regulated markets, regarding interim financial reports, interim management reports and, if applicable, quarterly financial reports.

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

1.- It will be the responsibility of the Board of Directors to identify and approve, pursuant to a report from the Audit and Compliance Committee, transactions carried out by the company or the companies in its Group with Directors under the terms set forth in Articles 229 and 230, or with shareholders who, individually or in conjunction with others, hold a significant stake, including shareholders represented on the company's Board of Directors or the boards of other companies belonging to the same group or with persons associated with them. The affected Directors or those who represent or are related to the affected shareholders must refrain from participating in deliberating and voting on the resolution in question.

The aforementioned transactions shall be assessed from the point of view of equal treatment and on an arm's length basis, and shall be disclosed in the annual corporate governance report and in the company's regular public reporting as provided in applicable laws and regulations.

2.- The approval provided in the previous section shall not be required, however, for transactions that simultaneously comply with the following three conditions:

(a) they are governed by standard form contracts applied on an across-the-board basis to a large number of customers;

(b) *they go through at market prices or rates, generally set by the person supplying the goods or services; and*

(c) *their amount does not exceed 1% of the Company's annual revenues.*

3.- *The conditions provided in the paragraph above are met, the affected parties shall not be under a duty to report said transactions.*

4.- *In the event of duly documented, urgent reasons, related party transactions may be authorised, as applicable, by delegated bodies and persons, who must be ratified at the first meeting of the Board of Directors held after the decision is adopted.*

2. CRITERIA FOR DETERMINING WHICH RELATED PARTY TRANSACTIONS ARE TO BE REPORTED INDIVIDUALLY

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

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

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

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

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

- Transactions between Enagás, S.A. and companies over which it has control:

- Company name of the Group company:

ESTACIÓN DE COMPRESIÓN SOTO LA MARINA SAPI DE CV

Amount (in thousands of euros): 105

Brief description of the transaction: Guarantees and sureties extended.

- Company name of the Group company:

GASODUCTO DE MORELOS SAPI DE CV

Amount (in thousands of euros): 872

Brief description of the transaction: Financial revenue on the loan.

- Company name of the Group company:

GASODUCTO DE MORELOS SAPI DE CV

Amount (in thousands of euros): 8,183

Brief description of the transaction: Guarantees and sureties extended.

- Transactions between Enagás S.A. and companies over which it exercises significant influence:

- Company name of the Group company:

PLANTA DE REGASIFICACIÓN DE SAGUNTO, S.A. (SAGGAS)

Amount (in thousands of euros): 247

Brief description of the transaction: Financial revenue on the loan.

- Company name of the Group company:

TRANS ADRIATIC PIPELINES AG

Amount (in thousands of euros): 622,920

Brief description of the transaction: Guarantees and sureties extended.

- Company name of the Group company:

GAS TO MOVE TRANSPORT SOLUTIONS, S.L.

Amount (in thousands of euros): 27

Brief description of the transaction: Financial revenue on the loan.

- Company name of the Group company:

GAS TO MOVE TRANSPORT SOLUTIONS, S.L.

Amount (in thousands of euros): 630

Brief description of the transaction: Guarantees and sureties extended.

- Company name of the Group company:

AXENT INFRAESTRUCTURAS DE TELECOMUNICACIONES, S.A.

Amount (in thousands of euros): 18

Brief description of the transaction: Financial revenue on the loan.

Corporate name of the Group company:

SEAB POWER LTD

Amount (in thousands of euros): 9

Brief description of the transaction: Financial revenue on the loan.

- Transactions between Enagás, S.A. and companies having significant control over it:

o Transactions with Sociedad Española de Participaciones Industriales (S.E.P.I.).- Enagás, S.A. paid out a dividend of 21,378 thousands of euros to S.E.P.I. in 2020.

o Transactions with Bank of America Corporation.- Enagás, S.A. paid out a dividend of 15,452 thousands of euros to Bank of America Corporation in 2020.

o Transactions with Credit Agricole, S.A.- Enagás, S.A. paid out a dividend of 5,355 thousands of euros to Credit Agricole, S.A. in 2020.

o Transactions with Blackrock Inc.- Enagás, S.A. paid out a dividend of 14,465 thousands of euros to Blackrock Inc in 2020.

o Transactions with State Street Corporation.- Enagás, S.A. paid out a dividend of 12,861 thousands of euros to State Street Corporation in 2020.

o Transactions with Mubadala Investment CO.PJSC.- Enagás, S.A. paid out a dividend of 5,463 thousands of euros to Mubadala Investment CO.PJSC. in 2020.

o Transactions with Partler Participaciones, S.L.U.- Enagás, S.A. paid out a dividend of 21,378 thousands of euros to Partler Participaciones, S.L.U. in 2020.

- Transactions between Enagás, S.A. and companies in which the directors and managers have significant influence:

Group Company	Related party	Category	Amount (€ thousand)
Enagás S.A.	Banco Santander, S.A.	Finance cost	2,737
Enagás Internacional S.L.U.	Banco Santander, S.A.	Finance cost	1,316
Enagás Financiaciones, S.A.U.	Banco Santander, S.A.	Finance cost	8
Total finance cost, other related parties			4,061
Enagás Internacional, S.L.U.	Banco Santander, S.A.	Financial income	6
Total finance income, other related parties			6
Enagás S.A.	Banco Santander, S.A.	Agent Services	84
Enagás S.A.	Banco Santander, S.A.	Vehicle leasing	7
Enagás S.A.	Club Español de la Energía	Services received	57
Enagás S.A.	Asociación Española de Directivos.	Services received	10
Enagás S.A.	Fundación Aspen Institute España	Services received	50
Enagás Transporte S.A.U.	Banco Santander, S.A.	Vehicle leasing	120

Enagás Transporte S.A.U.	Banco Santander, S.A.	Sponsorships and donations	9
Enagás Transporte S.A.U.	Club Español de la Energía	Services received	1
Total services received, other related parties			338
Enagás S.A.	Banco Santander, S.A.	Guarantees	6,411
Guarantees and sureties received, other related parties			6,411

TOTAL TRANSACTIONS WITH OTHER RELATED PARTIES	10,816
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4. CONCLUSION

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

For legal purposes, it is stated that this report was approved by the Audit and Compliance Committee at its meeting on February 22, 2021.

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