

Annual Activity Report

Audit and Compliance Committee

19/02/2024

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1 Composition, meetings and operation

At the date of preparation of this report, the composition of the Audit and Compliance Committee was as follows:



CHAIRMAN

Mr José Montilla Aguilera

Independent

Appointment: 2021



MEMBER

Ms Patricia Úrbez Sanz

Independent

Appointment: 2022



MEMBER

Ms Natalia Fabra Portela

Independent

Appointment: 2021



MEMBER

Sociedad Estatal
de Participaciones
Industriales (SEPI),
represented by its Vice
President

Mr Bartolomé Lora Toro

Proprietary

Appointment: 2014



SECRETARY


Mr Diego Trillo Ruiz

Since July 1, 2023

During 2023, the following changes took place in the composition of the Audit and Compliance Committee, which were approved by the Board of Directors on April 24, 2023:

- Stepping down of Mr Rafael Piqueras Bautista, due to his retirement, from the positions of non-director Secretary and of Legal Advisor to the Board of Directors with effect from July 1, 2023, also ceasing to perform his duties as Secretary of the Audit and Compliance Committee.
- Appointment of Mr Diego Trillo Ruiz as Secretary and Legal Advisor to the Board of Directors, with effect from July 1, 2023, the date on which he also began to perform the duties of Secretary of the Audit and Compliance Committee.

The members of the Audit and Compliance Committee were appointed on the basis of their knowledge, skills and experience in accounting, auditing, financial and non-financial risk management and information technology.

All the information on the members of the Board of Directors, including their work experience, is available on the [Enagás' corporate website](#) .

ATTENDANCE

Pursuant to the provisions of the Regulations of the Audit and Compliance Committee, the Committee held its meetings in accordance with the Annual Calendar of Activities approved by the Committee at the beginning of the year.

During 2023, five meetings were held: four ordinary and one preparatory meeting. All meetings were convened to be held in person at the company's registered office, with the option of connecting via remote channels.

All members of the Audit and Compliance Committee attended these meetings.

COMMITTEE OPERATION

The Committee conducted its activity in 2023 following the best practices of Corporate Governance and the recommendations of both the Good Governance Code of Listed Companies of June 2020, and the Technical Guide 3/2017 on Audit Committees in public interest entities dated June 27, 2017.

In accordance with the provisions of the corporate texts, the Audit and Compliance Committee was assisted by the Head of Audit, Control and Risks, Ms Rosa Sánchez Bravo, in her capacity as advisor to the Committee, and from July 1, 2023 by Ms Belén Barandiarán Odriozola in her functions of support to

the General Secretariat to the Board, as head of the Corporate Governance area.

In addition, during 2023, at the invitation of the Chairman of the Committee, the Committee requested the frequent presence of certain members of the Company's senior management to discuss matters within their competence in accordance with the agenda. In particular, it was attended by the Chief Financial Officer, Mr Luis Romero, as well as by the Head of Legal Counsel and Compliance, Ms Sofia de las Cuevas, and the Head of Digitalisation and Technology, Mr César Corachán.

Likewise, the representatives of the external auditor, Ernst & Young, S.L., attended the ordinary and preparatory meetings of the Committee.

None of the persons invited to the Committee meetings attended the deliberation and voting phases.

The documentation relative to each meeting, as well as the agenda and the minutes from the previous meeting, were given to Committee members sufficiently in advance.

Ordinarily, after each Audit and Compliance Committee meeting, the Chairman of the Committee reported to the Board of Directors with regard to the actions taken and matters addressed in each meeting.

2 Audit and Compliance Committee regulation

The Audit and Compliance Committee is governed by the provisions of applicable laws and regulations, the provisions contained in the Articles of Association, the Rules and Regulations for the Organisation and Functioning of the Board of Directors of Enagás, S.A., as well as the Regulations of the Audit and Compliance Committee, dated December 19, 2022.

These documents are available on the [website](#).

