

Policy on Conflicts of Interest

NG.00016

Version: 01

This document is a translation of version 01 of the document NG.00016 - Política de Conflictos de Interés. If there are questions about its interpretation, the Spanish version will take precedence.



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1. Purpose

The purpose of the Conflict of Interest Policy is to develop the provisions of chapter 4.10. "Loyalty to the company and conflicts of interest" of Naturgy's Code of Ethics, which establishes that Employees must act with loyalty and in the defence of Naturgy's interests, avoiding situations that may give rise to a conflict between personal interests and those of the company.

This Policy establishes the guidelines for action to be followed by Employees in the event of a conflict of interest, based on the principles of loyalty, abstention and transparency for the resolution of these situations.

2. Scope

This Policy is applicable to all Employees of all entities that make up the Naturgy Group, regardless of the activity or country where they are established.

Therefore, it shall apply to all companies in which Naturgy Energy Group, S.A., directly or indirectly, has a majority shareholding, as well as to those companies or entities over which it has responsibility for their operation or management (hereinafter, the Naturgy Group).

In those countries where there are local regulations regarding conflicts of interest, the most restrictive of those rules and those set forth in this Policy shall apply.

The rules of conduct that Employees must comply with in relation to the securities markets are set out in the "Internal Code of Conduct on Matters Relating to Stock Markets" (ICC).

3. Reference documents

- Code of Ethics
- Code of Ethics for Suppliers
- Anti-corruption Policy
- NG.00024 Compliance Policy
- Internal Code of Conduct on Matters Relating to Stock Markets (ICC)



4. Definitions

Conflict of interest: Conflicts of interest consist of those circumstances where the personal interests of Employees, directly or indirectly, are contrary to or collide with the interests of the company, interfere with the proper performance of their professional duties and responsibilities or involve them personally in any transaction or economic operation of the company.

The conflict of interest may be direct (when it is the Employee himself/herself who is in conflict) or indirect (when it is caused by a relative or close person of the Employee).

Employee: Any employee or manager of any company belonging to the Naturgy Group.

Third Party: Any counterparty, whether customer, supplier, business partner or of any other nature, public or private, that has a direct or indirect relationship with Naturgy, including any Authority or Public Employee.

Public Authority or Public Employee: Those persons who are or have been in the last 2 years employees in the service of public administrations or public international organisations, holders of a public office and, in general, all persons involved in the exercise of public functions. Also (i) persons appointed by government authorities or other entities to perform tasks of public administrations in their name and on their behalf, whether in their personal capacity or through public, private or mixed companies, as well as (ii) members of political parties represented in parliaments or government bodies at any level, and (iii) their closest family members and relatives.

Naturgy Group: Group of companies in which the company NATURGY ENERGY GROUP, S.A. has a majority shareholding, as well as those companies or entities over which it has responsibility for their operation or management.



5. Responsibilities

The management team, especially the Management Committee, must promote the dissemination, knowledge of and compliance with this Conflicts of Interest Policy, and is responsible for its correct application.

The Ethics and Compliance Committee is responsible, with the support of the Compliance Unit, for ensuring compliance with this Policy, its dissemination and knowledge by all Employees, and for ensuring the correct application of the criteria of loyalty, abstention and transparency in the resolution of conflicts that affect or may affect Naturgy in a relevant manner.

The People Unit shall be responsible for providing information, at the request of the Compliance Unit, on employees who report direct or indirect links with third parties, and for assessing the implications, if any, of the proposed resolutions to situations of conflict of interest.

The Compliance Unit shall be responsible for training and disseminating this Policy among all Employees and shall respond to all queries made to it in relation to the interpretation of this rule and the measures applicable if necessary. It shall also keep a record of all notifications received and their resolution.

Employees are responsible for knowing and complying with the Conflicts of Interest Policy and for consulting or reporting any doubts or possible non-compliance observed through the Code of Ethics Channel www.naturgy.ethicspoint.com. They must also apply any measures determined to mitigate the conflict of interest and report any change in the circumstances.

6. Procedure of dealing with a conflict of interest

The resolution of conflicts of interest in Naturgy shall conform to the following principles and procedures:

6.1. General principles

Naturgy Employees shall carry out their activities in accordance with the guidelines set out in the Code of Ethics and, in compliance with their duty of loyalty, shall place the interests of Naturgy above their personal interests in all their professional conduct as Employees.

