

ANNUAL REPORT 2018

reganosa



The ENERGY YOUR ENERGY NEEDS

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Letter from the chairman [102-14]

Dear friends,

Every year, when I write these lines introducing the Annual Report, I think about all the actions that have been transforming Reganosa over time. I think about what we have learned and about the capabilities that enable us to be prepared today for the future that we want for our company.

But before we can glimpse this future, we need to be able to imagine it. That is the first step for turning an idea into reality. It has never been as necessary as it is now to expand our thinking in order to successfully face a shared responsibility. We are at an energy crossroads and the sources of energy that we develop today will mark the society and the planet that we will inhabit tomorrow.

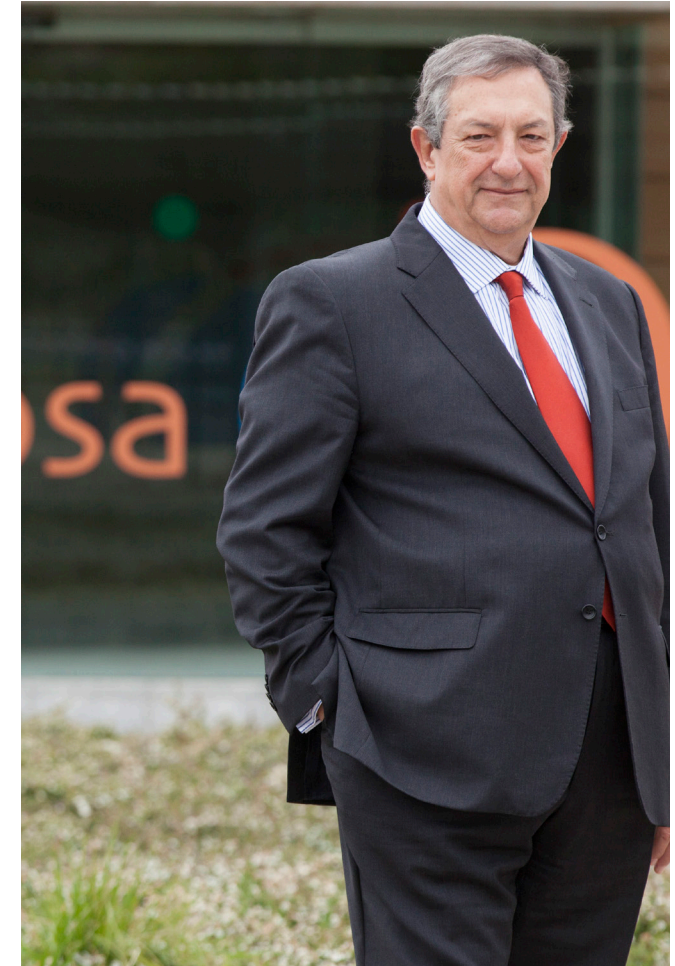
The challenge is clear: develop the energy transition and achieve a model that makes social development compatible with an economically and environmentally sustainable system. And we accept this challenge with conviction. Natural gas is essential for the future, because it is a manageable energy resource with minimal impact on sustainability. The connection between gas and electricity networks will be fundamental for storing energy from renewable sources through technological hybridisation systems. Transmission infrastructure is available to transport hydrogen and handle the challenge of intermittence with zero polluting emissions. In addition, the gas and electricity systems are the only ones that allow the incorporation of renewable energy into the grid, with the gas system making it immediately accessible to the consumer. This offers additional benefits, such as the incorporation of biogas, which will make it possible to create a circular economic process with the primary sector.

Combating climate change will condition the future, and will drive development through the use of new technologies, in which we have to be involved. We are working intensively on the implementation of mobility solutions through the use of LNG as a fuel, which is the most sustainable option today for heavy transport and ship propulsion. After studying the logistics chain for implementing an LNG hub in the north-west of the Iberian peninsula through the Connecting Europe Facility programme, the adaptations needed at the Mugarodos terminal to make this possible will take place in 2019.

There is still a lot to be done. This year we have changed the corporate structure of Reganosa, so that it is now an international company based in Galicia. This has prepared the company to handle its future growth through appropriate treatment of its business lines: management of the transmission system, service provision and investment in energy assets. We will continue working in these areas in accordance with the criteria defined in our Strategic Plan, developing the technology we need and creating alliances. The next financial year will be key to the future development of our company.

On behalf of the Board of Directors that I chair, I would like to thank everyone who is, in one way or another, involved in this task. Thank you for being what drives us onwards and forming part of a project that is growing and aiming to achieve a sustainable future through gas.

José María Paz Goday
Chairman





1. Reganosa, natural gas infrastructure management and operation company

1.1 Business model [102-2] [103-2]

Reganosa is an energy company involved in the development, operation and maintenance of natural gas infrastructure, in accordance with the principles of safety, efficiency and flexibility.

Reganosa's activity is essential to transform the energy model and mitigate the effects of climate change, replacing other, more polluting, sources. The infrastructure that it manages guarantees security of supply through robust supply systems, with a degree of technological development that minimises transformation costs and allows access to energy at competitive prices.

Reganosa operates worldwide and is structured into business lines so that it can act in a responsive and specialist manner:

Transmission system operator - TSO

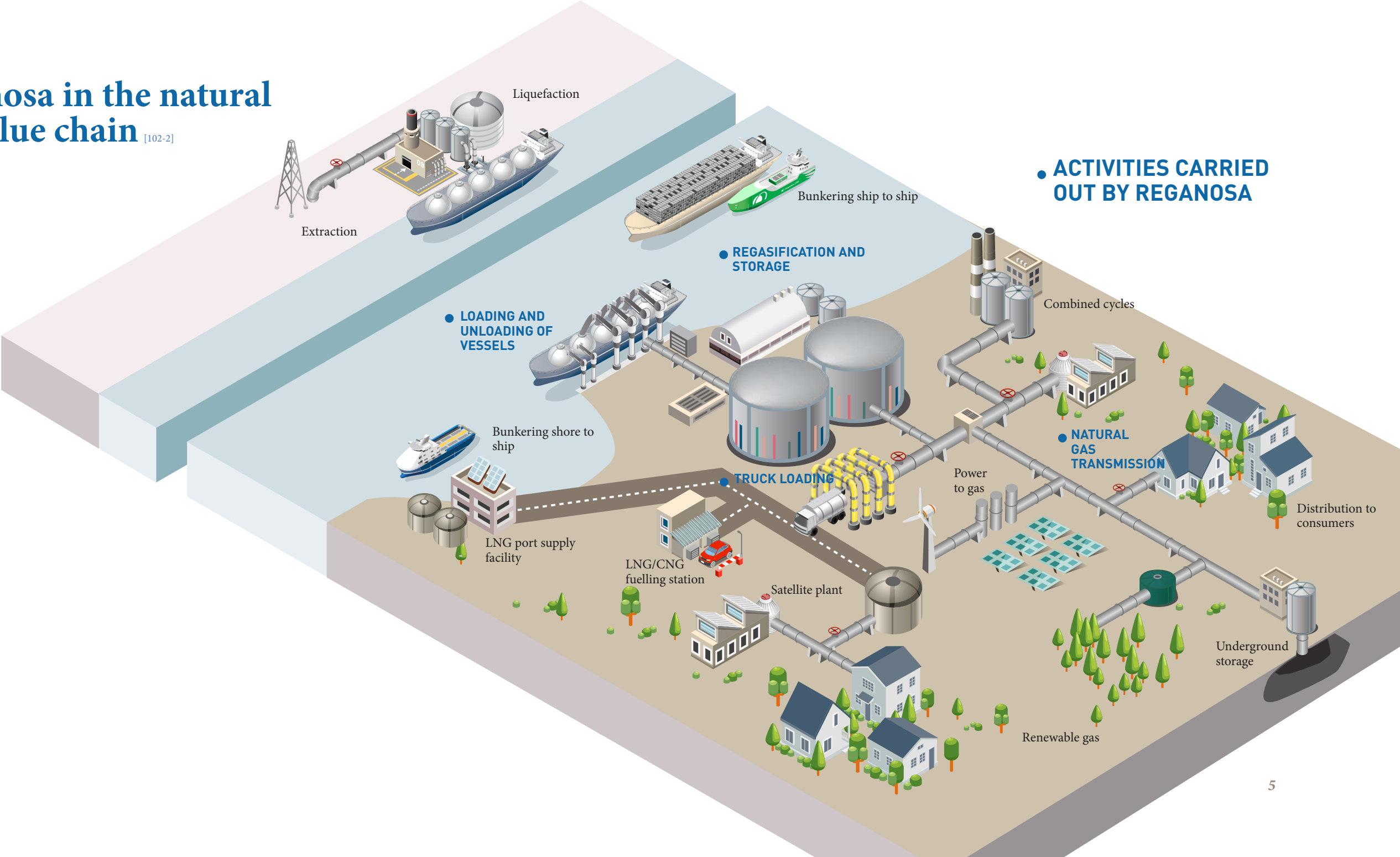
Reganosa is certified as a European transmission system operator (TSO) and manages part of the basic gas pipeline network of the Spanish gas system. Its activity guarantees diversification of supply and the correct operation and development of the transport infrastructure.

The company participates in the organised gas market operator (MIB-GAS, S.A.) to foster the integration of the European single market and encourage the creation of transparent price signals. In 2017, it became a shareholder in MIBGAS DERIVATIVES, S.A., to develop the management instruments for the organised gas market that is not regulated for LNG products.

Reganosa is working with various national and international agents in the sector to create common market tools and standards, develop innovative products and services, and to plan infrastructure requirements. It is a member of the Spanish Gas Association (Sedigas); Gas Infrastructure Europe (GIE) and the European Network of Transmission System Operators for Gas (ENTSOG), which brings together all of the European TSOs to guarantee adequate, coordinated management and technical evolution of the transmission network in Europe. [102-13]

Reganosa creates value through the sustainable management and operation of gas infrastructure, contributing to the economic and social development of territories.

Reganosa in the natural gas value chain [102-2]



Provision of services

Reganosa provides operation and maintenance (O&M), network simulation, engineering, consultancy and training services related to design, construction, commissioning, operation and maintenance activities for regasification plants, gas pipelines and gas network infrastructure.

Our national and international experience in this area of business ranges from conducting feasibility studies to the operation and maintenance of LNG terminals.

