



**ANNUAL REPORT ON DIRECTORS'
REMUNERATION FOR LISTED COMPANIES**

ISSUER'S PARTICULARS

Financial year-end:

[31/12/2021]

CORPORATE TAX
CODE:

[A-28294726]

Corporate name:

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

Registered office:

[PASEO DE LOS OLMOS, 19 MADRID]

A. COMPANY REMUNERATION POLICY FOR THE CURRENT FINANCIAL YEAR

A.1.1 Explain the current directors' remuneration policy applicable to the current financial year. As far as is relevant, certain information referring to the remuneration policy approved by the general shareholders' meeting can be included, provided that it is clear and specific.

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

In all cases the following must be provided:

- a) Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.
- b) Indicate and if necessary explain whether or not comparable companies were taken into account in setting the company's remuneration policy.
- c) Information on whether or not any external advisor was involved and their personal details.
- d) Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

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

The Committee consists of seven Directors, with six being Independent Directors and one Proprietary Director: Ana Palacio Vallelersundi (Chairwoman, Independent); Ignacio Grangel Vicente (Independent); Antonio Hernández Mancha (Independent); Santiago Ferrer Costa (Proprietary); Gonzalo Solana González (Independent); Patricia Úrbez Sanz (Independent) and Cristóbal José Gallego Castillo (Independent).

The 2021 General Shareholders' Meeting approved the Remuneration Policy for the 2022-2024 period. The Policy has been proposed to the Board by the CSNR. The CSNR held meetings specifically to prepare its proposal on January 7, January 13, January 22, February 3, February 18, February 22 and April 16, 2021. At this last meeting, the text of the Policy was approved and submitted to the Board of Directors, which proposed it to the 2021 GSM, which approved it.

The Policy for the period 2022-2024 aims for continuity. It takes the criterion of prudence as one of the main bases used in its definition, and it maintains the fundamental premises that inspired the previous Policies for the periods 2016-2018 and 2019-2021. Technical improvements have been introduced to enhance the alignment of the Policy with the interests of Enagás' stakeholders, particularly those of our shareholders. Specifically: the minimum permanent shareholding requirement for Executive Directors has been formalised, the malus and clawback clauses on variable remuneration, both annual and long-term, have been formalised, and a holistic view of the market has been considered through the consideration of the aforementioned comparison groups. A new section describing the equal pay strategy has also been included.

The first premise of this Policy is the commitment made by the Board to shareholders at the Ordinary General Meeting held in 2015 to introduce a Long-Term Incentive (ILP) in the remuneration structure of Executive Directors, which will also be applicable to the Company's management team, and which complies with the remuneration recommendations of the CNMV's Good Governance Code and with the most generally accepted criteria regarding these types of remuneration.

The second premise included in this Policy is the obligation of the CSNR and the Board to maintain an adequate remuneration policy in terms of structure and amount. Achieving the targets of the Company's Strategic Plan, promoting the creation of value for Enagás' stakeholders, particularly for our shareholders, compensating capacity and effort proportionately and retaining the talent that the Company needs. These must be in accordance with general market conditions with respect to the Company's peers and its performance at all times.

For this purpose, a new analysis was carried out on the adequacy of the Directors' remuneration positioning. Three comparison groups were included, providing a complete view of the market. Specifically, the main comparison group of Ibex-35 energy companies (Acciona, Endesa, Iberdrola, Naturgy, REE, Repsol and Siemens Gamesa) was maintained, in line with previous policies. By way of contrast, the analyses was supplemented with the remuneration information of the Ibex-35 companies (also considered in previous policies), as well as European TSOs and companies with regulated revenues (Red Eléctrica, Indra, Snam, National Grid, REN, Gasunie, Fluxys Belgium, Open Grid Europe and Aena). For these purposes, the latest known public data for financial year 2020, were used.

The analysis was conducted with regard to the remuneration of the Directors in their capacity as such, the remuneration of the Executive Directors and the remuneration of the members of the Management Committee and other Company Senior Managers.

With regard to external advice, the CSNR received independent external advice from the firm Willis Towers Watson, which carried out the market analyses indicated above and presented alternatives for the design of this Policy. The CSNR also relied on the firm Garrigues, which advised on the legal and tax aspects referred to in this Policy.

In relation to temporary exceptions, the 2022-2024 Policy states that the Board of Directors, at the proposal of the CSNR, may approve the application of temporary exceptions to the Remuneration Policy in situations where it is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability. In this regard, the Board of Directors shall be required to have a prior report from the CSNR assessing the circumstances that make it necessary to apply the temporary exceptions and the specific remunerations that should be subject to exception or modification. The Board, after reviewing the prior report issued by the CSNR's, will determine whether the application of the temporary exceptions is appropriate, as well as the components that are affected by it. In any case, the Company shall include in the Annual Report on Directors' Remuneration information on the exceptional situation that has led the Board to approve the application of the temporary exception, as well as the remuneration affected.

A.1.2 Relative importance of the variable remuneration components compared to the fixed items (remuneration mix) and the criteria and objectives considered when setting them and to guarantee an adequate balance between the fixed and variable remuneration components. In particular, indicate the actions taken by the company in relation to the remuneration scheme to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, including, where appropriate, measures provided to ensure that the remuneration policy addresses the company's long-term results, measures adopted in relation to categories of personnel whose professional activities have a material impact on the risk profile of the entity and measures provided to avoid conflicts of interest.

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

The Directors' Remuneration Policy for the period 2022-2024 includes a remuneration proposal for this period with the following bases:

- Maintain the level of contribution to existing social security plans.
- Maintain the annual variable remuneration.
- Maintain, during the three years of the period, the remuneration for the Executive Directors for Board membership.
- Enable the possibility of applying variations to the fixed remuneration in the terms set out below.

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

Variable annual remuneration.

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

At the beginning of each year contemplated in the Policy, the Board will approve the objectives applicable to the Executive Chairman and the Chief Executive Officer for these purposes. At year-end, the Board, on the proposal of the CSNR will evaluate the degree to which the targets have been met and decide the variable annual remuneration for the Chairman and the Chief Executive Officer. The 2022-2024 Policy formalises and clarifies the malus and clawback clauses on annual variable remuneration. However, the Board, at the CSNR's proposal, was already empowered to apply them.

Long-term variable remuneration (2022-2024 ILP).

Executive Directors may be beneficiaries of an ILP, as may members of the Management Committee and the rest of the Company's management team. The 2016-2018 Policy included an ILP as part of the Executive Director Remuneration Policy (also applicable to members of the Management Committee and the rest of the Company's management team). That Policy stated that the ILP should be maintained as part of the Company's remuneration structure and in successive Directors' remuneration policies submitted for approval at the General Shareholders' Meeting, and this was done in 2019. Given the continuity of this Policy, as indicated above, it is recommended that a new ILP be applied for the 2022-2024 period. The structure and content of the ILP would likewise be in continuity with respect to the previous ones. To this end, Enagás is considering the possibility of implementing a new ILP that will be submitted for approval under a specific agenda item of the General Shareholders' Meeting to be held in 2022, as well as in the Plan Regulations (hereinafter, the "Regulations"), with the following fundamental characteristics:

Targets.

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

Type of Plan.

- A Plan for 2022-2024 with a three year targets measurement period.
- The Plan would provide for the delivery of shares linked to the targets of the Strategic Plan.
- In the case of Executive Directors, 100% of the ILP would be settled by the delivery of shares in the Company.

Duration.

The period for measuring targets and permanence would be 3 years.

Period of settlement, deferral and retention of shares.

At the end of the target measurement period, the First Payment Date, consisting of the immediate payment of 50% of the incentive, would take place in 2025 within 30 days following the approval of the 2024 Annual Accounts approved by the General Shareholders' Meeting. The Second Payment Date (50% deferred) would take place on the first anniversary of the First Payment Date. In addition, the Executive Directors would be entitled to receive, in the form of shares, the net dividends, if any, that they would have received between the First and Second Payment Dates (hereinafter, the "Deferral Period") if they had received all the shares on the First Payment Date. The Executive Directors would be obliged to maintain the shares received, net of tax, at the time of settlement of the Plan (mid 2025) for two (2) years for those received on the First Payment Date and one (1) year for those received on the Second Payment Date. The Executive Directors would have the right to receive, in the form of shares, the net dividends generated during the retention period as they are owners of the shares. Therefore the ILP would not have a direct effect on the Executive Directors' remuneration in 2022, 2023 and 2024, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year.

In 2025, 50% of the ILP would be settled, and the other 50% would be deferred to 2026, thus the Executive Directors would be paid the incentive according to their Level of Attainment of targets over the multi-year period. They would receive all this Incentive in the form of shares, and they would be obliged to maintain the shares received in 2025 for two (2) years, and those received in 2026 for one (1) year. In 2026, the Executive Directors would be able to freely dispose of the shares received.

Conditions for receiving the incentive.

The incentive would be linked to financial and non-financial metrics, reflecting the priorities of the Strategic Plan. Non-financial objectives linked to the sustainability strategy would be included. Some of the metrics could be measured against a comparison group of companies that are competitors or perform similar activities. Targets would be defined, so as to link one target to each of the strategic guidelines, in line with the arrangements for the annual variable remuneration.

