



Report on compliance with the Code of Conduct and measures to guarantee the separation of activities and the independence of the Gas System Technical Manager

2024



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1. Purpose

The purpose of this report is to analyse compliance with the Code of Conduct of the Technical System Operator and the complementary measures adopted by the Enagás Group to ensure that the Technical System Operator acts with independence, objectivity, neutrality and transparency, safeguarding the separation of activities, in the performance of the functions assigned to him/her by Law 34/1998, of 7 October, on the Hydrocarbons Sector, and the complementary and implementing regulations.

The Enagás Ethics Compliance Committee is responsible for preparing this report, in compliance with the obligation included in article 63.4.d) of the aforementioned Law 34/1998. For this report, the Committee has consulted the Executive Director of the Technical System Manager on the measures adopted and actions carried out in this sphere during 2024.

2. Measures to ensure separation of activities and independence of the Technical System Management

During 2024, Enagás continued to apply a system of separation of activities in order to guarantee independence in the Gas System Technical Management, taking various measures, as detailed below:

2.1. Approval of a new Code of Conduct for the Technical System Manager of the Spanish Gas System

The new Code of Conduct was approved by the Board of Directors of Enagás, S.A. at its meeting held on 20 December 2024.

The revision of the Code took into account best practices in ethics and compliance, the Cybersecurity and Artificial Intelligence policies approved in the Enagás Group, and the desire to reinforce the firm commitment to diligently and responsibly apply advances in the aforementioned areas to ensure the integrity of our information systems in a reliable and protected

environment, bearing in mind that much of its data contains confidential and/or commercially sensitive information of the subjects of the Spanish Gas System.

Moreover, in order to make explicit its commitment to preserve the functional independence of Enagás GTS, S.A.U. (hereinafter, **Enagás GTS**), the obligation for the members of the Executive Committee of Enagás, S.A. to sign up to the Code is included.

Furthermore, in line with the duration of the confidentiality obligation included in the Enagás Group's standard contracts, the period during which a person subject to the Code of Conduct must maintain the confidentiality of sensitive documentation or information to which he/she has had access in the performance of his/her duties has been increased from two to five years.

Finally, it was decided that, once the revision of the Code of Conduct has been approved by the Board of Directors of Enagás, S.A., it shall enter into force on the date of its publication on the Enagás Group website.

2.2. The Technical System Manager sets up an independent subsidiary company

The Technical Management of the System is carried out by Enagás GTS, whose sole corporate purpose is the Technical Management of the Gas System. The Company was incorporated in compliance with the mandate contained in the Thirty-first Additional Provision of the Hydrocarbons Sector Act, and in accordance with the criteria established in the Resolution of 16 February 2012 of the National Energy Commission, authorising Enagás, S.A. to incorporate two subsidiaries, to which it spins off the assets and liabilities of the Transmission and Technical System Management branches of activity. This entails the effective legal and, therefore, functional and accounting separation of the Technical Management activity of the System, which contributes to further reinforce the independence in the performance of this activity.

Furthermore, the provision of services by Enagás, S.A. - parent company - to Enagás GTS, S.A.U., is carried out in accordance with the transfer pricing methodology submitted for approval by the National Markets and Competition Commission (hereinafter, **CNMC**), on the basis of reasonable cost allocation criteria proportional to the allocation of assets and resources to each activity, and without in any way impairing the performance of regulated activities.

2.3. Enagás Group policy on separation of activities

On 18 December 2023, the Board of Directors of Enagás, in the exercise of its non-delegable power to determine the general policies and strategies of Enagás, S.A. and the Group of which it is the parent company, taking into account the various regulated and non-regulated activities carried out by Group companies, agreed to approve a Policy for the separation of Enagás Group activities, which incorporates the commitment to apply the principles of functional separation between the Group's activities, not only with regard to regulated and non-regulated activities, but also to new activities such as the development of hydrogen transport infrastructure, with respect to those others that, where appropriate, are initiated by the Group or with its investee companies.

