
2020
Sustainability
Report



WELCOME TO THE SUSTAINABILITY REPORT

2020 SUSTAINABILITY REPORT

Redexis ("the company" or "Redexis") publishes its Sustainability Report for the third consecutive year deeply affected by the changes and transformations arising from the COVID-19 coronavirus crisis, which has forced companies, workers and society in general quickly to adapt to a new way of working and living together.

Based on the Non-Financial Information Statement (NFIS) corresponding to the 2020 financial year, and in line with its transparency policy, Redexis continues outlining and reviewing its overall ESG (Environmental, Social and Governance) business activities. This report reviews the business performance and results, providing a cross-cutting sustainability vision to our business model and our strategic approach.

The aim of the information presented is to communicate how Redexis creates value in the short, medium and long term in a precise, detailed manner, consistent with the environment and the activities carried out, making them understandable and accessible to all our stakeholders; and how it develops its business activities complying with the sustainability principles which have obtained recognition from the most important international ESG rating agencies.

Likewise, this Report evidences Redexis' commitment to the ten Principles of the UN Global Compact for Sustainable Development and complies with the corporate Progress Report regarding the implementation of the above mentioned principles.

Readers can access this Sustainability Report, the Annual Report, NFIS and other relevant information on the Redexis corporate website at www.redexis.es

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LETTER FROM THE EXECUTIVE CHAIRMAN



My first words are addressed to all the relatives of those affected by the COVID-19 pandemic. Likewise, I want to express my sincere gratitude to all health staff, as well as to the State security forces and bodies and other organizations, which have endeavoured to try to minimize the consequences of this pandemic.

The 2020 financial year has brought decisive changes to our company. For more than a year, the global pandemic has affected our agendas and has forced us to face new challenges which have made us more agile and efficient. And, without a doubt, we have proven that Redexis' business model has been absolutely essential for the well-being of our families, businesses and industries.

Moreover, thanks to Redexis Foundation, we have been able to allocate part of our resources to respond to the crisis. From the beginning, we made ourselves available to administrations and public authorities to collaborate through a number of means and try to minimize the devastating effects of the pandemic on the company and the economy.

At Redexis we are aware of the existing needs in the territories in which the company operates. Therefore, we have focused on developing and consolidating actions aimed at promoting sustainability, innovation and social work.

Our adaptive capacity and Redexis daily work, in addition to our firm commitment to articulating the

country's energy future, proves our corporate growth capacity. We are not only an example of how decisions have been made, always prioritizing health protocols, but we have also learnt to work remotely, with flexibility and with a great sense of responsibility.

On the other hand, efforts made at Redexis have allowed us to consolidate as an active agent in energy transition. The sustainability paradigm and environmental protection have, more than ever, a fundamental role in driving our economy. At Redexis we are a key ally for this transformation. As an energy infrastructure company, we strive every day to strengthen our transmission and distribution networks and to promote projects to transfer the benefits of natural gas and other sustainable energies. At Redexis we have not only led gasification in large communities of the Spanish territory, we have also contributed to improving competitiveness and the economy of the industry in the country by means of innovation and digitization of our processes.

Our networks and infrastructures are ready to exploit the potential of renewable gases. To this end, in 2020 we continued to make progress in developing vehicular gas, investing in the construction of vehicular natural gas (VNG) refuelling stations as an alternative for sustainable mobility. We already have about fifteen gas stations.

Likewise, according to the recent approval of the Spanish Circular

Economy Strategy (EEEC, for its acronym in Spanish), we have continued to lead the biomethane injection in the country, by reusing livestock, agri-food industry and human activity waste.

After this year we have continued promoting the growth of hydrogen and renewable gases with numerous projects which have already been implemented. The company participates in the 'Green Hysland' project, among others, to create a green hydrogen ecosystem in the Balearic Islands, in the pioneering project in Lorca (Murcia) by entering into an agreement with Galivi Solar for biomethane injection from the production plant to the natural gas infrastructure, and in the Hydrogenizing BCN initiative, aimed to implement a true green hydrogen economy in Barcelona.

We are aware that hydrogen is designed to play a fundamental role in the energy matrix and that it is key to the decarbonization of the economy. This is the reason why at Redexis we are committed to promoting Spanish leadership in this source of clean energy through its production and distribution. All this while the Redexis Foundation has continued to expand and consolidate through sponsorships and collaborations with the country's cultural and sports industry. Despite a difficult 2020, we have tried to maintain our commitment to culture and sports, which had to overcome multiple difficulties. Therefore, our collaboration agreement with the Fundación del Teatro Real and with

“ IN 2020 WE CONTINUED TO MAKE PROGRESS IN DEVELOPING VEHICULAR GAS, INVESTING IN THE CONSTRUCTION OF VEHICULAR NATURAL GAS (VNG) REFUELLING STATIONS AS AN ALTERNATIVE FOR SUSTAINABLE MOBILITY ”

the promotion of children's sport is essential.

Our responsible business model continues to comply with the guidelines set by the UN Global Compact and the 2030 Agenda. As we do every year, we have responded to the Sustainable Development Goals through our corporate governance, strategies and annual operations set out herein and placing Redexis at the forefront of energy solutions in Spain.

I would like to end by expressing my gratitude to all Redexis employees for the tremendous effort they have made, which has allowed us to continue being a leading company. In 2021 we will continue to supply society with the best energy for a better future.

Fernando Bergasa
EXECUTIVE CHAIRMAN

“ THE EFFORTS MADE AT REDEXIS HAVE ENABLED US TO CONSOLIDATE AS AN ACTIVE AGENT IN ENERGY TRANSITION ”

LETTER FROM THE CHIEF OPERATING OFFICER

I would like to begin by referring to the early recovery prospects which are taking place thanks to the progress made with the vaccination process. Thus, the flattening of the COVID-19 infection curve will be remarkable in the coming months and, according to the latest predictions by the OECD, there is set to be quick and sustained economic growth.

For another year, we are presenting Redexis Sustainability Report, this edition corresponding to financial year 2020, for the sake of transparency and the adoption of the best corporate governance practices of our company. During 2020, Redexis remained fully operational, guaranteeing the continuity of its operations and maintaining its fundamental role in the sustainable development of the local economies in which it operates.

As key players in the Spanish gas industry, we continue to give priority to sustainability strategies. In the case of Redexis, these strategies have led to great recognition in important assessment ratings, such as GRESB, and Vigeo Eiris, among others who have once again 5 stars and "Robust" rating in 2020, respectively. This has allowed us to access sustainable funding of €150 million

Despite the restrictions imposed on activities due to the pandemic,

Redexis has ensured the continuity of its operations and has maintained its investment rate, €110 million in 2020. Likewise, we ended the financial year reaching 733,174 supply points in the 11 autonomous communities in which we operate, which represents a 3% growth compared to 2019. All this has given deeper sense to what we do: guaranteeing the energy supply to each and every consumer, despite the economic and commercial limitations imposed.

Similarly, our trade agreements Redexis continues to cement its relationship with Cepsa, maintaining since 2019 its purpose of creating a wide network of vehicular natural gas refuelling stations in Spain. In 2020 the gas stations of Puerto Lumbreras (Murcia) and Zaragoza were inaugurated. Furthermore, Redexis has likewise recently collaborated with Repsol, agreeing to acquire 4,230 new LPG points.

The company carries out its activities following the path of sustainability and environmental care. In this sense, and in our commitment to hydrogen as a renewable energy, the company is drawing up investments to deploy infrastructures for its transmission, storage and supply on a national scale in the period 2021-2026.

Moreover, Redexis is part of the 'Green Hysland' project, the first strategic plan in Southern

Europe financed by the European Commission through the Fuel Cell and Hydrogen Joint Undertaking (FCHJU) group, to create a green hydrogen ecosystem in the Balearic Islands. All these projects progress in line with the strategy set by the Hydrogen Roadmap of the Spanish Government and the European Green Deal.

Redexis is committed to developing biomethane as an energy source allowing moving forward towards a zero emissions economy. Recently, we have launched a pioneering project, by signing an agreement with Galivi Solar, which will consist of biomethane injection from the production plant to the natural gas infrastructure in the town of Lorca (Murcia Region)

At Redexis we continue to establish measures that enable us to use our resources more effectively, reducing our carbon footprint and thus achieving the goal of circular economy established in the United Nations 2030 Agenda. During 2020, the company has managed to reduce its carbon footprint by 0.60% and began to use renewable energy in its more than 360 facilities spread throughout Spain, which will have 100% renewable electricity with a certificate of origin.

On the other hand, in line with the development of renewable energies, last year Redexis promoted solutions for photovoltaic solar self-consumption installations for homes, businesses and industries.

“REDEXIS STRATEGY HAS RESULTED IN THE RECOGNITION IN IMPORTANT SUSTAINABLE RANKINGS, WHICH HAVE ONCE AGAIN POSITIONED US AS A LEADER IN OUR SECTOR”

Likewise, in 2020 Redexis launched its new digital native commercial brand aimed at the residential market: anidia, which places the customer at the core of the sales process.

Finally, I would like to address all the people who, with their effort, flexibility and responsibility, have allowed Redexis to continue to be a key player in the Spanish energy industry.

Cristina Ávila
CHIEF OPERATING OFFICER



“THE COMPANY CARRIES OUT ITS ACTIVITIES FOLLOWING THE PATH OF SUSTAINABILITY AND THE ENVIRONMENTAL CARE”

MILESTONES FOR 2020



April

- Redexis joins the '#The200Challenge' initiative
- Fundación Redexis donates €50,000 to the Comunidad de Madrid and €25,000 to 'Aragón en marcha' in the fight against COVID-19

May

- Fundación Redexis donates € 10,000 to the Spanish Food Bank Federation and € 15,000 to SESCAM
- Redexis successfully anticipates the refinancing of its € 650 million debt by issuing a € 500 million bond and formalizing a € 150 million loan regarding sustainability criteria



July

- Redexis and Cepsa expand the first natural gas refuelling station in Puerto Lumbreras, with CNG supply
- SIMUAL Project: in which the company transfers its LNG plants to the virtual reality world
- Redexis obtains the ISO 50001:2018 certificate for its Energy Efficiency Management System

August

- Launching of a new 'low cost' maintenance for boilers and gas heaters

“ A YEAR OF ACHIEVEMENTS IN DIFFICULT CIRCUMSTANCES BROUGHT ON BY THE PANDEMIC ”



November

- 'Actions for Climate' selects Redexis' fuel cell integration project as a business example
- Fernando Bergasa, Chairman of Redexis, speaker at 'Café de la Innovación', held by UAM
- Redexis maintains the highest rating of five stars in the GRESB 2020 index
- Redexis guarantees 100% renewable electricity consumption for its facilities

1

January

- Association with Fiat Professional to promote sustainable mobility with NGV
- BSI certifies the Redexis Management System with the new ISO 45001 standard
- HIGGS project, key to reducing emissions in Europe with hydrogen

4

5

2

February

- Redexis delivers to the Madrid Food Bank the food collected in the 'Operación Kilo Online'
- Start of the activities of Fundación Redexis
- Investment of € 4.5 million to facilitate the distribution of natural gas in Jaén

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March

- Redexis enters into an agreement with FECE to commercialize photovoltaic energy solutions
- Inauguration of the first LNG supply station together with Cepsa, in Puerto Lumbreras (Murcia)
- Participation in the launching of Microgrid Blue, a project seeking to promote the integration of distributed renewables in the electrical systems of the Canary Islands, Senegal and Cabo Verde
- Redexis guarantees its activity by implementing contingency plans against COVID-19
- Fundación Redexis launches direct aid to protect vulnerable consumers against COVID-19 and provides technological material to those admitted at the IFEMA hospital

6

June

- Awarding of the 'Robusto' rating granted by Vigeo Eiris regarding ESG
- Pioneering installation of a hydrogen cell in the gas pipeline network in Spain on the Bárboles- Sobradiel gas pipeline (Zaragoza)
- Commissioning of a seven gas stations network to supply compressed natural gas to the ambulance fleet of the Murcian Health Service (SMS)



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September

- Fundación Redexis presents its first publication: 'Hydrogen, key to a sustainable energy model'

12



10

October

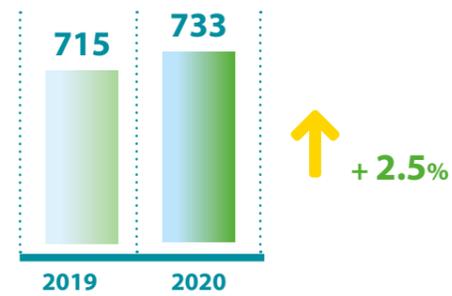
- Redexis joins the European Clean Hydrogen Alliance
- The 'Green Hysland' Project is funded by Europe as the first hydrogen initiative
- Celebration with the UN of the Global Compact anniversary
- Inauguration in Alcorcón of the first Redexis gas station in the Comunidad de Madrid

December

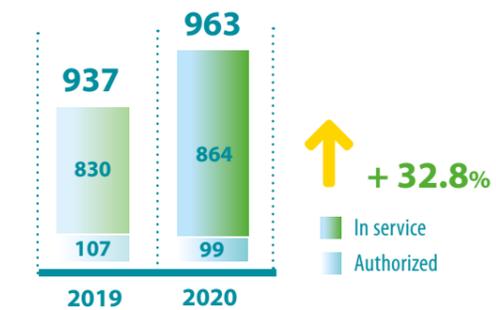
- Collaboration agreement with the Government of Castilla-La Mancha and Redexis for action against potential emergencies related to gas installations
- Starting-up, together with Cepsa, of the second NGV refuelling station, in Mercazaragoza (Zaragoza)
- Construction of 2 gas stations for the Balearic Islands public transport service (TIB)
- Redexis increases its rating in the healthy company certification by 13,5%

Operational Indicators

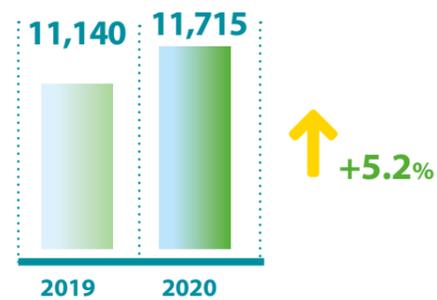
SUPPLY POINTS (MILES)



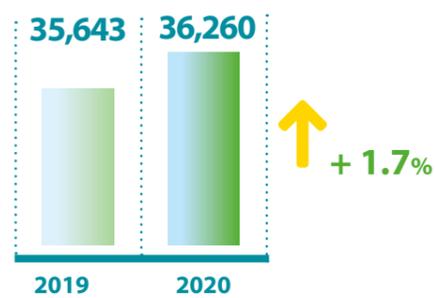
MUNICIPALITIES IN SERVICE NAD AUTHORIZED



NETWORK LENGTH (KM)

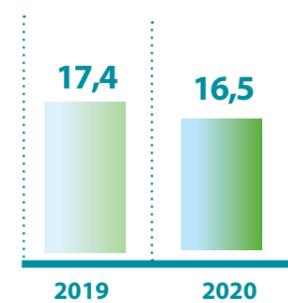


DISTRIBUTED ENERGY (GWH)



Non-financial Indicators

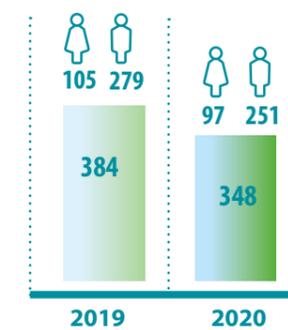
TOTAL ENERGY CONSUMPTION (GWH)²



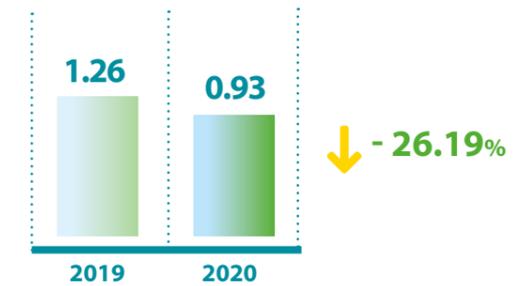
EMISSIONS INTENSITY

RATIO (T/ KM NETWORKS TX, DX AND GLP)	2019	2020	2020 vs 2019 variation
Total A1+A2	3.36	3.34	-0.60%
Alcance 1	3.01	3.33	10.50%
Alcance 2	0.03	0.02	-43.20%

DIRECT EMPLOYMENT



COMBINED ACCIDENT FREQUENCY RATE¹



(1) Number of accidents per million hours worked, of own personnel and hired personnel.
 (2) Total consumption includes offices, LNG plants, LPG plants, transmission locations and vehicle fleet.
 (3) The carbon footprint includes offices, LNG plants, LPG plants, transmission locations, vehicle fleet and diffuse emissions.
 (4) Applied in scope 1 of the 2020 carbon footprint, new methodology to estimate diffuse emissions associated with MOP distribution networks greater than 16 bar. The year 2020 is selected as the baseline year, since it is not possible to compare the 2019 and 2020 emissions with both methods.

OUR BUSINESS MODEL

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WHO WE ARE

Redexis is a company dedicated to the **development and operation of natural gas transmission and distribution networks, the distribution and commercialization of liquefied petroleum gas** and the promotion of renewable applications such as hydrogen, biomethane or photovoltaic solar energy.

In its firm commitment to the communities in which it operates, it develops infrastructures to bring natural gas to homes, businesses and industries in excellent safety and quality conditions. In addition, in its environmental commitment, it invests in sustainable mobility, promoting vehicular natural gas through new investments, infrastructures and agreements

with vehicle manufacturers and other companies in the industry. Similarly, it promotes the use of renewable gas infrastructures such as hydrogen or biomethane and participates in various projects related thereto.

The company maintains a solid and continuous expansion plan with around €1,300 million invested since 2010 and works with the goal of creating constant socio-economic value in the communities in which it operates. To date, Redexis is the second natural gas transmission operator in Spain, the third distributor and the second in LPG, operating in 11 autonomous communities and 38 provinces, and 864 municipalities. This represents a total of 733,174 supply points throughout Spain.

“REDEXIS IS A COMPANY COMMITTED TO THE ENVIRONMENT AND TO THE COMMUNITIES IN WHICH IT OPERATES”



MISSION

To be a comprehensive infrastructure company energy, maximizing growth and efficiency, and decisively contributing to sustainable development and the generation of value for its stakeholders.



VISION

To be a leading energy infrastructure company, firmly committed to its stakeholders and admired for its ability to improve and create value.



VALUES:

- TO PROGRESS
- TO INSPIRE
- TO CARE
- TO LIVE
- TO EXCEL

CORPORATE GOVERNANCE

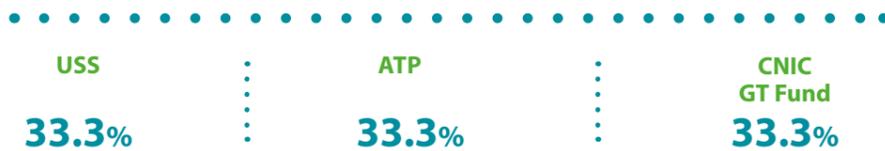
The international community has confirmed the importance of the proper implementation of the corporate principles of good governance; thus promoting credibility, stability and helping to boost growth and the generation of wealth.

Therefore, corporate governance is a key element for Redexis, as it strengthens and builds the confidence of its stakeholders through the implementation of standards and best practices which promote transparency.

During 2020, Redexis has aimed continuing to make progress in all good corporate governance-related matters, including the approval of internal standards and procedures, as well as their outreach and training among all corporate employees.

CAPITAL STOCK

As at December 31, 2020, the capital stock is fully subscribed and paid in, owned by the shareholders as follows:



BOARD OF DIRECTORS STRUCTURE

NAME	APPOINTMENT DATE OR LAST RE-ELECTION	CATEGORY	POSITION
D. Fernando Bergasa Cáceres	May 19, 2016	Executive	Chairman
D ^a . Cristina Ávila García	April 11, 2019	Executive	Chief Operating Officer
D. Niels K. Jensen	May 23, 2019	Dominical (proposed by ATP)	Director
D. Ng Chik Sum Jackson	June 20, 2018	Dominical (proposed by Guotong)	Director
D. Oliver Jan Schubert	June 20, 2018	Dominical (proposed by Guotong)	Director
D. Ulrik Dan Weuder	April 11, 2019	Dominical (proposed by ATP)	Director
D. Stephen Alan John Deeley	April 11, 2019	Dominical (proposed by USS)	Director
D. Gavin Bruce Merchant	July 24, 2017	Dominical (proposed by USS)	Director
D. Ignacio Pereña Pinedo	March 19, 2013	Not applicable	Secretary General

BOARD MEETINGS

During 2020, the Board of Directors held ten sessions. In this regard, it is worth mentioning the commitment of its members in the exercise of their functions, highlighting the high level of participation and attendance at meetings, which stood at 87.5% in 2020.

In financial year 2018, the Appointments and Remuneration Committee and the Audit and Risks Committee were set up on a voluntary basis within the Board of Directors, as there is no legal obligation thereunder. During 2020 the following meetings were held:

- **Appointments and Remuneration Committee:** three meetings
- **Audit and Risk Committee:** two meetings.

BOARD OF DIRECTORS

- Mr Fernando Bergasa Cáceres
- Ms Cristina Ávila García
- Mr Antonio España Contreras*
- Mr Borja Polo Baños
- Mr Ignacio Pereña Pinedo
- Mr Javier Crespo Millán
- Mr Diego Sánchez Muslera
- Mr Andrés Oliva García
- Mr Javier Migoya Peláez
- Ms Susana Lorenzo De la Orden
- Mr Miguel Mayrata Vicens
- Ms Estefanía Somoza Villar
- Ms Mireya Martínez San Martín

- Chairman
- Chief Operating Officer
- Chief Financial Officer
- Director of Strategy and Business Development
- Secretary General and of the Board of Directors
- Director of Operations
- Director of Engineering, Bids and Execution Residential Commercial Director (B2C)
- Tertiary and Industrial Commercial Director (B2B)
- Director of Corporate Resources
- Business Diversification Director
- Director of Institutional Relations, CSR and Corporate Communication
- Director of Risks and Internal Audit

GOOD GOVERNANCE PRACTICES

Redexis has a Code of Ethics and Conduct, approved by the Board of Directors, which includes the corporate commitment to the principles of business ethics and transparency in all areas of action, as well as respect for equality, human rights and other material

corporate areas. Likewise, a set of principles and guidelines of conduct are established aimed at guaranteeing the ethical and responsible behaviour of all professionals of Redexis Group in the development of their activities.



* In March 2020 Antonio España left the company, and Borja Polo was appointed Chief Financial Officer and Director of Strategy and Business Development



During 2020 Redexis approved a series of internal policies, rules and procedures, available to all employees on the intranet, **aimed at making visible all the necessary good governance actions:**

Sustainability Policy

This rule reflects the commitment of Grupo Redexis with social, environmental, ethic and sustainable development, maximizing its positive impacts by means of a comprehensive and integral behaviour towards all stakeholders.

Risk Control and Management Policy

Its purpose is to set forth the basic principles and the general framework of action to manage the risks faced by the Redexis Group, leading and managing the set of strategic, organizational and operational actions, which allow the Board of Directors to ensure the fulfilment of the organization's goals, within a framework of rigour and excellence aimed at safety and service in the development of its activities.