The Board, at the proposal of the CSNR, approves the metrics, weightings, targets and, where appropriate, the comparison group at the start of the Plan to ensure continuous alignment with the Company's strategy. The Board of Directors, at the behest of the CSNR, reserves the right to modify the parameters established in the event of certain exceptional circumstances, to make them more adequate for new business circumstances, in which case they will ensure that the impact on the Plan is neutral. Reception of the incentive would also depend on the Executive Directors remaining with the Enagás Group until the date of Plan settlement, except under the special circumstances explained in the Plan regulations.

Achievement scales.

An achievement scale is established for each target with:

- A minimum achievement level, below which no remuneration is paid.
- A 100% achievement level, for which 100% of the initial target remuneration is paid.
- A maximum total incentive which cannot exceed 125% of the initial target Incentive.
- Intermediate levels are calculated using linear interpolation.

Incentive level.

For Executive Directors the annual incentive in the 100% achievement scenario would be 50% of their annual fixed remuneration in 2022.

Authorisation to implement the action plan.

Regardless of the preceding description of the ILP, the Board shall submit to the General Shareholders' Meeting, in accordance with Article 219 of the Spanish Corporate Enterprises Act, an express resolution to approve the ILP which must include the delivery of shares. This agreement shall include the maximum number of shares that may be allocated in each year by this remuneration system, the value of the shares that may be taken as a reference, the term of the Plan and other characteristics of the Plan. The Board of Directors agreed to propose to the 2021 General Meeting the approval of this Policy and to postpone to the meeting to be held in 2022 the proposed resolution relating to the ILP referred to in Article 219 of the Corporate Enterprises Act so that the latter may contain the detail required by current legislation and good governance best practices, all in accordance with the provisions of this Policy. If the minimum degree of achievement of targets is not met, the incentive shall amount to zero. Details of the targets associated with 2022-2024 ILP can be found in Appendix 1.

Malus and clawback clauses.

In certain circumstances, the Board, at the proposal of the CSNR, may cancel ("malus") any variable components of the variable remuneration that are pending payment and/or may reclaim ("clawback") part or all of the variable components of the remuneration paid, when there are certain exceptional circumstances that affect the Company's results, or that derive from inappropriate conduct by the Executive Director. The clawback clauses shall be applicable for a period of two years from the date of payment of the variable remuneration. Among other circumstances, the variable remuneration may be cancelled and/or its return demanded in the following cases: If the Company's financial statements have to be restated for a reason other than the modification of the applicable accounting standards. If the Executive Director is sanctioned due to serious breach of the code of conduct and other applicable internal regulations.

When any component of variable remuneration has been totally or partially settled and paid based on information which subsequently is clearly proven to be false or seriously inaccurate. Other circumstances not foreseen or assumed by the Company that have a material negative effect on the income statements for any of the years of application of the clawback clauses. When the Company's external auditor makes qualifications in the audit report that reduce the results taken into consideration to determine the amount of variable remuneration to be paid.

Minimum permanent shareholding requirement.

This requirement, to which the Executive Directors were already committed, is formalised to reinforce the alignment of their interests with those of shareholders and the alignment of the Policy with corporate governance recommendations. Executive Directors are required to reach and maintain a certain number of shares in Enagás, S.A. The requirement amounts to 2 years' fixed remuneration. The deadline for meeting this requirement is five years from approval of this Remuneration Policy. For new appointments, the period shall run from the date of appointment. In order to achieve this target, the actions of non-vested incentive plan are not considered. The CSNR shall periodically review compliance with this requirement.

A.1.3 Amount and nature of the fixed components that are expected to accrue in the year to the directors in their capacity as such.

In the "Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years" approved at the 2021 GSM, the amount of the fixed components of the directors' remuneration during the three years that the policy is in force remains unchanged.

The amounts and items for 2022 are the following:

Individual remuneration of Directors in their capacity as such.-

The individual remuneration of Directors for 2021, as set out in the 2019-2021 policy, based on the positions they hold and their attendance at meetings of the Board and its Committees is as follows: (i) a fixed annual amount of 100,000 euros for Board membership; (ii) an annual variable amount of up to 30,000 euros, depending on attendance to Board meetings; (iii) a fixed annual amount for membership in Board Committees of 25,000 euros; (iv) a variable annual amount of up to 5,000 euros, depending on attendance to Committee meetings; (v) a fixed annual amount of 15,000 euros for serving as Chairperson of each Committee; and (vi) a fixed annual amount of 15,000 euros for serving as Independent Leading Director.

These amounts would be maintained throughout the term of this Remuneration Policy (2022-2024), despite the fact that they could be revised, in all cases, observing compliance with the maximum reference indicated above, based on the Group's results and in certain circumstances such as, but not limited to, material changes in the business, mandate or responsibilities and exceptional performance of the Company. In these circumstances, the Board, at the proposal of and after a reasoned report from the CSNR, may decide to apply variations limited to 10%. This would be detailed and explained in the relevant Annual Report on Directors' Remuneration.

The maximum amount of annual remuneration to be paid to all the Directors in their capacity as such in financial year 2021, as approved by the General Shareholders' Meeting in 2020, amounts to 2,600,000 euros. This limit would be maintained during the period of validity of this Remuneration Policy (2022-2024), notwithstanding the fact that it could be revised during its term in the event that the 10% annual variations indicated above are applied.

In order to determine this limit, the maximum number of Directors established in Article 35 of the Articles of Association (sixteen) has been considered, as well as the maximum number of members on each of its Committees, which is seven, in accordance with Articles 44 and 45 of the Articles of Association. The number of ordinary meetings of the Board shall be eleven per year and there will be four meetings of each Committee.

A.1.4 The amount and type of the fixed components will accrue in the financial year for the performance of senior management functions by the executive directors.

The annual fixed remuneration of the Chairman and CEO will remain unchanged in 2022. The annual fixed remuneration of the Chairman remains unchanged from 2017 and that of the Chief Executive Officer from 2018.

The fixed remuneration of the Executive Chairman is 1,000,000 euros and that of the Chief Executive Officer is 500,000 euros.

A.1.5 The amount and type of any remuneration component in kind accrued during the year, including, but not limited to, the insurance premiums paid to the director.

In accordance with the "Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years" approved by the 2021 General Shareholders' Meeting and in accordance with the terms of the contracts approved by the Board, the executive directors receive a fixed annual remuneration in kind for common items for this type of services and similar to those received by the entire Company' management team (vehicle, medical insurance, etc.). The Executive Directors are also an insured participants in the "Company Directors' Insured Pension Plan", established by the company for its management team by means of a mixed group insurance policy for pension commitments, including benefits in the event of survival, death and disability, which the company has signed with an insurance firm.

The Executive Chairman received the following amounts for these items in 2021: payments in kind amounting to 163 thousands of euros; a life insurance premium amounting to 56 thousands of euros and contributions to the Directors' Pension Plan amounting to 210 thousands of euros.

The Chief Executive Officer received the following amounts for these items in 2021: payments in kind amounting to 28 thousands of euros; a life insurance premium amounting to 0.8 thousands of euros and contributions to the Directors' Pension Plan amounting to 159 thousands of euros.

The Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years does not provide for variations in the items that make up the annual fixed remuneration in kind for 2022 and any differences in their amount will be the result of applying the price increases at all times and, where applicable, the valuation rules that apply to them.

A.1.6 Amount and type of the variable components, differentiating between those established in the short and long-term. Financial and non-financial parameters, the latter including social, environmental and climate change parameters, selected to set the variable remuneration in the current financial year, explanation of the extent to which the parameters relate to the performance of both the director and the entity and to its risk profile, and the methodology, necessary term and techniques provided for ascertaining the effective degree of compliance with the parameters used in the design of the variable remuneration at the end of the financial year, explaining the criteria and factors it applies in terms of the time required and methods for verifying that the performance or other conditions to which the accrual and consolidation of each component of variable remuneration was linked have been effectively met.

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

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

Variable annual remuneration.-

In accordance with the "Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years", the Executive Chairman and the Chief Executive Officer have a recognised right to receive a variable annual bonus for meeting the targets set forth by the Board of Directors at the proposal of the CSNR for the corresponding year. The variable bonus cannot exceed 60% of the annual fixed monetary remuneration in any case.

At the beginning of each year, and contemplated in the "Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years", the Board will approve the targets applicable to the Executive Chairman and Chief Executive Officer for these purposes. At year-end, the CSNR will appraise the extent to which the targets have been fulfilled and decide the variable annual remuneration for the executive directors. The 2022-2024 Policy formalises and clarifies the malus and clawback clauses on annual variable remuneration. However, the Board, at the CSNR's proposal, was already empowered to apply them.

At the proposal of the CSNR, the Board established the targets that apply in 2022 to the Executive Chairman and Chief Executive Officer for these purposes, consisting of the following in general terms:

1. - Improvement of the economic results of the Company in the form of an increase in net profit.
2. - Consolidate the Company's regulated revenue.
3. - Consolidation of the Company's strategic plan, particularly with regard to the development of international activity.
4. - Sustainability and Decarbonisation.
5. - Promote digitalisation, entrepreneurship and the rendering of services.