2.4. Follow-up of the measures set out in the Code of Conduct, as well as in the CNMC's Supervisory Report

The "Supervisory report on the application of the measures for the functional separation of activities provided for in Law 34/1998, of 7 October, on the Hydrocarbons Sector, to the technical manager of the Spanish gas system ENAGÁS GTS, S.A.U.", was approved by the Regulatory Supervision Board of the CNMC, at its meeting of 29 September 2022.

The requirements and recommendations contained in the aforementioned Supervisory Report were put into practice and, in some cases, also found concrete expression in the Code of Conduct.

During 2024, the Ethical Compliance Committee monitored the measures taken to ensure the separation of activities and the independence of the System Technical Manager, as described below:

- a) The Ethical Compliance Committee has supervised and verified effective compliance with the Code of Conduct in the following aspects:
 - i. Proof of compliance with the confidentiality obligations of Enagás GTS and its employees.
 - ii. Independence of the persons responsible for the management of Enagás GTS.

- iii. Respect for the principles of free competition, refraining from conduct considered anti-competitive.
- iv. Disclosure of any conflict of interest that may arise in the performance of the functions of the professionals subject to the Code of Conduct of the Technical System Operator, between the activities of the Technical Management of the Spanish Gas System and any other activity entrusted to it in the gas sector.

b) Effective compliance with the Long-Term Incentive Regulations of Enagás GTS, S.A.U., verifying that any category of variable remuneration received by the Executive Director or any other persons responsible for the management of Enagás GTS is not related to the results of the natural gas transport activity carried out by subsidiaries of Enagás, S.A., nor to other activities that could be incompatible, nor to the fulfilment of objectives by the Enagás Group companies as a whole.

It is also expressly stated for the record that, in the performance of its supervisory duties, the Ethical Compliance Committee has reviewed the minutes of the meetings of the Enagás, S.A. Executive Committee for the entire year 2024, noting that, for the sole purpose of preserving the functional independence of Enagás GTS with respect to the rest of the Enagás Group's activities, the Executive Director of Enagás GTS, in compliance with the Code of Conduct, temporarily left the corresponding meeting when matters relating to transport or other activities incompatible with the Technical Management of the Gas System were discussed.

2.5. Annual Questionnaire on the System Technical Manager's Code of Conduct, and other measures taken to ensure the separation of activities

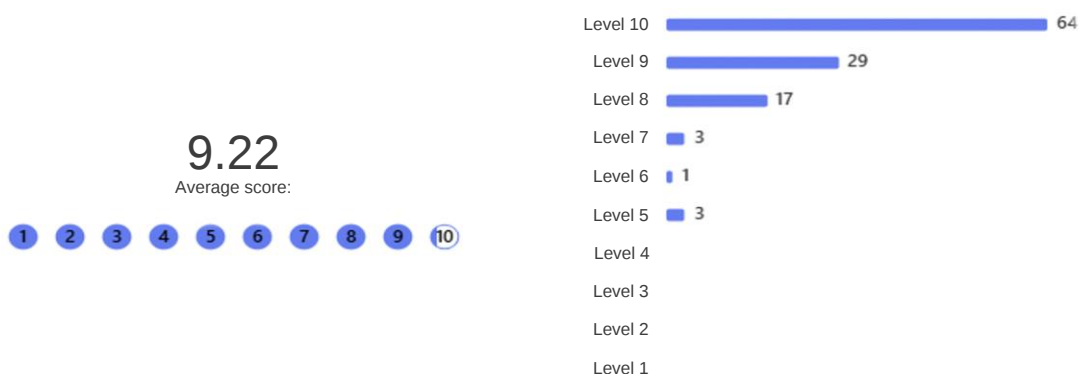
- Organisation of several online meetings for Enagás GTS staff and other Enagás Group professionals required to sign the Code of Conduct, in order to clarify any issues that may exist in the application of the Code, and to discuss suggestions and updates to the Code. The meetings were attended by all Enagás GTS employees, as well as all other Enagás Group professionals required to sign the System Technical Manager's Code of Conduct.