Procedure to Prepare Non-Financial Statements

The purpose of this procedure is to set out guidelines to be followed for the preparation of the State of Non-Financial

Information to be added, when appropriate, to the Company's or any of its subsidiaries annual consolidated accounts management report.

Human Rights Policy

With the passing of this policy, Redexis Group seeks to ensure that the protection of human rights is respected in all its activities and operations, avoiding and using its influence to promote its compliance among its stakeholders.

Equal and Diversity Policy

The purpose of this policy is to promote and support an environment which values and supports talent, equal opportunities and diversity within the Redexis Group.

Tax Policy

The purpose of this policy is to follow the following principles to comply with the Group's tax obligations in its relationship with tax authorities: (i) compliance with current tax legislation; (ii) waiver of operations or

structures which only pursue a tax advantage, structuring operations of an artificial nature not related to the Company's own business activities, use of non-transparent structures in order to reduce its tax burden and investing through territories classified as tax havens; (iii) transparency with third parties; and (iv) full collaboration with Tax Administration.

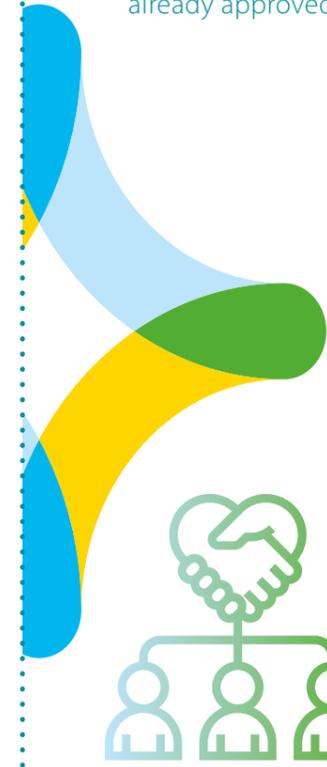
Approval, monitoring and Supplier Evaluation Procedure

The purpose of this procedure is to ensure that any third party supplying goods or rendering services is qualified under the standards of transparency and business ethics, health and safety, and quality and environment of the Redexis Group.

Travel and Travel Expenses Policy

The purpose of this rule is to set forth the policy and guidelines for the correct processing of travel and travel expenses in order to carry out the professional activities of the Redexis Group.

Its objectives include making progress in terms of good governance; therefore, it implements internal rules and procedures already approved in previous years:



- Procedure to report **allegedly irregular facts.**
- Rule on **institutional care.**
- Rule regarding relationships with **members of Public Administrations.**
- Rule to prevent **money laundering**, financing of terrorism, bribery and corruption.
- Rule to prevent **Market abuse situations.**
- Rule on **collaboration agreements** with public sector entities.
- Rule regarding **meetings** with public bodies and administrations.
- Prevention and action protocol in harassment cases.
- Rule to verify **compliance with tax** and social security obligations in the framework of public offerings, in order to ensure that the companies which collaborate with Redexis comply with current legislation and applicable internal regulations.

Communication and transparency are within the company's strategy to carry out its corporate governance objectives. Therefore, all employees are informed of the approval of the different internal regulations and are continuously available to them on Redexis intranet.

Redexis has an **internal and external complaints channel**, through which complaints, reports or claims can be made in relation to allegedly irregular events. For these purposes, if necessary, the appropriate disciplinary measures arising from the complaint could be

taken, as well as the referral to the competent public bodies for the purposes of investigating the facts, if they are significantly relevant.

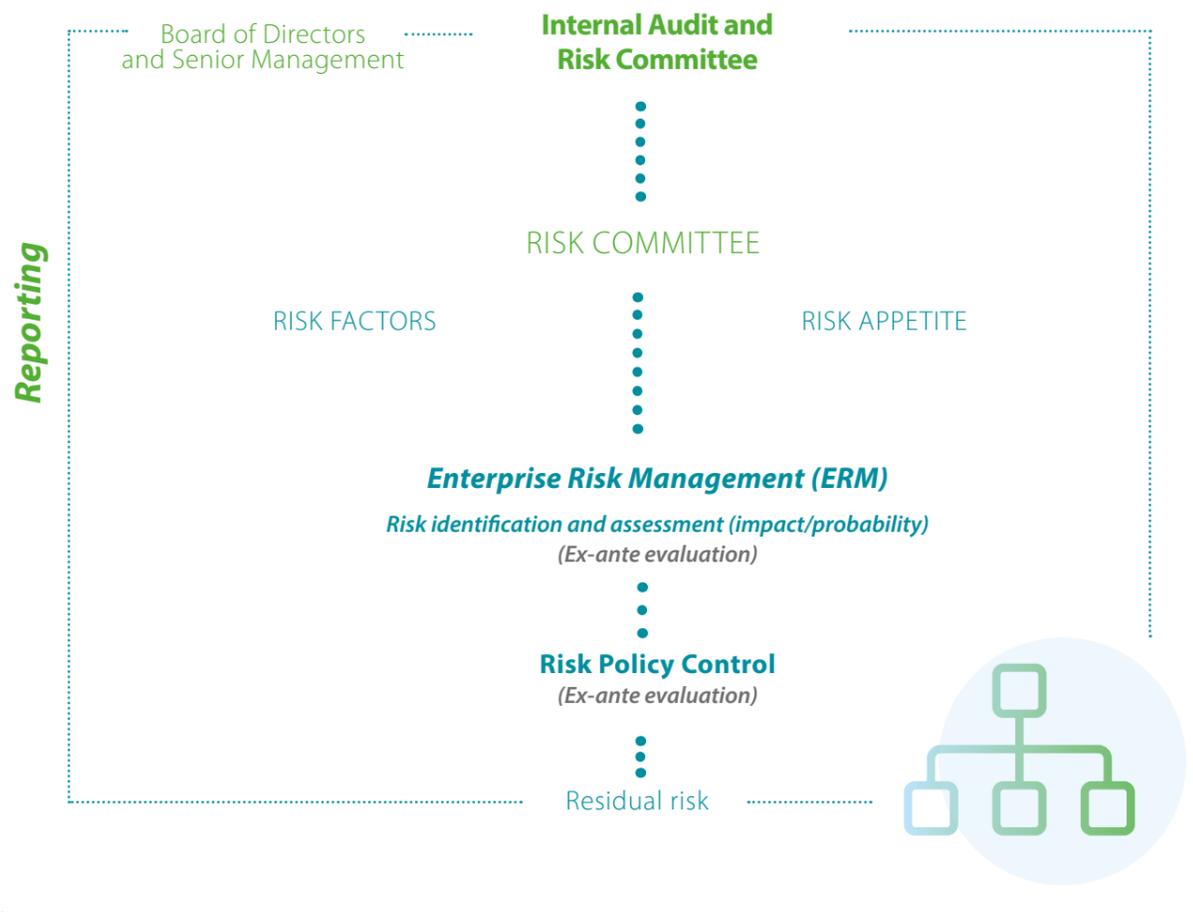
Throughout 2020 no complaint has been received, either through the internal or external channels.

RISK MANAGEMENT AND CONTROL

Redexis manages its risks through the Enterprise Risk Management (ERM), aiming to providing a global and reliable vision of all the risks that may affect the company, leveraging the opportunities and minimizing the negative impacts that may occur.

In order to develop the stated commitment, the Internal Audit and Risk Department, which coordinates the activities included in the risk management collaborates with the Board of Directors, together with the Audit and Risks Committee.

The system is based on **COSO international standards** and the **ISO 31000 standard**.



The Board of Directors approved in February 2020 the **Risk Control and Management Policy**, which establishes the basic principles and the **general framework for action for Redexis' risk management. Its purpose is to promote compliance with the organization's objectives** within a rigor and excellence framework, aimed at safety and service in the development of activities.

RISK ASSESSMENT PROCESSES

- Risk identification
- Risk Assessment
- Response Strategies
- Control Activities
- Coordination and Reporting

This process has a preventive approach, focused on identifying and mitigating the risks associated with the own activity, as well as seeking opportunities, involving all departments and stakeholders taking part in the business life cycle.

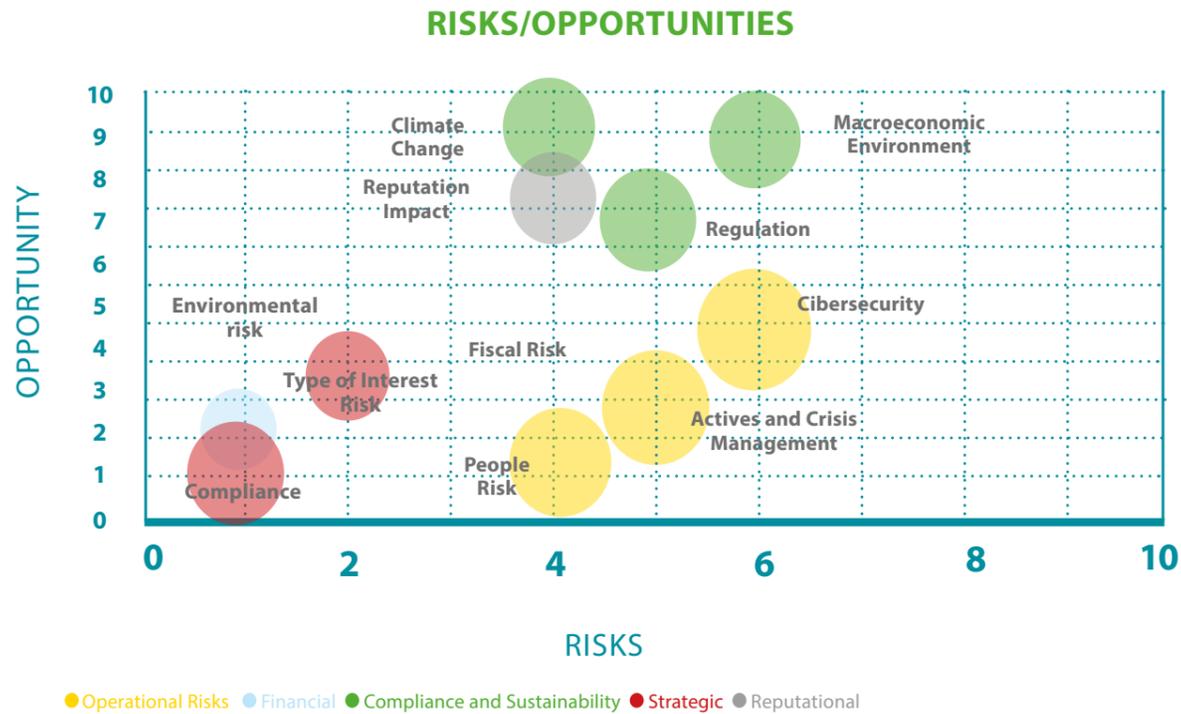
The process is supervised by the **Audit and Risk Committee**, whose main activities are as follows:

- **To review and evaluate policies and practices** regarding risk management and internal control.
- **To supervise the effectiveness of the** internal control and risk management systems.
- **To review the corporate capacity to** identify new risks.
- **To ensure the Board** receives regular reports.
- **To control the effectiveness of the Risk Management System and Internal Control.**
- **To control compliance with** the applicable external legal and regulatory requirements and the corporate Code of Ethics and other risk management and internal control policies.

Redexis classifies **risks into five categories**, which are mainly as follows:

- **Strategic**
Related to external background factors such as political, legal, economic, sociocultural, technological and environmental (including climate change), as well as all those factors which may significantly impact the strategic planning carried out by the company.
- **Operational**
Associated with the safety of people, processes and infrastructures, with the quality of service and work efficiency, as well as with the safety of information technologies (ICT).
- **Financial**
Regarding corporate financial management (cash flow management, creditworthiness, interest rates and the like.)
- **Sustainability/ Compliance**
Related to the environment, people management, ethics, integrity and compliance with regulations.
- **Reputational**
Associated with the impact of the brand on the networks, the possible contagion between businesses, the gap between the company's performance and the stakeholders's perception.

The **risks/opportunities matrix** set out the **main uncertainty scenarios** faced by Redexis, as well as their potential to generate new opportunities



For all these risks, Redexis has specific action plans in order to mitigate and control the above mentioned risks, as well as actions focused on developing opportunities.

Actions carried on an ongoing basis in order to mitigate risks:

- Design of alternative strategic plans to achieve the objectives set.
- Analysis of the brand impact of on the networks and the media.
- Diagnosis of vulnerabilities and focused action plans.
- Review and update of contingency plans for assets and conducting drills.
- Objectives for continuous improvement in environmental indicators.
- Continuous training on security and compliance issues.
- Constant and fluid communication with the competent institutions and bodies.

Specific actions carried out in the 2020 financial year:

- Fiscal policy approval.
- Security policy approval (systems).
- Analysis of the continuity plans of main suppliers.
- Early debt refinancing.
- Network architecture reinforcement (systems).
- Inclusion of cyber capabilities.

STRATEGY AND VALUE CREATION

Redexis, as an energy infrastructure company, is committed to continuing advancing in the development of a sustainable and efficient business model, implementing a strategy aimed to face the new challenges of the energy industry and to comply with the UN 2030 Agenda..

Under this consideration, the company has approved in 2020 its **Sustainability Policy** and focuses its strategy on the following priorities:

- Sustainable and balanced **growth**
- **Operational excellence**
- **Innovation**, as a fundamental axis in its activity
- **Risk management**
- Commitment to **create value**

“A BUSINESS MODEL WHICH RESPONDS TO THE CHALLENGES OF THE FUTURE AND FOCUSES ON SUSTAINABILITY”

“THIS STRATEGY ALLOWS REDEXIS TO ADAPT TO CHANGES AND PROMOTE A CLEANER AND MORE SUSTAINABLE ENVIRONMENT”

The development of the above-mentioned strategic priorities is supported and based on the following **economic, environmental, social, health and safety responsibilities, efficient energy management and quality and excellence in services:**

- Compliance with all current legal requirements, as well as those internal regulations, codes and policies entered into by the Group.
- Responsible management of economic-financial resources.
- Promoting the use of financial instruments which incorporate sustainability criteria in cases in which it is feasible and economically reasonable.
- Promoting innovation, sustainable business and circular economy.
- Guarantee of energy supply in a safe, efficient and accessible way, offering the highest possible level of quality based on the best available techniques.
- Efficient management of the risks and opportunities of all activities, in order to prevent damaging people, property and the environment.
- Comprehensive and transparent action with all stakeholders, by publishing periodic reports and promoting active and two-way communication with them.
- Promoting family and work conciliation, as well as equal opportunities for all workers.
- Promotion and professional development of Redexis employees.
- Communication of Redexis' sustainability culture to all stakeholders.
- Development of actions aimed at sustainable development in those communities where it operates.
- Compliance with the commitments included in its Integrated Safety and Health, Environment and Energy Management Policy, and the development and application thereof by means of international reference standards and its Integrated Management System.

SUSTAINABLE BUSINESS MODEL

Despite this year's difficulties, Redexis has maintained its commitment to sustainability, obtaining recognition from the main international ESG rating agencies.



The GRESB 2020 Sustainability and Infrastructure Index awarded Redexis in November 2020, for the second consecutive year, the maximum five stars rating and the company managed to increase its income by eight points, reaching 82 out of 100, achieving a score higher than the industry average and being placed in the Top 20 of the benchmark.

GRESB is a world sustainability index, which evaluates and qualifies the work carried out by more than 500 funds and assets from different industries to promote sustainable development under a global standard in environmental, social and corporate governance matters.



In April 2020 Redexis received from Vigeo Eiris the report which

measures the key figures in corporate social responsibility and sustainability of the Company. In this sense, Redexis has recorded a 14-point increase (38% higher than the previous rating) in its ESG rating of Vigeo Eiris, a leading company in corporate social responsibility assessment, obtaining the rating of 'robust' in performing an activity with social and environmental responsibility.

Redexis obtained a rating higher than the average of the companies in its industry in the environmental, social responsibility and corporate governance indicators.

With this score, Redexis has improved the margins applicable to the Revolving Facility Agreement signed on May 30, 2019 between the company and different financial entities. This funding is related to sustainability criteria and, due to improvements in the rating issued by Vigeo, the interest rate applicable is reduced.



Similarly, during 2020 financial year Redexis carried out the analysis proposed by the working group on financial statements related to climate (Task Force on Climate-related Financial Disclosures, or TCFD). The TCFD establishes recommendations in order to obtain a transparent, comparable and consistent disclosure of information regarding the risks and opportunities arising from climate change, so that



“REDEXIS RECEIVES FOR THE FIFTH CONSECUTIVE YEAR THE MAXIMUM 5 STARS RATING IN THE GRESB”

the implementation of these recommendations helps companies to demonstrate their responsibility and forecast ability regarding circumstances associated with climate change.

In this regard, Redexis has analyzed the risks and opportunities associated with climate change in the 2030 horizon and has identified the necessary lines of action to mitigate or adapt to the circumstances arising from climate change, this Report has been submitted to the Board of Directors of the Company's.

Under a framework of environmental and social responsibility, Redexis has continued to promote the corporate social responsibility and sustainability area, integrating the Sustainable Development Goals as a fundamental part of the company's corporate governance, strategy and operations model. As key players in the energy transition and sustainable development within the energy industry, Redexis works to promote new solutions and alternatives, carrying out projects for sustainable mobility and hydrogen use.



REDEXIS CONTRIBUTION TO SUSTAINABLE DEVELOPMENT



Redexis, as a company adhered to the Spanish Network of the UN Global Compact since 2014, is committed to working to consolidate this international project, contributing to the achievement of the Sustainable Development Goals (SDG) which make up the 2030 Agenda.

The company is convinced they are required to develop a common roadmap for all the actors involved in sustainable development, from private companies, public administrations and civil society.

This report, as well as the NFIS published in the first term of 2020, works as a Progress Report* and is in line with the SDGs.

In 2020, and for the second consecutive year, Redexis joined the Allies of the SDGs campaign of the Spanish Network of the Global Compact, aimed to act as a speaker to achieve a multiplier effect in order to work on the 2030 Agenda and to make it known. Likewise, Redexis participated in the 'UN DAY' encouraging all employees to learn more about this global

pact on its 20th anniversary and the 75th anniversary of the UN. Moreover, it took part in the SDG Week, with the 'We support the SDGs!' motto.



During 2020 Redexis continued working in line with the SDGs and focusing on the communities in which it operates and on environmental care.

Energy transition is one of the greatest challenges faced by the society and the economy, and in which natural gas plays an essential role due to its low gas emissions, For certain industries with high

heat dependence, natural gas is essential to continue developing their activities. In addition, due to its lower production cost, it enables these industries to be more competitive.

Likewise, VNG (Vehicular natural gas) is a clean, economical, sustainable alternative contributing to an energy revolution for both light and heavy vehicle mobility.

“REDEXIS MAINTAINS ITS COMMITMENT WITH THE SDGS OF THE 2030 AGENDA”

* Annual report by means of which organizations report on actions carried out complying with the Global Compact information policy.

All this without disregarding its objectives and continuing to promote cleaner energies which help decarbonize the economy and mitigate the effects of climate change, as well as committing to environment, innovation and sustainable development.

DIMENSION	ODS	ACTIONS
Social	1 NO POVERTY	<ul style="list-style-type: none"> • Helpline of the Redexis Foundation for the payment of LPG bills of vulnerable customers who requested so during the State of Alarm. • Donation of €10,000 to the Spanish Federation of the Food Bank (FESBAL) by the Redexis Foundation.
	3 GOOD HEALTH AND WELL-BEING	<ul style="list-style-type: none"> • Donation of technological material to the IFEMA field hospital during the COVID-19 pandemic by the Redexis Foundation. • Donation of €90,000 to the autonomous communities of Madrid, Aragón and Castilla-La Mancha to purchase medical supplies and protective equipment, through the Redexis Foundation. • Implementation of the psychosocial and well-being action plan for Redexis employees.
Economic	8 DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none"> • Creation of the Redexis Foundation to help the most vulnerable groups through charitable, social, cultural, educational works, and the like. • Implementation of teleworking measures for employees to protect their health during the pandemic.
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	<ul style="list-style-type: none"> • Development of innovative Artificial Intelligence tools with new algorithms to improve business efficiency and to optimize network deployment. • Guarantee of energy supply continuity at all times and suspension of energy cuts due to non-payment during the State of Alarm.
Environmental	7 AFFORDABLE AND CLEAN ENERGY	<ul style="list-style-type: none"> • Commitment to develop vehicular natural gas (VNG) grefuelling stations, promoting its demand to encourage sustainable mobility. • Driver of renewable gases, green hydrogen and photovoltaic solar energy. • Agreement with Cepsa to promote VNG and to create a large gas station network
	11 SUSTAINABLE CITIES AND COMMUNITIES	<ul style="list-style-type: none"> • Commitment to transparency, communication and with stakeholders through the publication of annual reports, sustainability reports and NFIS.
	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	<ul style="list-style-type: none"> • Entering into agreements with manufacturers to promote sustainable mobility and to promote VNG, such as the agreements entered into with Seat and Fiat.
	13 CLIMATE ACTION	<ul style="list-style-type: none"> • Registration of the calculation of the Carbon Footprint in scope 1 and 2, with the commitment to reduce emissions. • Planting 480 trees in collaboration with 'Plant for the Planet'.
Alliances	17 PARTNERSHIPS FOR THE GOALS	<ul style="list-style-type: none"> • Agreements with the main actors during the pandemic to offer assistance and collaboration; and with the main companies in the industry

NATURAL GAS FOR ENERGY TRANSITION

The European Commission has signed the Green Deal, which is the roadmap to achieve the objective of providing the European Union with a more sustainable economy.

Natural gas plays a key role in achieving the environmental goals of the European Union, in a context of low emissions, meeting the consumers' needs while preserving the environment.



“ NATURAL GAS IS ESSENTIAL IN THE CURRENT ECONOMY DUE TO ITS COMPETITIVENESS AGAINST OTHER ENERGY SOURCES AND ITS ENVIRONMENTAL BALANCE ”





ADVANTAGES OF NATURAL GAS



- It is a clean energy which improves local and global air quality.
- It supports the penetration of renewable energies in the electricity industry.
- It promotes industrial and business competitiveness.
- It generates continuous supply without power cuts.
- Natural gas is a clean energy with no particles emissions and has very low NOx and SOx contents.
- It is an economical, reliable, comfortable and sustainable

STATUS AND TRENDS OF NATURAL GAS IN SPAIN

2020 has been difficult for the economy and for the industry in Spain due to the crisis caused by the COVID-19 pandemic.

The restrictive and paralyzing measures of certain sectors of the economy resulted in a reduction in the consumption of natural gas compared to 2019.

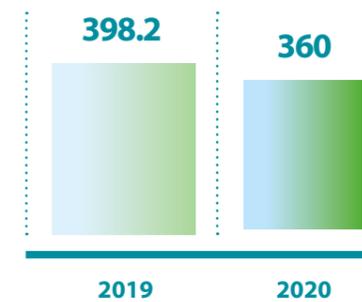
Even so, the demand for natural gas in Spain reached 360 TWh, which represented a 3.1% increase compared to 2018.

