

ANNUAL REPORT ON DIRECTORS' PAY

This Annual Report on Directors' Pay was authorised for issue by the Board of Enagás, S.A. at its meeting of 20 February 2012, based on a report prepared by the Appointments, Remuneration and Corporate Responsibility Committee, for the purposes of article 61 *ter* of the Securities Market Act 1988 (*Ley 24/1988*). In accordance with section 2 of the aforementioned article, this Annual Report On Directors' Pay, which includes the Company's Remuneration Policy adopted for the current year, that anticipated for future years, the overall summary of how the remuneration policy was applied over the year, as well as details of individual remuneration received by each of the Directors, will be submitted and put to an advisory vote as a separate item on the Agenda at the Annual General Meeting which at that same session the Board convened for 29 March 2012 or, if the Meeting is adjourned for lack of quorum, 30 March 2012.

1. COMPANY REMUNERATION POLICY. GENERAL PROCEDURE FOR SETTING REMUNERATION PAYABLE TO DIRECTORS, THE EXECUTIVE DIRECTOR AND SENIOR MANAGEMENT.

This first section describes the Company's General Remuneration Policy and the procedure applied annually to set and approve remuneration payable to Directors in respect of their Membership of the Board and its Committees; the procedure for setting the Executive Director's pay for the performance of his executive duties; and the procedure for setting pay for Members of the Company's Senior Management.

1.1. Procedure for setting Directors' pay for attendance at meetings of the Board and of its Committees.

Article 36 of the Articles of Association of Enagás, S.A. provides as follows:

"ARTICLE 36. REMUNERATION OF THE BOARD OF DIRECTORS.

The position of Director shall be remunerated.

The General Meeting shall determine the total maximum remuneration to be paid to Directors, and this shall comprise a cash sum payable on an annual basis or in respect of such period as the General Meeting may determine.

When setting remuneration, the General Meeting may resolve that part of such pay remunerate the office of Director itself, equally for all Directors, and another part be apportioned by the Board on such basis as may be determined at the General Meeting.

Directors may receive additional remuneration in the form of Company shares, share options or other securities that enable the holder to obtain shares, or through other remuneration systems based on the price of the shares quoted on a public exchange. The application of said systems shall be presented to the General Meeting for approval, and the Meeting shall determine the value of the shares granted to each Director, the price for the

exercise of option rights, the term of duration and all other conditions deemed appropriate.

Remuneration established herein shall be compatible with and independent from salaries, wages, indemnifications, pensions or compensations of any type established in general or in particular for those Members of the Board of Directors who are linked to the Company through a normal labour relationship, special senior executive contract, or a contract for services. Such relationships must be compatible with the position of Member of the Board of Directors.

Directors shall be entitled to the payment or reimbursement of expenses incurred as a result of attendance at meetings and other tasks directly related to the performance of their duties, such as travel, accommodation, meals and any other which may arise."

In performance of this provision of the Articles of Association, the Board, on the motion of the Appointments, Remuneration and Corporate Responsibility Committee, proposes to the shareholders in General Meeting – the body empowered to adopt such proposal each year – the remuneration payable for attendance at Board meetings and Membership of Board Committees. At the General Meeting of 25 March 2011, shareholders adopted the following resolution. It is highlighted that this resolution was identical to that adopted by Shareholders at the General Meetings of 25 April 2008, 27 March 2009 and 30 April 2010, such that Directors' pay in this respect has remained unaltered since 2008:

"The General Meeting, in accordance with the second paragraph of article 36 of the Articles of Association, agrees to set the figure of €1,249,733 as the maximum remuneration for Members of the Board of Directors for 2011, to be paid in accordance with the following method and criteria:

- Each Board Member attending a minimum of two meetings during the year will be entitled to a payment of €22,050.*
- In addition, actual attendance at meetings will entitle each Director to a maximum payment of €42,446. The Board of Directors shall establish the amount paid for attending each meeting, in person or by proxy.*
- Additionally, Board Committee Members shall be entitled to the sum of €11,025 per annum, with Chairmanship of the same entitling them to an additional €5,513 per annum.*
- The post of Deputy Chairman of the Board of Directors shall be remunerated by the additional amount of €32,025 per annum.*

The aforementioned sums are separate from remuneration or salary payments which may be additionally paid for work done or services provided by Directors, and also from the right to payment or reimbursement of expenses incurred in the course of their duties."