Appendix 2 to this report contains details of the associated targets.

Long-term variable remuneration (2022-2024 Long-Term Incentive).-

In accordance with the "Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years", the Board, following a report from the CSNR, must propose an ILP for approval at the 2022 GSM that would also apply to the members of the Management Committee and the rest of the Company's management team, under the terms explained in section A.1.2 of this report.

The Executive Chairman and the Chief Executive Officer are beneficiaries of the 2022-2024 ILP and will be entitled to a number of equivalent shares up to 50% of their fixed annual remuneration for each of the three years included in the Plan, under the terms set out in the draft of the "Directors' Remuneration Policy for the 2022, 2023 and 2024 financial years" put forward to the General Shareholders' Meeting 2021. An achievement scale is established for each target with:

- A minimum achievement level, below which no remuneration is paid.
- A 100% achievement level, for which 100% of the initial target remuneration is paid.
- A maximum total incentive which cannot exceed 125% of the initial target Incentive.
- Intermediate levels are calculated using linear interpolation.

The Long-Term Incentive will not have a direct effect on the remuneration in 2022, 2023 and 2024, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year.

The specific number of Enagás shares to be handed over on the Payment Dates, if the conditions established for this are met, will be established in accordance with the Level of Attainment of the following indicators during the target measurement period: (i) Total Shareholder Return (hereinafter, "TSR"). It will comprise two components: the absolute TSR and the relative TSR. The absolute TSR is measured as the acquisition of a target share price in 2024. The target price has been established by investing estimated share dividends and is based on profitability and market parameters. Relative TSR is measured in comparison with a group of 15 companies (Centrica, Enel, Engie, E.ON, Naturgy, Iberdrola, National Grid, Pennon Group, Ren, Red Eléctrica, RWE, Severn Trent, Snam, Terna y United Utilities). (ii) Funds from Operations. (iii) Dividends from international affiliates and other businesses (iv), Sustainability measured through metrics focused on (a) Decarbonisation and (b) Diversity and inclusion and (v) Digitalisation. Details of the specific indicators that measure these targets are included in Appendix 1.

The Long-Term Incentive will be settled in 2025 and the Executive Chairman and the Chief Executive Officer will receive up to 50% of the incentive that corresponds to the degree of achievement of the targets over the multi-year period and the remaining 50% in 2026. They will receive all this Incentive in the form of shares, and will be obliged to hold the shares received in 2025 for two years, and those received in 2026 for one year. If the minimum degree of achievement of objectives is not met, the incentive shall amount to zero.

In 2022, in accordance with the "2019-2021 Remuneration Policy", the 2019-2021 ILP will be settled, subject to the corresponding approvals and authorisations, with the Executive Chairman and Chief Executive Officer receiving up to 50% of the incentive to which they are entitled, according to the degree of achievement of the established long-term targets (details are included in Appendix 3 of this report). The remaining 50% is to be allocated to 2023. They will receive all this Incentive in the form of shares, and will be obliged to hold the shares received in 2022 for two years, and those received in 2023 for one year.

A.1.7 Main properties of long-term savings schemes. Among other information, the contingencies covered by the system will be indicated, whether it is by contribution or a defined benefit, the annual contribution that must be made to defined contribution schemes, the benefit to which beneficiaries are entitled in defined benefit schemes, the conditions of consolidation of the economic rights for directors and their compatibility with any type of payment or compensation for early termination or dismissal or arising from severance of the contractual relationship, in the terms provided, between the company and the director.

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

1.- The Directors' Pension Plan is a Mixed Plan with a defined contribution for the contingencies of retirement and permanent disability and with a defined benefit for death in active service of the Participant, the contributions being a percentage

of the Participant's Fixed Remuneration. The accrual or consolidation of rights is not linked to any type of achievement of targets or performance assessment.

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

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

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

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

A.1.8 Any type of payment or compensation for early termination or dismissal resulting from severance of the contractual relationship in the terms provided between the company and the director, whether at the behest of the company or the director, as well as any agreements entered into, such as exclusivity, post-contractual non-competition and seniority or loyalty arrangements, which give the director the right to any type of receipt.

Enagás is not required to pay out any compensation in the event of termination of the appointment as non-executive director. For executive directors, see section A.1.9 of this report.

A.1.9 Indicate the conditions to apply to the contracts of executive directors exercising senior management functions. Among them, disclose the duration, limits on the amount of termination payments, seniority requirements, notice periods, payments related to the duration of a notice period ("garden leave") and any other clauses covering hiring bonuses, as well as indemnities or "golden parachutes" in the event of early termination of the contractual arrangement between the company and the executive director. Include, inter alia, non-competition, exclusivity, seniority or loyalty and post-contractual non-competition agreements or arrangements, unless they have been explained in the previous section.

Main conditions of the Executive Chairman's contract.-

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

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

The relationship between Enagás and the Chief Executive Officer is governed by a "Contract for services associated with the position of Chief Executive Officer" approved by the Board of Directors with all the requirements set forth in Article 249.3 of the LSC. The purpose of the contract is to regulate the rights and duties of the parties derived from the position of Chief Executive Officer that corresponds to Mr Marcelino Oreja Arburúa since his appointment by the Board on September 17, 2012. The contract stipulates the period during which the Chief Executive Officer performs his duties as such.

The contract regulates the duties of the Chief Executive Officer and those of the Company. The sections above describe the corresponding remuneration in detail. The contract also regulates the circumstances for termination. In the event that the Company freely decides to terminate the contract for whatever reason, as long as this is not due to a breach or being guilty of any actions by the Chief Executive Officer or because the Company has failed to comply with its contractual obligations, the Chief Executive Officer will be entitled to an indemnity equivalent to two years' salary of his annual remuneration, understood as that held by the Chief Executive Officer at the time of the termination of employment plus the remuneration in kind and the last annual variable remuneration received. The contract establishes an exclusivity arrangement for the Chief Executive Officer, through which he cannot provide services of any nature to third parties or participate in or form part of another company or legal entity without the Board's express authorisation. No economic compensation for the Chief Executive Officer is envisioned for this concept. The contract includes a non-competition arrangement after its termination, which expires two years afterwards.

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

A.1.10 The nature and estimated amount of any other supplementary remuneration accrued by the directors in the current year as payment for services rendered other than those integral to their role.

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

A.1.11 Other remuneration items such as those resulting, where applicable, from the company granting the director advances, loans and guarantees and other remunerations.

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

A.1.12 The nature and estimated amount of any other expected supplementary remuneration not included in the previous sections, whether paid by the entity or another group entity, accrued by the directors in the current year.

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

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

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

The Directors' Remuneration Policy currently in force, which covers financial years 2022, 2023 and 2024, was approved by the 2021 GSM on May 27, 2021 and its content has not undergone any modification since its approval.

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

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

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

In view of the vote taken at the previous GSM, during the January 2022 Corporate Governance and Sustainability Roadshows, the main new features of the 2022-2024 Policy, approved by the GSM in 2021, and which comes into effect this year, were communicated and explained:

1. The minimum permanent shareholding requirement for Executive Directors has been formalised.
2. A holistic view of the market has been considered through consideration of the aforementioned comparison groups.
3. The malus and clawback clauses on variable remuneration, both annual and long-term, have been formalised. While the Board, at the proposal of the CSNR, was already empowered to implement them, this issue has been clarified in this Policy.

In addition, Enagás regularly carries out consultations with its main institutional shareholders and proxy advisors, trying to incorporate improvements in its remuneration model based on the suggestions received:

- This year, in response to the issue identified by the "proxy advisors" (ISS), where a 1-year gap was identified between the annual bonus figure reported and the detailed targets included, the criteria for reporting the amounts referring to the variable remuneration of the Executive Directors in this Report has been changed. Therefore, the amounts are recognised in the year in which they are accrued and not in the year of actual collection (see section D.). This year, in order to avoid losing information due to the change of model, details of completed targets and targets set for both annual and multi-year periods are included in annexes.
- The 2022-2024 Policy includes, for example, following a comment received from one of the main proxy advisors, a description of the process followed by the CSNR for the selection of the comparison group to be used as a reference for defining the parameters and limits of this Policy. In addition, some of the improvements introduced in this Policy with respect to the previous policy are also the result of the analysis of the recommendations of investors and benchmark indices. This is the case, for example, of the inclusion of a specific chapter dedicated to the shareholding requirements for Executive Directors.

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

B.1.1 Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the board of directors and, where appropriate, the identity and role of the external advisors whose services have been used in the process of applying the remuneration policy in the year.

The CSNR met on January 20 and February 11, 2022 to discuss the degree of achievement of the Company's 2021 targets and the degree of achievement of the Long-Term Incentive targets (2019-2021) incorporated in the 2019-2021 Directors' Remuneration Policy.

The degree of compliance with the Company's 2021 targets was presented by the Chairwoman of the CSNR to the Board of Directors and approved by the Board on February 14, 2022. The degree of achievement of the targets is 97.45%, as can be seen in Appendix IV of the present report.