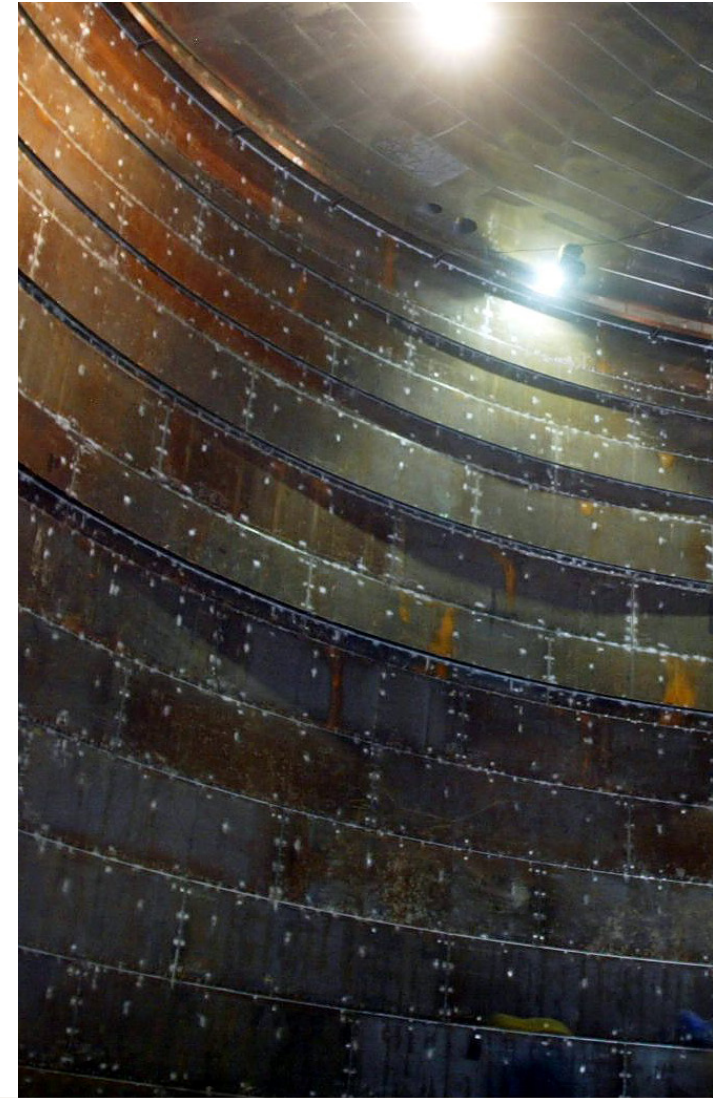
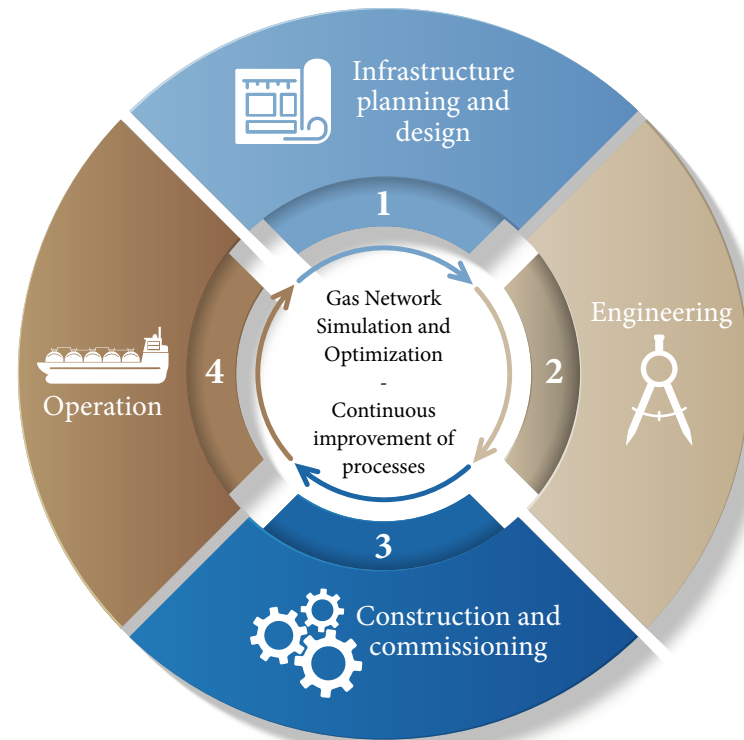
During 2018, the company participated in projects in 7 countries. The natural gas infrastructure line of services accounted for 7.82% of Reganosa's total income.

Energy infrastructure management

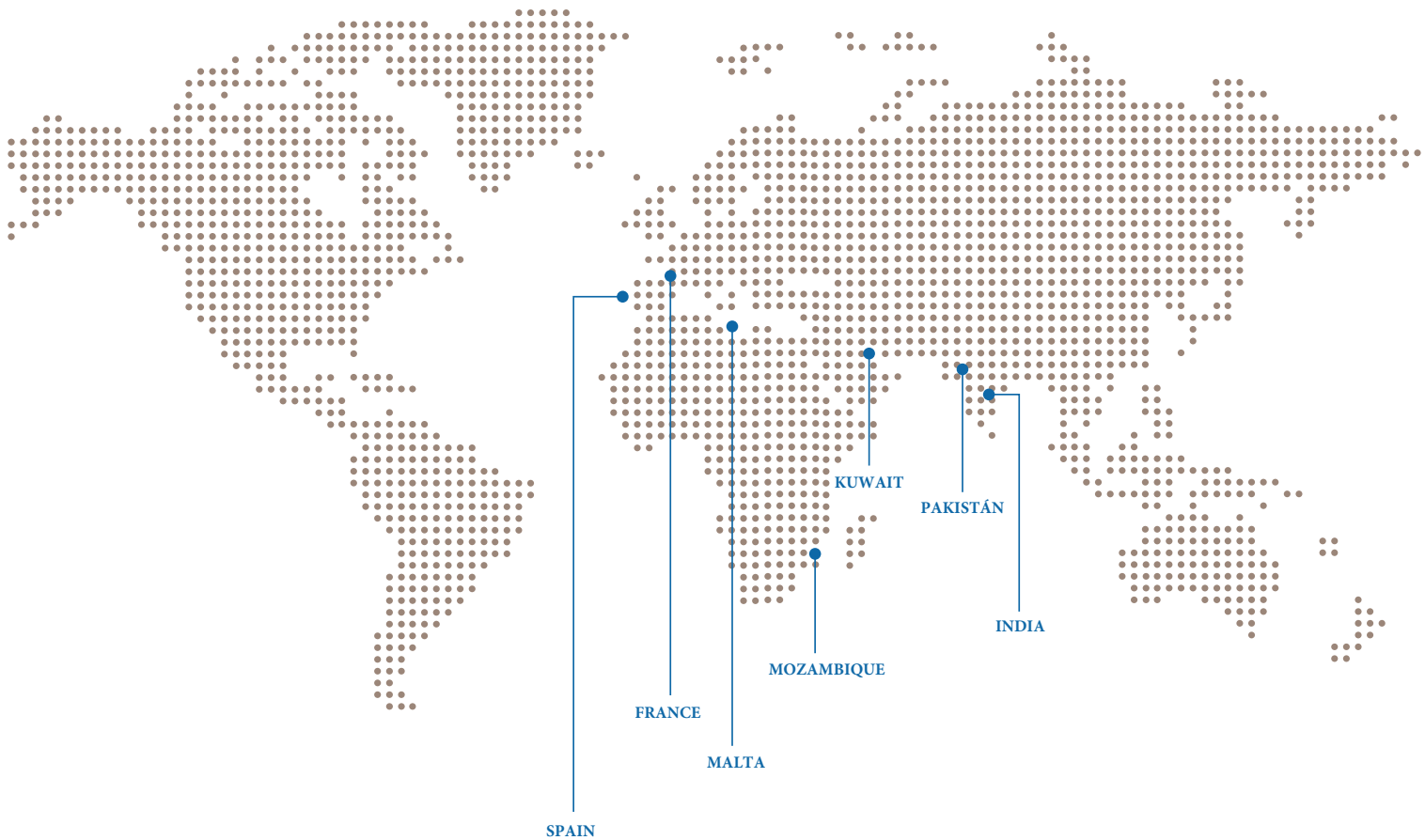
Reganosa manages and develops energy infrastructure. It currently operates two key access points to the natural gas system in Europe; the Mugaros liquefied natural gas terminal in Spain, and the Delimara regasification plant in Malta.