Various resolutions of the Appointments, Remuneration and Corporate Responsibility Committee specify the details of accrual and payments of per diems in respect of meetings of the Board and of its Committees.

In 2011, Directors were paid an aggregate amount of €1,086 thousand in per diems.

1.2. Remuneration of the Executive Director

1.2.1 Contractual relationship with the Executive Director

Pursuant to the last paragraph of article 36 of the Articles of Association, the Executive Director and Chairman of the Board, Antonio Llardén Carratalá, performs his executive duties at the head of the Company under a contract authorized in each and every one of its terms by the Board at its meeting of 22 February 2007. Any later change to the contract, and to its original economic terms in particular, has been authorized by the Board on the motion of the Appointments, Remuneration and Corporate Responsibility Committee. The contract specifies the duties of Antonio Llardén Carratalá as Executive Chairman of the Company, and makes provision for remuneration payable to him independently of, but consistent with, remuneration in respect of his Directorship, pursuant to the last paragraph of article 36 of the Articles of Association. The contract sets a fixed component of annual pay; a variable component of annual pay; a range of payments in kind commonly provided for in these contracts; and a range of benefits. The contract makes provision for events of termination. If the contract is terminated by the Company in the absence of grounds for fair dismissal, the applicable indemnity is an amount equal to three years' pay.

1.2.2. Fixed remuneration

To set the Executive Chairman's fixed pay component, every year the Appointments, Remuneration and Corporate Responsibility Committee proposes to the Board that the amount of this component be either left unchanged, or be increased by a given percentage. In 2009 in 2010, the fixed component of the Executive Chairman's remuneration remained unchanged. In 2011, it was increased in the same proportion as the average increase in the fixed pay of Senior Management in that year.

1.2.3. Variable remuneration

To set the variable pay component (equal to up to 60% of the fixed pay component), every year the Appointments, Remuneration and Corporate Responsibility Committee, having regard to the views of Company Management and having taken appropriate advice, adopts the "Company Targets" for the year in progress. Company Targets are relevant to setting the Executive Chairman's variable pay. At the beginning of each financial year, the Appointments, Remuneration and Corporate Responsibility Committee assesses the extent of fulfilment of Company Targets in the previous year, and proposes the variable pay due to the Executive Chairman accordingly. The Board then adopts this proposal; the Chairman of the Board abstains from taking part in deliberations or voting on the matter.

1.2.4. Remuneration in kind and additional benefits

The remuneration received by the Executive Chairman in kind is of a nature regularly provided for under this type of contract. In 2011, remuneration in kind was paid to a value of €65,000. One of the additional benefits consists of contributions to the Enagás, S.A. pension scheme. The Executive Chairman is provided with these benefits in the same way as any other Company employee: €10,000 was contributed to the scheme on his behalf in 2011. A further additional benefit is payment of life insurance premiums, which in 2011 came to a value of €34,000. Any significant change to non-pecuniary remuneration paid to the Executive Chairman or to additional benefits provided on his behalf is approved by the Board on the motion of the Appointments, Remuneration and Corporate Responsibility Committee.

1.3. Remuneration paid to Company Senior Management.

1.3.1. Contractual relationship.

Company Senior Management comprises the Company Secretary and Secretary to the Board; the Finance Officer; the Resources and Corporate Responsibility Officer; the Technical Management of the System and Operations Officer; the Strategy and Regulatory Affairs Officer; the Infrastructure and TPA Officer; and the Technology, Engineering and Procurement Officer. Together with the Chairman, these officers sit on the Company's Management Committee.