The annual variable remuneration accrued in 2021 for the Chairman and Chief Executive Officer amounted to 584 thousands of euros and 292 thousands of euros, respectively, as a result of the 97.45% achievement of the Company's 2021 targets.

The degree of compliance with the 2019-2021 ILP targets was also presented by the CSNR Chairwoman to the Board of Directors and approved by the Board of Directors on February 14, 2022. The degree of achievement of the targets is 82.2%, as can be seen in Appendix III of the present report. The Executive Chairman was assigned a total of 79,090 performance shares and the Chief Executive Officer 39,545. These rights do not entail the acquisition of shares for the time being, since the right to accrue the final incentive, which depends on the degree of achievement of the programme's targets will be generated within thirty (30) days following the approval of the 2021 annual accounts by the General Shareholders' Meeting to be held in 2022.

The other remuneration components for the Chairman and Chief Executive Officer remained unchanged compared to 2020. Specifically, the amounts accrued by the Chairman as fixed remuneration have not changed since 2017 and those of the Chief Executive Officer and non-executive directors have remained unchanged since 2018. The possible differences in the amounts associated with remuneration in kind arise from the application at any given time of the price increases and, if applicable, of the valuation rules applicable thereto, as well as the degree of achievement of the targets associated with the variable remuneration.

B.1.2 Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.

N.A

B.1.3 Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the society as a whole or ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.

N.A

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

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

The Executive Directors will be beneficiaries of the 2019-2021 Long-Term Incentive Plan in the terms indicated in section A) above and which are reproduced herein as they affect them. It must be remembered that the Long-Term Incentive will not have a direct effect on the remuneration of the Chairman and the Chief Executive Officer in 2019, 2020 and 2021, without prejudice to how the accounting is handled by the Company for the proportional part of the theoretical maximum of the same in each year.

On January 20 and February 11, 2022, the CSNR reported favourably on the degree of compliance with the 2019-2021 ILP targets, which amounted to 82.2%. On February 14, 2022, the CSNR made a proposal to the Board of Directors, who approved them on the same date.

In 2022, within 30 days following the approval of the Annual Accounts at the 2022 GSM, 50% of the ILP will be settled. The other 50% will be deferred to the year 2023, with the Executive Chairman and Chief Executive Officer thus receiving their corresponding Incentives in accordance with the Degree of Achievement of the multi-year targets foreseen. They will receive all this Incentive in the form of shares, and will be obliged to hold the shares received in 2022 for two (2) years, and those received in 2023 for one (1) year. In 2024, the Executive Chairman and the Chief Executive Officer may freely dispose of the shares received.

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

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

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

- If the Company's financial statements have to be restated for a reason other than the modification of the applicable accounting standards.
- Penalty to the Beneficiary for a serious breach of the code of conduct and other applicable internal regulations.

- When the Incentive has been totally or partially settled and paid based on information which subsequently is clearly proven to be false or seriously inaccurate.
- Other circumstances not foreseen or assumed by the Company that have a material negative effect on the income statements of any of the years of the clawback period.

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

B.3. Explain how the remuneration accrued and consolidated over the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

Disclose the relationship between remuneration obtained by directors and the company's profits or some other measure of enterprise results, explaining, as appropriate, how changes in the company's performance may have influenced the variation in directors' remuneration, including accruals whose payment has been deferred and how they contribute to the short and long-term results of the company.

In accordance with the 2019-2021 Remuneration Policy applicable to financial year 2021 and amended by the 2020 General Shareholders' Meeting, the maximum amount of annual remuneration payable to all the Directors in their capacity as such for that year amounts to 2,600,000 euros.

In accordance with the information reported in section C.1 of this report, the remuneration amounts actually received by the directors for this item in 2021 amounts to 2,272,000 euros.

As regards the executive directors, the 2019-2021 Remuneration Policy mentions the specific amounts that the executive directors accrue in the years in which the Policy was in force as monetary and in kind fixed remuneration, as well as the percentages of annual variable remuneration due to them and the parameters to set them, linked to financial, sustainability and development ratios of the Company's strategic plan. The variable bonus cannot exceed 60% of the annual fixed monetary remuneration in any case. The amount accrued for this concept in 2021 corresponds to the degree of compliance with the 2021 company's targets (97.45% approved by the Enagás Board of Directors). The Chairman and Chief Executive Officer have accrued for this item 58.47% of 60% of their annual fixed monetary remuneration, amounting to 584 thousands of euros for the Chairman and 292 thousands of euros for the Chief Executive Officer.

Likewise, the 2019-2021 Remuneration Policy established that the executive directors are also beneficiaries of the 2019-2021 Long-Term Incentive Plan in the terms already indicated in section B.7 of this report, which aims to link the long-term remuneration of the executive directors with the performance of a set of parameters (dividend, sustainability, etc.) guaranteeing the long-term sustainable growth of the Company. Under the terms established in the 2019-2021 Remuneration Policy, and as explained in section B.2 of this report, the Chairman has been allocated a total of 79,090 shares and the Chief Executive Officer a total of 39,545. These rights do not entail the acquisition of shares for the time being, since the right to accrue the final incentive, which depends on the degree of achievement of the programme's targets (82.2%), will be generated within thirty (30) days following the approval of the 2021 annual accounts by the General Shareholders' Meeting to be held in 2022.

B.4. Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

	Number	% of total
Votes cast	128,275,076	100.00
	Number	% of votes cast
Votes against	6,690,196	5.44
Votes in favour	102,092,585	82.98
Blank ballots		0.00
Abstentions	14,252,494	11.58

B.5. Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year

As a result of the amendment of the "Directors' Remuneration Policy for the 2019, 2020 and 2021 financial years", approved in the GSM of 2020, the Directors fixed remuneration for the years 2020 and 2021 shall be as follows:

Individual remuneration of Directors in their capacity as such.-

The allocation by item and the remuneration amount for each Director in 2020 and 2021 will be as follows: (i) a fixed annual amount of 100,000 euros for Board membership; (ii) an annual variable amount of up to 30,000 euros, depending on attendance to Board meetings; (iii) a fixed annual amount for membership in Board Committees of 25,000 euros; (iv) a variable annual amount of up to 5,000 euros, depending on attendance to Committee meetings; (v) a fixed annual amount of 15,000 euros for serving as Chairperson of each Committee; and (vi) a fixed annual amount of 15,000 euros for serving as Independent Leading Director. As a result of applying the aforementioned criteria to determine, in line with the individual remuneration, the maximum remuneration figure for the Board in 2020 and 2021, the maximum annual remuneration amount to be paid to all the Directors in their position as such, and which the Board proposes for the General Meeting's approval for the purposes of Article 529 septdecies.1 of the Corporate Enterprises Act and Article 36 of the Articles of Association is 2,600,000 euros.

The remuneration actually received by the Board Members for this item in 2020 amounted to 2,272,000 euros per year. In 2021, this amounted to 2,453 thousands of euros.

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

The remuneration accrued by the Executive Chairman in 2021 was approved in detail by the General Shareholders' Meeting on March 29, 2019 as part of the "Directors' Remuneration Policy for the 2019, 2020 and 2021 financial years". During financial year 2021, the Executive Chairman received fixed remuneration of 1,000 thousands of euros and accrued variable remuneration of 584 thousands of euros. The annual variable remuneration (up to 60% of annual fixed remuneration) accrued in 2021 was approved by the Board and is in proportion to the level of attainment of the 2021 company's targets reported in Appendix IV of this report; likewise, he received remuneration for membership of the Board in the amount of 130 thousands of euros, as well as other remuneration in kind in the amount of 163 thousands of euros (the variations in remuneration in kind with respect to previous years are exclusively due to valuation differences in the remuneration without receipt of remuneration in kind for new items), with an aggregate total of 1,877 thousands of euros.

The remuneration accrued by the Chief Executive Officer in 2021 was approved in detail by the General Shareholders' Meeting on March 29, 2019 as part of the "Directors' Remuneration Policy for the 2019, 2020 and 2021 financial years." During financial year 2021, he accrued and received fixed remuneration of 500 thousands of euros and accrued variable remuneration of 292 thousands of euros. The annual variable remuneration (up to 60% of annual fixed remuneration) was approved by the Board and is in proportion to the level of attainment of the 2021 company's targets reported in Appendix IV of this report; likewise, he accrued and received remuneration for membership of the Board in the amount of 130 thousands of euros, as well as other remuneration in kind in the amount of 28 thousands of euros (the variations in remuneration in kind with respect to previous years are exclusively due to valuation differences in the remuneration without receipt of remuneration in kind for new items), with an aggregate total of 950 thousands of euros.

In 2020, the Executive Chairman received 1,000 thousands of euros of fixed remuneration and accrued 588 thousands of euros of variable remuneration (in accordance with the level of attainment of the 2020 company's targets); likewise he was paid 130 thousands of euros in attendance fees (fixed remuneration plus fee for attending Board meetings) and 156 thousands of euros of remuneration in kind, with an aggregate total of 1,874 thousands of euros.

