Artificial Intelligence Policy

Enagás, S.A. (Enagás or the Company) acknowledges the significance of artificial intelligence and data-driven algorithms (hereafter referred to as AI) as part of the Company's Transformation Plan and as an enabler for achieving the Strategic Plan objectives. It underscores the potential benefits this technology may offer, including enhancements in efficiency and the automation of processes, among others. Enagás is also cognisant of the need to encourage the judicious, socially responsible, and ethically acceptable utilisation of artificial intelligence, aiming to minimise the potential risks and abuses associated with these technologies.

This policy sets forth the principles of conduct that must guide the design, development, and deployment of AI by the Company, assuring adherence at all times to the European AI Regulation, prevailing legislation, and alignment with the strategy, values, and governance culture of Enagás, as underpinned by the ethical commitments in its Code of Ethics. The objective of this policy is to guarantee a secure, transparent, ethical, and dependable application of AI tools within the Company.

This Policy applies to all employees, managers and directors of all companies that make up the Enagás Group, including any affiliates under its effective control, in accordance with the terms established in the applicable regulations. In the case of affiliates not effectively controlled by the Enagás Group, principles and directives that are consistent with those established in this policy will be proposed in their Board meetings.

Commitments

Enagás sets out the following commitments and principles to guide the design, development, implementation, and usage of AI tools within the Company.

The integration and/or creation of Artificial Intelligence systems in the Company must undergo prior analysis to ensure the necessity is properly justified for the intended purposes, thereby precluding the assumption of unwarranted risks of harm. The development and employment of AI systems banned in accordance with the European Artificial Intelligence Regulation will be unequivocally rejected.

- Principle of sustainability and efficiency: AI systems must be directed towards serving individuals and society, fostering inclusive growth, sustainable development, and general well-being. Operations shall align with the pursuit of the United Nations' Sustainable Development Goals (SDGs), while ensuring no harm to the environment. The environmental impact of the AI infrastructure and usage should be assessed, applying efficient models throughout design and

deployment.

- <u>Principle of diversity, non-discrimination, and equity:</u> AI systems must ensure fair and equitable treatment of all individuals. Special attention will be devoted to preventing biases during data collection, data management, and the training of AI algorithms and tools, ensuring that existing biases and social inequalities are neither exacerbated nor perpetuated.

- <u>Principles of traceability, transparency and explainability:</u> AI systems will be developed and operated to ensure transparency throughout data management processes — from collection and storage to processing and the use of data within AI. Furthermore, AI results and functioning must undergo objective verification via audit procedures. Accordingly, AI systems are to be characterised by responsible disclosure, informing individuals whenever they are engaging with such systems, detailing their protected rights, and offering them the means to challenge the outcomes of these interactions.

  Given that AI systems are complex technologies that could impact individuals' fundamental rights, they must be explainable. This entails facilitating the comprehension and interpretability of Artificial Intelligence systems: to make their operation, decision-making processes, and outcomes accessible and comprehensible through plain, straightforward information.

  A registry will be maintained of AI algorithms in use at Enagás, with a clear statement of their intended purpose(s). This registry will be transparently and readily accessible to the relevant authorities upon request.

- <u>Principle of security, privacy, and data protection:</u> Personal data will be protected against leakage, and measures will be taken to ensure transparency in data collection. Appropriate cybersecurity measures will be implemented to ensure AI systems function robustly and reliably throughout their operational lifespan, aiming to safeguard the integrity, availability, and confidentiality of data. Additionally, these measures will endeavour to prevent data alteration, malicious exploitation, and/or unauthorised access, ensuring data remain pertinent, representative, accurate, and complete.

  Compliance with privacy and data protection legislation will be observed when gathering and utilising personal information. Data subjects will be apprised of the nature of the collected data, the purposes for its use, and the necessary information to enable the exercise of their rights under the prevailing legal framework.

- <u>Principle of supervision and autonomy:</u> AI systems should allow their operations to be monitored by individuals, ensuring that the system includes built-in operational constraints which cannot be overridden by the system itself and that it responds to the instructions of the human operator. Furthermore, it must be ensured that individuals responsible for human oversight possess the necessary competencies, training, and authority to carry out this role effectively.

  In this respect, outcomes derived from AI systems' algorithms must always be

open to being questioned and/or contested by individuals and groups that have been, or claim to have been, adversely affected, in a manner that is both readily accessible and expedient. AI systems must provide functionality to facilitate this objective.

AI systems should prioritise the well-being of individuals and safeguard their right to maintain control over decision-making and to exercise their freedom of choice when necessary. Individuals must have the ultimate authority to determine which decisions to take personally and which to entrust to AI systems.

- Principle of collaboration: The collaboration between various stakeholders—such as governments, businesses, academia, and civil society—is critical for effectively tackling AI's ethical challenges. Public and private sector cooperation is essential in setting ethical standards and regulations.

- Principle of training and awareness: efforts will be made to ensure the Company's employees understand AI's potential to create economic and social value, encouraging technological empowerment and fostering a culture of responsible innovation that promotes inspiring workplaces, nurtures the development of innovative ideas, and upholds ethical standards. Moreover, these efforts will align with the Company's business strategy and goals within the context of its operational environment.

Management Model

Enagás has established a unified data management and AI usage model across the company, geared towards adherence to the principles outlined in this policy. This model can be encapsulated in the following key elements:

- The introduction of measures that facilitate the self-regulation of AI tool usage via an ethical impact assessment framework, meaning any project that involves data processing using AI algorithms must conduct a preliminary review on:

    o The quality of data sources: representativity, precision, specificity, and relevance (to prevent bias).
    o The secure and ethical processing of data by algorithms (to prevent discrimination and exclusion).
    o The protection of personal data, with stringent compliance with existing legislation.
    o The unequivocal rejection of the development of prohibited applications.

- Human oversight mechanisms that enable individuals with authority and responsibility within the Company to intervene in and oversee decisions made by algorithms at any stage of the decision-making process, including the power to reverse any decisions executed automatically.

- A continual process for reviewing and updating the AI management model to ensure its constant alignment with the Company's context, as well as compliance with current legislation, and adherence to recommended best practices.

- Mechanisms to react to any incidents that arise both with regard to management of the system as well as in operating procedures that depend on the same.

- The establishment of internal guidelines governing the use of Artificial Intelligence tools to enforce the commitments and actions outlined in this Policy.

The Board of Directors, via the Audit and Compliance Committee, bears the responsibility for defining, steering, overseeing, and monitoring the Artificial Intelligence strategy and policy, as well as endorsing the internal figures in charge of the operational management model within the company.

Furthermore, the Ethical Compliance Committee will oversee adherence to the regulations and ethical principles concerning this subject.

This policy was approved by the Enagás Board of Directors on   22 /04 /2024.