Members of Senior Management are retained by the Company under contracts that follow a template approved by the Board on the motion of the Appointments, Remuneration and Corporate Responsibility Committee. The contract template specifies the duties of the Senior Manager in question and sets remuneration, comprising fixed and variable pay, non-pecuniary remuneration and additional benefits. If a contract is terminated by reason of void or unfair dismissal, the applicable indemnity is based on a table that references the Manager's age and length of service.

1.3.2 Fixed remuneration.

Every year, the Appointments, Remuneration and Corporate Responsibility Committee approves any increase in remuneration paid to Senior Management as a whole and individually to each Senior Manager, and reports such changes to the Board. Fixed remuneration paid to Senior Management remained unchanged in 2009 and 2010. In 2011, fixed pay was raised by an average 3.9%. Fixed remuneration to Senior Management in the aggregate in 2011 came to €1,372 thousand.

1.3.3. Variable remuneration.

In view of the Company Targets adopted by the Appointments, Remuneration and Corporate Responsibility Committee and of the proposals of Senior Management, the Executive Chairman adopts "Management Targets". Variable remuneration paid to Members of Senior Management is set on the basis of fulfilment of Company Targets and Management Targets relating to each Senior Manager. Targets consist of the achievement of specified results in terms of business, investment and commissioning of infrastructure, strategic steps forward for the Company, and progress in sustainability and corporate responsibility. Variable remuneration to Senior Management in the aggregate in 2011 came to €594 thousand.

At the beginning of each financial year, the Appointments, Remuneration and Corporate Responsibility Committee, on the motion of the Executive Chairman, assesses the extent fulfilment of relevant targets by each Member of Senior Management in the previous year, and determines the variable remuneration payable to each accordingly. The Committee reports these decisions to the Board.

Other than the variable component of annual pay, the Company does not have in place any multi-annual incentives scheme giving rise to further variable pay to the Executive Chairman or Members of Senior Management. The Company ran incentive pay schemes in 2006 and 2009.

1.3.4. Remuneration in kind and additional benefits

The remuneration received by Senior Management in kind is of a nature regularly provided for under this type of contract. In 2011, remuneration in kind was paid to Senior Management to a value of €84,000. One of the additional benefits consists of contributions to the Enagás, S.A. pension scheme. Senior Management are provided with these benefits in the same way as other Company employees: €60,000 was contributed to the scheme on their behalf in 2011. A further additional benefit is payment of life insurance premiums, which in 2011 came to a value of €44,000. Any significant change to non-pecuniary remuneration paid to Senior Management or to additional benefits provided on their behalf is approved by the Appointments, Remuneration and Corporate Responsibility Committee.

2. COMPANY REMUNERATION POLICY FOR 2012

The Company remuneration policy for the current year, 2012, was adopted by the Board at its meeting of 20 February 2012, based on a Report produced by the Appointments, Remuneration and Corporate Responsibility Committee. Remuneration policy for 2012 follows the same principles as those applied by the Company in recent years; these principles are described in detail in section 1 above. However, the structure and relevance of certain remuneration items have been enhanced.

2.1 Directors' pay for attendance at meetings of the Board and of its Committees.

Pursuant to article 36 of the Articles of Association, and following the usual procedure, the Board has resolved to lay before the Annual General Meeting – to be held on 29 March 2012, or, if adjourned for lack of quorum, on 30 March 2012 – the following resolution to set Directors' pay in respect of Membership of the Board and of its Committees:

"The General Shareholders' Meeting, in accordance with the second paragraph of article 36 of the Company Articles of Association, agrees to set the figure of €1,115,741 as the maximum payment level for Members of the Board of Directors for 2012, to be paid in accordance with the following method and criteria:

- *Each Board Member personally attending a minimum of two meetings during the year will be entitled to a payment of €22,050.*
- *In addition, actual attendance at meetings will entitle each Director to a maximum payment of €42,446. The Board of Directors will decide the specific amount payable for personal attendance at each session.*
- *Additionally, Board Committee Members shall be entitled to the sum of €11,025 per annum, with Chairmanship of the same entitling them to an additional €5,513 per annum.*
- *The post of Lead Independent Director will be remunerated with the complementary sum of 16,000 euros.*

The aforementioned sums are separate from remuneration or salary payments which may be additionally paid for work done or services provided by Directors, and also from the right to payment or reimbursement of expenses incurred in the course of their duties."

Key aspects of this proposal as against previous years include:

- Aggregate remuneration is brought into line with the new maximum number of Directors, which in the amendment to the Articles of Association which the Board is to lay before the General Meeting decreases from 17 to 15.
- Elimination of the 32,025 euros remuneration allocated to the post of Vice-Chairman of the Board.
- Inclusion of remuneration of 16,000 euros for the post of "Lead Independent Director".
- Accrual of an amount of €22,050 for attendance at two meetings and of the

specific amount payable in respect of attendance at each Board meeting is now subject to an "in person" attendance requirement; attendance by proxy no longer attracts entitlement to remuneration. The Board believes that this proposal will ensure that remuneration is more in accord with the actual performance of functions by the Directors, while also encouraging them to attend Board meetings in person, as an instance of good Corporate Governance practice.

- The total maximum potential remuneration for this item payable to the Board is thus reduced from €1,249,733 to €1,115,741.

2.2 Remuneration of the Executive Director

In 2012, the remuneration payable to the Executive Chairman will be structured in the same way as in previous years:

2.1.1. Fixed remuneration.

At the date of issue of this Report, the Board had not yet determined whether the fixed remuneration paid to the Executive Chairman in 2011 (€960 thousand) will be increased in 2012, or the percentage of such increase, if any; neither had these matters been determined with respect to Members of Senior Management. Any increase will take the form of an organic update of salary, in line with previous years. In 2009 and 2010, the fixed component of remuneration to the Executive Chairman and Senior Management remained unchanged. In 2011, remuneration to the Executive Chairman was increased in the same proportion as the average increase in the fixed pay of Senior Management in that year.

2.2.2- Variable remuneration.

As in previous years, variable remuneration will be equal to up to 60% of the amount of fixed remuneration to the Executive Chairman. At its meeting of 20 February 2012, the Board adopted the 2012 Company Targets proposed by the Appointments, Remuneration and Corporate Responsibility Committee. The Executive Chairman's variable remuneration is dependent on the extent of fulfilment of these targets. The targets relate to improvement of the Company's business performance; fulfilment of the investment plan and of the schedule of commissioning of new infrastructure; and alignment of the Company's performance with new lines of strategy and with the requirements of the new corporate structure imposed on Enagás, S.A. by the Ley 12/2011, among other factors.

At year-end, the Appointments, Remuneration and Corporate Responsibility Committee conducts its annual review of the extent to which the Company has fulfilled the targets. Based on this assessment, the Committee submits to the Board its proposed determination of the Executive Chairman's variable pay.

Other than the variable component of annual pay, the Company does not have in place any multi-annual incentives scheme giving rise to further variable pay to the Executive Chairman or Members of Senior Management. However, the Company is considering the possibility of proposing to the Appointments, Remuneration and Corporate Responsibility Committee an incentive scheme consisting of variable pay linked to fulfilment of multi-annual targets. The proposal is currently being considered. Beneficiaries would include the Executive Chairman, Members of Senior Management, executives and other specially qualified Company employees.

2.2.3.- Remuneration in kind.

In 2011, the Executive Chairman was paid remuneration in kind to a value of €65 thousand. This pay component is expected to be of a similar amount in 2012.

2.2.4.- Additional benefits.