In 2020, the demand has been 4% higher than the average for the last 10 years, which confirms the growth trend. All this proves the resilient nature

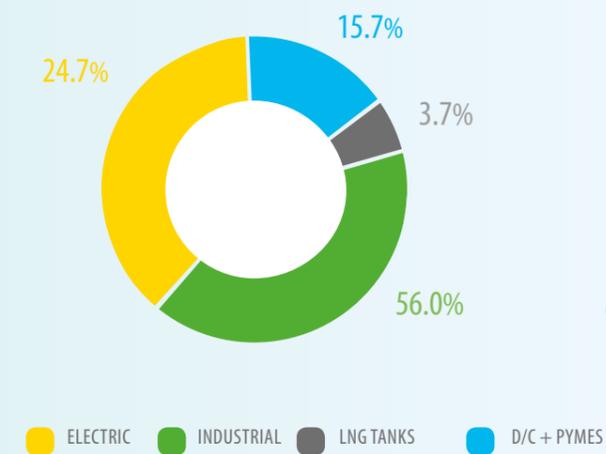
of natural gas, in a year marked by COVID-19.

Throughout 2020, Redexis has maintained the operation and functioning of its natural gas networks, as usual, guaranteeing supply continuity and security.

NATURAL GAS ANNUAL DEMAND (TWH).



NATURAL GAS ANNUAL DEMAND (TWH).



D/C (Domestic-commercial)
Source: GTS 2020 report



NATURAL GAS DEMAND

Pre-COVID-19 stage

	Jan-Feb 2020		Jan-Feb 2019		2020 vs. 2019	
	Close	Real	TWh	%	TWh	%
TWh						
Conventional	59.2	61.2	-2.0	-3.3%		
D/C + SMES	18.4	20.8	-2.4	-11.5%		
Industrial	38.2	38.0	0.2	0.5%		
LNG Tanks	2.6	2.4	0.2	8.3%		
S. Electric	13.0	12.0	1.0	8.3%		
TOTAL	72.2	73.2	-1.0	-1.4%		

COVID-19 stage

	Mar-Dec 2020		Mar-Dec 2019		2020 vs. 2019	
	Close	Real	TWh	%	TWh	%
TWh						
Conventional	212.4	226.3	-13.9	-6.1%		
D/C + SMES	38.1	39.3	-1.2	-3.1%		
Industrial	163.6	176.8	-13.2	-7.5%		
LNG Tanks	10.8	10.3	0.6	5.4%		
S. Electric	76.0	99.0	-23.0	-23.2%		
TOTAL	288.4	325.3	-36.8	-11.3%		

Source: GTS 2020 Report

GAS AS A REGULATED INDUSTRY

The natural gas industry is an eminently regulated industry and therefore its regulatory modifications may have a significant impact on it and on each of the agents operating in the industry.

The regulatory framework of the natural gas industry in Spain is based on Law 34/1998, on Hydrocarbons, implemented by Royal Decrees 949/2001 and 1434/2002, among others. The first one regulates third-party access to gas facilities and sets forth an integrated economic system for the natural gas industry; the second one governs the transmission, distribution, marketing and supply activities and

authorization procedures for natural gas facilities.

Over the years with the evolution of the deregulation of the industry, the above mentioned Law of the Hydrocarbons Industry has been modified on several occasions, and the modification made by Royal Decree-Law 8/2014, of 4 of July, is particularly relevant, for the approval of urgent measures regarding growth, competitiveness and efficiency, which was later processed as Law in the General Courts, and was subsequently published as Law 18/2014, of October 15, to approve urgent measures for growth, competitiveness and efficiency.



THE EXPANSIÓN OF VEHICULAR NATURAL GAS (VNG)

VNG is a real, more efficient and sustainable alternative than traditional fuels. The use of vehicular natural gas (VNG) and the development of the necessary infrastructures constitutes one of

the pillars of the Redexis business model. The company deploys and operates gas stations, and it even opened several during 2020, in an adverse economic, social and health context.

In order to develop VNG, Redexis is making strategic and commercial agreements for the development of gas stations.



The main advantages of VNG include:

- **Supply guarantee,** due to the use of existing infrastructures, which allows its growth as it is an important logistical advantage.
- **Emissions reduction,** eliminating sulphur emissions (SO₂), and significantly reducing carbon monoxide (CO) and carbon dioxide (CO₂) emissions
- **Noise reduction,** with a significant cost reduction compared to other types of energy of fuels.
- **Exempt from registration tax,** and ECO label of the DGT, which implies the possibility of circulating through areas of the cities which are restricted for other types of more polluting vehicles..

VNG has strongly grown since 2018 in Spain: that year there were 14,581 natural gas vehicles, in 2019 there were 23,630 and in 2020 there were 29,490 VNG vehicles. Currently in Spain there are 103 gas stations in operation (68 of LNG/LNG+C and 103 of CNG) and a fleet of 30,615 VNG vehicles, with a significant

growth forecast for both the fleet and new refuelling facilities in the coming years.

There are two types of VNG, according to their thermal phase, compressed natural gas (CNG) and liquefied natural gas (LNG). CNG is used in light vehicles and some heavy vehicles, such

as buses and and trucks. LNG is used in heavy transport, especially long-distance, as it provides greater fuel economy.

VNG has meant a revolution both for society and for energy companies, which are making progress in protecting the environment.



Redexis is the key player in the development of gas stations in Spain, beginning in 2019 the construction of its first facility of this type, located in Zaragoza, in the Taxi Cooperative, and which was opened at the end of the first semester of 2019.

In 2020 it continued its growth in this field and the company has opened gas stations such as Coar in Alcorcón (Madrid), Puerto Lumbreras (Murcia), Trujillo (Cáceres) and Mercazaragoza (Aragón).

Likewise, it has two new VNG grefuelling stations operating on Majorca (Son Bugadelles-Calviá and Felanitx), as well as the necessary branches necessary to supply gas to the installations in Majorca. These gas stations (Majorca) will supply fuel to a total of 111 buses of the Balearic Islands public transport service (TIB, for its acronym in Spanish). Moreover, the municipal fleet in charge of waste collection and cleaning in Palma de Majorca (Emaya), Valoriza Servicios Medioambientales in Ibiza, and the buses of the Palma Municipal Transport Company (EMT, for its acronym in Spanish), the urban buses fleet in Figueras and the cleaning collection company fleet of Puerto de Santa María (Cádiz) already use VNG through Redexis.

On the other hand, within the framework agreement signed in



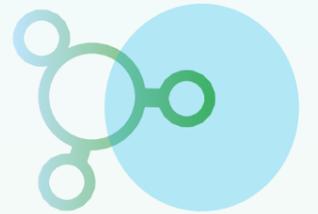
2019 between Redexis and Cepsa, in March 2020 the first vehicular natural gas grefuelling station was inaugurated at exit 649 of the Mediterranean Highway (A-7), at Puerto Lumbreras (Murcia). This agreement expects to undertake the construction and maintenance of a total of 80 gas stations (LNG and CNG) located in Cepsa service stations in Spain in the period 2019-23, with a total investment of € 60 million.

Likewise, and within the framework agreement signed in 2019 between Redexis and the Orthem Business Group, in June 2020 a network of seven gas stations (Murcia, Cartagena, Cieza, San Javier, Yecla, Lorca and Caravaca) were started up to supply compressed natural gas to the ambulance fleet of the Murcian Health Service, made up of about 400 vehicles.

Redexis, strengthening its commitment to sustainable mobility, has entered into agreements to promote the sale of VNG vehicles with the main car manufacturers, such as SEAT, VW Commercial Vehicles, FIAT and Scania, as well as promotional agreements with the main transformers of VNG vehicles nationwide (EVARM, ECOTRUCK, Gas&Go, Gasmoción and Ferrosite) and hospitality agreements in gas station networks with professional card issuers (Edenred, Andamur).

“ BY 2021, THE COMPANY IS PLANNING TO START UP 20 GAS STATIONS THROUGHOUT THE TERRITORY BETWEEN LNG AND CNG DEPOSITS ”

In its promotion and commitment to develop more sustainable forms of mobility, throughout 2020 Redexis has participated in forums such as the CNG Conference in Zaragoza in February, the webinar 'Low-Emission Means of Mobility: Advantages and Challenges'. Likewise, it took part in the 'European Mobility Week 2020', which took place in September, sharing informative content to raise awareness and to inform the society.



A SUSTAINABLE PRESENT: RENEWABLE GASES AND GREEN HYDROGEN

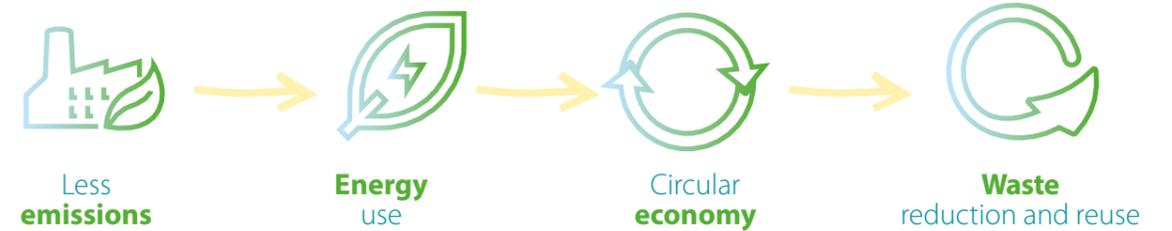
Renewable gases (green hydrogen, biomethane and renewable gas) are a key factor in the energy transition due to their ability to reduce greenhouse gas emissions in industries in which

electrification is not possible, as well as in mobility. Biogas is equally important for the circular economy due to the use of waste; and hydrogen by the connection of the electricity

sector and the gas sector, thus allowing greater penetration of electric renewable energies since surplus wind and photovoltaic production can be stored as hydrogen.



ADVANTAGES OF RENEWABLE GASES (REDUCE, RECYCLE, REUSE)



“ RENEWABLE GASES, SUCH AS HYDROGEN OR BIOMETHANE, PLAY A FUNDAMENTAL ROLE AND, TOGETHER WITH INNOVATION AND DIGITISATION ARE THE PATH TO A SUSTAINABLE SOCIETY ”



RENEWABLE GASES

Biogas or biomethane are a real alternative to reduce CO₂ emissions, with the following advantages, among others:

- They contribute to reducing methane emissions into the atmosphere.
- They allow the use of energy, with a clear zero net balance in greenhouse gas emissions.
- They provide a viable solution for certain types of waste that currently pose an environmental management issue (for example, slurry or FORSU).
- Indirectly, and through the digestate produced in anaerobic digestion processes, the transformation of waste and biomass into organic and renewable agricultural fertilizers is possible.
- It can be used to eliminate emissions from non-electrifiable uses
- It is 100% interchangeable for natural gas, since the

infrastructures do not require adaptation.

- Biomethane is defined as one of the main energies of the future, and it is also very important due to its great technical potential nationwide (according to the European Union, Spain is the country with the third highest potential in all Europe) and because it is 100% interchangeable with natural gas, and may be used for the same purposes.
- Redexis has started a pioneering project together with Galivi Solar, which will consist of the injection of biomethane from the production plant to the natural gas infrastructure owned by the company in Lorca. Redexis will build an injection pole, a pipeline and a connection point to the network to be able to inject up to 40 Gigawatt hours (GWh) of biomethane per year into the gas grid, which will mean emission savings of around
- 7,820 equivalent tons of CO (tn-eq CO).

“ REDEXIS IS PROMOTING INITIATIVES OF RENEWABLE GAS PRODUCTION AND ITS INJECTION TO THE NATURAL GAS GRID ”



GREEN HYDROGEN

Green hydrogen will play a fundamental role for the energy sector and will be a key player in the global energy matrix in the medium and long term. Redexis is firmly committed to the development of this energy vector, which has the ability to join the electricity and gas sectors, as well as allowing a great penetration of renewable energies in the Spanish energy matrix, since it is capable of storing surplus wind energy and photovoltaic production. It can likewise be used for non-

electrifiable uses. The relevance of hydrogen is acquiring is evident by noticing how important it is for different governments at European level.

The European Commission considers that renewable hydrogen will play a key role in Europe's energy future, and highlights the fact that it can be used as raw material, as storage and as an energy vector, with no CO₂ emissions or affecting air quality, it can

support the decarbonization of the industry, transport, electricity generation and buildings; it can promote the reuse of existing gas infrastructures; and it can employ up to a million people in direct and indirect employment. In this regard, it has developed the 'Hydrogen Strategy' and has launched the European Clean Hydrogen Alliance to coordinate all the players and those involved in the hydrogen value chain, of which Redexis has been a part since October 2020.



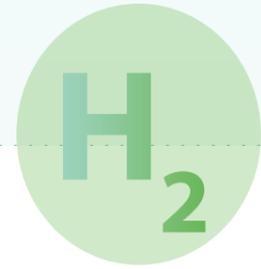
Hydrogen Strategy

#EUGreenDeal



In the case of Spain, the Government has developed **Hydrogen Roadmap**, by means of which the importance of this

vector is emphasized to decarbonise the economy, promote reactivation, fair transition and achieve a circular economy.



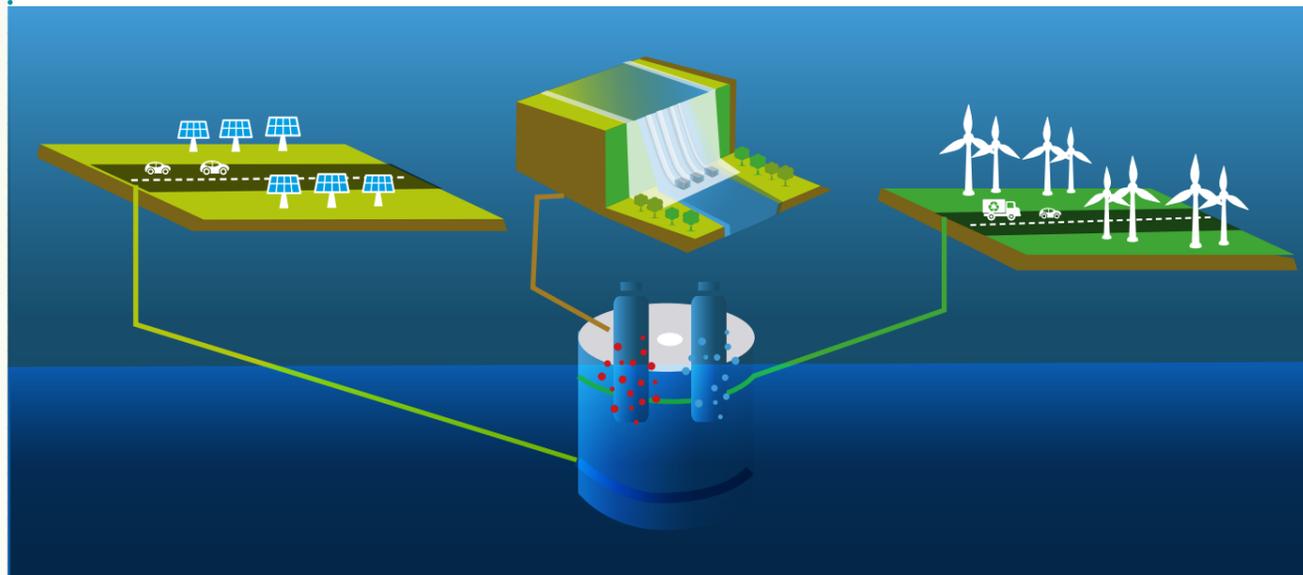
Redexis an active part of several **hydrogen projects:**

Power to Green Hydrogen Mallorca

It manages the deployment of a fully integrated and functioning renewable hydrogen ecosystem on the island of Mallorca. It is framed within an agreement to reindustrialize the Lloseta area (Mallorca) between the Govern balear, Enagás, Acciona, CEMEX, Redexis and the IDAE

(Institute for Diversification and Energy Saving). It focuses on green hydrogen production from 14 MWn of photovoltaic solar energy in Mallorca for use in mobility and injection into the gas network. Similarly, green hydrogen can likewise be used in the industrial, services and residential sectors, both to generate heat and electricity as

well as for electricity supply or back-up systems. Redexis will build the first hydroduct in Spain with a Hydrogen injection point on our gas pipeline network in Mallorca within the scope of the Green Hysland project, which has been subsidized with ten million euro by the la Fuel Cells and Hydrogen Joint Undertaking (FCH JU).



H2020 HIGGS, Hydrogen in Gas Grids

A European cooperation initiative which studies the injection of different amounts of hydrogen into the natural gas infrastructure, as a way to reduce CO₂ emissions. This Project is funded with €2 million from the FCH JU.

MISIONES OCEANS H2

It refers to the generation, storage and distribution of offshore green hydrogen, funded by CDTI in the 2019 Misiones Call, which started in 2020. It is an industrial research project for a plant for the generation, storage and distribution of green hydrogen starting from offshore renewable electricity generation.

In this project, Redexis will study the different technologies involved in the logistics-technological chain of transport, storage and terrestrial and/or maritime supply which allow the extraction and supply of hydrogen produced in high seas and will properly design and integrate the optimal solutions.

PID AutoERM

Redexis has carried out this project for the design, development and pilot tests of a fuel cell in a regulation and measurement station (ERM) of one of its gas pipelines in Zaragoza, which is the first integration of this type to be carried out in Spain and aimed to study the viability of hydrogen injection in the gas network in order to implement it on a large scale in the future. This pioneering project by Redexis has been funded by CDTI and has been recognized as one of the 101 business examples of Climate Action in 2020, since the use of hydrogen would significantly reduce greenhouse gas emissions and achieve the European Union's goal of decarbonisation.

Redexis takes part in different consortia to implement the hydrogen economy development projects such as Bahía de Cádiz, Hydrogenizing BCN, SHyrius, La Atalayuela, Alcazar de San Juan.

Spain can become a technological leader in terms of the production and distribution of renewable hydrogen due

to its geographical position and existing knowledge. The possibility of using existing infrastructures places Redexis in a developmental leading position; it has more than 11,000 kilometres of networks throughout Spain which could be used to transport hydrogen, likewise considering the construction of hydroducts.

“REDEXIS IS PROMOTING INITIATIVES RELATED TO THE USE OF GREEN HYDROGEN AS A REAL AND EFFECTIVE SOLUTION AVAILABLE AND WITHIN SOCIETY’S REACH”

“THE USE OF HYDROGEN AND FUEL CELLS IN MOBILITY ARE KEY TO COMPLETE TRANSPORT DECARBONIZATION”





For Redexis, 2020 has been a key year to develop more environmentally friendly forms of

energy; therefore, it has promoted hydrogen knowledge by taking part in numerous

conferences and forums related to this energy vector:

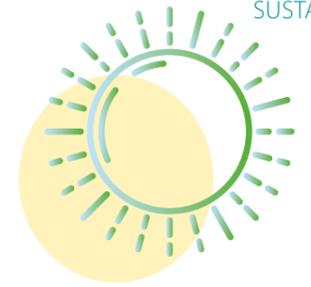


- Forum 'Hydrogen Use in Road Transport', organized by Gasnam.
- Online event 'The Role of Hydrogen in the energy transition', El Español.
- InnoUAM seminar on hydrogen organized by the Autonomous University of Madrid.
- Green Gas Mobility Congress: 'Mobility with Hydrogen: An Increasingly Present Future', organized by Gasnam.
- Participation in the Murcia Green Hydrogen Round Table.
- Conference organized in Genera2020 on hydrogen as a key element to ensure climate neutrality.
- El Confidencial Forum 'Green Hydrogen, Key to Sustainable Growth in Spain'.
- Conference organized by Prensa Ibérica, on the 'Future and Viability of Hydrogen-powered Vehicles'.
- Café de la Innovación of the Autonomous University of Madrid held in November in which Fernando Bergasa, Executive Chairman of Redexis, took part as a speaker.
- As a member of the European Clean Hydrogen Alliance, Redexis took part in the European Hydrogen Week.
- European Hydrogen Forum, held for the first time in 2020, in which the most important public and private figures shared their knowledge, progress and ideas for the future.

PHOTOVOLTAIC SOLAR ENERGY

Redexis is driving photovoltaic solar energy and promoting innovative and competitive self-consumption, launching several related projects. In addition, it is still commitment to renewable energies in this line of business.

In which it develops solutions for photovoltaic solar panels for homes, businesses and industries; promoting in this way self-consumption and sustainable energy for two years.



“REDEXIS, A COMPANY COMMITTED TO THE DEVELOPMENT OF PHOTOVOLTAIC SELF-CONSUMPTION”



Advantages:

- Solar energy generates invoice **savings** of up to 30%.
 - It is **fast** and **easy** to install
 - It is a 100% renewable solution
 - Its **useful** life is between 25 and 30 years
- In addition to the deployment of photovoltaic solar panels:
- It **generates employment** in the areas in which it is installed
 - It **reduces greenhouse gas emissions**

During 2020, the company has continued to develop the solar self-consumption line of business started in 2019 which facilitates the implementation of solar self-consumption energy equipment throughout the country, relying on its wide geographic presence and its network of collaborators to extend its current offer of energy installations to the solar self-consumption field.

The company's supply ranges from carrying out the project, the administrative procedures, supplying and installing the equipment, to its subsequent maintenance if customers so wish. Customers are always free to hire the supplier they choose to provide the electricity supply for its consumption not covered by his solar panels.

Redexis has reached an agreement with the Spanish Federation of Home Appliance Merchants (FECE, for its acronym in Spanish) to distribute and market its photovoltaic products and services in the facilities of the entities associated with FECE, which include top brands such as Milar, Expert and Tien21, among others.



REDEFINING HOME ENERGY

Redexis has launched its new digitally native brand for the residential market: anidia (www.anidia.es).

The brand places the customer at the core of the sales process of services related to natural gas, photovoltaic solar self-

consumption energy and value-added services that Redexis offers consumers due to its experience in the energy market.



What are the brand values?

anidia is always approachable, clear and direct. Resolute, innovative and focused on the consumer.

Discover anidia with just one click.

anidia Axes



THE RESIDENTIAL CUSTOMER AT THE CENTRE

The customer will always be at that point. He is the one who manages the process and the times with a personalised and agile service. Our job is to understand their energy needs.



INTERNALISED DIGITISATION

At anidia we are digital natives, born and raised in the most digital and innovative environment. We anticipate our clients' wishes with the aim of streamlining their procedures with the most advanced technology.

What services will be provided under the anidia brand?

anidia will provide households with the following services:



Natural gas



Solar photovoltaic



Value Added Services



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BUSINESS PERFORMANCE

“REDEXIS IS COMMITTED TO AN INNOVATIVE AND SUSTAINABLE BUSINESS”

2° Gas transmission operator

3° Natural gas distribution

2° in LPG in Spain

Generation of more than **3.1** direct and indirect jobs

Operates in **38** Spanish provinces and **11** communities

9,2% higher investment compared to the previous year in the expansion of distribution networks and in **hydrogen, renewable gas and vehicular gas projects**

2, 5% increase in supply points, reaching 733,174

3% increase in municipalities served, reaching 963 authorized municipalities

Construction of **575** new kilometres of networks, reaching a total of **11,715** kilometres of gas infrastructures in Spain

Promotion of the use of **vehicular natural gas (VNG)** as an economic and sustainable alternative, through agreements with **CEPSA, SEAT y FIAT**
Operation of **12 VNG stations**

€1,000M Bonds issued expiring in 2025 and 2027

+
€300 M Sustainable bank credit revolving measured by Vigeo Eiris

+
€150 M Sustainable loan measured by Vigeo Eiris

+
€276 M EIB (European Investment Bank)

A total of € **1,812,2 M**

OPERATIONAL DIMENSION

OPERATIONAL DATA	2020	2019
NG (P<4b)	632,667	618,183
NG (P>4b)	317	310
LPG	100,190	96,188
SUPPLY POINTS	733,174	714,681
PROVINCES SERVED	38	29
SERVICED AND AUTHORIZED MUNICIPALITIES	963	937
NETWORK LENGTH (KM)	11,715	11,140
Distribution network length	10,073	9,498
Transmission network length	1,643	1,643
DISTRIBUTED ENERGY (GWH)	36,260	35,643
NUMBER OF PIPELINES	51	51
VNG STATIONS (#)	12	1



“ THE COMPANY IS A KEY FACTOR IN PROMOTE SOCIAL AND ECONOMIC DEVELOPMENT IN THE REGIONS IN WHICH IT OPERATES ”



REDEXIS VIS-A-VIS COVID-19

COVID19

Due to the SARS-CoV-2 pandemic, which resulted in the approval of the State of Emergency on March 14, 2020, throughout Spain, the Government of Spain took a series of measures such as home lockdown of the population to avoid the spread of the virus.

