



4.9 Local communities

[GRI 103-1, GRI 103-2, GRI 103-3]

Relations with local communities are of concern to the company, since our activities impact the communities in which we operate. They encourage competitiveness in the industry, enhance energy supply security and create direct and indirect employment. We carry out

our activity guaranteeing the safety of infrastructure, minimising impacts on ecosystems and the population.

The most relevant aspects of managing relations with local communities are the identification of local stakeholders, the

information and consultation processes we carry out in infrastructure development activities and action plans (social investment).

Milestones 2017

- ✓ Updating of the Enagás Stakeholder Map.
- ✓ Implementation of volunteering initiatives aligned with the company's values in the social environmental, cultural, sporting, leisure fields.
- ✓ Donation of €100,000 to Cáritas to help cover the basic needs of the most disadvantaged groups.
- ✓ Participation in the sixth edition of the Give and Gain Day of the corporate volunteering initiative.
- ✓ Participation in the Company Solidarity Day, an initiative promoted by the NGO Cooperación Internacional.

Targets 2018

- ✓ Implementation of volunteering initiatives aligned with the company's values in the social environmental, cultural, sporting, leisure fields.
- ✓ Launch of the 'Cent for Solidarity' campaign (presentation of projects and publicity campaign to employees to encourage participation).
- ✓ Implementation of volunteering initiatives with the participation of members of Enagás employees' families.
- ✓ Maintaining our presence in initiatives such as Give and Gain Day (Forética) and company Solidarity Day.
- ✓ Implementation of audits to verify communication processes between affiliates and local communities.

0.4%

social action investment with respect to profit

2,675

hours of corporate volunteering

387

employees took part in corporate volunteering initiatives

19

corporate volunteering initiatives

Local community management model

Identification of local stakeholders

In local communities where Enagás develops and operates infrastructure, the company's priority is to contribute to their social and economic development and to minimise environmental impact while guaranteeing safety.

For this purpose, the first stages of building, operation and maintenance projects involve analysis of the area in terms of social, economic and environmental aspects, from which local stakeholders are identified.

This enables stakeholder maps to be created for the management of crises and emergencies affecting infrastructure, in which key collectives, communication channels and relevant issues are identified (see the chapter on ['Health and Safety'](#)).

In addition, from the analysis conducted on the needs of the area, identification is made of key collectives and associations (NGOs, local councils, etc.) which are an important source of information in order to understand the local context and which alliances can be established (see the section on ['Social Investment'](#) in this chapter).

Information and consultation processes

Enagás conducts environmental impact studies for construction projects and assessment of environmental aspects for infrastructure operation and maintenance projects. Environmental impact studies are open to public information and are also subject to processes of consultation in which stakeholders may voice their opinion and even propose modifications to a project. EMAS-certified facilities publish an annual report (Barcelona and Cartagena regasification plants and Yela and Serrablo underground storage facilities).

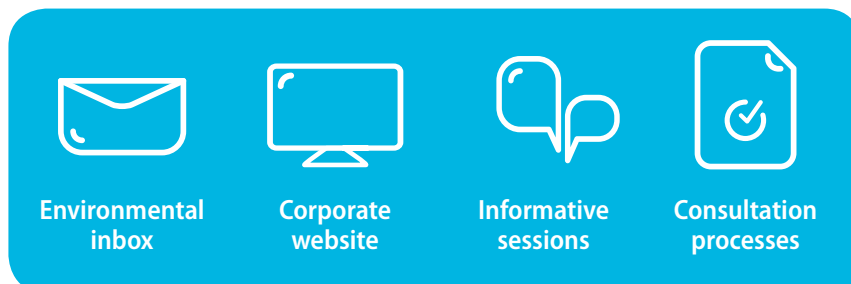
In the case of gas pipeline construction projects, the route design already takes into account criteria for minimising the impact on local plant and animal wildlife, and for avoiding the occupation of private property. Where the latter is concerned, a regulated procedure is applicable in Spain which includes public information and consultation with the entities affected, which guarantees transparency in the construction of infrastructure and equal treatment before the law. [\[GRI 413-2, GRI 0610\]](#)

In matters pertaining to infrastructure safety, Enagás creates internal emergency plans, which include information on stored chemical substances, human and material resources, scenarios, emergency plans, liability, etc. These plans are registered with the local government authorities, which are responsible for communicating them to the community and creating an associated action plan.

