

**SHAREHOLDERS' GENERAL MEETING  
15 MARCH 2022**

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**REPORT OF THE APPOINTMENTS, REMUNERATION AND CORPORATE  
GOVERNANCE COMMITTEE OF NATURGY ENERGY GROUP, S.A. FOR  
THE PURPOSES OF ARTICLE 529 DECIES OF THE CAPITAL COMPANIES  
ACT ON THE RATIFICATION AND APPOINTMENT OF PROPRIETARY  
DIRECTOR**

**1.- Background**

On 2 February 2022, the shareholder Global InfraCo O (2) S.à.r.l, sent a communication to the company, requesting, based on the 12.04% stake it holds in the share capital of Naturgy Energy Group, S.A. ("Naturgy"), and taking into account the principle of proportional representation, the appointment of a director. ("Naturgy"), and considering the principle of proportional representation, the appointment of a director. Subsequently, by means of a communication dated 8 February, it proposed Mr. Jaime Siles Fernández-Palacios for the position.

By means of a communication dated 8 February 2022, the independent director Mr. Ramón Adell Ramón notified the company of his resignation, effective 10 February 2022, from his position as member of the Board of Directors of Naturgy.

Mr. Adell bases his resignation on the significant reduction in the percentage of Naturgy's free float that has taken place in recent months, which makes it necessary for the company, in accordance with the principle of proportional representation, to take this circumstance into account and adapt the composition of the Board of Directors accordingly, reducing the percentage of independent directors from the current 42% to 20%, which means that at least 2 independent directors will resign from their position.



He also explains that there are still a few months to go before the maximum term of 12 years provided for in the Capital Companies Act expires, which will cause him to lose the independent status he currently holds, so he is undoubtedly one of the ideal candidates to tender his resignation at this time.

Additionally, by communication dated 8 February 2022, Mr. Belil, who holds the status of independent director in Naturgy, has submitted his resignation effective 10 February 2022, explaining that Naturgy has always been respectful of the principle of proportional representation, which is also a right recognised by law. And that, therefore, all directors -and especially independent directors- must be sensitive to this right of all shareholders.

Mr. Belil adds that, being Chairman of the Audit and Control Committee and having also been Chairman of the Appointments and Remuneration Committee in previous years, he considers that it is his responsibility to take the initiative to facilitate the Board of Directors to attend to the requests received which are protected by legitimate rights.

By means of a communication dated 9 the shareholder Criteria Caixa S.A.U., which holds a 26.7% stake in the share capital of Naturgy Energy Group, S.A. ("Naturgy") and based on the principle of proportionality, formally requested the company to appoint an additional director to the two currently appointed, proposing Mr. Ramón Adell Ramón as director.

The Board of Directors of Naturgy Energy Group, S.A. ("Naturgy") is expected to decide on these proposals at its meeting of 10 February 2022. ("Naturgy"), at its meeting of 10 February 2022, will decide on these proposals and, if appropriate, proceed to the appointment by co-optation of Mr. Siles and Mr. Adell



as directors of Naturgy, where they would have the status of proprietary directors.

In this case, it is also foreseeable that the Board will submit for approval at the next General Shareholders' Meeting the ratification of Messrs. Siles and Adell (both proprietary directors), who would have been appointed directors by co-optation as indicated above.

In anticipation of these circumstances, and for reasons of efficiency, the Nomination, Remuneration and Corporate Governance Committee issues this report on both proposals for (i) appointment by cooptation and (ii) ratification and appointment by the General Shareholders' Meeting of Messrs Siles and Adell, pursuant to the provisions of art. 529 decies of the Corporate Enterprises Act.

## **2. Analysis of the profile of the Director proposed by Global InfraCo O (2) S.à.r.l.**

The Commission has noted that the shareholder Global InfraCo O (2) S.à.r.l, at the date of preparation of this report, is entitled to propose the appointment of a representative on the Board of Directors of Naturgy in exercise of its right to proportional representation. Likewise, it notes that said shareholder has formulated by letter the election proposal contained herein.

The Committee has analysed the professional career of the proposed candidate, Mr. Jaime Siles Fernández-Palacios, whose curriculum vitae is as follows:

He holds a degree in Civil Engineering from the Polytechnic University of



Valencia. Executive MBA at the Collège des Ingénieurs de Paris.

He has been a member of Eurogrid Gmbh's Supervisory Board (50Hertz).

He is currently a member of the Senior Investment Team of IFM Global Infrastructure Fund and since 2012 he is Investment Director of IFM INVESTORS and member of the Investment Committee of Aqualia.

His competence, experience and qualifications for the position of Director are evidenced by his curriculum vitae.

### **3. Analysis of the profile of the Director proposed by CRITERIA CAIXA S.A.U.**

The Committee has noted that the shareholder CRITERIA CAIXA S.A.U., on the date of preparation of this report, is entitled to the appointment of three representatives on the board of directors, in exercise of its right to proportional representation, and that it currently has two of the three positions covered, so that it would be entitled to propose the appointment of an additional representative on the Board of Directors of Naturgy. It also notes that this shareholder has submitted the election proposal contained herein by letter.

The Committee has analysed the professional career of the proposed candidate, Mr Ramón Adell Ramón, whose curriculum vitae is as follows:

Graduate and Doctorate in Economics and Business Studies from the University of Barcelona. Lawyer. Chartered Accountant-Auditor and Financial Analyst.



Professor of Financial Economics and Accounting (CU). Throughout his professional career, he has held management positions in various companies, forming part of the team that promoted the creation and development of Futures and Options Markets in Spain. He has published several books and numerous articles on subjects related to business economics and management. He is also an Academician of the Royal Academy of Economic and Financial Sciences of Spain and Honorary Member of the European Higher Council of Doctors and Honorary Doctors.

He is a member of the Board of Directors of Naturgy Energy Group, S.A. and a member of the Audit and Control Committee, and has been a Coordinating Director of Naturgy, Chairman of the Appointments and Remuneration Committee and Chairman of the Audit and Control Committee.

His competence, experience and merits to hold the position of Director are accredited by his curriculum vitae.

#### **4. Conclusion**

Consequently, the Committee reports favourably on the appointment of Mr Jaime Siles Fernández-Palacios and Mr Ramón Adell Ramón as members of the Board of Directors, each of them as proprietary directors, as well as their subsequent ratification and appointment, if applicable, by the General Shareholders' Meeting.

**Madrid, 10 February 2022.**

**The Appointments, Remuneration and Corporate Governance Committee  
of NATURGY ENERGY GROUP, S.A.**