In this sense, Naturgy Employees shall act in accordance with the following principles:

- **Loyalty:** To act at all times with honesty and integrity, regardless of their own or other people's interests.

Thus, Employees must act at all times in good faith and with loyalty to Naturgy, regardless of their own interests or those of persons who may be related to them.



- **Abstention:** Not to intervene in or influence decision-making on those matters that may give rise to a possible conflict of interest.

Thus, Employees must abstain from intervening in or influencing the taking of decisions that refer to or affect Third Parties or the Employee him/herself, and whose participation in such decisions may place him/her in a position of Conflict of Interest.

- **Transparency:** Duly disclose any potential conflict of interest that may arise.

Thus, Employees must report any conflicts of interest in which they may be involved, through the channels indicated in this Policy (section 6.4).

6.2. Conflicts of interest situations

Conflicts of interest arise from the interaction of Naturgy employees, in the exercise of their professional responsibilities, with third parties or with other employees with whom there is a family or close relationship that could entail, even if only in an apparent and ineffective manner, a conflict between personal interests and professional obligations.

The situation of conflict of interest with Third Parties may arise when there is a direct link of the Employee or indirect link through relatives or close persons in the governing bodies, or in organisational structures of the Third Party, or in Third Parties in which he/she has a financial or economic interest.

Likewise, family or close relationships between employees in a hierarchical dependency or service relationship, or links of a professional nature with former employees who provide services to Naturgy, could give rise to situations of conflict of interest.

For the purposes of this Policy, the following are the areas in which there is a greater likelihood of conflict of interest situations arising, and the list is not exhaustive but rather exemplary, as more situations than those listed here may arise:

- Suppliers of products or services and subcontractors.
- Entities donated or sponsored by Naturgy.
- Wholesale customers and SMEs.
- Public Authorities or Employees.
- Sales, acquisitions and mergers, in the event of links with partners or with the owners of the assets that are the object of the operation.
- Links with companies in concurrence with activities of a similar nature to those of Naturgy.
- Performance of training activities, presentations, forums or other events of a similar nature by employees in their personal capacity.



Specific cases: The following are examples of specific cases of conflict of interest:

- Intervening in the decision-making process in activities or transactions of any kind in which they have a direct or indirect benefit.
- Making use of information to which they have access due to their professional activity, for the development of other activities or for the benefit of a third party.
- Improperly use the name of Naturgy Energy Group, S.A. or any company of the Naturgy Group or use their position to unduly influence the performance of an activity or service that benefits them directly or indirectly.
- Carrying out any activity on their own account or on behalf of others that may involve actual or potential competition with the Naturgy Group.

Any other situation of conflict of interest not specified in this section must follow the principles established in this policy.

6.3. Procedure:

An Employee who believes that he/she may be in a situation of conflict of interest shall:

1º. **Refrain** from taking any decision on the situation that is the subject of the conflict of interest.

2º. **Communicate** the situation, providing sufficient and accurate information to be able to understand the scope of the conflict.

3º. The Compliance Unit shall analyse the situation together with the Employee's manager and decide whether there is a conflict of interest and, if so, propose the **appropriate measures** to avoid this conflict. This decision shall be communicated to the Employee as soon as possible.

4º. The Employee must comply with the measures proposed by the Compliance Unit and its manager, and must notify the Compliance Unit of any **update** or change in the circumstances.

6.4. Disclosure

Employees who find themselves or believe that they may be in a situation of conflict of interest must notify their line manager or the Ethics and Compliance Committee, through the Code of Ethics Channel at www.naturgy.ethicspoint.com.

6.5.



6.5. Irregularities and non-compliance

If any potential irregularities related to compliance with this Policy are noted, Employees should report them to their line manager or to the Ethics and Compliance Committee through the Code of Ethics Channel at www.naturgy.ethicspoint.com.

In the event of non-compliance with the provisions of this Policy, the People Division will be informed in order to assess the appropriateness of disciplinary action in this regard.

7. Approval

The Policy on Conflicts of Interest has been approved by Manuel García Cobaleda on 6 May 2021.



Appendix 01 – Indicators

The key indicators for monitoring compliance with and effectiveness of the Policy on Conflicts of Interest are as follows:

- Number of annual queries received in the Code of Ethics Channel on conflicts of interest.
- Number of annual complaints received in the Code of Ethics Channel on conflicts of interest.