The main functions and tasks performed during 2023 by the Audit and Compliance Committee are summarised in the following basic categories, which are set out in detail in article 8 of the Committee Regulations:

2.1. ANNUAL ACCOUNTS AND OTHER FINANCIAL AND NON-FINANCIAL INFORMATION

i. Overseeing and assessing the preparation and

presentation of financial and non-financial information on the Company and the Group, and checking compliance with regulatory requirements, the due definition of the consolidation scope and the correct application of accounting standards and, in particular, knowing, understanding and monitoring the efficiency of the Internal Control over Financial Reporting (ICFR) system.

ii. Examining the information on activities and results of the Company which is prepared and published periodically in accordance with the prevailing regulations relating to the securities markets, seeking to ensure transparency and exactness in the information.

iii. Informing the Board of Directors of any recommendations or comments that it deems necessary on the application of accounting

criteria, internal control systems, submitting recommendations or proposals to the Board of Directors aimed at safeguarding the integrity of the financial and non-financial information.

iv. Informing the Board of Directors, prior to their preparation, on the Annual Accounts and the Management Report, which shall include the mandatory non-financial information, as well as on financial and non-financial information which the Company must periodically disclose.

v. Ensuring that the Annual Accounts presented by the Board of Directors to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

vi. Assessing any proposals made by senior managers regarding changes in accounting practices.

2.2. EXTERNAL AUDITOR

WITH REGARD TO THEIR INDEPENDENCE:

- i.** Regularly gather information on the auditing plan and its implementation, in addition to preserving their independence in the exercise of their duties.
- ii.** Establishing appropriate relations with the external auditor to receive information on any matters that may threaten its independence, in particular any discrepancies that may arise between the accounts auditor and Company management, for consideration by the Committee, and any others related to the process of implementation of the accounts audit, as well as any possible safeguards to be adopted.
- iii.** Proceeding with the authorisation of services other than those prohibited in accordance with prevailing regulations.
- iv.** Ensuring that the Company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, other requirements concerning auditor independence.

- v.** Ensuring that the fees of the external auditor do not threaten their quality and independence, and are not based on any form of contingency, and establish an indicative limit on the fees that the auditor may receive annually for non-audit services.
- vi.** Receiving the annual statement from the accounts auditors on their independence with respect to the Enagás Group or entities directly or indirectly related to it, in addition to detailed and individual information on additional services of any kind rendered to these entities, and the corresponding fees received, by the external auditor or by persons or entities related to it. All of this is in accordance with the provisions of the regulations governing the accounts auditing activity.
- vii.** Issuing an annual report, prior to the issue of the audit report, giving an opinion on whether the independence of the auditors is compromised. This report contains a reasoned assessment of the provision of each and every one of the services rendered by the auditor, ensuring that they do not compromise the independence of the auditor, both individually and overall, in accordance with the provisions of the regulations governing the auditing of accounts.

This report will be published on the Company's website sufficiently in advance of the Ordinary Shareholders' Meeting.

- viii.** Establishing a maximum duration for the audit task, guaranteeing a gradual rotation of the signing partner in accordance with the Audit Act.

IN RELATION TO THE ACCOUNTS AUDIT PROCESS AND OTHER LIMITED REVIEWS OF INTERIM FINANCIAL STATEMENTS:

- i.** Reviewing the contents of audit reports, reports on limited review of interim financial statements and other statutory reports required of the accounts auditors prior to their issuance, in order to prevent qualifications.
- ii.** Supervising the responses of senior management to its recommendations, and mediating and arbitrating in the event of any disagreement with regard to the principles and criteria applicable to the preparation of the financial statements.
- iii.** Fostering and ensuring that the external auditor who audits the individual and/or consolidated annual accounts takes full responsibility for the audit report issued, even when the annual accounts of affiliates are audited by other external auditors.

- iv. Reporting to the General Shareholders' Meeting on the audit results, explaining that this process contributes to the reliability of the financial information, and on the role performed by the Committee in this process.
- v. Ensuring that the external auditor has a yearly meeting with the Board of Directors to inform them of the work undertaken and developments in the Company's risk and accounting positions.
- vi. Conducting an annual assessment of the auditor's performance and how it has contributed to the quality of the audit and the integrity of the financial reporting.