Faced with this situation, Redexis created a Monitoring Committee to establish a communication mechanism for employees at all levels during this crisis. This Committee's purpose was to define a protocol of contingencies and preventive measures, to adapt to the extraordinary situation generated, taking into account the needs of the teams and coordinating resources to return to normal work patterns, guaranteeing employees' physical and mental health.

Similarly, a regular information campaign was prepared and published with the Protocol of contingencies and preventive measures against COVID-19 on a weekly basis for all employees.

Similarly, the Occupational Risk Prevention department drafted risk assessments with the possible scenarios according to the action procedure for the prevention services against the Sars-CoV-2 exposure and different working strategies with

specific preventive protocols for offices, control centres, shared vehicles, meter reading, home visits and pipeline works, processes, as well as IRI's and IRC execution.

The pandemic forced Redexis to adapt to a new working style, teleworking, and tested corporate human and material resources. In order to carry out the adaptation process and to start working remotely to safeguard the health of employees and comply with current legislation, Redexis prepared and published a Telemarketing Risk Assessment, an online teleworking course was provided information on technical instructions, which was given to employees with preventive measures to be applied when using a laptop and relaxation exercises were offered to prevent physical fatigue.

Similarly, and to ensure safe and steady work environments, teleworking questionnaires were made available to all employees to reflect the particular conditions of each employee at home and in case the recommended ergonomic measures were not available, to inform the GEMASST Area Manager to be duly discussed and, if necessary, to adopt measures. All employees were provided with the necessary

“ THE PANDEMIC MADE REDEXIS ADAPT TO A NEW WORKING STYLE. TELEWORK TESTED BOTH THE CORPORATE HUMAN AND PHYSICAL RESOURCES ”

protective equipment, as well as posters and disinfectant material at work centres and fleet vehicles.

As a priority, the welfare of the Control Centre workers, was ensured, without the possibility of teleworking and with the essential task to monitor and control the infrastructures at all times, and a second backup control centre was set up. **Care and emergency services**, tank discharge operations in gas plants and home emergency care were available online and on site at all times, thus guaranteeing natural gas and LPG supply at all times. In addition, since they were considered essential work, duly requested household actions related to the continuity of supply were still carried out, as well as preventive and corrective maintenance tasks.

Likewise, engineering, processing and construction work continued, all related to the continuity of supply. On the other hand, non-urgent household actions or work not related to the continuity of supply was avoided.

The **Redexis Healthy Initiative** should be highlighted, which was implemented in April 2020

by launching the employee assistance programme called 'Bienestar Redexis Healthy', aimed at **caring for the physical and mental well-being of employees** as a result of the emotional impact of the pandemic on everyone. An Employee Support Programme was available for Redexis' employees, offering the following intervention areas:



- Psychological assistance
- Coaching sessions
- Wellness programmes
- Wellness portal

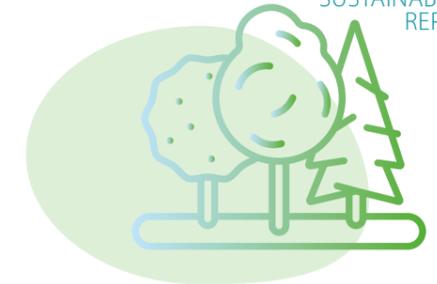
CLIMATE CHANGE AND ENVIRONMENT

Climate change is one of the most relevant issues for public and private stakeholders and for society in general. Since 2015, with the United Nations approval of the Paris Agreement, setting the necessary path to fight against climate change and to accelerate and intensify the necessary actions and investments for a sustainable future with low emissions.

emissions to state-of-the-art research and innovation, to the conservation of the European natural environment. The European Union fights against climate change with ambitious internal policies and close cooperation with international partners, setting as a goal for 2050 to make Europe the first climate-neutral continent in the world.

Climate action is at the heart of the European Green Deal, an ambitious package of measures ranging from drastically reducing greenhouse gas

Spain has drawn up a strategic framework consisting mainly of the Just Transition Strategy, the PNIEC, and the Draft Law on Climate Change



“ REDEXIS ENSURES COMPLIANCE WITH THE OBJECTIVES PROPOSED AT THE EUROPEAN LEVEL TO SAFEGUARD THE ENVIRONMENT ”

Fundación Redexis

In order to help mitigate the social and health effects of the coronavirus crisis, Redexis Foundation donated technological material to the field hospital set up on IFEMA site and paid the LPG bills of its most vulnerable customers. Likewise, some funds were donated to Autonomous Communities such as Madrid, Castilla-La Mancha or Aragón, aimed at mitigating the lack of material and supply was guaranteed at all times, thus supplying critical infrastructure such as hospitals, care homes or health centres.

In April, and aiming to raise social awareness regarding the importance of complying with the sanitary measures enforced to fight against the pandemic, Redexis joined the global initiative '#The200Challenge', which consisted of increasing its logo kerning space in 200 points, to remind the population of the importance of social distancing during the health emergency. 200 centimeters was the safety distance recommended by health authorities to prevent infection and thus stop the spread of the coronavirus.





Climate change and environmental care, mitigating the effects of climate change and progressing in energy transition, as well as an efficient and sustainable distribution of resources, are one of Redexis' main issues and are integrated into its management system. One of Redexis' greatest commitments is environmental

care; therefore, it has integrated the Sustainable Development Goals (SDGs) into its 2030 Agenda.

This commitment to the environment is formalised in the Redexis Integrated Policy, which values environmental excellence, energy management and efficiency.

Redexis increases the necessary support and sets the precise procedures to guarantee and minimize risks, to protect workers, for a rational use of resources and waste reduction, contributing to the sustainable development demanded by society and the achievement of guidelines and objectives.

Environmental excellence is a fundamental value of Redexis' Integrated Policy and it is managed based on the following pillars:

- **ENVIRONMENTAL MONITORING** in the field of Redexis activities.
- **ORDERLY PLANNING AND EXECUTION** of activities.
- **IMPROVED MANAGEMENT** of the waste generated.
- **PROVIDING INFORMATION** and the necessary resources.
- **REDUCING CONSUMPTION** of natural resources.
- **INFORMATION AND AWARENESS** to employees.
- **COMPLIANCE** with environmental requirements.



REDEXIS ENVIRONMENTAL MANAGEMENT

Nature and natural environment protection should be considered in any economic activity, since future generations will depend on it.

Redexis has incorporated all its principles and strategies into its Integrated Management System, adapting the standards of the environmental management standards ISO 14001:2015 and ISO 50001:2018, which control the efficient and sustainable use of energy.

In June 2020 the audit of the energy efficiency management system was successfully passed, which has led to the company being awarded the ISO 50001:2018 Certification in transmission, storage and distribution of natural gas, LNG and LPG activities. This certification implies a transition from the previous ISO 50001: 2011 certification to ISO 50001:2018, which ratifies continuous improvement in the management of the company's energy efficiency. Likewise, the

ISO 50001:2018 audit report highlights strengths such as an exhaustive study of the organisation's background and the needs and expectations of stakeholders, excellent energy reviews by area, energy efficiency improvement goals supported by improvement plans, appropriate monitoring of indicators, excellent competence and know-how at a personnel and organisational level for the efficient operation of processes and appropriate monitoring of energy consumption.

In order to reinforce the senior management commitment in health and safety, environmental and energy management matters, the company has established the GEMASST Leadership Committee. The implementation of the requirements under Royal Decree 840/2015 in the SEVESO Plants has been maintained and the audits of these plants have been passed without any major non-conformities.

“ ENVIRONMENTAL EXCELLENCE, A CORE VALUE OF REDEXIS POLICY ”

Excellence in environmental and health and safety management is evidenced in Redexis' commitment to maintain ongoing improvement each year in the energy, environment and health and safety integrated management system, supported by audit reports and certifications carried out according to the standards ISO 50001 for energy management, ISO 14001 for environmental management and ISO 45001 for occupational health and safety. The system addresses energy consumption monitoring (electricity, gas, fuel) and taking measures to reduce consumption.



Throughout financial year 2020, the company has set the following goals regarding the environment and energy saving:

- Redexis aimed to reduce the corporate carbon footprint by 1% (Kg CO₂ emitted/Km of pipeline) compared to the baseline year 2018 and with the estimated scope considerations of the baseline year 2018.
- To achieve average savings of 0.5% in the self-consumption ratio in five LNG plants (Ciudad Rodrigo, El Barco, El Barraco, Cercedilla and Chiclana 2) in Q4 2020 compared to the 2019 indicator.
- To achieve average savings of 0.5% in self-consumption ratio in nine LPG plants (San Mateo de Gállego, Pinseque, Épila, Daroca, Cariñena, Castejón de Sos, Sabiñánigo, Sariñena and Valderrobres) in Q4 2020 compared to the 2019 indicator.
- To reduce the electricity consumption of the offices by 2% compared to the baseline, with the incorporation of presence sensors in shutdown systems.
- To increase training hours in environmental courses by 5% compared to 2019.
- To reduce plastic waste in offices by 10% compared to 2019.
- To improve the monthly information report by implementing dashboards of environmental and energy management indicators.

“ REDEXIS IDENTIFIES AND EVALUATES THE ENVIRONMENTAL ASPECTS WHICH MAY BE SIGNIFICANT FOR ITS ACTIVITIES ”



In order to achieve these objectives, a series of **actions have been carried out and environmental management, energy management and the sustainable development concept have been integrated** into the company's strategy. One of the most important developed areas is to show transparency, to educate and raise awareness among all Stakeholders using documented environmental and energy criteria in planning and decision-making processes.

Redexis identifies and evaluates the environmental aspects which may be significant for the activity it develops, trying to minimize its impact.

In order to prevent environmental risks, Redexis has both internal and external human resources, an energy management computer tool and preventive Budget lines.

In relation to this, it is committed to make reasonable use of resources and raw materials, carrying out actions to try to minimise waste generation, emissions and dumping and preventing and controlling the pollution generated as a result of its activities, by implementing continuous improvement programmes and setting environmental and energy objectives and goals, making the Group's facilities and activities environmentally-friendly, thus managing to preserve the natural environment of the facilities and adopting measures to protect the fauna and flora species and their habitats.

Energy saving and the rational and balanced use of different energy

sources are key aspects in Redexis' strategy, which is committed to promoting among its employees and among the society the development of cleaner and more efficient energy technologies, minimizing the footprint of carbon generated. For example, Redexis works to continuously improve the processes, systems and capacities which guarantee greater quality and safety to exercise its activities, as well as the products and services offered, and regularly and objectively reports the performance in environmental and social aspects.

The Environmental Emergency Plan has continuously been updated at Redexis facilities, while the Internal Emergency Plans and the Self-Protection Plans have been reviewed and updated, with a continuous analysis and monitoring of the previously defined health and safety, environmental and energy management indicators.

Since 2019, Redexis has registered its carbon footprint in its scopes 1 and 2 in the National Carbon Footprint Registry of the Ministry for Ecological Transition (MITECO) and was subsequently awarded the 'Calculation' seal in its natural gas transmission and distribution activities. Moreover, the company carries out verification audits of the carbon footprint calculation, with a three years' reduction goal. Likewise, the data of tons of construction and demolition waste management is collected in a unified way through dashboards.

In order to reduce current emissions an Emissions Reduction Plan has been drawn up, including the various measures undertaken in 2020:

- Automation of boiler shutdown in warm periods incorporating room temperature probe and atmospheric gas temperature probe.
- Cumplimiento del Plan implantado en GLP para nueve plantas de Optimización de Sistema de Calentamiento.
- Compliance with the Plan implemented in LPG for nine Heating System Optimisation plants.
- Integration of shutdown presence sensors in office lighting systems.
- Reduction of electricity consumption based on replacing lighting systems with low consumption LED technology.



The implementation of these measures complying with the Emissions Reduction Plan has facilitated the control and reduction of the company's emissions in 2020, reducing its carbon footprint and allowing its registration at the Ministry for Ecological Transition (MITECO). As detailed below, this has generated a 2020 Redexis Footprint of 37.722,51 tCO₂, differentiating between Scope 1 emissions of 37.533,15 tCO₂ and Scope 2 of 189,36 tCO₂.



EFFICIENT RESOURCES MANAGEMENT AND CONTROL

Redexis, through its Integrated Management System, establishes the system to ensure due corporate control and management of the waste produced as a result of its activity, products, services and facilities. Therefore, it streamlines hazardous and non-hazardous waste management, setting targets to reduce environmental indicators, thus contributing to develop a transition towards a circular economy.

In order to carry this out and to comply with the provisions of the Waste Management Operation Standard, during 2020 the following measures have been developed:

- **PREVENTION WASTE CONTAMINATION:** waste should be recycled or recovered if these processes are feasible, avoiding waste disposal whenever possible.
- **WASTE SEGREGATION:** waste generators are responsible for disposing of waste separated by type, according to its LER code, without being mixed and in suitable differentiated containers, and then disposing

of waste at the corresponding designated collection points. All staff, both internal and external, should deposit waste in the corresponding containers.

- Hazardous waste is disposed of in hygiene and safety conditions in the corresponding designated areas.
- Hazardous waste not generated by office activities and belonging to Redexis, is transferred to the nearest "Hazardous Waste Warehouse", taking the necessary measures to avoid damaging the containers and packaging. In these warehouses, it will be classified and sorted as waste, will be segregated according to its type and will be temporarily safely deposited until collected by an authorised operator.
- Each contractor is responsible for the waste generated in the scope of its activities.

- **WASTE STORAGE:** each waste producer (offices and warehouses, if applicable) has

specific areas and suitable containers for waste storage for all types of waste generated, in compliance with regulations.

- **WASTE LABELING:** all containers are properly labeled in a clear, legible and identifiable way (at least in the local national language). The label is placed on one or more sides of the packaging, so that it can be read horizontally when the packaging is positioned as required.

- **WASTE MANAGEMENT:** non-hazardous and hazardous waste is managed through authorize operators and carriers.

- **WASTE MONITORING AND MEASURING:** weekly waste management measuring and monitoring is carried out to verify its correct segregation and final delivery to the authorised operator. Authorised operators report the amount of waste managed on a monthly basis.



“ 44% REDUCTION OF NON-HAZARDOUS WASTE, DUE TO EFFICIENT MANAGEMENT ”

Non-hazardous waste management in offices	2020 (Kg)	2019 (Kg)	Indicator (/employee) 2020	Indicator (/employee) 2019	Variation
Cardboard	1,968	3,008	5.44	8.38	-35.10%
Confidential documents	3,478	7,296	9.74	20.32	-52.09%
Plastic	1,469	2,044	4.06	5.69	-28.73%
Total	6,961	12,348	19.24	34.39	-44.05%

In terms of water consumption, there is a responsible use in all facilities and work centres. This is evidenced by the savings achieved each year in water consumption, mainly due to environmental awareness campaigns regularly launched.

Consumption of non-energy resources	2020 (m³)	2019 (m³)	Indicator (/employee) 2020	Indicator (/employee) 2019	Variation
Office water consumption	451	553	1.25	1.53	-18.78%

Consumption of non-energy resources	2020 (m³)	2019 (m³)	Indicator (/employee) 2020	Indicator (/employee) 2019	Variación
Facilities water consumption	467	578	1.29	1.61	-19.94%

At Redexis, water consumption is continuously monitored, thereby being able to implement energy efficiency measures in all areas:

NG, LPG, diesel, petrol, electricity*		2019	2020 *	2020 * vs 2019
Total, energy consumed	kWh	17,404,317	16,547,037	-4.9%
	m redes Tx, Dx y GLP	10,818,593	11,226,304	3.8%
	Ratio	1.61	1.47	-8.4%
Tx Positions	kWh consumidos	11,860,860	11,727,570	-1.1%
GLP plants	kWh consumidos	1,702,691	1,567,838	-4.4%
GNL plants	kWh consumidos	2,372,676	2,267,868	-5.2%
Vehicles	kWh consumidos	973,503	624,883	-35.8%
Offices	kWh consumidos	494,587	358,878	-27.4%

* Note: Energy consumption is analyzed by type of installation, comparing years.



Among the measures implemented to save energy, the most significant ones are as follows:

	Measures implemented in 2020
Offices	Incorporation of shutdown presence sensors in office lighting systems. Energy efficiency awareness campaigns.
Transmission positions	Optimization of operating parameters in position and transmission facilities
GNL plant	Boiler shutdown automation in warm periods incorporating room temperature probe and atmospheric gas temperature probe.
GLP plant	Compliance with the plan implemented in LPG for nine Heating System Optimization plants.

Implementing these measures has allowed the Company to achieve the following milestones:

REDUCTION OF 8.4%
IN TOTAL ENERGY CONSUMED (KWh/ m networks Tx, Dx, GLP).





CLIMATE CHANGE

Climate change poses a global environmental challenge which requires everyone's contribution to mitigate its effects. CO₂ emissions are one of the factors that most influence global warming. Therefore, the company is constantly working to reduce them by updating its infrastructures and optimizing its activities, thus improving its energy efficiency.

The physical limits of Redexis' **greenhouse gas quantification study** are included in the following **types of facilities**:



- REDEXIS OFFICES
- TRANSMISSION FACILITIES (ALSO CALLED POSITIONS)
- GNL PLANTS
- VEHICLE FLEET
- NETWORKS (ASSOCIATED WITH DIFFUSE EMISSION)



Redexis develops tools for the measurement and control of greenhouse effect emissions to reduce them. One of the most remarkable initiatives is related to the calculation of the carbon footprint in scopes 1 and 2, an exercise of information and transparency that led it to being awarded the "Calculation" seal from the Ministry of Ecological Transition, for its activities of transmission and distribution of natural gas at its Madrid headquarters.



Emissions	Emissions
Scope 1	Fuel consumption in facilities
	Fuel consumption of the transport fleet
	Gas leaks in refrigerants
	Gas leaks in ducts
Scope 2	Electrical consumption in facilities



Aware of the impact that its activities produce on the environment, and in order to establish effective and efficient emission reduction policies, Redexis calculates its greenhouse gas emissions derived from the transmission, distribution, and storage of natural gas in Spain. Redexis prepares its report in order to calculate the carbon footprint of its activity and communicate the organisation's emissions transparently to its stakeholders. The main objectives sought by carrying out this initiative are the following:

- **KNOW AND EVALUATE THE ORGANISATION'S GREENHOUSE GAS EMISSIONS (GHG)**, to identify opportunities to reduce the carbon footprint.
- **IMPROVE THE POSITION WITHIN SOCIETY** as a whole, maintaining a responsible commitment to continuous improvement.
- **REGISTER THE CARBON FOOTPRINT IN THE NATIONAL CARBON** Footprint Registry of the Ministry for Ecological Transition (MITECO).

In order to reduce current emissions, an **Emissions Reduction Plan** has been drawn up, which includes several measures carried out during 2020:

- **AUTOMATION OF BOILER SHUTDOWN IN HOT PERIODS**
Incorporating room temperature probe and atmospheric gas temperature probe.
- **COMPLY WITH THE PLAN IMPLEMENTED IN LPG** for nine Heating System Optimisation plants.
- **INCORPORATION OF AUTOMATIC PRESENCE SENSORS** in office lighting systems.
- **AWARENESS CAMPAIGNS** on energy efficiency.

The carbon footprint reduction measures are the planned actions to reduce energy consumption in the action plan of the ISO 50001 energy management system, implemented at Redexis.



Emission intensity

Ratio(t/ km Tx, Dx y LPG networks)	2019	2020	Variation 2020 vs 2019
Total S1+S2	3.36	3.34	-0.60%
Scope 1	3.01	3.33	10.50%
Scope 2	0.03	0.02	-43.20%

• **DECREASE OF 0.60% IN 2020 COMPARED TO 2019 IN THE COMPANY'S CARBON FOOTPRINT** (t CO₂ / m Tx, Dxy LPG networks)

• **43% DECREASE IN INDIRECT EMISSIONS (SCOPE 2)**

Carbon Footprint	2019			2020		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Scope 1	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Offices	1.43	87.43	88.86	1.52	39.37	40.89
GNL Plants	420.73	49.45	470.18	399.38	32.57	431.95
GLP Plants	381.85	14.29	396.14	342.12	6.92	349.04
Transmission positions	2,198.70	162.66	2,361.36	2,169.73	110.5	2,280.23
Vehicle fleet	237.9	---	237.9	147.7	---	147.7
Diffuse emissions	29,305.06	---	29,305.06	34,472.70	---	34,472.70
TOTAL	32,545.67	313.83	32,859.50	37,533.15	189.36	37,722.51

Note*: 2018 and 2019 data have been audited in accordance with the UNE-EN ISO 14064-1: 2012 Greenhouse Gases Standard and the Carbon Footprint has been registered in the Ministry for Ecological Transition. For 2020, the methodology for calculating diffuse emissions in MOP distribution networks >16 bar has been modified.

REDEXIS ENVIRONMENTAL EMERGENCY PLAN ACTIONS

The Environmental Emergency Self-Protection Plans are reviewed and updated, with continuous analysis and monitoring of the indicators of previously defined

health and safety, environment and energy management. The main objectives and actions of this plan are:

- **PLAN EFFECTIVELY THE ORGANISATION OF HUMAN RESOURCES** and the use of available technical means.
- **PREVENT AND REDUCE THE DAMAGE** that such situations may cause to people, facilities and the environment.

REDEXIS REPLACES ALL ITS PLASTIC BOTTLES FOR RECYCLABLE CARDBOARD CONTAINERS AND DONATES 480 TREES

The company uses water containers made with 100% recyclable cardboard in its offices and facilities, which has managed to reduce 100% of CO emissions equivalent to the consumption of plastic bottles, which constitutes a reduction of 19,390 kg of CO emissions, using 24% less primary energy and 51% less fossil resources. The material used for the packaging is made of 75% recycled material and its manufacturing process leaves up to 64% less carbon than traditional packaging. In addition, its transport is carried out in a sustainable way, saving on fuel and reducing the pollution generated compared to the conventional transport of plastic bottles.

Thanks to this collaboration agreement, Redexis has donated 480 trees to the "Plant for the Planet" initiative for children and young people.

GOOD ENERGY CONSUMPTION PRACTICES AT REDEXIS OFFICES

In October 2020, General Services sent a communication to the entire Company to encourage appropriate energy consumption and best consumption practices, with the aim of avoiding energy waste.