No significant changes are planned in the Company's contributions to the Enagás, S.A. pension scheme on behalf of the Executive Chairman in 2012. The Executive Chairman is provided with these benefits in the same way as any other Company employee: €10 thousand was contributed to the scheme on his behalf in 2011. A further additional benefit is payment of life insurance premiums, which in 2012 came to a value of €34 thousand.

2.3 Remuneration paid to Company Senior Management.

2.3.1. Fixed remuneration.

As indicated earlier, at the date of issue of this Report the Board had not yet determined whether the fixed remuneration paid to Senior Management in 2011 will be increased in 2012, or the percentage of such increase, if any. Any increase will take the form of an organic update of salary, in line with previous years. Fixed remuneration paid to Senior Management remained unchanged in 2009 and 2010. In 2011, fixed pay was raised by an average 3.9%.

2.3.2. Variable remuneration

At its meeting of 20 February 2012, the Board adopted the 2012 Company Targets proposed by the Appointments, Remuneration and Corporate Responsibility Committee. The targets relate to the Company's business performance; fulfilment of the investment plan and of the schedule of commissioning of new infrastructure; and alignment of the Company's performance with new lines of strategy and with the requirements of the new corporate structure imposed on Enagás, S.A. by the *Ley 12/2011*, among other factors.

At the date of issue of this Report, specification of Management Targets is nearing completion. Fulfilment of Management Targets, coupled with fulfilment of Company Targets, determines the variable remuneration payable to Members of Senior Management.

At year-end, the Appointments, Remuneration and Corporate Responsibility Committee conducts its annual review of the extent to which targets have been fulfilled. Based on this assessment, the Committee determines the variable pay due to each Member of Senior Management.

Other than the variable component of annual pay, the Company does not have in place any multi-annual incentives scheme giving rise to further variable pay to the Executive Chairman or Members of Senior Management. However, the Company is considering the possibility of proposing to the Appointments, Remuneration and Corporate Responsibility Committee an incentive scheme consisting of variable pay linked to fulfilment of multi-annual targets. The proposal is currently being considered. Beneficiaries would include the Executive Chairman, Members of Senior Management, executives and other specially qualified Company employees.

2.3.3. Remuneration in kind and additional benefits

No significant change to the remuneration in kind due to Senior Management is planned. In 2011, remuneration in kind to Senior Management in the aggregate came to €84 thousand. Nor is any change planned to additional benefits, which consist of contributions to the Enagás, S.A. pension scheme, to which Members of Senior Management are entitled in the same way as any other Company employee (contributions to the scheme on behalf of Senior Management in 2011 totalled €60 thousand), and of life insurance premiums (€44 thousand in 2011).

3. COMPANY REMUNERATION POLICY IN UPCOMING YEARS

The Company does not expect its present remuneration policy to undergo significant change in future years other than updates in line with prevailing market conditions and the practices of companies comparable to Enagás, S.A.

However, though based on its current principles, the Company's Remuneration Policy must be adapted to the Group structure that the Company is under a duty to adopt in pursuance of the Ley 12/2011.

The Appointments, Remuneration and Corporate Responsibility Committee is concerned to ensure that the variable component of remuneration due to the Executive Chairman and Members of Senior Management accurately reflects the achievement of targets constituting real challenges and requiring real effort on the part of the Company's management team.

4. OVERVIEW OF THE APPLICATION OF REMUNERATION POLICY IN 2011

4.1.- Procedures for setting remuneration in 2011.

In 2011, procedures were implemented on the terms set out above for setting remuneration to Directors in respect of Membership of the Board and its Committees; to the Executive Chairman for the performance of his executive duties; and to Members of Senior Management.