2.3. INTERNAL AUDIT

- i. Overseeing the proper operation of internal audit and ensuring the independence of the Company's internal audit function, ensuring the provision of sufficient resources and suitably qualified personnel for the optimum performance of its duties.
- ii. Approving the Internal Audit Plan, their related work plans and the annual budget for this, ensuring that the activity focuses mainly on the most significant risks facing the Group, including reputational risks.

- iii. Supervising the internal audit services, receiving regular information on their activities and verifying that senior management takes their conclusions and recommendations into consideration.
- iv. Annually assess the internal audit function and the performance of its functions by its manager, for which purpose it shall seek the opinion of executive management.

2.4. RISK CONTROL AND MANAGEMENT

- i. Ensuring the independence of the risk control and management function.
- ii. Overseeing and assessing the effectiveness of the control and management systems for financial and non-financial risks relating to the Company and its Group, including operational, technological, legal, social, environmental, political, cybersecurity and reputational risks or corruption and anti-bribery risks, so that any such risks are adequately mitigated within the framework of the Company's internal policy. In particular, if warranted by its importance, overseeing the control and management measures implemented in relation to

cybersecurity risk, including cyberattack response and recovery plans. Submitting recommendations or proposals to the Board of Directors to improve these systems along with the corresponding deadline for dealing with them.

- iii. Supervising the Risk Control and Management Unit, whose functions will include ensuring the proper functioning of the risk control and management systems. Participating actively in the preparation of risk strategies and in key decisions about their management.
- iv. Evaluating the Company's risks and examining the analyses of risks that affect its activities.
- v. Reporting to the Board of Directors on the risks detected and the assessment thereof, as well as any other relevant risk-related matters, reassessing the most significant financial and non-financial risks at least once a year.
- vi. Ensuring that the compliance function is provided with the necessary staff and material resources needed for the optimum performance of its duties.

2.5. COMPETENCIES RELATING TO LEGALITY

- i.** Reporting to the Board of Directors prior to it approving the creation or acquisition of shares in special purpose vehicles or entities resident in tax havens.
- ii.** Reporting on related-party transactions that must be approved by the General Shareholders' Meeting or the Board of Directors in accordance with Article 14 bis of the Board's Regulations and supervise the internal procedure established by the Company for transactions whose approval has been delegated by the Board.
- iii.** Preparing a report on related-party transactions, for posting on the Company's website, sufficiently in advance of the Ordinary Shareholders' Meeting.
- iv.** Receiving and analysing information on the tax-related criteria applied by the Company during the year, particularly with regard to the degree of compliance with the Corporate Tax Policy, prior to the preparation of the Annual Accounts.

2.6. CORPORATE GOVERNANCE, INTERNAL CODES AND COMPLIANCE

- i.** Reporting in advance to the Board of Directors on operations involving structural and corporate modifications planned by the Company.
- ii.** Supervising compliance with the rules of corporate governance and the Internal Codes of Conduct, ensuring that the corporate culture is aligned with its purpose and values and, in particular, with the Internal Code of Conduct on matters relating to the securities markets, acting in coordination with the Sustainability and Appointments Committee.
- iii.** Overseeing a mechanism that allows employees and other persons related to the Company to report potentially significant irregularities, including financial and accounting irregularities, or irregularities of any other nature, concerning the Company and which may come to light within the Company or its Group. Such mechanisms must guarantee confidentiality of the parties concerned.
- iv.** Preparing this Annual Activity Report of the Audit and Compliance Committee that will form

a part of the Annual Corporate Governance Report.

- v.** Assisting with drafting the Annual Corporate Governance Report, especially in areas concerning information transparency and conflicts of interest.

2.7. COMPLIANCE

- i.** Ensuring the independence of the compliance function.
- ii.** Ensuring that the compliance function performs its mission and competencies with regard to regulatory compliance and the prevention and correction of behaviour that is illegal or fraudulent or otherwise breaches the Enagás Code of Ethics.
- iii.** Ensuring that the compliance function is provided with the necessary staff and material resources needed for the optimum performance of its duties.