The purpose of this communication was to ask employees to make the most of natural light whenever possible, switch off unnecessary lights, limit the operating time of equipment to only the strictly necessary, turn off both lights and heating at the end of the working day, disconnect chargers or equipment used sporadically, adapt air conditioning levels, and not cover or obstruct radiators and air vents, among others.



RENEWABLE ENERGY

After signing an agreement with Iberdrola, Redexis has started to use renewable energy in its more than 360 facilities, including offices, natural gas transmission positions, LNG and LPG plants or Regulation and Metering Stations, which will have 100% renewable electricity, with an estimated consumption of 1.84 GWh. This contract is valid for two years and includes a 100% renewable Guarantee of Origin for all electricity supplied, thus guaranteeing that the company consumes only green energy. This will help avoid an estimated emission of 100 tons of CO₂ over the next year, equivalent to the CO₂ absorbed by a forest of more than 200 trees. These data have been audited in accordance with Standard UNE-EN ISO 14064-1: 2012 of Greenhouse Gases and the carbon footprint has been registered with the Ministry for Ecological Transition.



BIODIVERSITY AND NATURAL CAPITAL

Redexis is a company strongly committed to the environment, natural conservation and biodiversity.

Its environmental strategy comprehensively deals with the impacts it produces, trying to prevent them and in turn compensate them.

In preventive terms, the possible environmental risks during the design phase of each activity are studied in order to avoid or minimise them, therefore using resources in a more sustainable way and extending the lifespan of the facilities.

Redexis carries out environmental studies during the design phase of

its infrastructures and facilities, to minimise their possible negative impacts throughout their useful life. If these facilities are close to protected areas or areas of high value for biodiversity, Redexis carries out specific studies in order to adapt the project and thus avoid, reduce or offset the impacts on these areas. In addition, it develops a surveillance program for both the works phase and the operation phase in order to apply the preventive and corrective measures that may be necessary in relation to, among others, waste management, control of machinery and vehicles on site, communication with environmental organizations



and compliance with defined environmental specifications.

With the environmental surveillance developed by Redexis in the identified areas in order to avoid possible deterioration in the environment, impacts are controlled, and the effectiveness of the preventive and corrective measures established in the Environmental Impact Assessment procedure, as well as certain conditions such as the proper management of hazardous and non-hazardous waste, exhaustive control of machinery, etc.

Along with the Environmental Impact Assessment (EIA), Redexis redacts an Environmental Impact Study, both for the Works phase

and the gas pipeline's operating phase. This is intended to control the impacts and monitor the effectiveness of the preventive

measures established in the EIA, as well as the established conditions. Among others, we should highlight:

- **ADEQUATE MANAGEMENT** of hazardous and non-hazardous waste.
- **COMPREHENSIVE CONTROL** of the machinery and vehicles on site in such a way that they are guaranteed to have the certificates and regulatory inspections in order.
- **COMMUNICATION** with affected environmental bodies.
- **COMPLIANCE** with defined environmental specifications.

The duration of this surveillance is determined in the EIA together with the bodies responsible for preserving the affected natural spaces, which, according to the results of the restoration and replanting, value the scope achieved and decide on the level of completion of the environmental management over

the Company's infrastructure. However, in its maintenance and operation plans, Redexis maintains the guarantee of ensuring the preservation of environmental actions carried out.

However, during the last few years, Redexis has carried out a

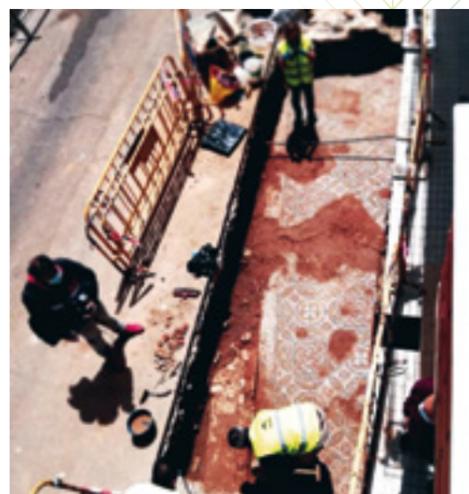
comprehensive monitoring of the various undertaken projects with the aim of improving the evaluation and mitigating the impact on the natural spaces damaged by its activity, working in the area of the restoration of habitats affected by the construction and operation of its infrastructures.

PREVENTIVE APPROACH IN THE CONSTRUCTION OF A GAS PIPELINE

- **CONTROL OF ENVIRONMENTAL OBLIGATIONS PRESENTED IN THE ENVIRONMENTAL IMPACT DECLARATION**
- **ENVIRONMENTAL SURVEILLANCE PROGRAMME**
- **WASTE MANAGEMENT**
- **ARCHAEOLOGICAL CONTROL**
- **LANDSCAPE RESTORATION AND IMPROVEMENT**

In the first months of 2021, as a result of excavation work in Mérida, Roman archaeological remains from the 1st and 2nd centuries AD were found. After that, Heritage was notified to carry out the pertinent actions. A test was carried out following their guidelines, widening the surface area and placing protective material. Finally, the pipe was placed without damaging the remains found.

“ IN ACCORDANCE WITH THE PRECAUTIONARY PRINCIPLE, REDEXIS GUARANTEES A HIGH LEVEL OF PROTECTION OF THE NATURAL CAPITAL THROUGH PREVENTIVE DECISION-MAKING IN THE EVENT OF RISK ”

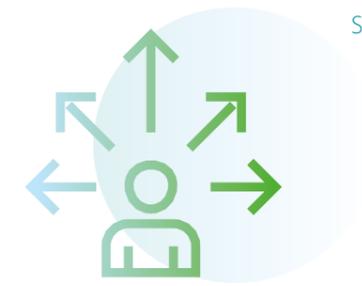


PEOPLE AND TALENT

Redexis has a solid corporate culture that defines its way of working and allows it to successfully face future challenges.

Likewise, the Code of Ethics includes the company's commitment to the principles of business ethics, guaranteeing the responsible and ethical behavior

of all the people who make up the company, counting on values, attitudes and aptitudes that allow it to always determine the route to follow and how to do it.



PEOPLE MANAGEMENT

Redexis is aware that its success is due, to a large extent, to the human team that makes up the company and that develops its activity within the organization.

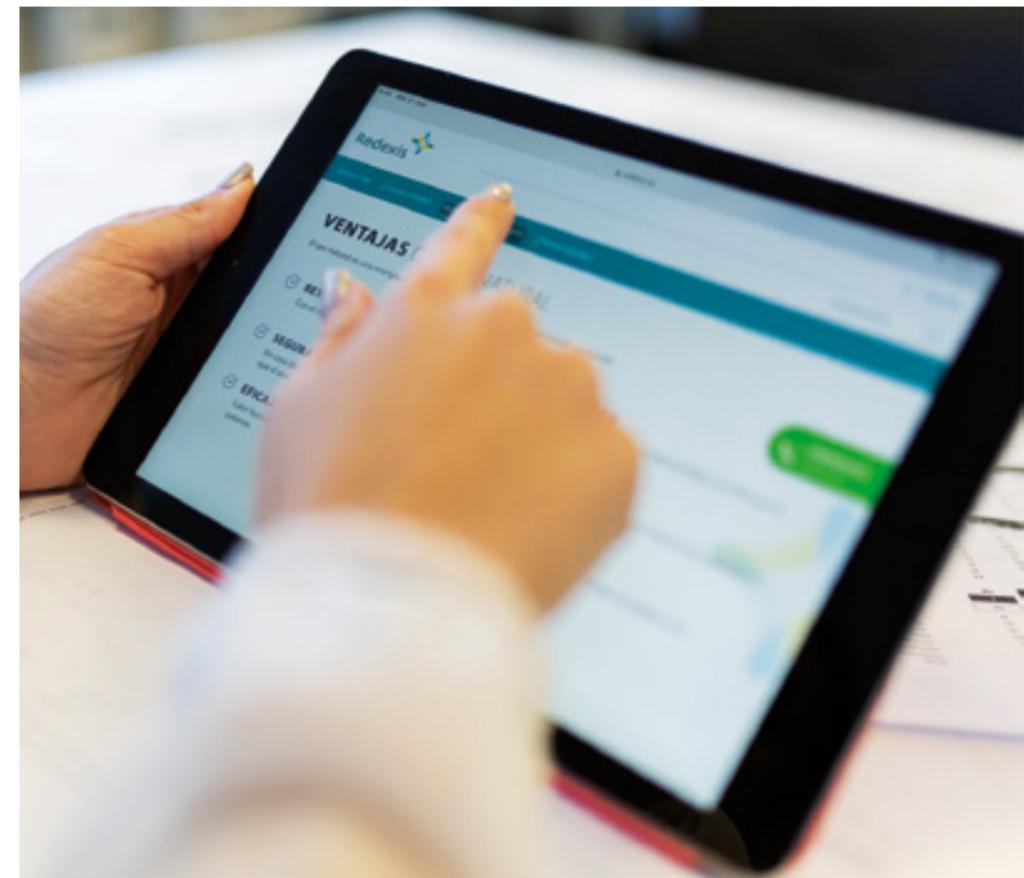
It is essential for Redexis to attract and retain people who share its values and are

committed to its mission, vision and values.

Equal opportunities are guaranteed at all times, with no discrimination in the selection processes based on gender, age, or any other characteristic, and prioritizing only professional skills and aptitudes.

The Human Resources area designs and carries out a series of policies, initiatives and specific projects focused on selection, training, development, compensation and benefits, diversity and equality, culture and commitment.

“ THE CREATION OF JOBS AND THE ATTRACTION OF TALENT IS A FUNDAMENTAL OBJECTIVE FOR REDEXIS, WHO SEEKS TO ACHIEVE EXCELLENCE IN ITS ACTIVITIES CREATING VALUE IN THE LONG TERM ”



The **model of people management** in place at Redexis facilitates:

- **IDENTIFYING, ATTRACTING AND DEVELOPING TALENT.**
- **PROMOTING THE PERSONAL AND PROFESSIONAL GROWTH** of all people belonging to our human team.
- **COMMITMENT TO EQUAL** opportunities.
- **PROMOTE DEVELOPMENT AND KNOWLEDGE** through continuous training courses.
- **ENSURE LABOR AND FAMILY CONCILIATION**, offering flexible working hours and remuneration models with different options, depending on each individual situation.

“ THE SUM OF EACH OF THE PEOPLE WHO MAKE UP REDEXIS IS THE RESULT OF ITS SUCCESS ”

At the end of 2020, Redexis had 348 direct employees throughout the Spanish geography.

Workforce at end of 2020 broken down by **age, gender and professional category.**

Professional Category/age	Men	Women	Total
Board of Directors	9	4	13
<30 years	-	-	-
30-40 years	2	1	3
41-50 years	4	2	6
>51 years	3	1	4
Directors and Managers	92	18	110
<30 years	-	-	-
30-40 years	16	6	22
41-50 years	61	11	72
>51 years	15	1	16
Technicians and Support Staff	144	70	214
<30 years	7	5	12
30-40 years	42	21	63
41-50 years	59	33	92
>51 years	36	11	47
Otr categories *	6	5	11
<30 years	1	1	2
30-40 years	1	1	2
41-50 years	2	2	4
>51 years	2	1	3
TOTAL	252	97	348

(*) Other categories includes the professional categories of salespeople and telephone attention.



Total number and distribution by **contract type:**

2020			
Contract Type	H	M	T
Undefined	251	96	347
Temporal	-	1	1
TOTAL	251	97	348



“ REDEXIS
COMMITTS
TO QUALITY
EMPLOYMENT ”

Total average and distribution by **type of contract, gender category and age.**

2019	Undefined			Temporary				2020	Undefined			Temporary			
	M	W	T	M	W	T	T		M	W	T	M	W	T	T
Board of Directors	9	4	13	0	0	0	13	Board of Directors	9	4	13	0	0	0	13
<30 years	0	0	0	0	0	0	0	<30 years	0	0	0	0	0	0	0
30-40 years	2	1	3	0	0	0	3	30-40 years	2	1	3	0	0	0	3
41-50 years	5	2	7	0	0	0	7	41-50 years	4	2	6	0	0	0	6
>=51 years	2	1	3	0	0	0	3	>=51 years	3	1	4	0	0	0	4
Directors and Managers	93	19	112	0	0	0	112	Directors and Managers	93	18	111	0	0	0	111
<30 years	0	0	0	0	0	0	0	<30 years	0	0	0	0	0	0	0
30-40 years	20	9	29	0	0	0	29	30-40 years	16	6	23	0	0	0	23
41-50 years	61	10	71	0	0	0	71	41-50 years	62	11	72	0	0	0	72
>=51 years	12	0	12	0	0	0	12	>=51 years	15	1	16	0	0	0	16
Technicians and Support	151	69	219	2	4	6	225	Technicians and Support	152	70	222	1	1	2	224
<30 years	11	7	18	1	3	4	22	<30 years	7	5	12	0	0	0	12
30-40 years	46	20	66	1	1	2	68	30-40 years	43	20	63	1	1	2	64
41-50 years	57	30	87	0	0	0	87	41-50 years	59	32	91	0	0	0	91
>=51 years	37	12	49	0	0	0	49	>=51 years	43	13	56	0	0	0	56
Other categories	5	1	7	8	3	11	18	Other categories	6	6	12	2	1	3	15
<30 years	0	1	1	1	0	1	2	<30 years	1	1	2	0	0	0	2
30-40 years	1	1	2	2	1	4	6	30-40 years	1	2	3	1	1	2	5
41-50 years	3	0	3	3	2	4	8	41-50 years	2	2	4	1	0	1	5
>=51 years	1	0	1	1	0	1	2	>=51 years	2	1	3	0	0	0	3
TOTAL	258	93	351	10	6	16	368	TOTAL	260	98	358	3	2	5	363

(*) Other categories includes the professional categories of salespeople and telephone attention.



Employee benefits

Redexis' commitment to its employees is reflected in the **flexible compensation model**, through which achievements and the achievement of individual goals are rewarded, increasing productivity and effectiveness. The remuneration package for Redexis employees is completed with the following programmes:

- **Flexible remuneration:**

All employees are offered the possibility of accessing a series of products according to the needs of each one, with the aim of optimizing their available money.

In financial year 2020, more than 60% of the workforce has had a benefit with this programme, which has four products: medical

insurance—it has a subsidy in the holder's premium; transportation, restaurant; and day-care, with a social benefit per child.

- **Redexis Discounts Club.**

Everyone in the company can access the Redexis Discount Club, where they can find discounts on all kinds of items and leisure activities, such as movie tickets,

“REDEXIS PROVIDES THE BEST BENEFITS FOR ITS EMPLOYEES”

shows, restaurants, travel and hotels, sports events, etc.

- **Life and accident insurance and pension plan.**

All company employees, from the moment they join, have life and accident insurance. After one year, they can choose to join a pension plan.

WAGE GAP

The wage gap between men and women is the difference between the salaries received by workers of both genders, calculated on the basis of the average difference between the gross earnings of all workers.

The wage gap between men and women is presented as a percentage with respect to the

income of the male population and represents the average of the differences between the gross income of workers of both sexes.

In the EU, the gender pay gap is officially called the unadjusted gender pay gap, as it does not take into account the individual characteristics of the workers and the factors that influence this

difference, such as differences in education, work experience, hours worked, type of work, etc.

The wage gap in Redexis is lower than the average wage gap in Spain published by the National Institute of Statistics (INE, for its acronym in Spanish) for the latest available period.

Concept and calculation of **wage difference:**

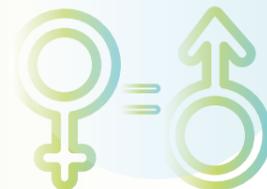
Wage differences are calculated as follows:

$$WAGE\ DIFFERENCE = \frac{\text{Men's remuneration} - \text{Women's remuneration}}{\text{Men's remuneration}}$$



The result is expressed as a percentage and has this interpretation:

- >0%: means that women get paid less than men
- =0%: women get **equal** pay to men
- <0%: women get paid **more** than



2020

17.7%

TRAINING AND DEVELOPMENT

Redexis carries out training and development programs to be able to respond adequately to its team's goals and the challenges it faces every day in the marketplace. Through the Campus Redexis, you can access a set of courses and training actions proposed by the company, while sending calls, registration of the participants, number of training hours,

assessment, exams, etc. Redexis uses different methodologies to enhance and optimize learning in the form of bullet points, online training, mobile applications, etc.

We are constantly working on developing new content and improving the impact of the training actions offered to employees. It is worth

highlighting the development of the Leadership Programmes to manage the talent of the workers.

Redexis develops training and development programmes to be able to adequately respond both to the goals of its team and to the challenges imposed by the market. To do this, among others:

- **INTERNAL JOB POSTING TOOL**, where employees can check and apply for open positions. There are Internal Promotion Systems where by Human Resources internally publishes the existing vacancies in the company, so that workers can freely apply for positions.
- **IMPLEMENTATION OF A LEARNING MANAGEMENT**

- **SYSTEM**, which we have called "Campus Redexis", which allows to integrate and manage all the training actions that are carried out in the Company.
- **USE OF DIFFERENT METHODOLOGIES TO ENHANCE AND OPTIMIZE LEARNING**, such as online or blended training, educational pills, mobile apps, etc.

- **SUPPORT IN THE LEGAL, CYBERSECURITY, GEMASST AND CSR AREAS:** in content management and development, impact and results improvement.
- **CREATION OF LEADERSHIP DEVELOPMENT PROGRAMS** to manage talent and people across teams.



“REDEXIS PROMOTES PROPER TRAINING, RECOGNITION OF THE WORK DONE AND EQUAL OPPORTUNITIES”

(*) The minimum wage set in the Redexis collective agreements is 13% above the minimum interprofessional wage in Spain in 2020.

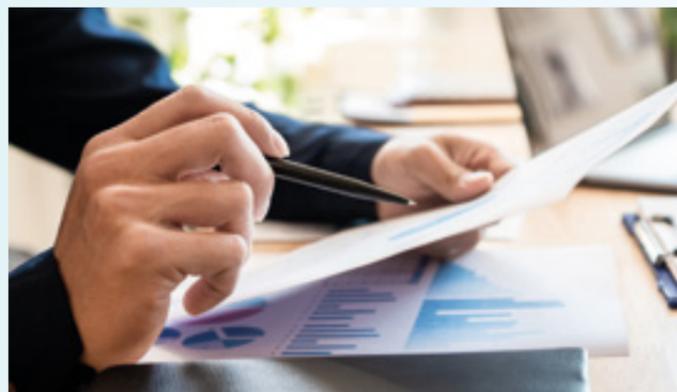


Some of the **initiatives** launched during 2020 within the Group's training and development plan have been:

- CODE OF CONDUCT COURSE**
 The Code of Ethics is explained, who it applies to and its basic principles.
- COURSE ON THE PROCEDURE OF ALLEGEDLY IRREGULAR EVENTS**
 The main objective of this course is to establish the way in which events that could be irregular or criminal, committed by someone in the company, can be brought to the attention of Redexis management, and the way in which the management processes complaints that are sent to you.
- WASTE MANAGEMENT COURSE**
 Its purpose is to help employees improve their knowledge of the waste generated in Redexis offices, its management and recycling.
- CYBERSECURITY COURSE**
 The goal is for employees to have the necessary training in cybersecurity to avoid unwanted situations and for them to be able to react appropriately in risky situations.
- PERSONAL DATA PROTECTION COURSE**
 The purpose of this course is that all company employees are aware of the new regulations for the protection of personal data. Course is taken in person.
- STRESS MANAGEMENT COURSE**
 It is taught in order for

employees to be able to identify stressful situations they may face in their day-to-day life and how to handle them. Course is taken in person.

- ENERGY EFFICIENCY COURSE**
 It highlights the relevance that the company gives to training and awareness issues, both energy and environmental, by holding regular meetings of the energy management team at the corporate level. All this has led to an increase in communications at the level of the Integrated Management system, mainly focused on aspects related to the environment and energy.



FLEXIBILITY MEASURES

The company has an **Equality Plan** that reinforces equality and improves and makes the **reconciliation of employees more flexible**. Measures are established to reconcile work and family life, such as:

- Scheduling of work meetings primarily within the hours of compulsory presence in the offices, with calls outside said hours being exceptional.**
- Use of available technology that facilitates the execution of the work, as well as preferably of communication and videoconferencing systems, with the aim of reducing travel and work trips. There is a Travel Policy.**
- Adequate sizing of the human resources available in each area, department or work centre based on organisational needs, in order to guarantee balanced workloads based on available work time and the company's possibilities.**
- Flexibility of schedules:** workers will have a flexible starting time (except for shift work). Possibility of reducing mealtime (minimum one hour), to have flexibility in leaving time, depending on the time of entry and the time spent at the meal.
- Flexibility in the weekly calculation:** the working day can be carried out in weekly calculation but respecting in any case the hours of presence at the work centre and according to the needs of the service.
- Intensive workday** in summer.
- Avoid, as far as possible, working overtime.**
- Temporary change of work schedule:** temporary modification of the time regime by carrying out the work activity in continuous hours in certain cases (child or dependent family member with a disability, victims of gender violence, among others).
- Reduction of workday** for legal reasons.
- Permanence in the workplace** during the period from pregnancy until the children are nine months old, workers may not be transferred or posted on commission to a centre that involves geographic mobility, unless expressly requested by themselves.
- Redexis gives a gift** to employees on the occasion of the birth of their child, foster care or legal adoption.
- Redexis workers will be able to enjoy a total of 16 hours per year** (depending on the percentage of the annual working day) for personal matters and family issues.





In 2020, the **Redexis Diversity and Equality Policy** was formalized, through which the company undertakes to **promote equality and diversity and to commit to a business culture where talent** is valued, recognizing that the professionals that make up the organization may have different origins and

experiences that can contribute valuable knowledge, avoiding any form of discrimination. This policy applies to all areas of the company, being mandatory for all professionals and having special relevance when carrying out personnel selection and hiring processes.

Likewise, Redexis is in charge of introducing the gender perspective in the treatment of occupational health, promoting equal opportunities in the prevention of occupational hazards and establishing protection, aid, support and information measures for victims of gender-based violence.



Likewise, in the event of temporary disability due to common illness, occupational disease or work accident, or maternity or paternity,

the company supplements the IT or maternity/paternity benefit up to 100% of the salary received at the time of claiming leave,

integrated for this purpose by the following concepts: base salary, Redexis supplement and personal supplements 1 and 2.

INTERNAL COMMUNICATION

Redexis is committed to the principles of communication and transparency, included in its Code of Ethics, constituting key pieces of the company's success. Through the Intranet, **an internal communication portal, there is a commitment to shared communication between all areas of the company and to collaborative spaces** that allows people to connect. This tool keeps people informed on a daily basis about Redexis' achievements and news. Likewise, this portal contains all the approved internal procedures and regulations, access to different training courses, corporate materials, etc., serving as a connecting tool between all departments.

Likewise, during 2020, the monthly newsletter 'De Cerca' was launched. Redexis is committed to communication and close support to employees, even more so during teleworking and not being physically at the office. Through this newsletter, employees are made aware of the company's achievements, their pride of belonging is reinforced, and all employees are kept more connected and informed.