4.1.1. Remuneration in respect of Membership of the Board and its Committees.

At the General Meeting of 25 March 2011, shareholders adopted the following resolution: *"The General Meeting, in accordance with the second paragraph of article 36 of the Articles of Association, agrees to set the figure of €1,249,733 as the maximum remuneration for Members of the Board of Directors for 2011, to be paid in accordance with the following method and criteria:*

- *Each Board Member attending a minimum of two meetings during the year will be entitled to a payment of €22,050.*
- *In addition, actual attendance at meetings will entitle each Director to a maximum payment of €42,446. The Board of Directors shall establish the amount paid for attending each meeting, in person or by proxy.*
- *Additionally, Board Committee Members shall be entitled to the sum of €11,025 per annum, with Chairmanship of the same entitling them to an additional €5,513 per annum.*

- *The post of Deputy Chairman of the Board of Directors shall be remunerated by the additional amount of €32,025 per annum.*

The aforementioned sums are separate from remuneration or salary payments which may be additionally paid for work done or services provided by Directors, and also from the right to payment or reimbursement of expenses incurred in the course of their duties."

Actual remuneration in 2011 in this respect to all Directors combined totalled €1,086 thousand.

4.1.2. Remuneration of the Executive Director

- At its meeting of 31 January 2011, the Board considered the extent of fulfilment of 2010 "Company Targets", based on a proposal from the Appointments, Remuneration and Corporate Responsibility Committee, and determined the variable remuneration payable to the Executive Chairman for 2010.
- At its meeting of 21 February 2011, the Board adopted the 2011 "Company Targets" proposed by the Appointments, Remuneration and Corporate Responsibility Committee.
- At its meeting of 23 May 2011, the Board approved the Executive Chairman's fixed remuneration for 2011 proposed by the Appointments, Remuneration and Corporate Responsibility Committee.
- At its meeting of 6 February 2012, the Board considered the extent of fulfilment of 2011 "Company Targets", based on a proposal from the Appointments, Remuneration and Corporate Responsibility Committee, and determined the variable remuneration payable to the Executive Chairman for 2011.

4.1.3. Remuneration to Senior Management.

- At its meeting of 31 January 2011, the Appointments, Remuneration and Corporate Responsibility Committee considered the extent of fulfilment of 2010 "Company Targets", and determined the variable remuneration payable to each Member of Senior Management for 2010 on the basis of fulfilment of his/her respective targets. The Board was briefed on these matters at its meeting held on that same day.
- At its meeting of 21 February 2011, the Board adopted the 2011 "Company Targets" proposed by the Appointments, Remuneration and Corporate Responsibility Committee.
- At its meeting of 23 May 2011, the Appointments, Remuneration and Corporate Responsibility Committee determined the fixed remuneration payable to each Member of Senior Management for 2011. The Board was briefed on these matters at its meeting held on that same day.
- At its meeting of 6 February 2012, the Appointments, Remuneration and Corporate Responsibility Committee considered the extent of fulfilment of 2011 "Company Targets", and determined the variable remuneration payable to each Member of Senior Management for 2011 on the basis of fulfilment of his/her respective targets.

4.2 Remuneration paid to individual Directors in 2011

Since 2007, the Financial Statements of Enagás, S.A. and the notes to its Annual Corporate Governance Report disclose individually itemized details of remuneration paid to each Director, including the Executive Chairman's pay in respect of the performance of his executive functions.

4.2.1 Disclosures in the 2011 Financial Statements.

The disclosures made by the Company in its 2011 Financial Statements, prepared by the Board and placed on record in the registers kept by the CNMV, the Spanish Securities Market Regulator, are set out below.

"22.2 Remuneration to the Board and Senior Management.

Remuneration in 2011 and 2010 paid to the Directors and Senior Management of Enagás, S.A., by item, was as follows:

2011

	Salary	Per diems	Other items	Pension schemes	Insurance premiums
Board of Directors	1.514	1.086	65	10	34
Senior Management	1.966	-	84	60	44
Total	3.480	1.086	149	70	78

2010

	Salary ¹	Per diems	Other items	Pension schemes	Insurance premiums	Severance pay
Board of Directors	1.478	1.178	58	10	63	-
Senior Management	2.180	-	77	62	93	1.074
Total	3.658	1.178	135	72	156	1.074

¹ Fixed pay and target-linked variable pay remained unchanged with respect to 2009. In addition, as a multi-annual incentive earned over several years, the Directors and Members of Senior Management were paid €924 thousand and €1,103 thousand, respectively, in 2010.