2.8. SHAREHOLDERS

- i.** Providing information on issues within the scope of its duties at the General Meeting.

3 Activities of the Audit and Compliance Committee in 2023

During 2023, the Audit and Compliance Committee effectively executed its schedule of actions, in accordance with the recommendations of the Technical Guide and the Good Governance Code of Listed Companies.

The most relevant activities conducted by the Audit and Compliance Committee in 2023 are summarised below.

WITH REGARD TO FINANCIAL AND NON-FINANCIAL INFORMATION

INFORMATION TO THE BOARD OF DIRECTORS ON ENAGÁS' ANNUAL ACCOUNTS FOR FINANCIAL YEAR 2022

In its meeting held on February 16, 2023, the Committee analysed and debated the 2022 annual accounts, reporting favourably on them to the Board of Directors. On February 20, 2023, the Board of Directors proceeded to prepare the annual accounts for the year ending December 31, 2022 under the terms set out by the Committee.

The Committee also verified that the Non-Financial Information Statement, which is included in the Management Report of the Consolidated Annual Accounts, included all the reporting required by Law 11/2018, of December 28 on non-financial information and diversity, reporting in this regard to the Board of Directors.

Finally, the Annual Accounts and Management Report for the 2022 financial year, both for Enagás, S.A. and its Consolidated Group, were approved by the General Shareholders' Meeting on March 30, 2023.

OVERSIGHT OF THE 2023 INTERIM FINANCIAL STATEMENTS

Throughout 2023, in accordance with the recommendations on good governance, the Committee has reviewed the interim financial statements on the occasion of the quarterly and half-yearly closing, based on the reports provided by the Chief Financial Officer and the external auditor.

The Committee views this activity to be of vital importance in maintaining strict control of the Company's accounts and thus to facilitate the issuance of an unqualified audit report at year-end.

As a result of its work, the Committee presented at its meetings in April and October 2023 reports to the Board of Directors regarding the interim economic and financial information of Enagás, and the economic and financial information for the first half of 2023, at its meeting held on July 2023.

INTERNAL CONTROL OVER FINANCIAL REPORTING SYSTEM ("ICFR")

During 2023, the Committee monitored, through the information provided by the external auditor, internal auditor and the Finance Department, the effectiveness of the Internal Control over Financial Reporting System (ICFR).

Specifically, on February 16, 2023, the external auditor issued a favourable report to the Committee on the ICFR Certification as of December 31, 2022, not detecting any significant weaknesses.

INTERNAL CONTROL OVER NON-FINANCIAL REPORTING SYSTEM (“ICNFR”).

On February 16, 2023, the external auditor informed the Committee of the issuance of a Report on Agreed Procedures on the Internal Control over Non-Financial Reporting (“ICNFR”) System, not having detected any material event.

OTHER FINANCIAL INFORMATION

During 2023, the Committee assessed and monitored other financial information such as the follow-up of the 2023 budget, the progress of the financial statements, the progress of the 2024 budget and certain reports related to key audit issues.

WITH REGARD TO THE EXTERNAL AUDITOR AUDIT PROCESS

In accordance with the established agenda, the external auditor participated in the four ordinary meetings held by the Committee, and in the preparatory meeting held in 2023 to prepare for the end of the accounting period, which has allowed the

Committee to adequately perform its duty to serve as a communication channel between the Board of Directors and the external auditor.

Specifically, at its February meeting, the external auditor reported on the Consolidated Annual Accounts Report, the Report on the Annual Accounts of Enagás S.A., and the Consolidated Non-Financial Information Statement Audit Report at December 31, 2022. The auditor also presented the Audit Report on the ICFR and the Report on agreed procedures on the ICFR as at December 31, 2023.

On March 30, 2023, the Chairman of the Committee informed the General Shareholders’ Meeting of the favourable outcome of the audit of the 2022 annual accounts, explaining how this had contributed to ensure the integrity of the financial information, as well as the functions that the Committee has performed during this process.

On a quarterly basis, the external auditor has been reporting to the Committee on the quarterly limited reviews, as well as the Report on the Interim Financial Statements as at June 30, 2023.