- The Annual Questionnaire on the Code of Conduct was sent to Enagás GTS staff and other signatories of the Enagás Group, requesting their general assessment of the Code and their degree of satisfaction with it. Responses were collected from all recipients of the Questionnaire. The content of the Questionnaire is as follows:
 - Overall assessment of the implementation of the Code of Conduct.
 - Queries regarding the application of the Code of Conduct.
 - Incidents in the application of the Code of Conduct.
 - Identification of potential conflicts of interest.
 - Ability to detect conflicts of interest.
 - How to proceed in case of suspicion or detection of anti-competitive conduct.
 - Proposals for improvement of the Code.

From the information obtained from the Annual Questionnaire, the following conclusions can be drawn:

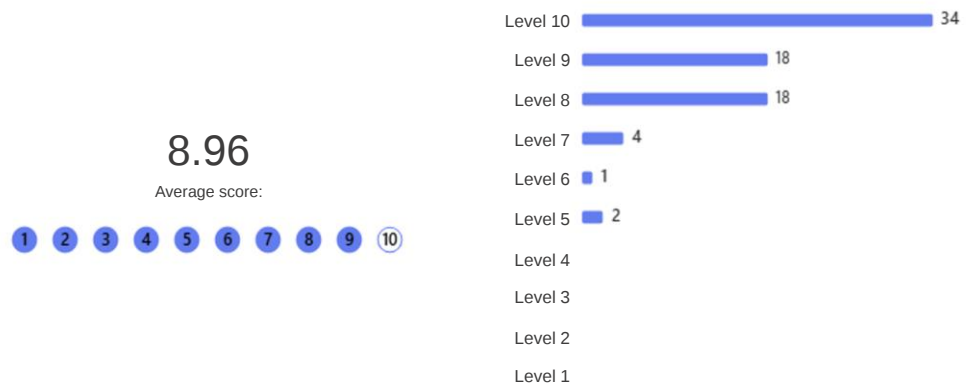
- The overall experience of Enagás GTS staff subject to the Code of Conduct is very satisfactory (9.22 out of 10, which is 0.17 points more than in the previous year). All staff are in agreement with, confident, satisfied and sure with the Code of Conduct, with all responses having ratings of 5 or more.

1. 1. How do you assess your overall experience in implementing the Code of Conduct?



- For the staff of the rest of the Group who are signatories to the Code of Conduct, the overall experience score is 8.96. Similarly, all staff are in agreement with, confident, satisfied and sure with the Code of Conduct, with all responses having values of 5 or more:

1. 1.How do you assess your overall experience in implementing the Code of Conduct?



- All staff are aware of the contents of the Code of Conduct.
- Some people had specific queries regarding the information that can be provided to subjects of the Gas System. The queries were satisfactorily resolved.

3. Reported conflicts of interest and non-compliance, and actions taken to resolve them

The System Technical Manager's Code of Conduct establishes the procedure for reporting conflicts of interest between the activities of Enagás GTS and the other activities of the Enagás Group.

The Code of Conduct also states that any Enagás GTS employee may submit queries to the Executive Director of the GTS, also enabling queries or notifications to be made through the following channels, which include the Enagás Group's Ethics Channel:

- ☐ Mailbox: canal.etico@enagas.es
- ☐ Postal mail addressed to the Chair of the Ethical Compliance Committee.
- ☐ Information and contact form on the corporate intranet.

The Ethical Compliance Committee did not receive any notifications regarding conflicts of interest during 2024, and no notifications regarding irregularities or breaches of the GTS Code of Conduct were received by the Enagás Group's Ethics Channel in 2024.

Furthermore, the GTS Executive Director has informed the Ethics Compliance Committee that no comments regarding irregularities or breaches of the GTS Code of Conduct were received during the year 2024.

Based on the above, it can be concluded that the appropriate measures have been adopted for compliance with the stipulations of points a), b) and c) of article 63.4 of Law 34/1998, of 7 October, on the Hydrocarbons Sector, and in the *"Instruction for the supervision and evaluation of compliance with the Code of Conduct of the Technical System Operator"*.