The company is interested in investment opportunities along two fundamental lines: international projects involving strategic partnerships and infrastructure in the European space, to which it can bring its knowledge and experience as an LNG system operator (LSO); and as a TSO, contributing to improving the efficiency and integration of the infrastructure. [\[103-2\]](#)

Reganosa is present in all phases of the natural gas infrastructure life cycle



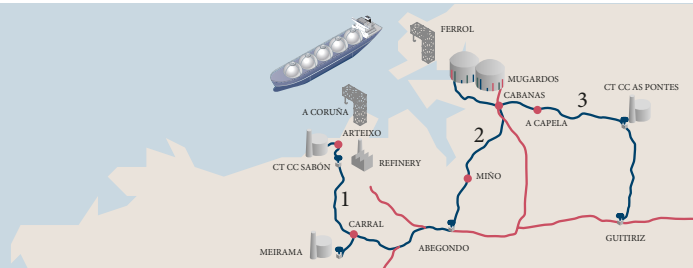
Reganosa worldwide [102-4] [102-6]



SPAIN

Operation of the Mugardos LNG terminal and 130 km of gas pipelines

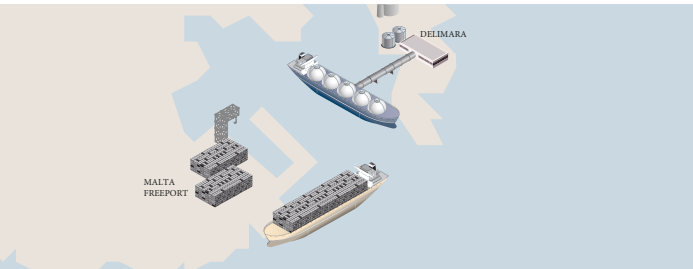
· On-shore, full containment storage. · ORV and SCV vaporisation technology



MALTA

Operation of the Delimara regasification plant

· Storage with FSU - Float Storage Unit · IFV vaporisation technology



NATURAL GAS INFRASTRUCTURE SERVICES

Countries in which the services are provided:

- | | | | |
|----------|--------------|---------|------------|
| · SPAIN | · INDIA | · MALTA | · FRANCE |
| · KUWAIT | · MOZAMBIQUE | | · PAKISTAN |

Our infrastructure in Spain

LSO: Management of the Mugardos LNG terminal

Berth capacity: 15,600 m3 / 266,000 m3 Storage capacity: 300,000 m3 Regasification capacity: 412,800 Nm3/h

TSO: Transmission system operator

ABEGONDO-SABÓN GAS PIPELINE

Length: 44.7 Km Regulation and metering stations: 2 Positions: 6
Design pressure: 80 bar Diameter: 16/10"