The external auditor was not present at the decision-making part of the Committee's meetings, as its

appearance was limited to the agenda items for which it had been convened.

In addition, the external auditor reported to the Board of Directors in detail on the development of its activities on two occasions: February 20 and July 24, 2023.

ANALYSIS OF THE INDEPENDENCE OF THE ACCOUNTS AUDITOR BY THE AUDIT AND COMPLIANCE COMMITTEE

During the meetings held in 2023, the Committee:

- a)** Reviewed and approved all the services rendered by the external auditor, to check that they complied with the requirements established in the Regulations of the Audit and Compliance Committee, the Audit Act 22/2015, the European Regulation 537/2014, and in the procedure for the contracting and relations with the external auditor.
- b)** Verified the relationship between the fees received by the auditor during the fiscal year for non-audit services and that those related to audit services did not exceed 70% of the average fees paid for audit services in the last three years.

At the date of this report, non-audit services fees accounted for 40% of total auditor fees for the Enagás consolidated Group.

Likewise, the external auditor EY informed the Committee that it had not detected any circumstance that could constitute grounds for incompatibility in terms of independence in accordance with the provisions of the Accounts Auditing Law 22/2015 and European Regulation 537/2014.

At the meeting held on February 16, 2023, the external auditor delivered to the Audit and Compliance Committee their Accounts Auditor Independence Report certifying fulfilment of the independence requisites set out in the applicable laws.

EXTERNAL AUDITOR PERFORMANCE ASSESSMENT

In February 2023, the Committee carried out an assessment of the external auditor's performance during financial year 2022 and of its contribution to the integrity of the financial and non-financial information, considering, among other matters, its performance before the Committee, as well as the opinion gathered from the different areas.

WITH REGARD TO THE INTERNAL AUDITOR

The Committee supervised the Company's Internal Audit services, ensuring their independence and effectiveness throughout 2023.

At its meeting on February 16, 2023, the Committee evaluated and approved the Internal Annual Audit Plan and Budget for 2023, verifying how the plan covered the Company's most relevant risks and ensuring that the function had sufficient and adequate resources to carry out its duties and to execute that plan. It also approved the objectives of the function for the 2023 financial year, following up during its various meetings.

Likewise, in this session, the Audit, Control and Risk Department presented the Annual Activity Report of internal audit carried out during 2022.

At all meetings held during 2023, the Committee received regular information on the internal audit activity, allowing it to have exhaustive control over the recommendations identified in its Audit Reports and verifying the degree of progress of the Annual Plan and the degree of implementation of its recommendations by the areas.

In 2023, the Committee worked with a quarterly internal audit plan, proposing and approving the addition of new work to the Plan, based on the agile methodology. This ensured that the existing control framework was adequately covered at all times in relation to emerging and key risks, thereby maximising the contribution of Internal Audit to the achievement of the objectives and Strategic Plan.

Internal Audit has maintained continuous communication with the external auditor in relation to the Quarterly, Half-Yearly and Annual Financial Statements, as well as the Non-Financial Information Statement, both for the preparation of the Annual Audit Plan and the quarterly updates carried out.

The Chairman of the Committee informed the Board of Directors after each meeting of the Audit and Compliance Committee.

Finally, the Committee carried out an assessment of the performance of the duties and responsibilities assumed by both the Audit, Control and Risk Department and the internal audit function as a whole, as well as the compliance with the implemented Quality Assurance and Improvement Plan. The evaluation questionnaire assesses aspects such as the strategic positioning of the function, good

governance and auditor independence, as well as performance in the execution of its duties through the year, in its dual role as internal auditor and trusted advisor to the Committee.

WITH REGARD TO RISK CONTROL AND MANAGEMENT

The Committee supervised the risk control and management unit, ensuring its independence and effectiveness throughout 2023.

Specifically, on February 16, 2023, the results of the annual measurement were presented, consisting of the estimation of possible prospective scenarios that could eventually have a negative impact on the company's interests, as well as their probability of materialisation. "Standard methodologies by risk type" were used: stochastic, deterministic, qualitative.