Committing to **corporate social responsibility as a management method, integrated into the business culture and strategy of the company**, since 2019 the communication channel 'Compromiso Redexis' has been up and running. Through it, fluid and active communication is maintained with all the professionals that make up Redexis, about any aspect of CSR that is going to be carried out and corporate activities to create a sense of belonging.

Likewise, **Redexis has an internal and external complaints channel** through which complaints (formal or informal), or claims in connection with alleged irregular facts may be made. During 2020, no complaint was received on this channel.

Furthermore, the "Redexis te escucha" (Redexis listens to you) survey is done, to carry out a study of the work atmosphere and commitment among its employees. The aim was to give every member a voice, and to know their opinions and perceptions regarding different topics related to the organization.



“TRANSPARENCY, ACCESS TO INFORMATION, AND DIALOGUE ARE KEY FOR REDEXIS”



LABOUR RELATIONS

Redexis has a Code of Ethics and Conduct which includes its commitment to all the principles of business ethics and transparency, thereby establishing a series of procedures and conduct guidelines that have the ultimate goal and purpose of guaranteeing the responsible and ethical behavior of all the people that make up the company.

Likewise, in 2018, Redexis signed the Second Company Collective Agreement with the union federations of U.G.T. and CC.OO., with a duration of four years, which extends the duration of the previous agreement, granting a framework of longer-term stability, and improving the working conditions of people in different areas, defining how labor relations are organized, social benefits and other issues that involve relations between the company and its workers, always seeking to benefit and satisfy the needs of every person that makes up Redexis:

- **Reducing progressively the annual working day** during the term of the Agreement.
- **Increasing holidays** to 24 working days in 2018 and 2019, and to 25 days in 2020 and 2021.
- **Establishing a salary update mechanism** with a fixed percentage, which likewise includes a review mechanism with the CPI to avoid the loss of purchasing power.

- **The inclusion of non-consolidated payment** associated with the achievement of Redexis' EBITDA.
- **The social benefits improvement**, among others, with an increase in the Company's contribution to the employment pension plan available to all workers, acknowledging a 70% subsidy of the private medical insurance and increasing the compensation for the availability for on call time and carrying out shifts.

The company's labor relations are articulated through this Second Collective Agreement, which establishes the existence of an Inter-Center Committee. The consultation and participation of workers in matters of Safety and Hygiene at Work, established through collective bargaining, is articulated through the six Territorial Health and Safety Committees (CTSS, for its acronym in Spanish). Likewise, in 2019 the Interterritorial Safety and Health Committee (CISS, for its acronym in Spanish) was set up.

In the same way, in the context of the negotiation of the Collective Agreement, all company employees were recognized for their participation in the annual variable remuneration program, promoting a work model based on objectives and results, based on the responsibility and autonomy of people.



In order to achieve the goal of equality and optimal labor relations, Redexis considers effective reconciliation of the personal and family life of its people as a fundamental axis, promoting the balanced assumption of family responsibilities and avoiding any discrimination related to it, promoting and expanding in a process of improvement, modernization and updating the measures that facilitate conciliation:

- **Expanding the flexibility of the entry time.**
- **Allowing flexible compliance of the working day** in weekly computation.
- Establishing as **non-working days the 24th and 31st of December.**
- **Enjoying an intensive day** from the last week of June to the first week of September, in addition to the working day prior to the start of Easter and the working days prior to December 24th and 31st.
- **Developing available technology to facilitate work execution**, as well as preferably the communication and videoconferencing systems, with the aim of reducing commuting and business trips.

- **Improving the rights to change the timetable arrangements** for those looking after family members with disabilities or dependents, victims of gender violence or victims of terrorism.

- **Granting assistance to pay for childcare** of the daughters and sons of workers.
- As a sign of Redexis' commitment to equal treatment and the fight against inequalities, the company



has an Equality Plan, that ensures equal opportunities at all levels, Selection, hiring, remuneration and internal promotion, guaranteeing the professional development of all people equally and fostering a business culture based on equal treatment.



DIGITAL DISCONNECTION



Due to the pandemic situation that has completely transformed working habits, and which has promoted teleworking, Redexis

has valued digital disconnection, and has established a series of guidelines, such as the need to respect rest times, vacations,

avoid calling meetings and sending emails after working hours, appropriate use of digital tools, and so on.



WORKING DAY REGISTRATION

On the occasion of the publication of Royal Decree-Law 8/2019, dated March 8, on urgent measures for social protection and the fight against job insecurity in the working day, which sets forth the obligation of companies to guarantee the working day

registration of all workers on a daily basis, Redexis has implemented a Working Day Registration System, to facilitate this task for all professionals, in

addition to the possibility of reporting incidents of presence, holidays managements, paid leave, and the like.

Hours of absenteeism in 2020:

7,104

HEALTH AND SAFETY

Redexis promotes continuous improvement in working conditions and in the management of safety, health, and well-being of all the people who have a relationship with the company, involving its workers, suppliers, collaborators, users, and other stakeholders related to its activity, in order to act with maximum security.

Redexis' health and safety strategy develops different objectives, one of which is to continuously improve its processes, systems and capacities to guarantee the quality and safety associated with its activity and facilities, as well as the services it provides to its users and customers. Throughout 2020, a healthy lifestyle was promoted among its employees.

The company set a series of targets for 2020 in this regard:

- To comply with the following joint Accident Rates for employees and contractors:
 - Average Combined Frequency Index in the last three years: <2,08
 - F.I = N° Accidents/ N° hours worked*1,000,000
 - Average number of accidents with and without sick leave in the last three years: fewer than 9
 - No fatal accidents
- To implement the Employee Support Program, within the framework of the 2020 Psychosocial and Well-being Action Plan. To carry out seven ergonomic studies in workstations in fixed centers.
- Carrying out an awareness day on PRL for Directors, Middle Managers and Technicians in the works execution business area.

- To carry out a minimum of 20% of the drills in SEVESO plants with the intervention of external means.
- To increase the training hours given in occupational health and safety courses by 10%.
- To update First Aid training by 25% for all Redexis personnel.
- To launch campaigns of healthy habits for workers.
- To provide a course on time management and psychosocial planning.

Redexis knows that the continuous supervision of the work centers and their facilities is a key aspect to maintain health and safety in the workplace, so it carries out a permanent control of compliance with the applicable legal requirements and other important requirements for the organisation.

The company acts in accordance with the prevention criteria derived from the legal and regulatory framework, as well as its Integrated Management System. This is reviewed periodically to adopt measures to continually improve its effectiveness.

In 2020, Redexis continued to advance in its commitment to safety at work, maintaining the certificate of its Integrated Management System in the ISO 45001:2018 standard. The certification issued by British Standards Institution (ISO 45001:2018), a leading standardization body in auditing and certification, further consolidates the Company's commitment and leadership in terms of safety and health. This is



“NOTHING IS MORE IMPORTANT TO REDEXIS THAN PEOPLE'S SAFETY, HEALTH AND WELL-BEING”

currently the most internationally prestigious standard in the field, adapting the system to the High Level Structure which is now including all the new versions of ISO standards. This standard takes a significant step regarding consultation obligations and worker's participation, so that now the latter should be empowered and made part in areas such as the definition of policies, objectives, needs and expectations.

In addition, the GEMASST Leadership Committee was created, in order to reinforce the leadership commitment of the Senior Management in matters related to health and safety and environment. Likewise, the Matrix of Roles and Responsibilities of the Integrated Management System was prepared, defining the functions of each area of the Company in the Management System.

Training and awareness-raising in occupational risk prevention is a basic way of working to avoid or reduce health risks derived from work.

Training on health and safety at work has been guaranteed at all times, which is considered sufficient and adequate for the correct development of work activities, identifying and controlling risks and



eliminating the dangers that can be detected, adopting the appropriate measures, communicating general information on this matter to workers through their representatives, as well as direct information on the specific risks that may affect their jobs or functions, informing of the application and prevention measures that may be necessary to mitigate those risks. Workers are consulted at all times and their participation is sought in matters that affect their health and safety through their social representatives.

The Integrated Management System Course has been incorporated into the Redexis Campus for new arrivals, so as to guarantee information on how we

manage the areas of health and safety at work, environment and energy management.

On the other hand, meetings of the Psychosocial and Wellbeing Working Group have been held, created in November 2019 as a driving force to promote the participation of workers in wellbeing and psycho-social actions. This group is made up of different members of the Company's Management, the Prevention Service and prevention delegates (representatives of the workers). In order to carry this out, the Psychosocial and Well-being Action Plan has been drawn up and put into practice, consisting of 16 psychosocial and well-

being actions agreed upon by the working group in order to mitigate the risks generated by the psychosocial risk assessment carried out in 2018. This is a biannual Action Plan, for 2020-2021.

On April 28, 2020, coinciding with International Health and Safety Day, the "Healthy Eating Workshop through conscious decision-making" was launched on the Redexis Campus, taught by a nutritionist online and with the possibility of carrying out a survey of healthy habits, accessible at the end of the workshop, totally confidential, with which a personalized diagnosis and various recommendations could be downloaded.

PSYCHOSOCIAL AND WELLNESS ENVIRONMENT AT REDEXIS



For Redexis, people are our top priority, both for being an energy company and for its commitment to the health and well-being of its stakeholders. This is reflected in its **Guide to the Healthy Business Excellence System**,

which comes from its Integrated Health and Safety, Environment and Energy Management Policy, considering that people and their well-being constitute the basic and fundamental element of the organization.



“GUARANTEEING HEALTH AND WELL-BEING ARTICULATING THE PRECISE PREVENTION MECHANISMS, HAS ALWAYS BEEN AN OBLIGATION AND A PRIORITY FOR REDEXIS”



The development of actions such as health and safety campaigns, specific training, participation in social, labor, ethical and environmental benefits, health controls, the plan to help employees in a psychosocial environment and recommendations regarding food and health, all within the framework of 'Redexis Healthy', are some of the examples of Redexis' involvement with the health and well-being of its employees. An implication that goes beyond the classic concept of occupational health and whose purpose is to improve the aspects that have an impact on the well-being and integral satisfaction of its employees, that is, human resources, work organization, balancing work and family, equality, sustainability and, of course, safety at work.

This line of work began in 2015 with the development of the healthy business model. Since then, projects and actions have been carried out to support this commitment. Thus, in 2016 and 2018, the entity obtained the Healthy Business Excellence System certificate by Applus, through which the organization's management and involvement is recognized as a healthy space, promoting health and well-being of employees and their family, as well as Redexis stakeholders.

Maintaining this target, and in order to reaffirm the concept of a healthy company, in 2020, Redexis celebrates that it has been re-certified in the healthy

business excellence system and that it has obtained a score of 89.8%, higher by 13.5 % compared to two years ago (76.3% in 2018). The result obtained strengthens Redexis' commitment to health and well-being and its commitment to implement practices and solutions in this area.

During 2020, the following actions were carried out within the psychosocial and well-being framework, through 'Redexis Healthy', from where all the initiatives related to these aspects in the company were launched:

- **A Psychosocial and Well-being Working Group** is created. It has drawn up an Action Plan for Psychosocial and Well-being Measures to be developed during 2020 and 2021, so that all the actions considered necessary by the Working Group have been planned in it to address the risks resulting from the latest Psychosocial Risk Assessment.
- **Information campaigns** for the awareness of workers on the intranet, with guidelines and recommendations for digital disconnection.
- Redexis makes an **"Employee Support Program"** available to all employees, designed by the external advisor and led by the person in charge of the Own Prevention Service, whose objective is to take care of the emotional and personal state of employees,

offering the following areas of intervention:

- **Psychological assistance:** Free and confidential to all employees of the organization. The assistance sessions will be carried out by video call, by telephone or in person in Madrid and Barcelona. Any employee can request, through of a free telephone call, psychological support for problems related to work as well as to their personal lives. Direct relatives (spouse and children) enjoy a free first visit and a 20% discount on subsequent visits.
- **Free coaching sessions** for employees who request them. They will be made by video call or by phone.
- **Well-Being Programs:** All employees will be able to enjoy individual training at no cost that will serve as a tool to face any challenge or personal goal. The sessions will be carried out by video call or by phone:
 - Reconciliation of family and work life.
 - Time management.
 - Problem resolution.
 - Coping with stress.
 - Emotional management of uncertainty.
 - Healthy work relationships.



- **Well-being Portal:** This is an exclusive space for all company employees, containing resources and information to learn how to take care of their well-being. This portal is updated weekly with articles, videos, tips, recommended

books, recommendations from specialists and verified news prepared by professionals.

- **Human Resources Support:** In order to help resolve issues with their employees in the

prevention of psychosocial risks:

- Awareness of psycho-social risks.
- Stress management.
- Skills for teleworking.

Redexis works firmly in the achievement of objectives destined to reduce the risks or dangers that may appear in work environments, offering recommendations and alternatives that are committed to the safety of its employees. The number of days without accidents is controlled and this monitoring is carried out

through different health and safety committees, with the aim of reducing accidents to zero. Likewise, there is a technological tool for recording, monitoring and analysis of health care provided through the "Misalud" app, made available by Quirón prevention. In each work centre there are records showing the members and

appointments of the members of the Emergency Teams and their training in first aid matters, with annual drills being carried out at the SEVESO Plants that include environmental and occupational health and safety scenarios, to always guarantee the safety of workers, and the Explosion Protection Document was updated.

Redexis is equally concerned about the well-being of its employees outside the work environment, which is why the Mobility Plan was updated and the road safety campaign was launched in vacation time, disseminating a Safe Driving Decalogue. All of this led to the reconstitution of the Mobility and Road Safety Commission, resuming the regular quarterly meetings.



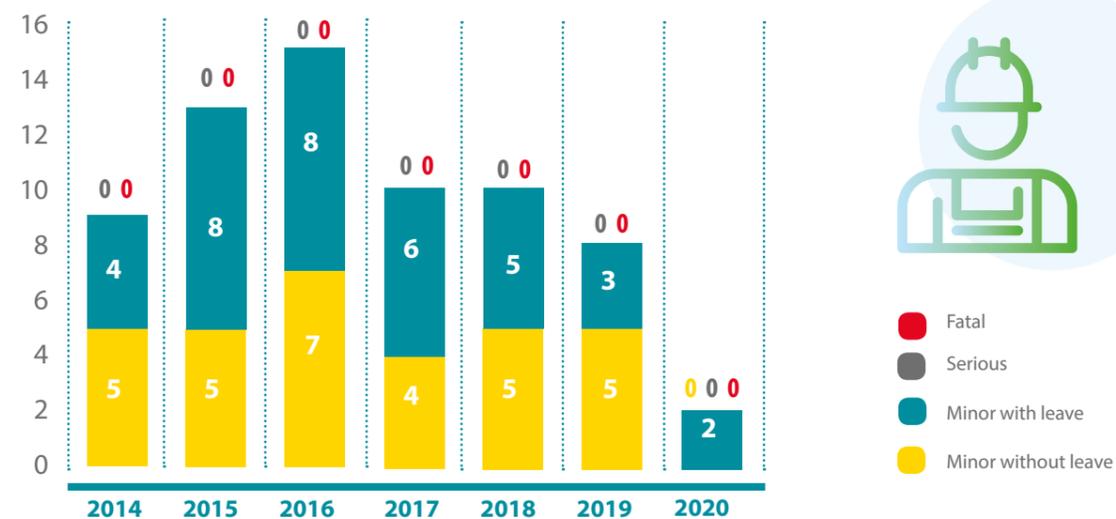
HEALTH AND SAFETY INDICATORS IN THE WORKPLACE

Occupational health and safety is a key aspect of Redexis' strategy, having carried out the actions described above to achieve the proposed objectives. As a result of these initiatives, the resulting health and safety indicators are shown below.

		2020
Employees +Contractors	Hours worked (NHW)	208,051 (women) 1,944,075 (men)
	Accidents	2 (men) 0 (women)
	Without leave	0
	With leave	2 (men) 0 (women)
	Severe	0
	Mortal	0
	Workdays lost	0
	Days lost due to leave	16.0 (men)/ 0 (women)
	Frequency Index*	0.93
	Severity index (without leave)**	0.00
	Severity index**	0.01

(*) Frequency Index = (Accidents with leave * 1,000,000) / Hours worked
 - Accidents with leave (AWL) = AWL own personnel (work accident reports notified by the company on the Delt@ official electronic declaration) + AWL contracted personnel (work accident reports notified by the contractor in the Delt@ official electronic declaration and communicated to Redexis)
 - Hours Worked (HW) = HW own personnel (Working hours registered by HR of own personnel) + HW contracted personnel (Hours worked by contracted personnel communicated to us through the DEA Format "Accident Statistical Data" of the integrated management system)
 (**) Severity Index = (No. of days lost * 1,000) / Hours worked
 - No. days lost (DL) = No. days off due to work accidents
 - Hours Worked (HW) = HW own personnel (Working hours registered by HR of own personnel) + HW contracted personnel (Hours worked by contracted personnel communicated to us through the DEA Format "Accident Statistical Data" of the integrated management system)

Breakdown of fatal, serious, and minor accidents (own personnel and contractors)



British Standards Institution (ISO45001:2018)

Accident frequency index (own personnel and contractors)

IFC2019=1.26 (accidents with sick leave^{10⁶} / hours worked)
IFC2020=0.93



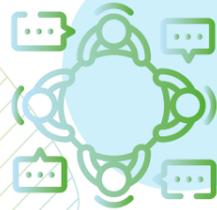
Accident severity rate (own personnel and contractors) IGC2019=0.01

(Number of days lost x1,000 / hours worked)
IGC2020=0.01



SST Inspection Visits	Total 2020	Total 2019	Indicator (/ml built) 2019	Indicator (/ml built) 2020	Variation
No. SST Inspection Visits (work)	3236	3,902	0.0074	0.0117	58%
No. SST Inspection Visits (M and O)	609	617	2.35	2.,32	-1.30%

A series of business meetings the different facilities. Likewise, safety and work conditions of are held to coordinate the works, studies are carried out in the each centre. maintenance, and operations of offices to detail the health,



	Total 2020	Total 2019	Indicator (/ml built) 2019	Indicator (/ml built) 2020	Variation
No. of CAE Works Meetings	254	228	0.0004	0.0009	112%
No. of CAE Maintenance and Operation Meetings	96	146	0.5573	0.3664	-34%
No. of Security Plans carried out or updated (Work)	385	414	0.0008	0.0014	77%
No. of EVR performed in office	8	28	1.6471	0.4706	-71%
No. of Office Hygienic Evaluations	5	26	1.53	0.2941	-81%

To guarantee the health and safety of the professionals at all times, Redexis has detailed emergency and self-protection plans in the offices and facilities, which entail periodic drills to ensure the correct operation of these plans at all times, their need for updating, while ensuring that everyone knows how to act at certain times.

	Total 2020
No. of Internal Emergency Plans carried out	13
No. of Self-Protection Plans carried out	28
No. of Explosion Protection Documents issued	9
No. of drills carried out at facilities	29
No. of Office Emergency Plans	11

Training in health and safety matters is key for Redexis, which carries out training activities that awareness about the possible risks matters is key for Redexis, which look to integrate these aspects into the development of their activity, why GEMASST's management the workforce, while raising thus knowing how to detect them.

	Total 2020	Total 2019	Indicator (/employee) 2019	Indicator (/employee) 2020	Variation
No. of training actions carried out	201	122	0.34	0.56	39%
No. of hours of training given	2,423	1,516	4.22	6.69	37%
No. of workers trained	1,303	605	1.69	3.60	114%

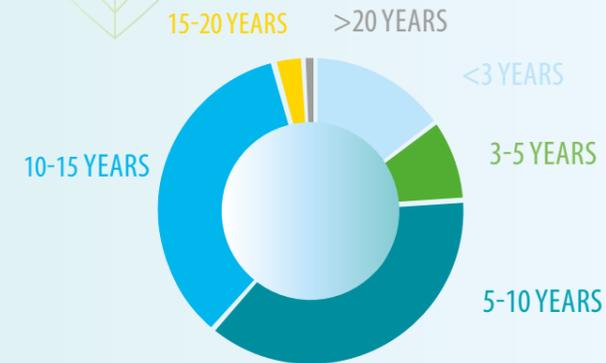
SAFE INFRASTRUCTURES

CARACTERISTICS OF THE NETWORK

The company has a very young distribution and transmission network, where more than 60% of the transmission network has been built in recent years and a significant proportion offer between 2005 and 2008. This means that the company needs

to locate a smaller investment to keep its asset base up to date, while at same time being able to offer magnificent security ratios.

Antiquity of the distribution network:



“REDEXIS DESIGNS, BUILDS AND MAINTAINS ITS OWN ENERGY INFRASTRUCTURES, TO GUARANTEE THE CONTINUITY AND SAFETY OF THE SUPPLY, WHILE PROVIDING A QUALITY, EFFICIENT AND SUSTAINABLE SERVICE”

Transmission gas pipelines are built with steel pipes, a suitable material for this type of infrastructure, capable of operating at high pressures, usually between 45 and 70 bars. In addition, all of them are provided with a highly resistant polyethylene outer coating which, together with active corrosion protection elements, contributes to extending their useful life.

than 10 bars, and of polyethylene for equal or lower operating pressures.

Redexis applies a series of preventive, predictive and continuous improvement actions to its infrastructures in an orderly and systematic manner, as indicated in its asset integrity management plans. These plans, based on risk analysis, are aimed at improving efficiency and maintenance management, increasing the useful life of infrastructures, and significantly reducing the number of interventions needed.

SECURITY OF OUR NETWORKS:

- Built with modern materials and new technologies.
- Adapted to operate at high pressures, normally between 45 and 70 bars.
- High resistance polyethylene outer coating that extends its useful life.
- Preventive, predictive, and continuous improvement actions in an orderly and systematic manner, in accordance with the asset integrity management plans.





For steel networks, Redexis has active protection systems against corrosion. Additionally, Redexis has a remote management system for cathodic protection in its transmission networks, which allows it to control and modulate said protection in a Dispatching mode, becoming a pioneer in the application of these techniques in the sector. The improvement

in construction procedures and techniques carried out by Redexis are proving to be fruitful, thus, with the same investment, more meters of network are being built. Furthermore, the systematic use of highly durable and resistant plastic materials prolongs the useful life of the networks, so we do not anticipate that a long-term asset replacement programme

will be necessary. The acquisition of assets for the distribution of LPG has given Redexis new opportunities to expand its presence in the gas supply market. In addition to the LPG tanks near the points of consumption, piped LPG distribution networks have been acquired and they are being successfully integrated into Redexis' management processes.

NETWORK OPERATION

For Redexis, the maintenance of its gas facilities is essential to achieve a satisfactory level of safety, quality and reliability of service, and to comply with the regulatory requirements and standards of the industry in which it operates.

Redexis has a Control or Dispatching Centre from which the main parameters that define the state of its infrastructures are supervised, such as gas pressure, flow or temperature, as well as remote access to the facilities.

Both the primary and secondary transmission gas pipelines, as well as the individual points of the distribution network, are permanently monitored, which allows actions to be performed to carry out a network operation with an excellent safety level.

NETWORK EXPANSION PROGRAMME

- New Homes**
 New connection points for new housing developments.
- Horizontal Saturation**
 This requires a connection and other individual installations to reach each customer.
- Commercial / Industrial**
 New connection points for industrial or commercial users that are not connected to the network. Redexis internally analyzes each investment opportunity using models and performing a series of tests and studies. Finally, it is the Investment Committee who approves them according to certain investment criteria.
- Vertical Saturation**
 New connection points within a building connected to the Group's distribution network, which requires individual installation in the customer's home.
- Network expansion**
 New connection points in neighbourhoods where there is no distribution network and that require an infrastructure to supply these points.