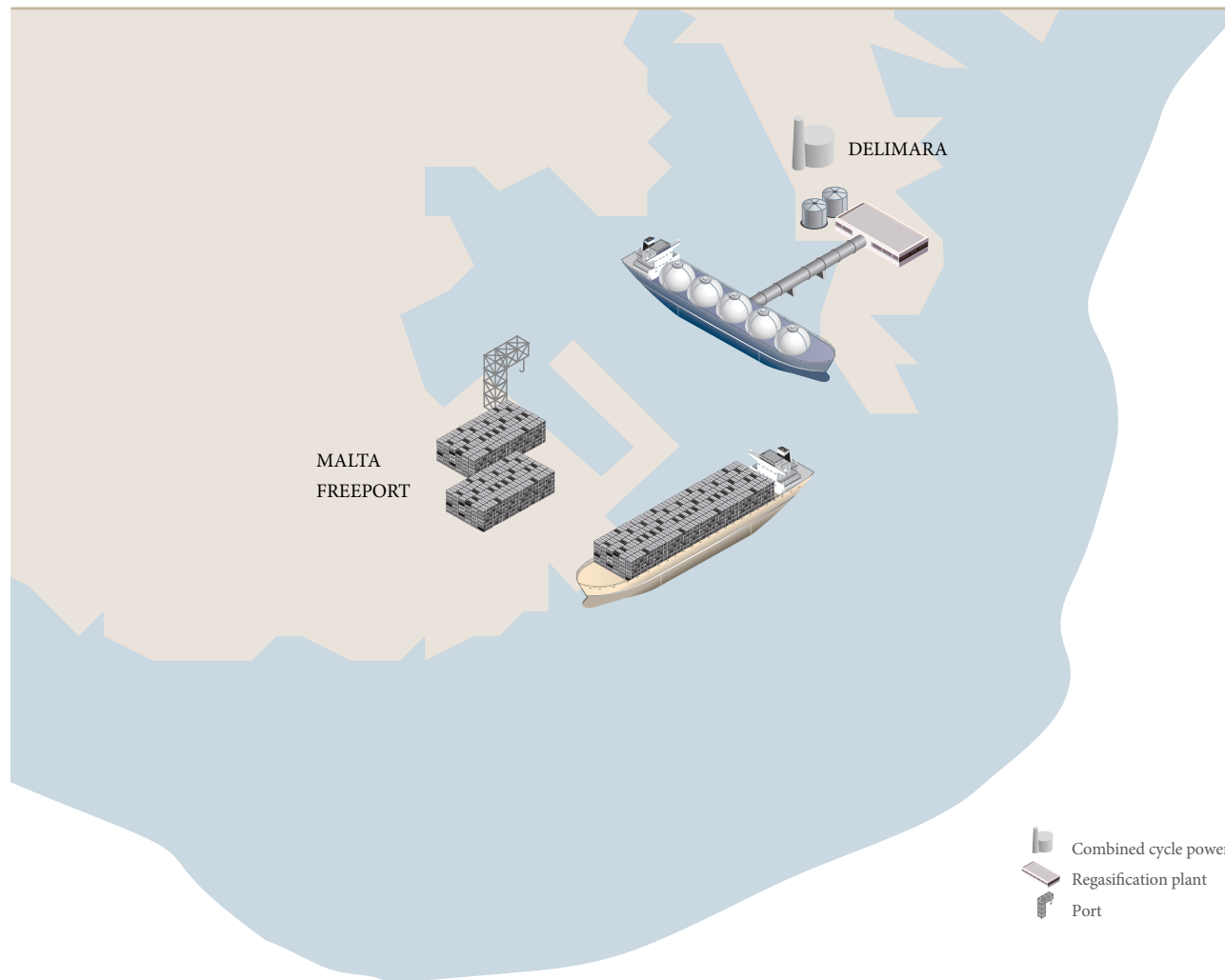
CABANAS-ABEGONDO GAS PIPELINE

Length: 30.4 Km Positions: 1 Design pressure: 80 bar Diameter: 26"

MUGARDOS-AS PONTES-GUITIRIZ GAS PIPELINE

Length: 54.4 Km Regulation and metering stations: 1 Positions: 6
Design pressure: 80 bar Diameter: 30/26/20/16"





The infrastructure we operate in Malta

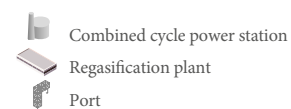
Reganosa operates and maintains the Delimara regasification terminal. This facility is one of only two projects in the world with FSU (Floating Storage Unit) technology, and its commissioning has formed part of a global project to modernise Malta's energy sector.

The Maltese government has implemented an environmental improvement plan that will allow electricity to be generated from natural gas, an energy that is more competitive and sustainable than the heavy oil used previously by the country. The project also includes the LNG terminal, a combined cycle power plant and a generation plant with turbines.

DELIMARA GAS TO POWER PROJECT

Storage capacity: 125,000 m³

Regasification capacity: 0.78 bcm/year



1.2 Services provided by Reganosa ^[102-2] ^[103-2]

The company continuously analyses the gas market and the global context of the sector, in order to develop value-added services for its customers that support the logistical needs of the natural gas market.

Operational services in infrastructure with third-party access

Vessel unloading

The terminal receives LNG carriers with storage capacities of between 15,600 m³ and 266,000 m³, which transport LNG at a temperature of -160°C.

LNG transfer and vessel cooling

At the terminal, the LNG stored in the tanks is transferred and cooling operations are carried out; from filling the gas carrier's tanks with natural gas (gassing up) to the gradual cooling of the tanks to their operating temperature (cool down).

LNG Storage

The provision of services includes usage rights of any necessary operational storage, under the terms laid down in the facilities access regulations.

Regasification

The LNG, stored in the terminal's tanks at -160°C, is transformed into its

gaseous state by increasing its temperature through a physical process. Sea water vaporisers are generally used for this purpose.

Transport of natural gas at high pressure

The gas is transported through transmission networks connecting the LNG terminal to other gas pipelines, qualified consumers connected directly to the network, and distribution networks.

Truck loading

The truck loading service allows gas to be supplied to businesses and industries, and allows domestic consumers in areas with little gas to be supplied through satellite plants connected to the distribution networks.



Successful synergies: Repair cycle

The Port of Ferrol is one of few in the world where a ship can arrive, unload, be repaired, cool down, load up and depart, covering a full repair cycle.

Since 2013, Naturgy, Navantia and Reganosa have developed an agreement to jointly offer comprehensive LNG carrier vessel repair services.

Natural gas infrastructure services

Laboratory analysis

Reganosa's laboratory provides services for the analysis of the composition and properties of natural gas to users of its facilities and external companies and entities, using fully verified equipment. It holds UNE-EN ISO/IEC 17025 accreditation, certifying the suitability of its technical and quality management systems as a testing and calibration laboratory.



Consultancy and project management

Knowledge of the latest technological trends and Reganosa's operational experience are the foundations on which the service provision area for gas assets all over the world is based.



1.3.Management principles

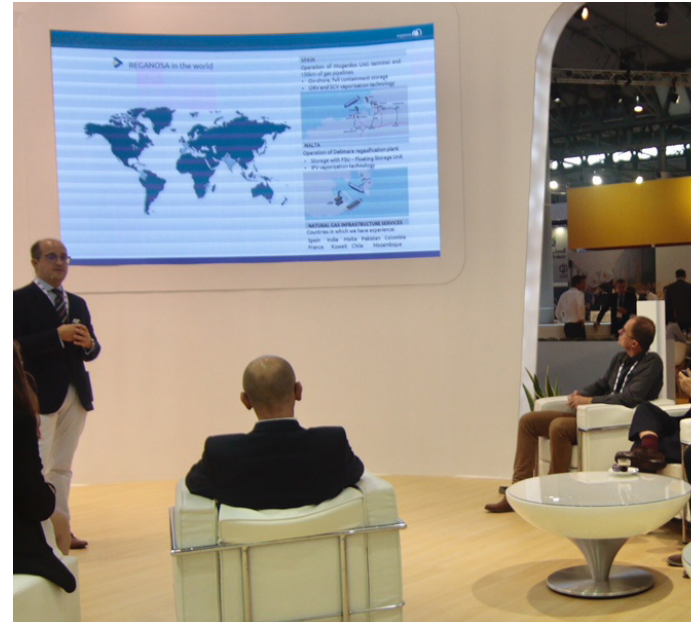
Safety

Global approach and application of the most exhaustive standards.



Operational efficiency

Process optimisation and reduction in consumption.



Flexibility

Constant adaptation to operational requirements and customer needs.