At this meeting, the Committee also assessed and approved the plan, annual budget and objectives of the Risk Control and Management function for the 2023 financial year. In addition, it approved the risk limits set for the main risk indicators, defined to monitor the company's risk appetite.

In relation to the Activity Report for the 2022 financial year, the Committee reported on the following:

- The Aggregate Corporate Risk Map, which covers all risks in the company's inventory and is reviewed and updated at least annually.
- Updating the analysis of physical risks arising from climate change in Enagás facilities, in accordance with the Regulation and delegated acts of the European taxonomy for sustainable activities, which assesses the climate variables to which the infrastructures are most exposed based on climate projections, so that, in addition to quantifying the impact of physical risks on them, the necessary adaptation measures to protect them can be defined.
- The update of ESG risks (Environmental, Social & Governance) as transversal risks in the Enagás Risk Control and Management Model, as well as the ESG risk matrix, in which risks with a transversal ESG component are classified in accordance with the material topics included in the Enagás ESG MODEL.

The Head of Audit, Control and Risks has been reporting to the Committee on a quarterly basis on the company's risk profile, through the updating of the corporate risk map, as well as the level of compliance with the established risk limits.

In April, the Committee was briefed on the assessment of risks and opportunities arising from climate change risks, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the European Taxonomy for Sustainable Activities and the Climate Change and Energy Transition Act.

In addition, the Audit, Control and Risk Department informed the Committee on the risks associated with each of the possible relevant transactions occurring during 2023.

Specific analyses and continuous monitoring of the reputation and integrity profile of current and potential business partners (partners, suppliers, customers, contractors, etc.) were also carried out in order to identify irregular or unethical business practices.

During 2023, the Committee was informed of the following improvements to the Risk Control and Management Model:

- a) Alignment of the Risk Model with the Strategic Plan, considering the projections of the Strategic Plan as a base case for the sensitivity analyses envisaged in the Corporate Risk Map.

- b)** Incorporation of new KRIs that determine the Company's risk appetite in terms of sustainability, strategic plan and other operational indicators.
- c)** Interconnections map of the main corporate risks, where the level of relative influence of the main corporate risks is determined.

In December, the Committee was informed about the update of the Risk Control and Management Policy, with the aim of adopting some of the recommendations of the Good Governance Code on Cybersecurity drafted by the National Cybersecurity Forum and issued by the CNMV in June 2023, which was subsequently approved by the Board of Directors.

WITH REGARD TO CYBERSECURITY

On a quarterly basis, the Committee has been informed by the Digitalisation and Technology Department of the actions taken by the Company to mitigate cybersecurity risk.

Also, at its July meeting, the Committee was briefed on the Cybersecurity Strategic Plan and the strategic levers of cybersecurity.

In October, the Committee was informed of the recommendations included in the Good Governance

Code on Cybersecurity published by the CNMV, as well as the satisfactory compliance with these recommendations.

These are some of the key reinforcement actions implemented in 2023:

- Improvement of internal and external cybersecurity KRIs, defining a specific KRI for industrial systems.
- Reinforcement of phishing exercises as well as employee awareness/training actions.
- Improved authentication measures for both the IT network and the OT network.
- Drills to measure the level of resilience.

No notable cybersecurity incidents were reported in 2023.

WITH REGARD TO LEGALITY

RELATED-PARTY TRANSACTIONS

On July 20, 2023 and December 12, 2023, the Audit and Compliance Committee issued, in accordance with the applicable regulations in force, supporting reports on related-party transactions, which it submitted to the Board of Directors for approval.

On February 15, 2024, the Committee was informed of the related-party transactions carried out in 2023, the approval of which was delegated by the Board, in accordance with the provisions of the Protocol on Related Party Transactions and the new regulation established in the consolidated text of the Corporate Enterprises Act in relation to this matter.

FISCAL TRANSPARENCY REPORT

In 2017, the Board of Directors approved Enagás' accession to the Code of Good Tax Practises (CBPT) adopted in the Forum for Large Companies, in which the State Tax Administration Agency (AEAT) participates, as Enagás acted in compliance with this Code in 2022.