Remuneration to each Director, excluding insurance premiums and pension scheme contributions, was as follows:

DIRECTORS	Thousand euros	
	2011	2010
Mr. Antonio Llardén Carratalá (Executive Chairman) ¹	1.642	1.600
BANCAJA (Proprietary Director) ²	20	107
Sagane Inversiones S.L. (Proprietary Director)	76	76
Bilbao Bizkaia Kutxa (Proprietary Director)	76	76
Sociedad Estatal de Participaciones Industriales (Proprietary Director)	76	76
Mr. Sultan Hamed Khamis Al Burtamani	53	-
Mr. Said Al Masoudi (Consejero Dominical)	-	57
Peña Rueda S.L. Unipersonal (Proprietary Director)	64	64
Mr. Jesús David Álvarez Mezquíriz (Independent Director)	64	64
Mr. Dionisio Martínez Martínez (Independent Director)	81	81
Mr. José Riva Francos (Independent Director)	80	70
Mr. Ramón Pérez Simarro (Independent Director)	76	76
Mr. Martí Parellada Sabata (Independent Director)	77	81
Mr. Antonio Téllez de Peralta (Independent Director)	-	28
Mr. Teresa García-Milà Lloveras (Independent Director)	76	76
Mr. Miguel Ángel Lasheras Merino (Independent Director)	64	64
Mr. Luis Javier Navarro Vigil (External Director)	76	76
Ms. Isabel Sanchez García (Independent Director)	64	42
Total	2.665	2.714

¹ In 2011, the Executive Director was paid fixed remuneration of €960 thousand and variable remuneration of €554 thousand, both of which pay components were approved by the Board. In addition, the Executive Director was paid Board attendance per diems in the amount of €64 thousand and remuneration in kind to the value of €65 thousand. His combined pay came to €1,642 thousand. In addition, he was provided with life insurance the premiums related to which came to €34 thousand in the year, and €10 thousand was contributed to his pension scheme.

The Executive Director's annual fixed pay and target-linked variable pay in 2010 remained unchanged with respect to 2009. As a multi-annual incentive earned over more than one year, he was paid €924 thousand. In addition, he was provided with life insurance the premiums related to which came to €63 thousand, and €10 thousand was contributed to his pension scheme.

² From 1 January to 21 February 2011.

4.2.2 Disclosures in the 2011 Annual Corporate Governance Report.

In the notes to its 2011 Annual Corporate Governance Report, the Company disclosed the following information:

"1) REMUNERATION PAYABLE TO BOARD OF DIRECTORS:

- Attendance per diems paid to Members of the Board of Directors as of 31 December 2011 totalled €1,086 thousand. Attendance fees paid to Directors who resigned in the course of 2011 were included in the calculation of these payments. Specifically those paid to BANCAJA until 21 February 2011, totalling €20,000.

- Payments to individual Directors as at 31 December 2011 are detailed below (in thousands of euros). They do not include insurance premiums or pension plans. Mr. Antonio Llardén Carratalá: 1,642; Mr. Sultan Hamed Khamis Al Burtamani: 53; Mr. Jesús David Álvarez Mezquíriz: 64; BBK: 76; BANCAJA (from 1 January to 21 February 2011): 20; Ms. Teresa García-Milà Lloveras: 76; Mr. Miguel Ángel Lasheras Merino: 64; Mr. Dionisio Martínez Martínez: 81; Mr. Luis Javier Navarro Vigil: 76; Mr. Martí Parellada Sabata: 77; PEÑA RUEDA, S.L.U.: 64; Mr. Ramón Pérez Simarro: 76; Mr. José Riva Francos: 80; SAGANE INVERSIONES, S.L.: 76; SEPI: 76; Ms. Isabel Sánchez García: 64.