2. Reganosa in 2018 ^[102-7]

Projects under way on **3 continents**

Growth in the service provision business of **9.5%**

€36.54 M of EBITDA

95.68% of performance evaluations for our professionals

99.98% infrastructure availability

€0.28 M invested in social actions





Business [102-7] [103-3]	2016	2017	2018
Vessel unloading (GWh)	13.664	14.794	17.087
Production (GWh)	13.687	14.682	16.105
Gas transported in the gas pipeline network (GWh)	11.902	11.535	11.219
International presence (no. of countries where projects are in progress)	6	7	7

Financial information [201-1] [201-4] [102-7]	2016	2017	2018
Net profit (€)	14.966.275	14.204.778	12.485.458
EBITDA (€)	44.619.285	42.433.433	36.547.096
Dividends (€)	0	0	5.000.000
Investments (€)	466.591	946.512	1.237.000
Net debt (€)	128.325.381	91.485.020	59.873.071
Own funds (€)	133.518.933	147.719.965	137.365.206
Assets (€)	235.065.047	217.312.919	205.381.871
Net Debt/EBITDA ratio	2,88	2,15	1,64
Economic aid granted by Governments (€)	731.610*	59.798**	532.444***

* €496,669 correspond to financial support received from the European Commission under the Connecting Europe Facilities programme for the development of the trans-European transport network.

** Cost subsidies granted by the European Union's EMPIR initiative with the following description: 'Metrological support for LNG and LBG as transport fuel'.

*** €472,886 correspond to financial support received from the European Commission under the Connecting Europe Facilities programme for the "Core LNGGas Hive" project, which aims to develop an LNG supply chain. €46,744 correspond to the European Metrology Programme for Innovation and Research LNG III project.

Safety and environment [OG13]	2016	2017	2018
Safety drills and exercises carried out (no.)	4	12*	16
Investments in environmental improvements (€)	60.500	245.300	259.409
Expenditure for environmental control studies (€)	85.605	109.041	104.240
Internal and external quality and safety audits (no.)	9	14**	9
* 4 in the Mugar dos LNG terminal and 8 in the Malta LNG terminal. ** 6 in the Mugar dos LNG terminal and 8 in the Malta LNG terminal.			

Social action [201-1]	2016	2017	2018
Social expenditure related to the company's EBITDA (%)	0,53	0,52	0,77
Social expenditure related to the company's net profit (%)	1,57	1,56	1.48
Total social investment (€)	235.000	221.210	-
Donations and sponsorship* (€)	122.000,00	186.810,00	289,009.25
Amount assigned to scholarships (€)	58.000	13.400**	11,097**
People participating in activities supported by Reganosa (no.)***	27.162	36.534	39.277
Scholarships and work experience (no. of beneficiaries)	17	11	5

* VAT included.

**The scholarship programme has been replaced with a plan for recruiting new graduates.

***Includes attendees at cultural exhibitions run by Reganosa.





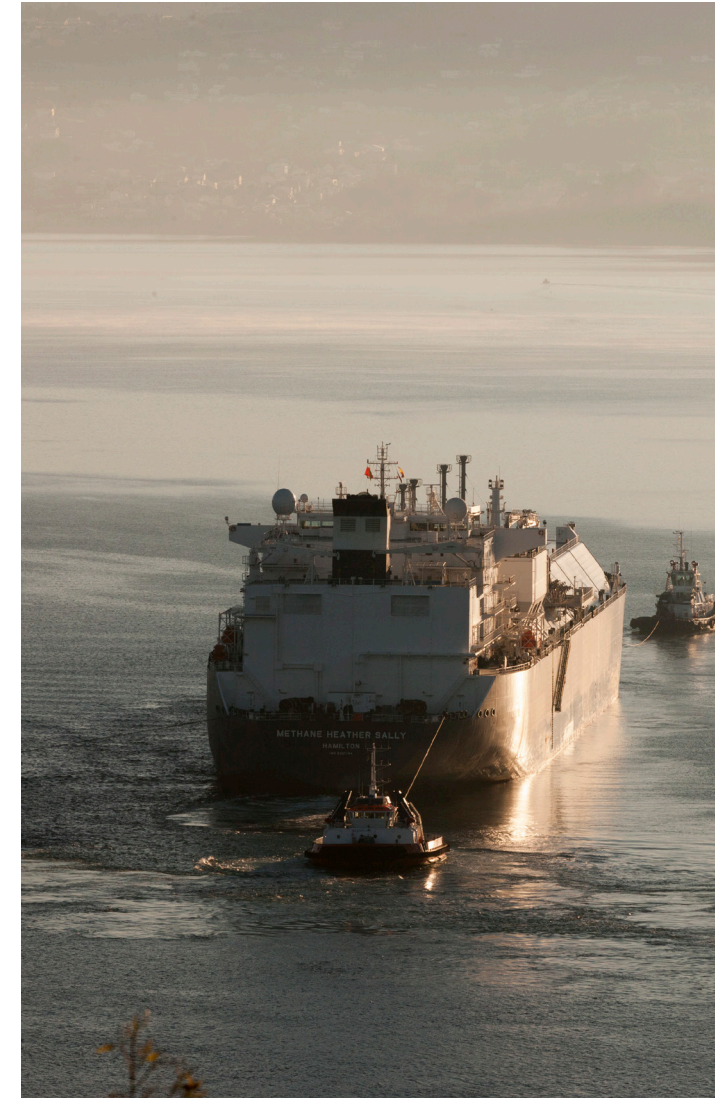
Professional development [102-7] [403-2] [404-1] [404-3]	2016	2017	2018
Employees at 31 December (no.)	98	124	116
Turnover rate	0,03	0,13	0,15
Rate of new employment contracts	0,33	0,37	0,11
Women in management positions (%)	25	25	33
Employees with permanent contracts (%)	71,42	59,68	76,12
Average age of workforce (years)	39,92	37,84	38,71
Professional profiles (% of employees with diplomas and degrees)	55,10	67,74	94,83
Training per employee (hours/employee)	41,79	76,05	36,39