In accordance with the recommendations of the CBPT, on October 19, 2023, the Committee was informed by the Chief Financial Officer of the Annual Tax Transparency Report as well as of the policies applied in 2022 and compliance with the tax strategy. This Report describes in particular: the company's tax strategy, main business areas, corporate structure, dividend policy, the group's financial position and other matters of particular tax importance that arose during the year.

This report was approved by the Board on October 23 and presented to the AEAT on October 25, 2023.

WITH REGARD TO CORPORATE GOVERNANCE AND COMMUNICATIONS WITH THE REGULATOR

ANNUAL CORPORATE GOVERNANCE REPORT

The Committee reported favourably to the Board of Directors on the Annual Corporate Governance Report (ACGR) for 2022, dated February 20, 2023.

WITH REGARD TO COMPLIANCE

On February 16, 2023, the Committee approved the budget of the Compliance Department for the 2023 financial year as well as the Objectives and the Activity Plan for that financial year. In addition, it evaluated the Compliance Report for the 2022 financial year.

On at least a quarterly basis, the Committee was informed of the details of the communications received via the Internal Reporting System (previously the Ethics Channel), as well as the operational report on the performance of the function.

On April 20, 2023, the Committee was informed of compliance with the Code of Conduct of the Technical Manager of the Spanish Gas System and measures to guarantee the separation of activities and the independence of the Technical Manager of the Gas System, through the presentation of the report prepared for this purpose by the Ethical Compliance

Committee and made available to the Ministry and the CNMC in accordance with the obligation included in article 63.4.d) of Law 34/1998, of October 7, on the Hydrocarbons Sector.

At the same meeting, the Committee also agreed to report in favour of updating the Conflicts of Interest Policy and to refer it to the Board of Directors for approval. At the same meeting, the Committee agreed to approve the new wording of the General Anti-Corruption Standard and was informed of the updating of the Procedure for Managing the Offering and Acceptance of Gifts.

At the above-mentioned meeting, the Committee proceeded to evaluate the performance of the Head of Legal Counsel and Compliance.

On July 20, 2023, the Committee was informed of the implementation of the Internal Reporting System (Whistleblowing Channel), in accordance with Law 2/2023 of February 20, regulating whistleblower protection; and the Committee agreed to report in favour of (i) approval of the Internal Reporting System Policy; (ii) ratification of the Operating Procedure of the Ethical Compliance Committee; (iii) ratification of the Procedure for handling notifications and queries regarding irregularities or breaches of the Ethics and

Compliance Model; (iv) appointment of the Ethical Compliance Committee as head of the Internal Reporting System and the delegation to its secretary of the powers to manage the system and process investigation files, to be submitted to the Board of Directors for approval.

At this meeting, the Committee was informed of the update of the Corruption Prevention Model and the Crime Prevention Model, as the company's Crime Prevention Body for the purposes of article 31 bis 2 2 of the Spanish Criminal Code.

On October 19, 2023, the Committee was informed that the follow-up audit of the ISO 37001 Certification on Anti-Bribery Management Systems had been successfully passed. At this meeting and in connection with the Antitrust Model, the Committee was also informed of the development of an antitrust guide incorporating recommended guidelines for behaviour when interacting with competitors. With regard to the separation of activities, it was informed of the drawing up a protocol to guarantee the independence of the activity of developing hydrogen and other renewable gas transmission infrastructures with respect to the activities carried out by Enagás Renovable, S.A.

On December 12, 2023, the Committee agreed to report in favour of updating the Code of Ethics and to refer it to the Board of Directors for approval.

The Committee also agreed to report in favour of amending the Compliance Policy and approving a Separation of Activities Policy for the Enagás Group and to refer it to the Board of Directors for approval.

In accordance with article 20.2 of the Internal Code of Conduct, the Secretary to the Board of Directors informed the Audit and Compliance Committee of the degree of compliance and incidents relating to the application of the Internal Code of Conduct in matters of the securities market.

The Committee was informed by the Head of Legal Counsel and Compliance on a quarterly basis of the Activity Report.