In 2020, the Chief Executive Officer received 500 thousands of euros of fixed remuneration and 294 thousands of euros of variable remuneration (in accordance with the level of attainment of the 2020 company's targets), with both components approved by the Board. In addition, the Chief Executive Officer was paid 130 thousands of euros in attendance fees (fixed remuneration plus fee for attending Board meetings) and 27 thousands of euros of remuneration in kind, with an aggregate total of 951 thousands of euros.

The differences in the amounts reported for annual variable remuneration with respect to past reports are due to the change made in this report in relation to reporting the amounts accrued in each year and not the amounts actually received during the year.

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

In particular:

- a) Identify each of the remuneration plans that have set the different variable remunerations accrued by each of the directors during the year, including information on their scope, their approval date, implementation date, conditions of consolidation (if any), accrual periods and validity, criteria used for the evaluation of performance and how this has impacted on the setting of the variable amount accrued, as well as the measurement criteria used and the time needed for suitable measurement of all the stipulated conditions and criteria. The criteria and factors it has applied in terms of the time required and methods for verifying that the performance or other conditions to which the accrual and consolidation of each component of variable remuneration were linked have been effectively met must be explained in detail.
- b) In the case of share option plans or other financial instruments, the general characteristics of each plan shall include information on the conditions both for acquiring unconditional ownership (consolidation), and for the exercise of such options or financial instruments, including the price and period in which they can be exercised.
- c) Each of the directors, and their class (executive, external proprietary, external independent or other external directors) that are entitled to schemes or plans that include variable remuneration.
- d) Disclose, where applicable, the periods of accrual or deferral of payment established and/or any holding or lock-up periods of the shares or other financial instruments.

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

The Executive Directors are the only Directors that receive variable remuneration. Variable annual remuneration.-

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

In February 2021, the Board, at the CSNR's proposal, established the 2021 Company's targets applicable to the Chairman and Chief Executive Officer based on the degree of compliance with the same. These were also approved by the Board, and in general terms refer to:

1. - Improvement of the economic results of the Company in the form of an increase in net profit.
2. - Consolidate the Company's regulated revenue.
3. - Consolidation of the Company's strategic plan, specifically as regards its international development through the consolidation of international assets.
4. - Sustainability and decarbonisation.
5. - Promote digitalisation, entrepreneurship and the rendering of services.

The amounts accrued by the executive directors in 2021 under this item are: 584 thousands of euros by the Chairman and 292 thousands of euros by the Chief Executive Officer.

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

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

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

Long-term incentive (ILP 2019-2021).

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

Objectives:

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

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

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

No amount was reduced or reclaimed.

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

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

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

In 2021, the Company contributed 210 thousands of euros to the Chairman for this item and 159 thousands of euros to the Chief Executive Officer.

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

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

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

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

No director of Enagás has received or accrued any amount under this item during 2021.

B.11. Indicate whether there have been significant changes in the contracts of those with senior management functions as executive directors and, where appropriate, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

The contracts of the Chairman and the Chief Executive Officer were not modified during 2021.

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

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

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

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

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

Executive Chairman.-

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

The Executive Chairman received the following amounts for these items in 2021: payments in kind amounting to 163 thousands of euros (variations in remuneration in kind in relation to previous years are exclusively the result in differences in valuation of said remuneration, with no further remuneration in kind paid for other items); a life insurance premium totalling 56 thousands of euros.

In addition, contributions were made to the Directors' Pension Plan amounting to 210 thousands of euros. The Executive Chairman is a member of the group insured by the civil liability policy that covers the contractual and non-contractual responsibilities that correspond to the activities undertaken in their posts. The Company compensates the Executive Chairman for the amounts incurred as travel, accommodation, board and other similar expenses as a result of carrying out the functions of the post, in accordance with the expense and travel policy prevailing at the Company at any given time.

Chief Executive Officer.-

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

The Chief Executive Officer received the following amounts for these items in 2021: payments in kind amounting to 28 thousands of euros (variations in remuneration in kind in relation to previous years are exclusively the result in differences in valuation of said remuneration, with no further remuneration in kind paid for other items); a life insurance premium totalling 0.8 thousands of euros and contributions to the Directors' Pension Plan totalling 159 thousands of euros. The Chief Executive Officer forms part of the group insured by the civil liability policy that covers the contractual and non-contractual liabilities that correspond to the activities undertaken in their posts. The Company will compensate the Chief Executive Officer for the amounts incurred as travel, accommodation, board and other similar expenses as a result of carrying out his functions, in accordance with the expense and travel policy prevailing at the Company at any given time.

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

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

B.16. Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the "Other concepts" heading in Section C.

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

C. ITEMISED INDIVIDUAL REMUNERATION CORRESPONDING TO EACH DIRECTOR

Name	Type	2021 accrual period
MR ANTONIO LLARDÉN CARRATALÁ	Executive Chairman	From 01/01/2021 to 31/12/2021
MR MARCELINO OREJA ARBURÚA	Chief Executive Officer	From 01/01/2021 to 31/12/2021
MS MARÍA TERESA ARCOS SÁNCHEZ	Independent Director	From 27/05/2021 to 31/12/2021
MR JOSÉ BLANCO LÓPEZ	Independent Director	From 01/01/2021 to 31/12/2021
MS NATALIA FABRA PORTELA	Independent Director	From 27/05/2021 to 31/12/2021
MR SANTIAGO FERRER COSTA	Proprietary Director	From 01/01/2021 to 31/12/2021
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Independent Director	From 01/01/2021 to 31/12/2021
MR LUIS GARCÍA DEL RÍO	Independent Director	From 01/01/2021 to 27/05/2021
MR IGNACIO GRANGEL VICENTE	Independent Director	From 01/01/2021 to 31/12/2021
MR ANTONIO HERNÁNDEZ MANCHA	Independent Director	From 01/01/2021 to 31/12/2021
MR JOSÉ MONTILLA AGUILERA	Independent Director	From 01/01/2021 to 31/12/2021
MS ANA PALACIO VALLELERSUNDI	Independent Leading Director	From 01/01/2021 to 31/12/2021
MR MARTÍ PARELLADA SABATA	Other External Director	From 01/01/2021 to 27/05/2021
MS ROSA RODRÍGUEZ DÍAZ	Independent Director	From 01/01/2021 to 27/05/2021
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Proprietary Director	From 01/01/2021 to 31/12/2021
MR GONZALO SOLANA GONZÁLEZ	Independent Director	From 01/01/2021 to 31/12/2021
MS EVA PATRICIA ÚRBEZ SANZ	Independent Director	From 01/01/2021 to 31/12/2021

Name	Type	2021 accrual period
MS ISABEL TOCINO BISCAROLASAGA	Independent Director	From 01/01/2021 to 31/12/2021

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

a) Remuneration accrued at the reporting company:

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

Name	Fixed remuneration	Per diems	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
MR ANTONIO LLARDÉN CARRATALÁ	100	30		1,000	584				1,714	1,730
MR MARCELINO OREJA ARBURÚA	100	30		500	292				922	930
MS MARÍA TERESA ARCOS SÁNCHEZ	54	16	15						85	
MR JOSÉ BLANCO LÓPEZ	100	35	25						160	69
MS NATALIA FABRA PORTELA	54	16	15						85	
MR SANTIAGO FERRER COSTA	100	35		25					160	160
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO	100	35	25						160	69
MR LUIS GARCÍA DEL RÍO	45	14	14						73	160
MR IGNACIO GRANGEL VICENTE	100	35	25						160	160
MR ANTONIO HERNÁNDEZ MANCHA	100	35	25						160	160
MR JOSÉ MONTILLA AGUILERA	100	35	31						166	69
MS ANA PALACIO VALLELERSUNDI	100	35	40					15	190	190
MR MARTÍ PARELLADA SABATA	45	14	14						73	160
MS ROSA RODRÍGUEZ DÍAZ	45	14	14						73	160
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	100	35	25						160	160
MR GONZALO SOLANA GONZÁLEZ	100	35	25						160	160

**ANNUAL REPORT ON DIRECTORS'
REMUNERATION FOR LISTED COMPANIES**

Name	Fixed remuneration	Per diems	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
MS EVA PATRICIA ÚRBEZ SANZ	100	35	25						160	160
MS ISABEL TOCINO BISCAROLASAGA	100	35						33	168	175

Observations

Given the change made in this report in relation to the data reporting criteria (see section D), and in order to make the data comparable, the historical data are updated.

The differences in the amounts reported with respect to past reports are due to the fact that in this report, the amounts accrued in each year are reported and not the amounts actually collected during the year, impacting the annual variable remuneration items.

Total 2020:

Mr Antonio Llardén: 1,730 (reported in 2020 Report on Directors' Remuneration on a cash basis), 1,728 (on an accrual basis).

Mr Marcelino Oreja: 930 (reported in 2020 Report on Directors' Remuneration on a cash basis), 924 (on an accrual basis).