- In addition, the remuneration paid to the Chairman of the Board, MR. ANTONIO LLARDÉN CARRATALÁ, which totalled €1,642 thousand, included both fixed remuneration for 2011 totalling €960 thousand, and performance-related variable remuneration amounting to €554 thousand, as approved by the Board of Directors. It also included attendance fees (€64 thousand) and remuneration in specie (€65

thousand). Neither payments made to pension funds/plans (€10,000) nor life insurance premiums (€34,000) are included in this amount. For further details on remuneration, see Section B.1.11 above.

2) REMUNERATION PAID TO SENIOR MANAGEMENT

The total paid to Senior Managers and the Head of Internal Audit in 2011 came to €2.133Mn. (See Section B.1.12 above).

In addition the amount of €2,133 thousand, Members of Senior Management and the Head of Internal Audit were paid €66 thousand in respect of pension plans and €44 thousand in respect of life insurance premiums.

4.2.3 Summary table

The Company has already disclosed the remuneration paid individually to each Director in 2011. However, the table below summarizes the remuneration paid to each Director in 2011 by item.

For the sake of consistency with the form in which these disclosures are required by the Annual Corporate Governance Report template, the table below does not make reference to contributions to the Executive Director's pension scheme in the amount of €10 thousand or life insurance premiums paid on his behalf in the amount of €34 thousand.

DIRECTOR	BOARD	AUDIT AND COMPLIANCE COMMITTEE	APPOINTMENTS, REMUNERATION AND CORPORATE RESPONSIBILITY COMMITTEE	EXECUTIVE DUTIES			TOTAL
				FIXED REMUNERATION	VARIABLE REMUNERATION	REMUNERATION IN KIND	
Mr. Antonio Llardén Carratalá	64	--	--	960	554	64	1,642
Mr. Jesús David Álvarez Mezquíriz	64	--	--			--	64
Bilbao Bizkaia Kutxa (Represented by Joseba Andoni Aurrekoetxea Bergara)	64	--	12			--	76
Sagane Inversiones, S.L. (Represented by Carlos Egea Krauel)	64	--	12			--	76
Mr. Sultan Hamed Khamis Al Burtamani	53	--	--			--	53
Mr. Teresa García-Milá Lloveras	64	--	12			--	76
Mr. Miguel Ángel Lasheras Merino	64	--	--			--	64
Mr. Dionisio Martínez	64	--	17			--	81
Mr. Luis Javier Navarro Vigil	64	12	--			--	76
Martí Parellada Sabata	64	13	--			--	77
Peña Rueda, S.L.U. (represented by Manuel Menéndez Menéndez)	64	--	--			--	64
Mr. Ramón Pérez Simarro	64		12			--	76
Mr. José Riva Francos	64	16	--			--	80
SEPI (Sociedad Estatal de Participaciones Industriales) represented by Enrique Martínez Robles	64	12	--			--	76
Mr. Isabel Sánchez García	64	--	--			--	64
BANCAJA	17	3	--			--	20
TOTAL	966	56	65		1,578		2,665

4.2.5 Total Directors' pay as a proportion of Enagás, S.A. earnings

Total remuneration paid to Directors represented 0.7% of profit attributable to Enagás, S.A. in 2011.

4.4. Aggregate remuneration paid to Members of Senior Management in 2011.

As set out above, aggregate remuneration paid to Members of Senior Management in 2011 was as follows:

– Fixed remuneration	€1,372 thousand
– Variable remuneration	€594 thousand
– Remuneration in kind	€84 thousand
– Pension scheme contributions	€60 thousand
– Life insurance premiums	€44 thousand

This Report was adopted by the Board of Directors at its meeting of 20 February 2012.

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