WITH REGARD TO THE ACTIVITY OF THE AUDIT AND COMPLIANCE COMMITTEE

On February 16, 2023, the Committee approved the Annual Activity Report of the Committee for 2022, and reported to the Board on the same date.

Communication between the Audit and Compliance Committee, the external auditor, the internal auditor and with the other areas was continuous and fluid, without this posing a threat to the independence of the work of the Committee, the internal auditor or the external auditor.

4 Performance assessment of the Audit and Compliance Committee

In accordance with the provisions set for in the Regulations, the Audit and Compliance Committee underwent a quality and efficiency assessment of the performance of their functions and competencies during 2023, by an external consultant, using the applicable regulations and best practices in corporate governance as the evaluation reference framework.

During 2023, the members of the Committee assessed its performance on its areas of responsibility. The assessment was carried out by an independent third party and coordinated by the Sustainability and Appointments Committee.

The result of this evaluation highlighted the fact that the Committee performs its duties in accordance

with the best corporate governance practices and the provisions of the Committee's Regulations and the CNMV Technical Guide 3/2017.

The results of this evaluation were approved by the Board of Directors on January 22, 2024.

5 Progress made in 2023 and priorities for 2024

The Audit and Compliance Committee has made progress in its performance during financial year 2023, in accordance with best practices. As stated in Technical Guide 3/2017, Enagás has an annual Training Programme, which, together with the “Welcome Programme” for new Committee members, ensures that all members have adequate and up-to-date knowledge in their respective areas of expertise.

During the 2023 financial year, training and informative sessions were held on the following matters:

- Comprehensive Risk Control and Management Model: the Head of Audit, Control and Risks, together with the head of the Risk Control and Management area, held individualised preparatory training meetings with each member of the Committee on the Risk Control and Management

Model, internal regulations, international standards and the assessment methodologies used in relation to the risk profile and risk appetite indicators. Subsequently, a training session was held for the members of the Committee as a whole.

- Cybersecurity: training was given on the challenges of Cybersecurity for the Board of Directors by a third-party specialist, specifically, in relation to the regulations applicable to Cybersecurity in the energy sector and as critical infrastructure, the Governance model, etc.
- Compliance Model and Code of Ethics: new features included in the updated Code of Ethics approved in December. The session was lead by the Head of Legal Counsel and Compliance.
- Adaptation to the Cybersecurity Good Governance Code of June 2023, prepared by the National

Cybersecurity Forum, taught by the head of Digitalisation and Information Technology.

- Security of supply, highlighting the 2022 balance sheet together with the role of the Technical Manager of the System and the challenges of 2023, a session which was given by the Technical System General Manager, Ms Susana de Pablo García.
- Hydrogen and its value chain, focusing on the characteristics of its production, transport, storage and use, as well as its emissions. The session was led by the Energy Transition General Manager, Ms Natalia Latorre Arranz.

The Committee has made progress during 2023, implementing certain improvements:

- Significant increase in the duration of meetings.

- Inclusion on the Committee's agenda of the report from the Digitalisation and Technology Department, to oversee monitoring of the actions carried out to mitigate cybersecurity risk.

During 2024, work will continue in a cross-functional and coordinated manner, with the objectives of digital transformation, adaptation to the NIS 2 Cybersecurity Directive in all aspects that affect the Board of Directors, as well as improving the Risk Control and Management Model focusing on key risks in Cybersecurity, Sustainability and Geopolitics.

6 Conclusions

As reflected in this report, during the course of the 2023 financial year, the Audit and Compliance Committee addressed the analysis and assessment of the main issues and aspects within its remit, in accordance with the best practices of Corporate Governance and the recommendations of both the Good Governance Code of Listed Companies, revised in June 2020, and the Technical Guide 3/2017 on

Audit Committees of public interest entities, dated June 27, 2017, reporting on the most relevant issues to the Board of Directors of the Company.

This report was issued by the Audit and Compliance Committee on February 15, 2024 and approved by the Board of Directors on February 19, 2024.

The Secretary to the Board of
Directors of Enagás S.A.
Mr Diego Trillo Ruiz

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