Enagás also holds information sessions in local areas for the purpose of explaining details of projects that are being executed locally, and safety and environment-related issues, among others.

In 2018, Enagás affiliates will be carrying out specific audits in relation to local communities, for the purpose of verifying that the communication processes of the concerned affiliates with their corresponding communities take place in a setting with adequate control (identification of the integrity of communities, complaint management, notification of relevant information, communication channel, etc.). Verification is also made of the degree to which the governance programme of the concerned affiliates reflects and suitably includes the most relevant aspects of the relations with the affected local communities.

■ Communication channels with local communities



Environmental inbox Corporate website Informative sessions Consultation processes

Social investment [GRI 413-1]

The objective of Enagás' social investment is to contribute to the social and economic development of local communities, giving priority to those regions in which we operate, through sustainable social action models.

Through dialogue and collaboration with stakeholders, we maximised the positive social impact of our initiatives, whether through volunteering, sponsorships, patronage or donations.



Strategic social investment priorities

Priority 1: Investment in communities

Enagás promotes the development of long-term collaboration initiatives, which contribute to the social and economic development of local communities, giving priority to those areas in which the company operates. For this purpose, it contributes economically and with time to social welfare, economic development, education and youth, health, art and culture, and the environment.

Sustained, inclusive and sustainable economic growth, full and productive employment and decent work



The initiatives implemented in this field cover the following aspects targeted by Sustainable Development Goal 8. Decent work and economic growth (SDG 8):

- Employment
- Economic inclusion
- Non-discrimination
- Development of abilities

For the second year in a row, Enagás collaborated with the Randstad Foundation to hold five training workshops in which the company's volunteers took part, for the purpose of raising employability and the social integration of women in situations of vulnerability.

Priority 2: Commercial contributions to the community

Within the scope of its social actions, Enagás includes initiatives aimed at supporting research and the development of the gas sector, since natural gas is of great importance for improving competitiveness of industry, and therefore aids the creation of direct and indirect employment. For this purpose, economic contributions are made in the fields of economic development, education and youth, art and culture, and the environment.

In 2017, Enagás sponsored the Alliance for Ibero-America Business Council (CEAPI), an organisation comprising business leaders committed to the Ibero-American Business Area and whose main objective is to foster economic and social development through an exchange of experience, investment stimulus and integration.

Access to affordable, safe and sustainable energy



The initiatives implemented in this field cover the following aspects targeted by Sustainable Development Goal 7. Access to affordable, safe and sustainable energy, and Goal 9. Building resilient infrastructure, promoting inclusive, sustainable industrialisation and innovation:

- Energy efficiency
- Investments in infrastructure
- Environmental investments

Building resilient structures, promoting inclusive, sustainable industrialisation and innovation



Priority 3: Donations to charity

Enagás engages in a number of specific collaborations as a reaction to emergencies taking place both in Spain and internationally. For this purpose, it makes contributions in cash and kind in the fields of social welfare, economic development, education and youth, health and the environment.

Enagás made a contribution of €20,000, as part of the ‘Fuerza México’ campaign launched by the Mexican Federal Electricity Commission to the business community in the wake of the earthquake to help rebuild the country and to assist those affected. Moreover, the Gasoducto de Morelos Council (in which Enagás has a 50% stake) made a donation of USD 50,000.

Partnerships for achieving the objectives
[GRI 102-12]



In the international context, the initiatives are implemented in collaboration with local partners. In Spain, these initiatives are carried out in collaboration with entities and associations, for the purpose of fulfilling Sustainable Development Goal, 17. Partnerships for achieving objectives (SDG 17).