Customers and supply chain [102-44] [308-2]	2016	2017	2018
Reganosa customer satisfaction (%)	75	79	83
Suppliers with contracts registered in the approval database (%)	42	27	39
Suppliers registered in our database with UNE 9001 certification (%)	87	85	88
Suppliers with a negative environmental impact (no.)	0	0	0
Suppliers with a negative environmental impact, with whom improvements have been agreed (%)	0	0	0
Suppliers with a negative environmental impact with whom relationships have been ended (%)	0	0	0

Driver of growth [201-1] [203-2] [204-1]	2016	2017	2018
Generated economic value (€)	58.485.181	60.144.460	56.835.063
Distributed economic value (€)	24.516.132	26.769.837	32.977.175
Percentage of contracted suppliers from Galicia (%)	49,79	45,00	47,00
Percentage of expenditure on suppliers from Galicia (%)	28,77	27,28	26,32
Major industries in Galicia supplied with natural gas (No.)	35	24	42
Financial savings for these companies through switching to natural gas(€)*	27.783.549	30.836.803	41.811.245
Reduction of emissions by these companies through switching to natural gas** (tCO2eq)	34.263,0	35.008,2	42.238,2
Development of natural gas in Galicia*** (gasification index)	9,16	9,95	10,21

*/** Estimated data. It was considered that the fuel consumed prior to the switch to natural gas was diesel.

*** Index estimated based on data on no. of gas customers (source: Sedigas) and population (source: INE).

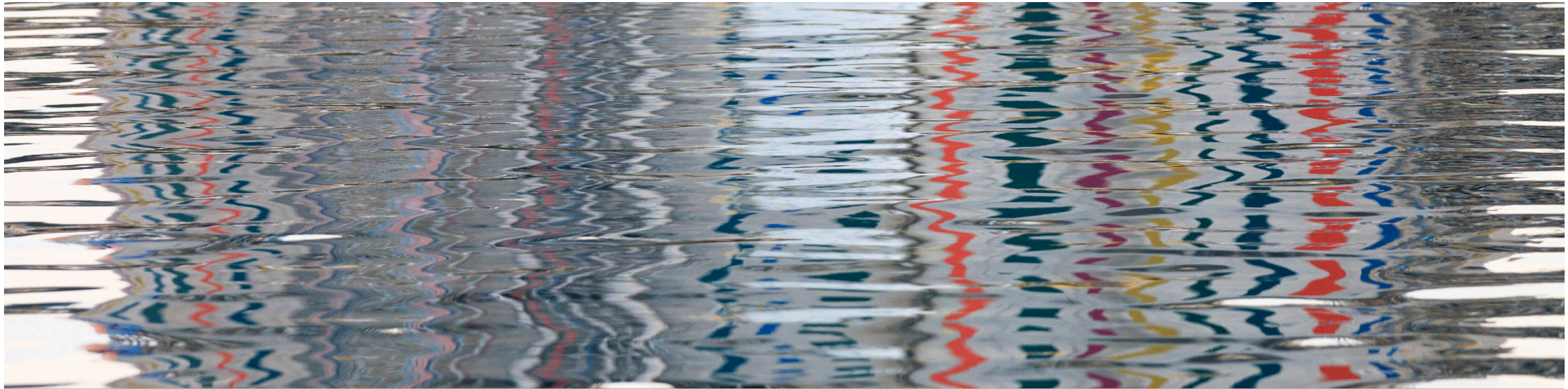




Corporate governance and transparency [102-17] [102-22] [205-3]	2016	2017	2018
Board members at 31 December (no.)	20	20	10
Women on the Board of Directors (%)	5	5	10
Employees who have received the Code of Ethics (%)	100	100	100
Communications received through the Ethics Channel (no.)	2	0	0
Incidents related to corruption (no.)	0	0	0
Stories about Reganosa in the media (no.)	376	229	412
People who have visited the Mugardos terminal (no.)	477	622	550

3. Strategy

Business model







2018 - 2020 Strategic Plan [103-2] [103-3]

Reganosa’s Board of Directors approved the Strategic Plan for the 2018 - 2020 period, which sets out the company’s focus and lines of action for tackling future challenges.

Strategic lines

			
Business as usual As a TSO, many of Reganosa’s objectives focus on optimising the development, operation and maintenance of Spanish and European gas system infrastructure. It adapts its operations to the requirements of the sector and pays particular attention to the monitoring and development of the regulatory framework.	Innovation The company’s priority is to invest in innovation platforms and R&D projects that add value to the current business and continue to provide Reganosa with unique knowledge.	Domestic and international growth Reganosa will continue to participate in projects in domestic and international markets, contributing its experience and knowledge, and will examine new gas asset investment opportunities.	Strategic actions: <ul style="list-style-type: none">• Fostering the development of a safe, efficient and flexible system ready to handle the challenges of the future in planning processes.• Promotion of the development of the infrastructure required to implement an LNG hub in the north-west of the Iberian Peninsula, providing access to a cleaner and more competitive fuel.• Expansion of the business by developing activities related to the design, construction, operation and investment in gas infrastructure, participating in projects in Spain and other growing markets.

Strategic areas

			
Sustainability A fundamental criterion for decision making in the company, ensuring that the business is both environmentally and economically sustainable.	Energy efficiency plan <ul style="list-style-type: none">• Progressive reduction in energy consumption and emissions.• Adoption of technological improvements to minimise measurement uncertainties.	Information systems plan In 2018, Reganosa developed an information systems plan, which has implemented improvements, platforms and modules that support business processes, human resource management and regulatory and operational information procedures.	Human resources plan <ul style="list-style-type: none">• Hiring of professionals to perform the actions included in the 2018 - 2020 Strategic Plan.• Training and career plan.

Progress made with achieving our strategic goals

1. BUSINESS

Corporate restructuring of the group with the aim of specialising the company by business lines and facing future changes and growth.

Collaboration with the rest of the TSOs in European energy planning.

The consortium formed by EBRD, Transgaz and Reganosa presented a competitive offer in the final phase of the privatisation process for the DESFA project, obtaining financing in Greece for €320 M.

