

## 2020 Enagás General Shareholders' Meeting

### **Enagás commits with ecological transition as a driver of economic recovery**

- The General Shareholders' Meeting approved all resolutions on the Agenda
- Enagás shows its firm commitment to employment in the current context: "Maintaining jobs is a clear priority" said Enagás Chairman Antonio Llardén
- The Chairman of Enagás has announced the signing of the Third Collective Bargaining Agreement of the Enagás Group, for the 2020-2023 period, "providing a stable framework for three years in a global situation full of uncertainty"
- "The company has a great team of professionals who are performing extraordinarily well against such an adverse and exceptional situation" said Llardén
- The Covid-19 Contingency Plan, implemented by Enagás since the beginning of the pandemic, has allowed the Spanish Gas System to function normally
- Since early March and until the end of the State of Alarm, 74 methane tankers have unloaded in regasification plants in Spain
- Llardén stressed that the company can play an active role in economic recovery from the perspective of ecological transition as a lever for change
- The CEO, Marcelino Oreja, reminded shareholders that the company has met objectives for the thirteenth consecutive year and explained the company's progress in innovation and digitalisation
- "Enagás always adopts a proactive attitude in the current energy transition environment and relies on innovation and digitalisation to move towards a decarbonised model" said Oreja.
- The General Shareholders' Meeting approved a total dividend of 1.60 euros per share for 2019, 5% higher than in 2018
- The company will maintain a policy of medium and long-term sustainable dividends, with an increase of 5% per year until 2020 and 1% per year for 2021, 2022 and 2023
- From 2024, the company plans to maintain a sustainable dividend of 1.74 euros per share
- The General Shareholders' Meeting of Enagás 2020 has obtained the AENOR sustainable event certification

**Madrid, 30 June 2020.** The General Shareholders' Meeting of Enagás has approved the 2019 annual accounts, the management report and all other items included on the Agenda.

The Chairman, Antonio Llardén, stressed that Enagás has solid pillars that have enabled it to maintain its activity "in an environment of constant uncertainty", and added that this situation has been possible "thanks to a prudent strategy driven by a clear purpose and without relying on short-term goals."

Llardén said that, thanks to the Covid-19 Contingency Plan implemented by Enagás since the beginning of the pandemic, the Spanish Gas System has functioned with total normality, without any labour-related, technical or operational incidents.

Specifically, since the beginning of March and until the end of the State of Alarm, a total of 74 methane tankers have unloaded in regasification plants in Spain, the network of about 12,000 kilometres of pipelines has operated without any incident and natural gas has been injected into the company's three storage facilities —Gaviota, Yela and Serrablo— taking advantage of the low prices in global markets, and with a view to being ready for possible future needs.

## **Commitment to employment and economic recovery**

The Chairman of Enagás stressed the company's firm commitment to employment against the socio-economic background of the crisis caused by Covid-19: "maintaining jobs is a clear priority". Llardén announced the signing of the Enagás Group's Third Collective Bargaining Agreement for the 2020-2023 period, "providing a stable framework for three years in a global situation full of uncertainty".

He also thanked "a great team of professionals who are performing extraordinarily well against such adverse and exceptional circumstances" for their efforts.

From the perspective of ecological transition as a lever for change, Llardén explained to shareholders that the company is committed "to being active agents of economic recovery." As specific examples, he pointed to the promotion of renewable gases or the use of LNG as an alternative fuel.

## **Targets met**

During his speech, the CEO, Marcelino Oreja, reminded shareholders that Enagás "has met its objectives for the thirteenth consecutive year" and explained the company's main new developments over the last year.

The main milestones for 2019 included closing the year with a stable regulatory framework for the 2021-2026 period, and the fact that demand for natural gas in Spain increased by 14%, with an exponential increase in the use of gas infrastructures and a volume of gas unloaded at the regasification plants 44% higher than the previous year.

Marcelino Oreja also said that 2019 saw the "largest international deal in Enagás' history", the entry into the United States through the acquisition of Tallgrass Energy together with Blackstone and GIC as partners. When the second part of the transaction was completed in April 2020, Enagás increased its indirect stake in the company to 30.2%.

## **Innovation and digitalisation**

The CEO of Enagás also stressed in his speech that "two fundamental drivers for Enagás in the current setting are innovation and digitalisation."

He explained that as a result of the efforts made through the company's Corporate Entrepreneurship and Open Innovation programme, Enagás Emprende, seven start-ups have been formed to date, while it has also provided backing to four external start-ups, all of which are focused on the search for initiatives geared towards a more sustainable energy model in areas such as mobility, energy efficiency, renewable hydrogen and new uses for natural gas.

Against this background, the CEO highlighted the swift roll-out of the Positive Energy+ initiative, which is promoting projects that help mitigate the economic and social impact of Covid-19, alongside several other energy companies.

Thanks to the advances in Enagás' digital transformation, Marcelino Oreja pointed out that, in addition to improving decision-making and optimising process efficiency, "in these months while the state of alarm has been in force, the company has been able to function normally and absolutely all the professionals who did not have to be physically present were able to work from home".

## **Shareholder remuneration**

The General Shareholders' Meeting approved a total dividend of 1.60 euros per share for 2019, 5% higher than in 2018.

Llardén pointed out that one of the company's priorities is to offer shareholders attractive and sustainable remuneration, and he reiterated that the company was committed to increasing the dividend by 5% a year until 2020 and by at least 1% a year for 2021, 2022 and 2023. "From 2024 and until 2026, with the data we have today, we are committed to maintaining a sustainable dividend of 1.74 euros per share," he added.

## **Environmental commitment**

In line with the objectives set by the European Union's 'Green Deal' and the Draft Bill on Climate Change and Energy Transition in Spain, the Enagás Chairman highlighted the company's commitment to decarbonisation and stressed Enagás' goal of achieving carbon neutrality by 2050.

The Enagás Chairman underlined the importance of promoting renewable gases such as biogas, biomethane and green hydrogen and pointed out the important role of the existing infrastructure network, "with sufficient capacity and geographical structure to connect potential production and consumption points". One example is the European 'Green Crane' project for the deployment of renewable hydrogen in Spain, aimed at making Spain "a benchmark and a gateway for hydrogen in Europe."

## **A sustainable Shareholders' Meeting held remotely**

Enagás' General Shareholders' Meeting was certified as a sustainable event by AENOR and was held remotely.

The company has donated the traditional shareholders' gift —this year it was a basket of non-perishable food— to the Food Bank.

# Press release



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