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

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR ANTONIO LLARDÉN CARRATALÁ	2019-2021 Long-Term Incentive Plan	79,090	79,090					0.00			79,090	79,090
MR MARCELINO OREJA ARBURÚA	2019-2021 Long-Term Incentive Plan	39,545	39,545					0.00			39,545	39,545

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MS MARÍA TERESA ARCOS SÁNCHEZ	Plan							0.00				
MR JOSÉ BLANCO LÓPEZ	Plan							0.00				
MS NATALIA FABRA PORTELA	Plan							0.00				
MR SANTIAGO FERRER COSTA	Plan							0.00				
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Plan							0.00				
MR LUIS GARCÍA DEL RÍO	Plan							0.00				
MR IGNACIO GRANGEL VICENTE	Plan							0.00				
MR ANTONIO HERNÁNDEZ MANCHA	Plan							0.00				
MR JOSÉ MONTILLA AGUILERA	Plan							0.00				
MS ANA PALACIO VALLELERSUNDI	Plan							0.00				
MR MARTÍ PARELLADA SABATA	Plan							0.00				
MS ROSA RODRÍGUEZ DÍAZ	Plan							0.00				
SOCIEDAD ESTATAL DE	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
PARTICIPACIONES INDUSTRIALES (SEPI)												
MR GONZALO SOLANA GONZÁLEZ	Plan							0.00				
MS EVA PATRICIA ÚRBEZ SANZ	Plan							0.00				
MS ISABEL TOCINO BISCAROLASAGA	Plan							0.00				

Observations

As stated in the sections of this report, the 2019-2021 Remuneration Policy establishes that the executive directors are also beneficiaries of the 2019-2021 ILP under the terms indicated. These rights do not entail the acquisition of shares for the time being, since the right to accrue the final incentive, which depends on the degree of achievement of the programme's targets will be generated within thirty (30) days following the approval of the 2021 annual accounts by the General Shareholders' Meeting to be held in 2022.

iii) Long-term savings schemes.

Name	Remuneration through consolidation of rights to savings schemes
MR ANTONIO LLARDÉN CARRATALÁ	210
MR MARCELINO OREJA ARBURÚA	159
MS MARÍA TERESA ARCOS SÁNCHEZ	
MR JOSÉ BLANCO LÓPEZ	

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

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
MR ANTONIO LLARDÉN CARRATALÁ	210	236			3,502	2,981		

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
MR MARCELINO OREJA ARBURÚA	159	136			920	742		
MS MARÍA TERESA ARCOS SÁNCHEZ								
MR JOSÉ BLANCO LÓPEZ								
MS NATALIA FABRA PORTELA								
MR SANTIAGO FERRER COSTA								
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO								
MR LUIS GARCÍA DEL RÍO								
MR IGNACIO GRANGEL VICENTE								
MR ANTONIO HERNÁNDEZ MANCHA								
MR JOSÉ MONTILLA AGUILERA								
MS ANA PALACIO VALLELERSUNDI								
MR MARTÍ PARELLADA SABATA								

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
MS ROSA RODRÍGUEZ DÍAZ								
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)								
MR GONZALO SOLANA GONZÁLEZ								
MS EVA PATRICIA ÚRBEZ SANZ								
MS ISABEL TOCINO BISCAROLASAGA								

Observations

iv) Details of other items

Name	Category	Remuneration amount
MR ANTONIO LLARDÉN CARRATALÁ	life insurance premium	56
MR MARCELINO OREJA ARBURÚA	life insurance premium	1
MS MARÍA TERESA ARCOS SÁNCHEZ	Concept	
MR JOSÉ BLANCO LÓPEZ	Concept	

Name	Category	Remuneration amount
MS NATALIA FABRA PORTELA	Concept	
MR SANTIAGO FERRER COSTA	Concept	
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Concept	
MR LUIS GARCÍA DEL RÍO	Concept	
MR IGNACIO GRANGEL VICENTE	Concept	
MR ANTONIO HERNÁNDEZ MANCHA	Concept	
MR JOSÉ MONTILLA AGUILERA	Concept	
MS ANA PALACIO VALLELERSUNDI	Concept	
MR MARTÍ PARELLADA SABATA	Concept	
MS ROSA RODRÍGUEZ DÍAZ	Concept	
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Concept	
MR GONZALO SOLANA GONZÁLEZ	Concept	
MS EVA PATRICIA ÚRBEZ SANZ	Concept	
MS ISABEL TOCINO BISCAROLASAGA	Concept	

Observations

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b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies:

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

Name	Fixed remuneration	Per diems	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
MR ANTONIO LLARDÉN CARRATALÁ										
MR MARCELINO OREJA ARBURÚA										
MS MARÍA TERESA ARCOS SÁNCHEZ										
MR JOSÉ BLANCO LÓPEZ										
MS NATALIA FABRA PORTELA										
MR SANTIAGO FERRER COSTA										
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO										
MR LUIS GARCÍA DEL RÍO										
MR IGNACIO GRANGEL VICENTE										
MR ANTONIO HERNÁNDEZ MANCHA										
MR JOSÉ MONTILLA AGUILERA										
MS ANA PALACIO VALLELERSUNDI										
MR MARTÍ PARELLADA SABATA										
MS ROSA RODRÍGUEZ DÍAZ										
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)										
MR GONZALO SOLANA GONZÁLEZ										

Name	Fixed remuneration	Per diems	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
MS EVA PATRICIA ÚRBEZ SANZ										
MS ISABEL TOCINO BISCAROLASAGA										

Observations

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

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR ANTONIO LLARDÉN CARRATALÁ	Plan							0.00				
MR MARCELINO OREJA ARBURÚA	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MS MARÍA TERESA ARCOS SÁNCHEZ	Plan							0.00				
MR JOSÉ BLANCO LÓPEZ	Plan							0.00				
MS NATALIA FABRA PORTELA	Plan							0.00				
MR SANTIAGO FERRER COSTA	Plan							0.00				
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Plan							0.00				
MR LUIS GARCÍA DEL RÍO	Plan							0.00				
MR IGNACIO GRANGEL VICENTE	Plan							0.00				
MR ANTONIO HERNÁNDEZ MANCHA	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR JOSÉ MONTILLA AGUILERA	Plan							0.00				
MS ANA PALACIO VALLELERSUNDI	Plan							0.00				
MR MARTÍ PARELLADA SABATA	Plan							0.00				
MS ROSA RODRÍGUEZ DÍAZ	Plan							0.00				
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Plan							0.00				
MR GONZALO SOLANA GONZÁLEZ	Plan							0.00				
MS EVA PATRICIA ÚRBEZ SANZ	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2021		Financial instruments granted during 2021		Financial instruments consolidated during the year				Instruments maturing but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Price of the consolidated shares	Gross profit of consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MS ISABEL TOCINO BISCAROLASAGA	Plan							0.00				

Observations

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iii) Long-term savings schemes.

Name	Remuneration through consolidation of rights to savings schemes
MR ANTONIO LLARDÉN CARRATALÁ	
MR MARCELINO OREJA ARBURÚA	
MS MARÍA TERESA ARCOS SÁNCHEZ	
MR JOSÉ BLANCO LÓPEZ	
MS NATALIA FABRA PORTELA	
MR SANTIAGO FERRER COSTA	

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

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
MR ANTONIO LLARDÉN CARRATALÁ								
MR MARCELINO OREJA ARBURÚA								

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
MS MARÍA TERESA ARCOS SÁNCHEZ								
MR JOSÉ BLANCO LÓPEZ								
MS NATALIA FABRA PORTELA								
MR SANTIAGO FERRER COSTA								
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO								
MR LUIS GARCÍA DEL RÍO								
MR IGNACIO GRANGEL VICENTE								
MR ANTONIO HERNÁNDEZ MANCHA								
MR JOSÉ MONTILLA AGUILERA								
MS ANA PALACIO VALLELERSUNDI								
MR MARTÍ PARELLADA SABATA								
MS ROSA RODRÍGUEZ DÍAZ								

Name	Contribution by the company in the year (thousands of euros)				Cumulative amount of funds (thousands of euros)			
	Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights		Savings schemes with consolidated economic rights		Savings schemes with unconsolidated economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)								
MR GONZALO SOLANA GONZÁLEZ								
MS EVA PATRICIA ÚRBEZ SANZ								
MS ISABEL TOCINO BISCAROLASAGA								

Observations

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iv) Details of other items

Name	Category	Remuneration amount
MR ANTONIO LLARDÉN CARRATALÁ	Concept	
MR MARCELINO OREJA ARBURÚA	Concept	
MS MARÍA TERESA ARCOS SÁNCHEZ	Concept	
MR JOSÉ BLANCO LÓPEZ	Concept	
MS NATALIA FABRA PORTELA	Concept	

Name	Category	Remuneration amount
MR SANTIAGO FERRER COSTA	Concept	
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Concept	
MR LUIS GARCÍA DEL RÍO	Concept	
MR IGNACIO GRANGEL VICENTE	Concept	
MR ANTONIO HERNÁNDEZ MANCHA	Concept	
MR JOSÉ MONTILLA AGUILERA	Concept	
MS ANA PALACIO VALLELERSUNDI	Concept	
MR MARTÍ PARELLADA SABATA	Concept	
MS ROSA RODRÍGUEZ DÍAZ	Concept	
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Concept	
MR GONZALO SOLANA GONZÁLEZ	Concept	
MS EVA PATRICIA ÚRBEZ SANZ	Concept	
MS ISABEL TOCINO BISCAROLASAGA	Concept	