“ IN 2020, 575 KILOMETERS OF NETWORKS HAVE BEEN BUILT THROUGHOUT THE COUNTRY, WHICH IS 5.1% MORE THAN THE PREVIOUS YEAR. WITH THIS, REDEXIS ALREADY HAS 11,715 KILOMETRES OF GRIDS ”

SECURITY GUARANTEE

The values that Redexis has embraced in its day-to-day life are reflected in the safety, foundation of the Company's operation and the raison d'être of its Control Centre, which carries out tasks guaranteeing the safety of people, facilities and supplies.

With the support of the most advanced technology, this centre

receives real-time information from the main Redexis facilities, which is analysed by specialised personnel on shifts 24 hours a day, detecting any incident and mobilising field response teams, if necessary.

The Control Centre has more than 10,000 signals received from more than 400 installations, 24 hours a day, 7 days a week.

“ CONTROL CENTRE, CONSTANTIN STALLATION SURVEILLANCE ”

SAFETY OF PEOPLE

With the aim of ensuring the safety of all the people involved in the gas chain, whether they are internal personnel, collaborating companies or end users, Redexis has several communication centres.

The Redexis Control Centre has up-to-date information regarding the training of all the people who at any given time require access to the facilities, which allows permanent surveillance of these accesses. All personnel are under the obligation to contact this centre to report their intention to access any facility of the Company, and at that time it should be verified that, due to their training and experience, they are authorised; otherwise, access should be denied.

This Control Centre has numerous technologies to be able to carry out its work in the most efficient way possible:

- The Scada System** allows the instantaneous receipt of the main operating values of the transmission and distribution facilities.

- The Geographical Information System (G.I.S.)** provides graphic and alphanumeric information of the entire company network, allowing its integral management and an immediate reaction to any anomaly.

- The Video surveillance System** permanently checks authorised accesses and possible unwanted intrusions in the facilities.

The Company makes available to all users connected to the distribution networks an Emergency Telephone Service Centre (CAT), with 24x7 services and in permanent contact with the Control Centre, which receives and performs a first classification of emergency services for consumers at their receiving facilities. Likewise, CAT receives any communication from other emergency agencies (police, fire, 112), immediately informing the Control Centre, which manages the resolution of any incident and the security of the facilities.



The response to any incident is included in internal action procedures and protocols. Drills are periodically carried out involving all the Company's resources designated for this type of actions to ensure a better response in the event of a real emergency.

Contact information of both the Telephone Call Centre and the Control Centre are available to all Redexis personnel, both internal and external, who can detect any anomaly in the facilities.

In order to guarantee the safety of all the people involved in the gas chain, Redexis has several communication centers.

SAFETY OF THE FACILITIES AND THE SUPPLY

Redexis distribution networks have three main points of origin:

- Delivery points with the basic transmission network or with distribution networks of other operators.
- Satellite plant of Liquefied Natural Gas (LNG).
- Storages of liquefied petroleum gas (LPG).

LNG satellite plants and LPG storage tanks allow distribution in those municipalities in which, due to their geographical location, it is not feasible to be connected to the existing natural gas transmission and distribution networks.

The SCADA system of the control centre allows the reception in real time of the evolution of the levels of the tanks at the Company's main facilities, together with other operating parameters; thus guaranteeing the correct operation therein.

In order to guarantee the supply to users connected to the aforementioned, Redexis carries an important logistics function through its control centre. During the COVID-19 health alert, the activity was carried out in complete normal circumstances and gas supply was guaranteed in all the cities and municipalities

in which it operates, with a relevant continuous supply to critical infrastructures such as hospitals. The above mentioned include all public hospitals in the Autonomous Community of Aragón and others such as Can Misses Hospital in Ibiza, the Virgen de la Arrixaca University Hospital in Murcia or the Torrecárdenas Hospital in Almería; as well as various health centres and care homes. In addition, extraordinary measures have been taken, such as suspending power cuts due to non-payment during the State of Alert and special measures have been adopted to facilitate supplier support.



Response times*	2020	Incidents received and resolved**	2020
ADEX (Exterior Notices)	31 minutes	ADEX (Exterior Notices)	396 notices
ADI (Interior Notices)	32 minutes	ADI (Interior Notices)	8,678 notices

(*) Response time: Time elapsed between the reception of the service and the arrival of the technician for its resolution.

(**) Incidents received and resolved: Notices received through CAT or directly through the control centre with 112 calls or other emergency means.

SERVICE QUALITY

Redexis works every day to improve the quality of life of its users and customers and to promote the competitiveness of companies which use natural gas. It keeps all of them informed that

it is an innovative, efficient, clean and environmentally friendly energy. All this is possible due to its service vocation where users and clients are at the core of their decisions and operations.

RESIDENTIAL SEGMENT

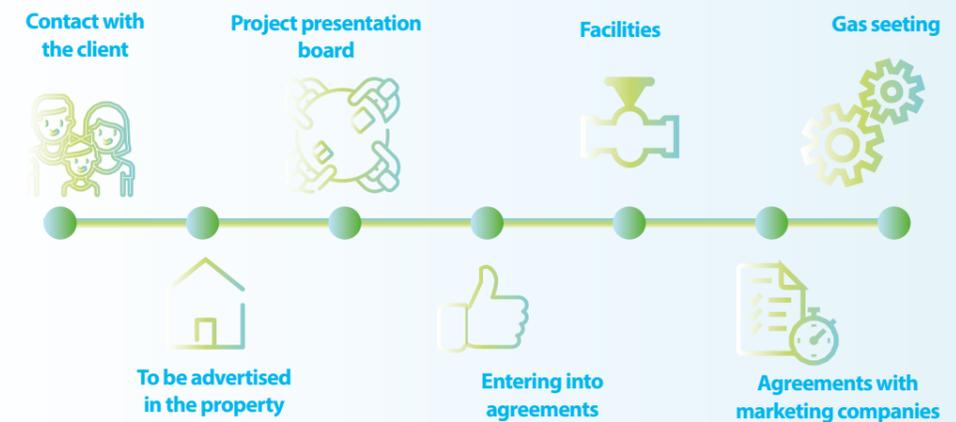
Redexis is committed to responding to the sector's new needs and expectations. Thanks to the investments made in 2020, more than 38,000 new users were connected.

In order to make this clean energy available to users, Redexis has capture channels and artificial intelligence algorithms. The latter improves efficiency and commercial activity for those users who may have greater interest in connecting to natural gas networks.

This increase shows the great interest of families to connect to the natural gas grid as it is economic energy for generating hot water, heating and cooking.

“REDEXIS FOCUSES ON OFFERING CLIENTS AND USERS A SAFE AND QUALITY SERVICE IN ORDER TO SATISFY THEIR NEEDS”

“INVESTMENT, QUALITY OF SERVICE AND CONTINUED ATTENTION ARE THE THREE PILLARS ON WHICH THE COMPANY SUPPORTS ITS RELATIONSHIP WITH THE USERS AND CLIENTS OF ITS INFRASTRUCTURES”



Redexis makes its digital application 'YoLeoGas Multidistribuidora' available to its users to facilitate the gas meter reading, opting for digitization and a firm commitment to customer service, with an easy-to-read gas application.

In 2018, in view of the growing importance in the search for greater reliability, security and convenience for its customers, Redexis developed the electronic invoice in order to facilitate access thereof, improving productivity,

process automation and respect for the environment. Through electronic invoicing, GLP clients can easily access their invoices and contracts, as well as directly contacting Redexis in case of any queries. This process has avoided

Redexis Servicio, S.L.U. is the company dedicated to the unregulated services of Redexis Gas, S.A.

the printing of 485,000 paper invoices.

Additionally, and to comply with the requests of Redexis Servicios, S.L.U. customers, the Company has developed

different digital solutions as a clear commitment to the future and to the way of relating. With a simple model, users can identify their home coverage, their home configuration, budget, and appointment settings.

“REDEXIS HELPS ITS USERS TO IMPROVE ENERGY EFFICIENCY”

TERTIARY AND INDUSTRIAL SEGMENT

Savings, convenience and reduction of emissions arising from the use of natural gas compared to other fuels constitute an important contribution of Redexis to the

tertiary and industrial sector, as well as to public administrations.

In recent years, Redexis has helped various Spanish companies and industries to

be more competitive, allowing savings in the energy bill between 20% and 50% and in their production processes by using gas.

TERTIARY SEGMENT

Redexis strongly promotes the tertiary market, which includes hotels, educational centres, residences, hospitals, hospitality establishments, sports centres, equipment and facilities of the Administration, among others. The cost of natural gas is much lower than the cost of other conventional energies, such as diesel, and the tertiary sector benefits from this, obtaining great savings on their bills.

In all the provincial capitals where Redexis operates, more than 80% of the large energy consumers are connected to the distribution grid, contributing to their competitiveness with considerable cost savings and improved air quality in these cities.

Regarding the tourism industry, Redexis provides hotels the possibility to use more resources

to render higher quality tourist services.

- Access has been given and practically all the hotels have been connected to distribution grids of large chains.
- The connected establishments are saving up to 40% with the introduction of gas.

INDUSTRIAL SECTOR – BASIC INDUSTRY

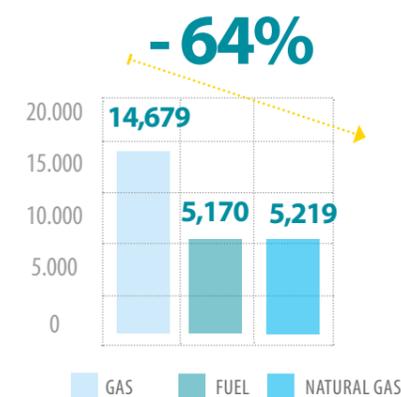
Regarding the industrial sector, Redexis helps various industries to improve their production processes through access to natural gas, a more economical and efficient energy. In Spain, the industry consumes around 25% of the country's final energy and is a fundamental vector for economic growth, competitiveness and job creation.

Redexis helps industries to improve their production processes through access to natural gas, a more economical and more economical and efficient energy.

In the industrial sector, gas is cheaper than other fossil fuels and its use represents significant savings in emissions. Compared to the use of other traditional fossil fuels, the use of natural gas in the industry entails a considerable reduction in emissions; as well as significant financial savings.

Natural gas is the best option for industries that use furnaces or boilers in their production processes, such as the glass, ceramics, and food industries, as well as greenhouses or fertilizer companies.

ENERGY COST M€/YEAR



Source: MITECO, CNMC, Eurostat
Notes: Basic industry consumption: 194 GWh

14,500 t CO₂ eq. per plant

MODEL OF USERS AND CUSTOMERS SERVICE AND SUPPORT

Excellence in customer service is an essential value for Redexis. Therefore, it seeks to achieve maximum efficacy in the operation of its support channels, tools and platforms through a constant innovation and improvement process.

Redexis has a team, organized by sector and territory, with the aim of meeting the needs of users, whether residential, tertiary or industrial, and offering competitive solutions to each of them. In turn, the Company complements its coverage through telephone and internet services.

“IT IS KEY TO STRENGTHEN USERS' NEEDS TO OFFER VALUE-ADDED SERVICES”



- **Customer Service**, telephone number through which users can send queries and suggestions when necessary.

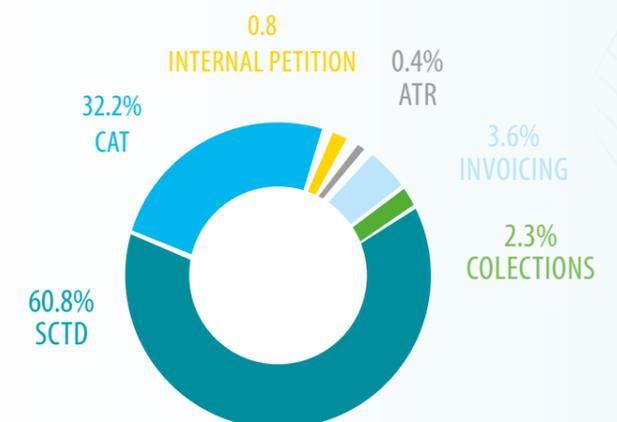
- **Urgent Care Centre (CAT)**, allows Redexis specialists to classify the actions according to the risk or the seriousness of the situation and indicate how to act.

- **Web page: www.redexis.es** Regarding claims, Redexis manages them from three different areas: gas distribution, LPG commercialization and distribution and value added services and boiler rental.

The total volume of claims generated in 2020 was 71,120, with the **monthly average amounting to 5,927 claims**. The monthly average of 2019 was 6,358 claims, and the total volume for that year was 76,293. Of the total claims, **6.58% would be generated as Internal Requests**, claims generated by some fact detected internally but not at the request of the client/marketer.

Regarding the total of claims generated in the year, 32.2% of them came from the CAT, that is, from customers/users directly. 61.17% come directly from the Marketer, through the different channels: SCTD and ATR mailbox.

Total claims in 2020 per user/opening:



SUPPLY CHAIN

Every year, Redexis implements improvement measures to its purchasing management model, to guarantee the maximum possible objectivity in the selection of suppliers and an optimal quality of the contracted services.

Due to the volume of purchases and suppliers, selection processes guaranteeing equal opportunities and free competition are essential. Throughout the supply chain, Redexis seeks to minimise business, technical, environmental, safety and health risks, in addition to those related to working conditions and ethical behavior.

This selection process contemplates everything, from the detection of the needs to the reception of the service, establishing positive discrimination parameters such as the acquisition of energy with a guarantee of renewable origin or the hiring of suppliers that will provide a certificate of a special employment center.

In 2020 a Supplier Approval, Monitoring and Evaluation Policy was developed that aims to describe the approval, monitoring and evaluation process of Redexis' suppliers, contractors and collaborators, as well as to define the criteria and assign responsibilities during this process. Its purpose is to ensure that any third party that supplies goods or services is qualified in accordance with Redexis' standards of transparency and business ethics, health and safety, and quality and environment. This Policy includes a Code of Conduct for Suppliers which includes issues related to:

- Labor Law
- Fight against bribery and corruption
- Confidentiality
- Security and Safety
- Environment
- Compliance with Redexis' Code of Ethics



“REDEXIS TRANSMITS ITS VALUES AND ETHICAL AND RESPONSIBLE COMMITMENTS TO SUPPLIERS”



The company has a Purchasing Policy that encourages competition and the search for added value, taking into account that suppliers and contractors comply with health and safety, environmental and social criteria at all times. For Redexis, working with suppliers that have the same commitments as the company in social and environmental matters is essential to achieve its sustainable development objectives. This is why Redexis carries out an evaluation and control process through which it studies and monitors the suppliers it works with.

To carry out a responsible management of the supply chain, it incorporates occupational health and safety, social and environmental objectives when closing agreements with suppliers. The general contracting conditions include a section on environmental protection and, when the tender is sent, the internal regulation DOC-14 on "Environmental Responsibility and Health and Safety of Suppliers" is always included. Likewise, the approval procedure includes a Supplier

Code of Ethics, where there is an exclusive section dedicated to issues of labor law, the fight against corruption and bribery, health and safety, the environment, etc. For a supplier to work with Redexis, it is essential that they comply with the internal regulation DOC-14.

The Company has a Registry base (RePro, external supplier classification system) for Spain pursuant to Law 9/2017, of November 9, regarding contracting procedures in water, energy, transport and postal services sectors. Redexis relies on said Registry both for the approval of suppliers and for the monitoring of their documentation and certifications. As a result, risks, costs and contract compliance problems are reduced.

In order to verify compliance with the specific requirements defined in the contracting bases, and to find actions that may be corrected, Redexis carries out audits regarding suppliers with the largest number of purchases in different types of activities. Non-Compliance detected in the above-mentioned

audits result in corrective actions to be implemented by the supplier. 14% of suppliers with a business relationship of more than €100,000 were audited by Achilles Repro, with 100% passing it.

Likewise, the Company maintains a strong commitment to economic development in the regions where it operates, by creating employment in service providers and its auxiliary industry, as well as promoting the capacities thereof. In this sense, workshops with suppliers are organised where they are shown the requirements to be approved, as well as the description of the purchase process and specifications.

“REDEXIS PROMOTES MEDIUM-LONG-TERM COMMERCIAL RELATIONSHIPS PROVIDING SUPPLIERS STABILITY AND CONFIDENCE”



During the COVID-19 health crisis, Redexis has created support facilities for suppliers and contractors in order to help them

continue to maintain their activity with financial security and flexibility. So, extraordinary measures have been put created, such as payment

of travel expenses, purchase of material and advance payment for construction processes in order to provide them with liquid assets.

COMMUNITY

Redexis, as an infrastructure operator, plays a fundamental role in the development of the local economies in which it operates.

As a key agent in the Spanish gas sector, it strives to boost

economic activity, business productivity, energy supply security, employment and the improvement of the quality of life of people, businesses and industries, allocating part of the benefits to social investment.

Sustainable development of local economies

- Job creation
- Local purchases
- Local investment
- Local contribution
- Commitment to the environment

Due to the activities carried out, decision-making requires a responsible exercise considering the positions of the affected groups, for which it is essential to enable the participation of

institutions, companies and agents in the sector through dialogue between competitors and the authorities involved. Redexis seeks cooperation agreements in a transparent manner,

disseminating information on natural gas and promoting participation in projects and initiatives promoting the well-being and progress of the communities where it operates.

To facilitate this dialogue and be part of it, Redexis is present and actively collaborates with different fa associations, seeking positions consistent with its vision and disseminating information on the operation of the energy infrastructure system. Thus, the Company takes part in:

- **Sedigas** (Spanish Gas Association)
- **Gasnam** (Sustainable Transport Association)
- **Aragón and Extremadura energy cluster**
- **CONAIF** (National Confederation of Installers and
- **AeH** (Spanish Hydrogen Association Fluids Associations)
- **AEBIG** (Spanish Biogas Association)
- **AEICE**, Efficient Habitat Cluster
- **UNEF** (Spanish Photovoltaic Union)
- **APPA RENOVABLES** (Association of Renewable Energy Companies)
- **FIDE** (Foundation for Research on Law and Business)
- **ACOGEN** (Spanish Association of Cogeneration)
- **ENERCLUB** (Spanish Energy Club)

The company remains in constant dialogue with local institutions and communities in order to identify their needs and interests, as well as collaborating jointly through sponsorship actions and participation in social, environmental, sporting

or cultural projects. Redexis develops sustainable actions in municipalities and involves citizens through informative and interactive activities to promote sustainable and environmentally friendly behavior.

In recent years, Redexis has carried out sponsorship and collaboration actions with different organizations, associations and institutions, demonstrating its commitment to its surroundings and creating value in the areas where it operates.



“ ALL THE PEOPLE AND ORGANISATIONS INTERACTING THERE CONSTITUTE ITS SOCIAL CAPITAL, A FUNDAMENTAL ELEMENT OF THE COMPANY'S SUSTAINABLE PERFORMANCE ”

Fundación Redexis



The Redexis Foundation in its quest to promote technological innovation and the development of social, charitable, welfare, educational or cultural works, has carried out sponsorship actions in line with the needs of the communities in which it operates, and has continued to support the use of clean energy and care for the environment, serving as

an active agent of the energy transition.

The Foundation seeks to promote the development and well-being of existing social groups in the territories where it operates, taking into special consideration the promotion of infrastructures that contribute to sustainable development and a cleaner

economy. Likewise, in 2020 the Foundation's website was launched for all Stakeholders to have access and learn about the actions being carried out: www.fundacion.redexis.es

The Redexis Foundation has three areas of action which it focuses on to be a key actor and work for the benefit of society.



SOCIAL ACTIONS



In the context of the health emergency of COVID-19, which has led to the almost complete paralysis of the country's economic activity, with the consequent loss of wealth and employment for many people and, more importantly, with a high number of deceased and sick people, the Redexis Foundation made itself available to administrations and public bodies from the outset to help alleviate the situation that some of the most vulnerable groups are experiencing.

To this end, the Foundation has opened several help lines, such as the payment of LPG bills

from Redexis clients who were carrying out essential work during the pandemic such as health centers, parishes, etc.

Likewise, after contacting the IFEMA field hospital in Madrid, we heard about the lack of some essential resources necessary for the well-being of patients, such as the absence of individual plugs in the beds. This led the Foundation to donate 2,000 portable batteries or power banks for patients admitted to the field hospital, thus ensuring their emotional well-being and giving them the possibility of being in contact with their loved ones.

In addition, and in response to calls from the autonomous communities and health ministries regarding the imminent collapse of hospitals and health centres and the lack of protective material in them, a total of €50,000 were donated to the Community of Madrid, €25,000 to Aragon and €15,000 to Castilla-La Mancha, entirely for the purchase of pharmaceuticals and protective material for healthcare personnel and affected patients.

These donations are intended to contribute to the provision of medical supplies and medicines to the different hospitals

and health centres in these regions, supporting health professionals in their essential work against the pandemic and also supplying affected patients with the equipment necessary to reduce the spread of the virus. Likewise, a donation of 10,000 euros has been made to the Federation of Food Banks of Spain for the families most affected by this crisis. Through this donation, the purchase and distribution of food was guaranteed among the 54 federated Food Banks that exist throughout Spain, being distributed through 7,216 local and surrounding charities and reaching 1,100,000 people in need of food aid.



HELP LINES

SUCH AS THE PAYMENT OF LPG BILLS belonging to Redexis clients who were carrying out essential work during the pandemic, such as health centres, parishes, etc.

DONATION OF 2,000 PORTABLE BATTERIES OR POWER BANKS FOR USE BY PATIENTS ADMITTED TO THE IFEMA CAMPAIGN HOSPITAL IN MADRID, thus ensuring their emotional well-being and giving them the possibility of being in contact with their loved ones.



Fundación Redexis



DONATION DE 10,000€ TO THE FEDERATION OF FOOD BANKS OF SPAIN for the families most affected by this crisis. Through this donation, the purchase and distribution of food was guaranteed among the 54 federated Food Banks that exist throughout Spain, being distributed through 7,216 local and surrounding charities and reaching 1,100,000 people in need of food aid.



DONATION OF A TOTAL OF 50,000€ TO THE MADRID COMMUNITY, 25,000€ TO ARAGON and of 15,000€ TO CASTILLA LA MANCHA, entirely intended for the purchase of medicines and protective material for healthcare personnel and for patients affected by COVID-19.



CULTURAL ACTIONS

The Redexis Foundation has, among its main lines of action, the development, promotion and advancement of culture. For this reason, the Foundation has signed a collaboration agreement with the Fundación del Teatro Real. Through this collaboration, the Redexis Foundation has contributed throughout 2020, and will continue to do so throughout 2021, with the foundational purposes of the Fundación Teatro Real, which include the programming and management of musical, lyrical and choreographic activities.

The Teatro Real is considered to be the leading institution of the performing and musical arts in Spain, ranking as a national opera of reference and as one of the main Spanish cultural institutions. Due to the difficulties that mobility and capacity restrictions have posed for the cultural sector, which has experienced a particularly difficult year because, in many cases, it has not been able to develop its activity, the support and agreements that companies such as Redexis provide to these institutions has become essential.