In this way, and through partnerships with different stakeholders, Enagás contributes to achieving the other SDGs in the following areas:

- | | |
|-------------------|--------------------------|
| ● Poverty | ● Infrastructure |
| ● Hunger | ● Reducing inequality |
| ● Health | ● Climate change |
| ● Education | ● Terrestrial ecosystems |
| ● Gender equality | |
| ● Energy | |

■ 4 Creation of value for our stakeholders

Corporate volunteering programme

Enagás employees participate in the company's Corporate Volunteering programme "En nuestras manos" (In Our Hands), giving up their time and bringing their skills and talent. There are two forms of cooperation:

- Face-to-face corporate volunteering, for which activities carried out in collaboration with an association and overseen by the company. This type of

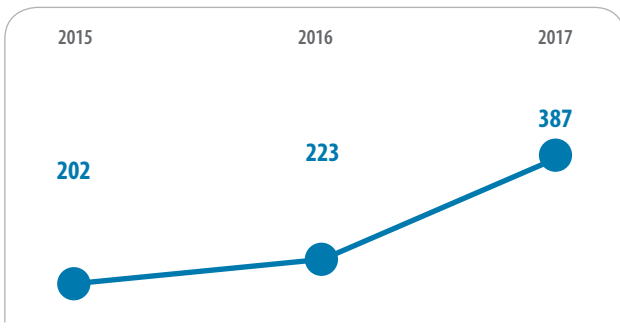
initiative takes place during business hours. In line with corporate guidelines on diversity and equal opportunity, the company guarantees that participation in volunteering activities will not lead to work-related discrimination.

- Virtual volunteering, for which the company connects with volunteering opportunities through different associations by means of the corporate volunteering portal. A platform that strengthens and extends the existing programme. It encompasses special

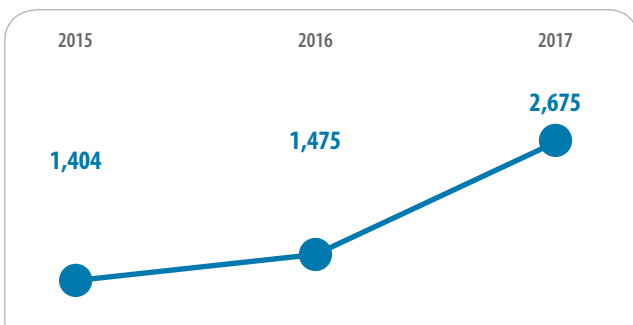
days organised by the company as well as over 1,200 national and international collaboration opportunities, both face-to-face and virtual, put forward by NGOs.

In 2017, we carried out 19 initiatives, in which 387 employees dedicated a total of 2,675 working hours. This required an investment of € 226,234 by the company to cover programme management costs.

■ Employees who took part in corporate volunteering initiatives



■ Hours devoted to volunteering initiatives



In 2017, there were 19 initiatives in the fields of social welfare, art and culture, and health

Sponsorships, patronage and donations

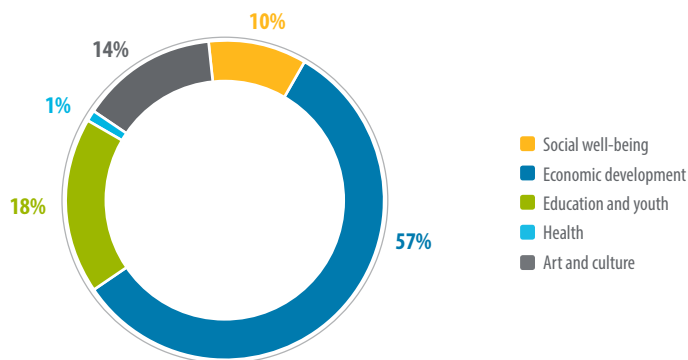
Enagás collaborates economically with social welfare projects through such activities as:

- Sponsorships: institutional and/or sporting activities.
- Patronage: social and cultural activities and initiatives.
- Donations, which may be of a corporate nature or voluntarily by employees, as is the case of the Cent for Solidarity campaigns that will be set up in 2018.

The procedure for managing sponsorships, patronage and donations establishes the criteria for the reception, approval and follow-up of collaboration requests (financial contributions).

In 2017 financial contributions amounting to €2M were distributed as follows:

■ Areas of contribution



Furthermore, we made in-kind donations of all IT equipment, mobile phones and discontinued promotional material estimated at a value of € 18,000.

[GRI 413-1]