Observations

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

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

Name	Remuneration accrued in the Company					Remuneration accrued in group companies					Total 2021 company + group
	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2021 company	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2021 group	
MR ANTONIO LLARDÉN CARRATALÁ	1,714		210	219	2,143						2,143
MR MARCELINO OREJA ARBURÚA	922		159	29	1,110						1,110
MS MARÍA TERESA ARCOS SÁNCHEZ	85				85						85
MR JOSÉ BLANCO LÓPEZ	160				160						160
MS NATALIA FABRA PORTELA	85				85						85
MR SANTIAGO FERRER COSTA	160				160						160
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	160				160						160
MR LUIS GARCÍA DEL RÍO	73				73						73
MR IGNACIO GRANGEL VICENTE	160				160						160

**ANNUAL REPORT ON DIRECTORS'
REMUNERATION FOR LISTED COMPANIES**

Name	Remuneration accrued in the Company					Remuneration accrued in group companies					Total 2021 company + group
	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2021 company	Total remuneration in cash	Gross profit of consolidated shares or financial instruments	Remuneration through savings schemes	Remuneration through other items	Total 2021 group	
MR ANTONIO HERNÁNDEZ MANCHA	160				160						160
MR JOSÉ MONTILLA AGUILERA	166				166						166
MS ANA PALACIO VALLELERSUNDI	190				190						190
MR MARTÍ PARELLADA SABATA	73				73						73
MS ROSA RODRÍGUEZ DÍAZ	73				73						73
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	160				160						160
MR GONZALO SOLANA GONZÁLEZ	160				160						160
MS EVA PATRICIA ÚRBEZ SANZ	160				160						160
MS ISABEL TOCINO BISCAROLASAGA	168				168						168
TOTAL	4,829		369	248	5,446						5,446

Observations

Of the 219 thousands of euros under the heading "through other items" of the remuneration paid to Mr Antonio Llardén Carratalá, 163 thousands of euros correspond to remuneration in kind and 56 thousands of euros to the life insurance premium. In the case of the remuneration paid to Mr Marcelino Oreja Arburúa, of the 29 thousands of euros under the heading "through other items", 28 correspond to remuneration in kind and 0.8 to the life insurance premium.

C.2. Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2021	% variation 2021/2020	2020	% variation 2020/2019	2019	% variation 2019/2018	2018	% variation 2018/2017	2017
Executive directors									
MR MARCELINO OREJA ARBURÚA	1,110	1.46	1,094	-33.86	1,654	78.81	925	13.08	818
MR ANTONIO LLARDÉN CARRATALÁ	2,143	-2.06	2,188	-37.34	3,492	84.18	1,896	5.74	1,793
External directors									
MS MARÍA TERESA ARCOS SÁNCHEZ	85	-	0	-	0	-	0	-	0
MR JOSÉ BLANCO LÓPEZ	160	131.88	69	-	0	-	0	-	0
MS NATALIA FABRA PORTELA	85	-	0	-	0	-	0	-	0
MR SANTIAGO FERRER COSTA	160	0.00	160	0.00	160	332.43	37	-	0
MR CRISTÓBAL JOSÉ GALLEGU CASTILLO	160	131.88	69	-	0	-	0	-	0

**ANNUAL REPORT ON DIRECTORS'
REMUNERATION FOR LISTED COMPANIES**

	Total amounts accrued and % annual variation								
	2021	% variation 2021/2020	2020	% variation 2020/2019	2019	% variation 2019/2018	2018	% variation 2018/2017	2017
MR LUIS GARCÍA DEL RÍO	73	-54.38	160	0.00	160	0.00	160	63.27	98
MR IGNACIO GRANGEL VICENTE	160	0.00	160	0.00	160	37.93	116	-	0
MR ANTONIO HERNÁNDEZ MANCHA	160	0.00	160	0.00	160	1.91	157	9.03	144
MS ANA PALACIO VALLELERSUNDI	190	0.00	190	0.00	190	0.00	190	14.46	166
MR MARTÍ PARELLADA SABATA	73	-54.38	160	0.00	160	0.00	160	8.11	148
MS ROSA RODRÍGUEZ DÍAZ	73	-54.38	160	0.00	160	0.00	160	11.11	144
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	160	0.00	160	0.00	160	3.23	155	10.71	140
MR GONZALO SOLANA GONZÁLEZ	160	0.00	160	0.00	160	0.00	160	11.11	144
MS ISABEL TOCINO BISCAROLASAGA	168	-4.00	175	0.00	175	1.74	172	9.55	157
MS EVA PATRICIA ÚRBEZ SANZ	160	0.00	160	39.13	115	-	0	-	0
MR JOSÉ MONTILLA AGUILERA	166	140.58	69	-	0	-	0	-	0
Consolidated results of the company									
	499,957	-8.58	546,895	1.27	540,033	-7.91	586,435	-7.09	631,166
Average employee remuneration									

Total amounts accrued and % annual variation									
	2021	% variation 2021/2020	2020	% variation 2020/2019	2019	% variation 2019/2018	2018	% variation 2018/2017	2017
	73	1.39	72	-6.49	77	13.24	68	6.25	64

Observations

The remuneration accrued during 2019 for Executive Directors is not comparable with the rest of the years, due to the accrual of the last long-term incentive (2016-2018) in that year.
The amount accrued in this area for Executive Directors: Executive Chairman 1,399 thousands of euros and Chief Executive Officer 557 thousands of euros, showing the following evolution of the total accrued and its variation during the last years (thousands of euros):

Executive Chairman (1,793, 1,896, 2,093, 2,188, 2,143) presenting a % annual change from 2017 of (5.74; 10.39; 4.55; -2.06).
Chief Executive Officer (818, 925, 1,097, 1,094, 1,110) presenting a % annual change from 2017 of (13.08; 18.59; -0.27; 1.46).

D. OTHER INFORMATION OF INTEREST

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

The amounts referring to the variable remuneration of Executive Directors are reported in this report on an accrual basis so that the amounts are recognised in the year in which they are accrued and not in the year in which they are actually received. This represents a change in the way the Company had been reporting this information, since in previous years' reports, the criterion used was the collection criterion.

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

14/02/2022

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

Yes

No

Name or corporate name of board members who voted against or abstained from voting on the approval of this report	Reasons (voted against, abstention, non-attendance)	Explain the reasons
MR CRISTÓBAL JOSÉ GALLEGO CASTILLO	Abstention	Mr Cristóbal José Gallego Castillo abstained from voting on this report, stating that he has no experience in remuneration issues in the private sector.
MR SANTIAGO FERRER COSTA	Abstention	Mr Santiago Ferrer Costa, Proprietary Director at the proposal of the shareholder Sociedad Estatal de Participaciones Industriales (SEPI), abstained from voting on the current report, expressing that the SEPI Board of Directors must determine whether SEPI's vote, as an Enagás, S.A. shareholder, matters on this and other proposals for discussion at the 2022 General Shareholders' Meeting.
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES (SEPI)	Abstention	Mr Bartolomé Lora Toro, natural person representative of the Director for the Sociedad Estatal de Participaciones Industriales (SEPI), abstained from voting on the current report, expressing that the SEPI Board of Directors must determine whether SEPI's vote, as an Enagás, S.A. shareholder, matters on this and other proposals for discussion at the 2022 General Shareholders' Meeting.

2022-2024 ILP Targets – Enagás S.A.

Targets	Long-term targets	Indicators	Target value (100%)	Supertarget value (125%)	Weight ^(*) (%, 0.00)
1. Shareholder remuneration	Total shareholder return ("TSR")	<p>a) Relative TSR: Enagás position in the ranking of the Comparison Group</p> <p>b) Absolute TSR: the acquisition of a target share price in 2024</p>	<p>a) 4th (100%)</p> <p>b) 18.5 €/share</p>	<p>a) 1st- 2nd (125%)</p> <p>b) 19.1 €/share</p>	25% (12.5%/12.5%)
2. Global Business	Funds from Operations	Accumulated results corresponding to the Company's Funds From Operations (FFO)	2,195 M€	2,315 M€	20%
3. International and Diversification	Dividends	Dividends from international affiliates and other businesses	795 M€	915 M€	20%
4. Sustainability	<p>a) Decarbonisation</p> <p>b) Diversity and inclusion</p>	<p>a) Decarbonisation:</p> <p>a₁) Reduction of CO₂ emissions in line with the decarbonisation pathway (<i>emissions 2024 vs. emissions 2021</i>)</p> <p>a₂) Investment in renewable gases: Investment and studies associated with the adaptation of infrastructure to transmit renewable gases and the development of infrastructure dedicated to the transmission and storage of renewable gases</p> <p>b) Diversity and inclusion:</p> <p>b₁) Percentage of women on the Board of Directors</p> <p>b₂) Percentage of women in managerial and pre-managerial positions</p> <p>b₃) Percentage of promotions that are women in managerial and pre-managerial positions</p>	<p>a₁) 13.5% vs. 2021</p> <p>a₂) 53 M€</p> <p>b₁) 40%</p> <p>b₂) 40%</p> <p>b₃) 50%</p>	<p>a₁) 18.4% vs. 2021</p> <p>a₂) 73 M€</p> <p>b₁) 43%</p> <p>b₂) 43%</p> <p>b₃) 55%</p>	20% (6%-6%/2%-3%-3%)
5. Digitalisation	<p>a) Implementation of Digital Transformation Strategy and improvement of indicators</p> <p>b) Strengthen the positioning of Enagás' digital assets</p>	<p>a) Development of priority initiatives from the Roadmap of the 2022-2024 Digital Transformation Framework and improvement of the 2022-2024 Digital Transformation indicators</p> <p>b) Development and execution of the company's digital asset strategy for 2022-2024 and improvement of indicators</p>	<p>a) 100% / 10%</p> <p>b) 100% / 10%</p>	<p>a) 100% + 25% non-priority / 15%</p> <p>b) 100% + 25% non-priority / 15%</p>	15% (7.5%/7.5%)

(*) Insofar as Law 34/1998, of October 7, 1998, on the Hydrocarbons Sector, attributes to Enagás the activities of transmission and Technical Management of the Gas System, for the Beneficiaries of the Plan that occupy positions related to the Technical Management of the System, the use of 4 targets is proposed (40% FFO, 25% TSR, 20% Sustainability and 15% Digitalisation), given that they do not have the capacity to influence the dividend target of international activity and other businesses.