Note: Image from previous years, when there were no mobility restrictions or social distancing



OUTREACH ACTIONS: ENERGY AND ENVIRONMENT

One of the main objectives of the Redexis Foundation is to act as the main agent of the energy transition, serving as an informative vehicle to reach society and publicize alternative forms of energy that are more environmentally friendly and less polluting. Within this motivation of being a fundamental active agent in the energy transition and, as a result of this endeavor, it produced its first publication focused on hydrogen: "Hydrogen, key to a sustainable energy model".



This publication, which has been echoed by various associations and the country's media after its launch, aims to publicize the current situation of hydrogen, the related projects that are being carried out and those that will be carried out in the future, the existing regulation in Spain and the position that the different countries are taking.

Likewise, emphasis is placed on the great opportunities that the development of this energy vector would bring to our country, as it has an excellent geographical position for its large-scale production and the technical knowledge necessary to promote it.

Spain could become a top ranking technological leader in

the production and distribution of hydrogen at an international level, as it has the large amounts of sun, water and wind necessary for the production of hydrogen; as well as having some of the pioneering and most advanced energy companies in the world, who have the necessary infrastructure.



COLLABORATIVE ACTION

The Redexis Foundation maintains a strong commitment to promoting and encouraging research, studies and support actions for knowledge, development and application of energy technologies, through collaborations with other entities for the development of initiatives and action programmes. This is why it collaborates with:

- **The Madrid Energy Foundation**, dedicated to promoting the increase and improvement of energy efficiency in the Community of Madrid. The Redexis Foundation is part of the Board of Trustees, as an elected Trustee.
- **The Foundation for the Development of New Hydrogen Technologies of Aragon**, an entity in charge of supporting the development of short, medium, and long-term strategic projects in the field of Hydrogen and fuel cell technologies. The Redexis Foundation is part of the Board of Trustees.

The **actions** that the Fundación Redexis has carried out during 2020 have contributed to the following **DSDGs**:

ODS	1 NO POVERTY	3 GOOD HEALTH AND WELL-BEING	7 AFFORDABLE AND CLEAN ENERGY	17 PARTNERSHIPS FOR THE GOALS
Actions	Donations and aid to vulnerable entities during the COVID-19 crisis.	Donations and aid for the purchase of sanitary and protection material during the pandemic.	Publication of the hydrogen dossier: "Hydrogen, key to a sustainable energy model".	Alliances with the main agents during the COVID-19 crisis and collaboration agreements with reference entities.

REDEXIS COMMITMENT' CHANNEL

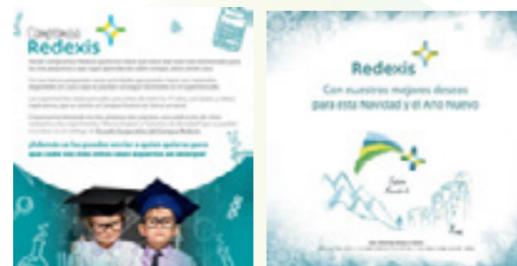
From the Redexis commitment (Compromiso Redexis) communication channel, created to publicize CSR initiatives, volunteering, social action, etc., several actions have been carried out with employees to create a sense of belonging and bring the company closer to people, managed from the Redexis Corporate Responsibility area. Redexis has worked at all times so that each person who makes up Redexis feels in contact with others, with the motto of "even though we are apart, we are closer than ever".

In February, and before the pandemic hit Spain, Redexis Commitment carried out CSR initiatives such as 'Lab Day', held in Madrid. On this day, all the children of employees, under 14 years of age, went to the Redexis facilities

in Madrid and enjoyed workshops and activities related to energy, as well as receiving an educational talk about the company, in addition to checking the operation of a hydrogen powered vehicle model. At the end of the day, the received gifts and a personalized diploma. As it is a non-school day, this activity promoted by Compromiso Redexis allowed the conciliation of employees with their younger minor children.

In April, and to also help with family conciliation when schools and activities were suspended due to the lockdown decreed by the Government, a series of experiments were launched at the "Campus Redexis" so that younger family members could learn while having fun and doing crafts from home.

In November, the First Christmas Children's Drawing Contest "Redexis lights up your Christmas" was launched, divided into three age categories and in which the children of employees could participate with a drawing done with manual techniques. More than 40 designs were received, and the winners received various prizes. In addition, the winning drawing was included in Redexis' 2020 Christmas.



INNOVATION APPLIED TO THE USE OF SUSTAINABLE TECHNOLOGIES

Redexis designs solutions to improve its service, accordance with the objective of promoting the gas industry in Spain and having a significant role in energy transition.

Redexis has the necessary resources to develop and generate new competitive advantages from the technological innovation field to provide safe and quality products and services, helping to create a more sustainable environment.

To respond to the new challenges and opportunities posed by the

surroundings, it has implemented an innovation model that seeks to respond to technological changes in the sector, by encouraging a culture of innovation within the Group, focused on: Main Business, Hydrogen and Renewable Gases, Mobility and Digital.

Redexis has developed several projects aimed at proposing new solutions to engineering challenges and processes related to natural gas, receiving financial and institutional support to develop, among others:

“REDEXIS COMMITTED TO INNOVATION, DEVELOPMENT, SUSTAINABILITY AND CONTRIBUTION TO THE QUALITY OF LIFE OF THE SOCIETY”

“AVANT-GARDE ATTITUDE AND ADAPTATION TO CHANGE”

• **The PID AutoERM project**
Design, development and pilot tests of an energetically autonomous transmission position measurement and regulation station, with financing from CDTI and successfully closed in June 2020. The project was chosen in 2020 among the 101 climate initiatives (#climate community) for being a pioneering project in our country, since it is the first integration of this technology to be carried out in Spain.

• **The CERVERA VÓRTEX project**
Experimental development of a new sustainable reheating system for liquefied natural gas through the Ranque-Hilsch phenomenon, signed with CDTI in 2020 and which was recognised in the Cervera transfer category that

finances projects developed by collaborating companies with State-level Technology Centres in Cervera priority technologies.

Redexis is promoting renewable gas and hydrogen initiatives and injection into the natural gas grid, since:

- Hydrogen constitutes a strategic global energy vector for the decarbonization of the economy.
- They provide a viable solution for energy use with carbon neutral emissions for organic waste.
- They allow the progressive decarbonisation of gas transmission and distribution activities.

Redexis is committed to the development of renewable energies

such as hydrogen, undoubtedly a key energy vector in a context of zero emissions and the natural evolution towards a decarbonised economy.

“REDEXIS, THE DRIVER OF HYDROGEN”

Hydrogen regulation is in a very incipient phase, being a key vector within the framework of the energy transition. Recently, Redexis has joined the most important hydrogen development project in Spain, 'Power to Green Hydrogen Mallorca', a point of reference for initiatives in the field of hydrogen production and distribution and which will allow its supply on the island for industries, hotel plants and transportation.

The most relevant **innovative projects** developed in 2020 include the following:

- **H2020 HIGGS project**, "Hydrogen In Gas Grids: a systematic validation approach at various admixture levels into high pressure grids", which started in 2020 after being chosen in the European call H2020 FCHJU and whose main objective is to fill the knowledge gaps regarding the impact that the different levels of hydrogen could have on the gas infrastructure, its components and its management.
- **AEI ComputameH2 project**, Dynamic Computational Modeling of Methane-Hydrogen Mixtures in natural gas transmission networks, coordinated by the Aragón Hydrogen Foundation and chosen in the call by the AEIs (Innovative Business Groups) of the Ministry of Industry, Commerce and Tourism in 2020.
- **MISIONES OCEANH2 project**, Generation, storage and distribution of offshore green hydrogen, financed by CDTI in the 2019 Misiones Call, which started in 2020. It is an industrial research project for a green hydrogen generation, storage and distribution plant from offshore renewable electricity generation. Here, Redexis will study the different technologies involved in the logistics- technological chain of transport, storage and terrestrial and/or maritime supply that allow the evacuation and supply of hydrogen produced in the high seas and will carry out the corresponding design and integration of optimal solutions.

Redexis is currently in a good position to invest in innovation, thus having a single lever for growth and differentiation. The company has a solid financial profile, with a high investment capacity, which allows the adequate allocation of resources and the possibility of investing in initiatives that can boost demand. Finally, the advances technical knowledge that has been built and maintained over the years translates into a team full of talent, ready to work on the business innovation that Redexis is carrying out.

Redexis focuses its innovation efforts on **3 main axes**:

- **Carrying out activities to optimise and manage** its assets that continuously improve the quality and reliability of gas supply,
- **Providing more efficient products and services** that meet consumer needs in a sustainable way, and
- **Ensuring an adequate level of knowledge in the company** for optimal use of the technological environment.



ARTIFICIAL INTELLIGENCE

Artificial intelligence in grids opens up new possibilities for the creation of value in a myriad of contexts. Using algorithms and advanced analytics, artificial intelligence is capable of revealing relevant information that allows building tools that optimize decision-making time and continuously generate new growth paths.

The company is being more efficient, contributing to greater gasification in the country and reaching a greater number of industries, businesses and homes, which generates greater employment and well-being.

Thus, Redexis provides a higher quality service to the customer, identifying those who are more likely to accept

“REDEXIS IS A PIONEER IN THE DEVELOPMENT AND IMPLEMENTATION OF AI IN NETWORKS”

gas, accurately tracing the deployment of networks for less impact. The application of AI to



their business makes Redexis a Pioneer company in:

- **Commercial expansion:** multiplying by two
- **Grid optimization:** saving 20% investment in grid deployment
- **Optimisation of inspection routes**
- **Early detection** of fraud
- **Predictive management** of network maintenance
- **Risk prevention**

In 2020 Redexis participated in the **Zaragoza Digital Twin project**, Intelligent data as the basis for a Smart City, coordinated by Inkolan, which proposes the creation of a Digital Twin that

addresses the transformation of its data model towards a model based on intelligent data, constituting a virtual replica of the elements and processes that make up the service/utility grids that, combined with other data, will help to plan, manage and design the city and its services.

Likewise, in 2020 Redexis has developed the **first pilot projects in the field of sensorisation and massive data processing**, looking for predictive failure analysis in gas facilities.

The asset management IOT platform Asset Web Monitor

was also implemented for the management of predictive maintenance of assets, with signal acquisition capabilities and sensor operation parameters, monitoring and parameterisation of business rules, alerts and alarms, automate predictive diagnosis, operation and control dashboards; and integration with different Redexis corporate systems (scadas, maintenance applications, ERP...).

Pilot tests have been carried out, monitoring the cathodic protection of the mining basins gas pipeline, the Arenas de San Pedro LNG plant, and the compressor of the Zaragoza taxi cooperative's NGV facility.



Likewise, **implementation models** are being developed in:



- **NGV**
- Monitoring and analysis of the motor/compressor assembly for the early detection of anomalies (preventive "On Condition")
- Monitoring of gas station assets (around 30 SCADA points)



- **LNGTanks:**
- monitoring of LNG tanks for early detection of depressurization



- **Gas pipelines. Cathodic protection**
- monitoring and graphic representation of the health status and trend of remote management equipment and measurement of cathodic protection of gas pipelines (Kt algorithm)



INFORMATION SYSTEMS

In 2020, the Information Systems area focused on providing the Redexis team and its suppliers with the tools and solutions necessary to **guarantee the operation of the business** in a remote work environment and productivity in a context of uncertainty.

All the regulatory actions requested during the state of alarm decreed in March, framed mainly in the processes of home operations and billing, have been carried out successfully and within the established deadlines.

Redexis has continued with the digitization programme in all areas of the company, working with the areas to identify and implement opportunities for improvement and operational efficiency of business processes.

Some of the **improvements implemented** were the following:

- **Implementation of the GDPR consent management application in Salesforce**, from which the management of consents will be centralized for all business processes.
- Implementation of **the advanced treasury project (SAP TRM)** that will provide important efficiency improvements in the area and better management information.
- Implementation of an **application for the compensation of marketers for the management of invoicing and debt**.
- **Automation of the accounts payable process**, through the implementation of SAP VIM, an OCR solution for the automatic receipt of supplier invoices that eliminates the sending of invoices on paper and performs the automatic creation and posting of invoices. It also performs the automatic identification of incidents and the management of their resolution.
- **Implementation of the automatic reception process for recurring orders from the areas and automatic accounting of provisions**, which eliminates recurring service reception tasks, improves the accounts payable

process and the accounting closing information process.

- **Automation in the contracting and invoicing process:**
 - Automation of **the SVA contracting process for LPG supplies**.
 - Automation of **the creation of gas station orders and invoices**, based on the information received from the scadas at the NGV station.
 - **Discount for NG interruption**, massive application to affected supplies.

The **main projects** carried out in the Redexis SSII area include, among others:

- **Cybersecurity:** Incorporation of the OT field (operation technologies) to the annual security audit and the Implementation of new cybersecurity governance, protection, surveillance, and resilience measures:
 - **Resilience improvements in the COVID-19 context:** VPN security, double authentication factor, Office 365 backup implementation, Cyber-Security Awareness Programme launch
 - **Other initiatives:** Launch of MDM platform for managing mobile devices, network segmentation mitigating the spread of viruses by possible malware,
- **Implementation and deployment of IFS** mobility solution in home operations processes, periodic inspections and maintenance operations, which allow digitizing and automating processes with collaborated contracts, improving job management and controlling with real-time information on the status of field operations and eliminating manual tasks and paper documents.
- **Launch of Anidia as a new digital native business line.** Implementation of new digital marketing models and development

Cyber Intelligence for network protection (IT & OT)

of new marketing channels, both digital and traditional (retail, teleweb, teleshopping...). Development of cutting-edge solutions and tools based on the Salesforce ecosystem (Marketing Cloud, DMP, Datorama) that are the technological base for the launch of new future "customer-led" business models, based on data management and analytics, knowledge, and segmentation of customers and buyer-person consumers, digital marketing and machine learning.

- **Robotisation of processes.** In 2020, the robotisation of new business processes has continued.

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SCOPE AND COVERAGE

This Sustainability Report is the third report published by the Redexis Group, which includes both Redexis Gas, S.A. and its subsidiary companies. The information coincides with the financial consolidation cycle and covers the period from 1 January 2020 to 31 December 2020.

The contents of this report are based on the results obtained in the Materiality Analysis,

which puts together the most relevant topics for the Group, and takes into account advanced transparency and corporate communication criteria.

This report reviews and analyses Redexis' activity and results, the vision of its industry, its business model, the company's strategic approach and environmental and social management, as well as its corporate governance policies.

The information contained in this Redexis Sustainability Report, along with the Non-Financial Information Statement (NFIS, for its Spanish acronym) responds to the 2020 Progress Report of the UN Global Compact, and includes work carried out by Redexis to contribute to achieving the United Nations Sustainable Development Goals.

OUR STAKEHOLDERS

As an energy infrastructure and services company, Redexis' primary objective is to offer an excellent service, in order to improve the quality of life of its users and customers, while adding value to the rest of its stakeholders.

The current economic and social reality involves new challenges in the dialogue with stakeholders, and it is important to analyse this relationship as a process of continuous improvement and constantly changing. In this context, Redexis has carried

out a materiality analysis, through which the following stakeholders have been identified: Users and Customers, Employees, Financial Community, Collaborators and Suppliers, Public Administrations and Regulatory Bodies, and Community.



“DEVELOPING A CLIMATE OF TRUST WITH ITS STAKEHOLDERS IS A PRIORITY FOR REDEXIS”

COMMUNICATION CHANNELS WITH STAKEHOLDERS

Stakeholders	Communication channels
Users and Customers	Corporate website (www.redexis.es)
	Fundación Redexis website (https://fundacion.redexis.es/)
	Call Centre (CAT)
	Control Centre
	Falcon Portal for LPG invoices
	Web readings
	“Yo leo gas” (I read gas) App
Employees	Employee portal (Intranet)
	Training platform (Campus Redexis)
	Internal complaints channel
	Compromiso Redexis mailbox (Redexis commitment)
	Prevention of Occupational and Environmental Hazards mailbox
	Fundación Redexis mailbox
	Internal Energy, Environment and Health and Safety at Work Platform (GEMASST) management, with all the information and documentation regarding the internal management system
	Healthy mailbox
	Wellness Platform
	COVID-19 information mailbox
	Equality issues mailbox
	Monthly Newsletter
Financial Community	Corporate website: Investors
	Investors mailbox: investor.relations@redexis.es Personal contact with shareholders, investors, analysts, rating agencies, financial institutions
	Reports and notes regarding the company's activity
Collaborators and Suppliers	Supplier portal proveedores@redexis.es
	Annual conventions
Public administrations and regulatory bodies	RePro (Achilles)
	Personal contact with entities belonging to different areas of regulation, (CNMC, Ministry, regional and local organizations, etc.)
	Reports and notes regarding the company's activity
	Notifications, requirements and responses with different regulatory bodies
Community	Consultations and procedures with various national, regional and local regulatory bodies
	Gasista System (GTS) Technical Manager
	Corporate website (www.redexis.es)
	Corporate communications mailbox comunicacion@redexis.es
	Press releases
	Information meetings (interviews)
	Institutional meetings
	Corporate and institutional events
	Presence in business, sectoral, educational and cultural organizations
	Participation in conferences, forums and seminars
	Sponsorships in the municipalities where the Company operates

ANALYSIS AND MATERIALITY MATRIX

To develop Redexis' strategy, it is essential to identify the stakeholders, also defined as the interested parties and/or affected by an organisation's activity, as well as the most relevant issues to them. For this, Redexis conducted a materiality analysis in the first quarter of 2019, through which its stakeholders were identified and defined, as well as the most relevant issues for these groups.

“THE MATERIALITY ANALYSIS DEVELOPED BY REDEXIS IS FOCUSED ON ISSUES OF AN ECONOMIC, ENVIRONMENTAL AND SOCIAL NATURE THAT ARE RELEVANT TO ITS BUSINESS AND ITS STAKEHOLDERS”

Thanks to this analysis, developed by an international firm, Redexis has been able to establish priorities to act on, and make sure that they are aligned with the expectations of different stakeholders.

The methodology used to carry out the materiality analysis is based on the following process:

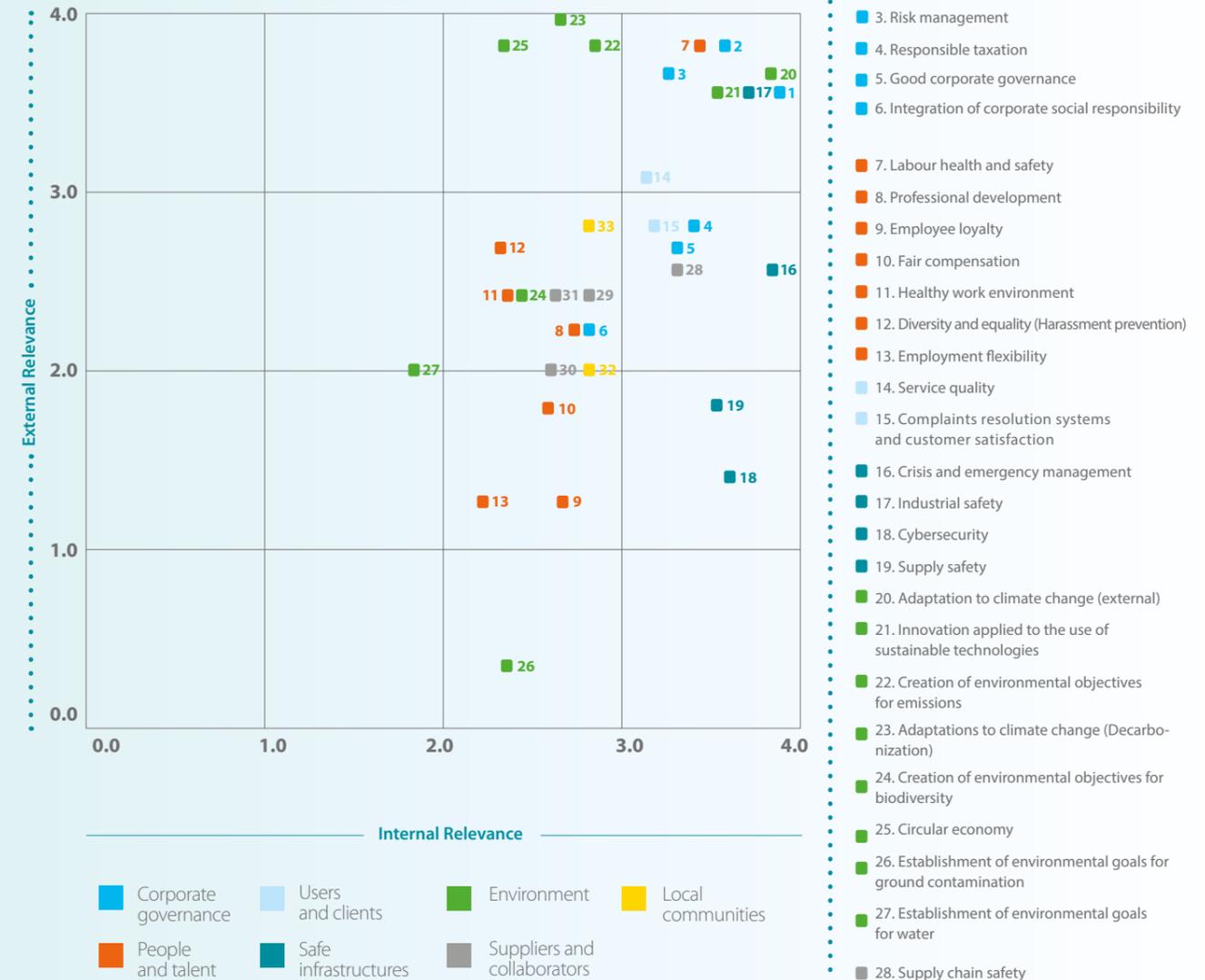


In turn, this process has identified and assessed the relevance of various material issues that allows us to advance in the creation of economic, social and environmental value, and ensure that the current and future needs of stakeholders are met.

“REDEXIS CONSIDERS MATERIAL ISSUES TO BE ALL THOSE THAT CAN HAVE A SUBSTANTIAL INFLUENCE ON STAKEHOLDER ASSESSMENTS AND DECISIONS, CHANGING THE CAPACITY OF SATISFYING THEIR CURRENT NEEDS, WITHOUT COMPROMISING THE FUTURE GENERATIONS”

As a result of the materiality analysis carried out by Redexis, the materiality matrix was obtained, being this a visual representation with the most relevant topics for the Company and its stakeholders:

Materiality matrix



In short, the aim of this report is to assess the performance of Redexis in fundamental aspects such as environmental, social, financial and good corporate governance in an objective manner, focusing on the actions carried out during the fiscal year 2020, responding to the expectations of its stakeholders and advancing in its commitment to create value in the municipalities in which it operates.

CONTACT INFORMATION REDEXIS

REDEXIS

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Readings:
800 76 05 77

Safety and emergencies:

Redexis puts at your disposal an Emergency Service 24 hours, 365 days of the year, to attend to the actions necessary to guarantee your safety and that of your property, carrying out operations to open or close gas installations and emergency actions in the event of any safety incident: gas smell, fire or explosion, as stated in ITC-ICG-01 of the Technical Regulations for the Distribution and Use of Gas Fuels approved by Royal Decree 919/2006.

To report any urgency, please contact Redexis Emergencies at:

900 924 622

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