(**) Note: Non-compliance with the absolute TSR target cannot be offset by over-compliance with the rest of the indicators above 100%, so that the maximum Final Incentive would go from 125% to 87.5% of the sum of the Performance Shares and Target Cash Incentive.

2022 Company Targets – Enagás S.A.

Targets	Annual targets	Indicators	Target value	Weight
C1: Economic Results	a) Net profit growth	a) Net profit at December 31, 2022	a) 429.3 M€	25%
C2: Regulated Revenues	a) COPEX investments in Infrastructure projects	a) COPEX investments made in 2022 in infrastructure projects	a) 42.53 M€	20%
C3: International	a) Development of international activity	a1) Compliance with the subsidiary budgets a2) Fulfillment of subsidiary business plans and promotion of growth a3) Monitoring of strategic markets and stakeholder management	a1) 100% a2) 100% a3) 100%	20%
C4: Sustainability and Decarbonisation	a) Enagás Positioning vis-à-vis socially responsible investors b) Advancing the Ecological Transition : Climate action c) H₂ and biomethane : c1) Promotion of identified projects c2) Actions associated with projects related to mobility with renewable gases in the port and railway sectors d) People and cultural transformation : d1) Diversity and equal opportunities d2) Fostering people and cultural transformation e) Consolidation of Enagás' positioning as a key player committed to decarbonisation, the development of renewable gases and diversity and equal opportunities, through the media, digital assets and social networks, participation in forums and events, and internal communication.	a) Continued presence in sustainability indices (DJSI) b1) Reduction of greenhouse gas emissions (Scope 1 and 2) b2) Methane emission reductions: quantitative/qualitative c1) Degree of compliance with identified projects c2) Promotion and boosting of mobility projects d1) Percentage of women in managerial and pre-managerial positions and degree of achievement regarding the associated action plan on diversity and equal opportunities d2) Degree of compliance with the People and Resources Plan and the Agility and New Ways of Working Programme e1) Degree of compliance with the action plan e2) Improvement of positioning through indicators	a) Continued presence in DJSI b1) 253,559 tCO ₂ e b2) 2,113 t CH ₄ / 100% c1) 100% c2) 100% d1) 35% / 100% d2) 100% /100% e1) 100% e2) Average increase 10%	20%
C5: Digitalisation and Diversification	a) Digitalisation boost b) Corporate Innovation c) Rendering of services	a1) Strategic update on Digital Transformation and Enagás Data Driven a2) Degree of compliance Annual Digitalisation Initiatives Plan and improvement of indicators b) Degree of compliance with the Open Innovation and Corporate Entrepreneurship strategic plan c) Development of other actions to contribute to diversification	a1) Committee approval / 100% a2) 100% / 100% b) 100% c) 100%	15%

2019-2021 ILP Targets – Enagás S.A.

Targets	Long-term targets	Indicators	Target value (100%)	Supertarget value (125%)	Weight (%, ^{o)})	Result	Percentage achieved
Shareholder remuneration	Total shareholder return ("TSR")	a) Relative TSR: Enagás position in the ranking of the Comparison Group b) Absolute TSR: the acquisition of a target share price in 2021	a) 5th ^(104%) b) 24.3 €/share	a) 1st - 4th ^(125%) b) 25.2 €/share	30% ^(15%/15%)	a) 15th b) 20.2 €/share	0%
Regulated assets	Funds from Operations	Accumulated results corresponding to the Company's Funds From Operations (FFO)	2,110 ME	2,140 ME	25%	2,193 ME	125%
International growth	Accumulated cash flows received from affiliates	Accumulated cash flows received from affiliates (Dividend)	353 ME	413 ME	35%	a) 395 ME	118%
Sustainability	Sustainability Plan	a) Average reduction in CO ₂ emissions in the 2019-2021 period vs. 2018 b) Percentage of women on: b ₁) Board of Directors b ₂) Managerial and pre-managerial positions b ₃) Staff c) Investment associated with the increased presence of renewable gases in the energy mix	a) 5.5% b ₁) 30% b ₂) 35% b ₃) 35% c) 100%	a) 7.5% b ₁) 35% b ₂) 40% b ₃) 40% c) 125%	10%	a) 14% b ₁) 33% b ₂) 37% b ₃) 29% c) 92%	98%

Total achievement: 82.2%

^{o)} Insofar as Law 34/1998, of October 7, 1998, on the Hydrocarbons Sector, attributes to Enagás the activities of transmission and Technical Management of the Gas System, for the Beneficiaries of the Plan that occupy positions related to the Technical Management of the System, the use of 3 targets is proposed (60% FFO, 30% TSR and 10% Sustainability Plan), given that they do not have the capacity to influence the dividend target of international activity.

^{o)} Note: Non-compliance with the absolute TSR target cannot be offset by over-compliance with the rest of the indicators above 100%, so that the maximum Final Incentive would go from 125% to 85% of the sum of the Performance Shares and Target Cash Incentive.



2021 Company Targets – Enagás S.A.

Targets	Annual targets	Indicators	Target value	Weight	Result	Percentage achieved
C1: Economic Results	a) Net profit growth	a) Net profit at December 31, 2021	a) 377.5 M€	25%	a) 403.8 M€	100%
C2: Regulated Revenues	a) COPEX investments in Infrastructure projects	a) COPEX investments made in 2021 in infrastructure projects	a) 38,839 K€	20%	a) 37,977 K€	97%
C3: International	a) Consolidation of international assets	a1) Compliance with the subsidiary budgets a2) Fulfilment of subsidiary business plans and promotion of growth a3) Monitoring of strategic markets and stakeholder management	a1) 100% a2) 100% a3) 100%	20%	a1) 100% a2) 100% a3) 100%	100%
C4: Sustainability and Decarbonisation	a) Enagás Positioning vis-à-vis socially responsible investors b) Advancing the Ecological Transition : b1.2) Climate action b3.4) Circular economy c) H₂ and biomethane : c1) Boosting H ₂ and other renewable gases through the consolidation of the 2021-2026 project pipeline c2) Positioning in renewable gases: Green Link d) People and cultural transformation : d1) Diversity and equal opportunities d2) Fostering people and cultural transformation	a) Continued presence in sustainability indices (DJSI) b1) Reduction of greenhouse gas emissions (Scope 1 and 2) b2) Methane emission reductions: quantitative/qualitative b3) Zero Waste Certification and percentage of waste with recovery/recycling treatments b4) Percentage of self-generation of electrical energy with respect to total electrical consumption c1) Presentation of green H ₂ and other renewable gases portfolio by minimum investment amount for Enagás c2) Degree of Green Link compliance d1) Percentage of women in managerial and pre-managerial positions and degree of achievement regarding the associated action plan on diversity and equal opportunities d2) Degree of compliance with the People and Resources Plan and the Agility and New Ways of Working Programme	a) Continued presence in DJSI b1) 264,468 tCO ₂ e b2) 55,714 tCO ₂ e / 100% b3) Certification and >90% b4) 35,106,600 KWh c1) 100% c2) 100% d1) 35% / 90% d2) 90% /90%	20%	a) Sustained presence on DJSI b1) 263,571 t CO ₂ e/ b2) 58,521 t CO ₂ e/ 100% b3) Certification and 95.59% b4) 32,924,620 KWh c1) 100% c2) 100% d1) 37% / 100% d2) 99% / 100%	93%
C5: Digitalisation and Diversification	a) Digitalisation boost b) Entrepreneurship c) Rendering of services	a) Degree of compliance with cross-cutting digital initiatives (O&M Portal and PLATIOM) b) Fulfilment of the Enagás Emprende action plan c) Fulfilment of the actions associated with fibre optic projects and the rendering of services	a) 100% / 100% b) 100% c) 100%	15%	a) 84% / 100% b) 94% c) 100%	95%

Total achievement: 97.45%