Provision of engineering services in Kuwait to support the construction and start-up of the largest construction project for an LNG terminal in the world.

Participation in the Gastech Organising Consortium 2018.

2019 Goals

Maintain excellence and efficiency as a plant operator and TSO.

Continue providing services based on the capabilities and experience of Reganosa as a source of know-how and research.

Analysis of possible investments in energy assets in operation and projects.

Develop the asset investment plan in accordance with budget forecasts and within the established period.

Promote the use of LNG as a fuel and encourage greater use of infrastructure.

2. RESOURCES

Development of the Human Resources Plan, incorporating new management tools and the 360° evaluation system.

Development of the information systems plan. First implementation of SAP Hana 4 in the energy sector in Spain, simplifying processes and allowing agile incorporation of new companies and projects at very low cost.

The human resources plan provides for a personalised development plan for the company's professionals.

Investment in technological innovation, processes and the business model, to develop the key projects defined in the Strategic Plan.

3. SUSTAINABLE MANAGEMENT

Analysis of the carbon footprint of our activities in Spain.

Contribute to cultural and educational development, through our social action plan.

Maintain rigour in the company's activities and protect the safety of people and the environment.

Continue providing support to the social and economic environment in which Reganosa operates.



4. Operating environment, risks and opportunities

4.1. Operating environment and business perspectives

The future of energy and changes in demand

The global energy system is undergoing a profound transformation. The agreements reached by governments at COP 21 and since embodied in national regulations, together with technological advances, have accelerated the transition towards a more efficient and environmentally sustainable model.

The reduction of dependence on carbon-based fuels, the penetration of renewables and the globalisation of the natural gas markets are the main transformations in the global energy context. The electrification of the economy will be underpinned by renewable energies (which are expected to increase to over 40% by 2040) and natural gas, as the only source of energy that can ensure supply without involving a high cost to the environment. In this regard, the European Union has signed important climate and energy commitments for 2020 and 2030.

The World Energy Outlook 2018 points to Asia and China as the main consumers of natural gas. Global demand increased by 4.7% in 2018, due to increased gas usage in the electricity and industrial sectors.

Challenges of the sector ^[102-15]

Energy companies are facing the challenge of providing energy for a growing world population with high consumption expectations, and trying to do so in a sustainable manner while reducing the impact on climate change. Although demand for natural gas is expected to increase over the coming years, sector companies will have to evolve and design strategies to tackle the energy transition challenge, according to criteria of efficiency and economic sustainability.

Transition to a low carbon economy ^{[103-2] [102-11] [201-2]}

Natural gas will play a crucial role in the future energy model, as it is an abundantly available resource and helps to minimise the impact on air quality. In particular, natural gas plays the following three major roles, among other minor ones, it:

1. Improves the production processes of companies that switch from other fossil fuels, decreasing emissions;
2. Serves as leverage for the development of hybrid technologies with biogas and hydrogen; and
3. Develops the value chain required to implement LNG as a fuel, achieving a balance between competitiveness and protecting the environment.

Technological progress

Innovation cycles will accelerate over the coming years. Energy companies will benefit from having more efficient and secure technology (e.g. digitalisation of networks, measurement improvements and models for forecasting demand), which will lead to cost savings in all of the activities in the value chain. There will also be an influence on renewable energy generation, facilitating its development.

4.2 Risk management [103-2] [103-3] [102-29] [102-30]

Reganosa has an integral key risk management method in its areas of activity. In this way, it ensures that its strategic goals and actions are achieved within a framework of certainty.

The risk control mechanism is based on two fundamental cornerstones; the creation of rigorous activity procedures and the organisational model.

Internal regulations:

Reganosa has developed a set of internal regulations to ensure that risks are dealt with adequately, to guarantee compliance with the regulations in force in different management areas and to mitigate possible adverse effects. These regulations, including manuals, policies, procedures and instructions, among other documents, together with current operational processes, guarantee the control and efficient segregation of functions in financial, business and regulatory areas.

Main manuals, procedures and policies:

Code of Ethics and Conduct.
Integrated Management System Manual.
Criminal Risk Prevention Manual.
Corruption and Fraud Policy.
Conflict of Interest Policy.
Health, Safety, Environment and Quality Policy.
Procedures for dealing with project risks: operational, legal, tax and occupational contingencies.
Quality, administration and finance procedures, operations control, supplier evaluation and approval, training and IT systems.



The main types of risks associated with the activity and the management and mitigation measures in place in the company are identified below:

Type of risk [102-15] [102-34]	Description of the type of risk	Preventive measures and corrective actions
Regulatory	In Spain, Reganosa operates in a regulated sector, so changes in the regulatory framework could have an impact on its results [103-2]	<p>Fluent communication with regulatory bodies and national and international governments in a collaborative framework.</p> <p>Continuous monitoring of legal amendments approved at any given time and the drafting of regulatory development proposals.</p> <p>Participation in associations, discussion forums and working groups, as well as actively interacting with all other players in the sector.</p> <p>Legal defence of the company's interests in any cases where it is necessary.</p> <p>Design of an energy efficiency plan to allow the operation to be optimised and adequately meet the requirements of the remuneration framework.</p> <p>Addition of new functionalities to the Ganeso gas transmission network simulation software, to allow simulation of the application of a wide range of policies and to plan the development of gas infrastructure in accordance with the principles of efficiency, sustainability and guaranteed supply.</p> <p>Active participation in ENTSG working groups for the development of the regulations and European Network Codes, which will allow the efficient operation and adequate development of the internal natural gas market.</p>
Business	Health, safety and the environment Management in this area must be strict to guarantee that impacts and risks are minimised or eliminated.[102-11]	<p>Implementation and maintenance of integrated quality, environmental and occupational health and safety management system (ISO 9001, OHSAS 18001, ISO 14001 and EMAS).</p> <p>The Occupational Hazards Prevention Plan sets out the preventive actions to be integrated into the entire organisational structure.</p> <p>Preventive activity plans are drawn up each year to establish the measures to be implemented to control, reduce and eliminate risks detected by the periodic risk assessments.</p> <p>Periodic review of the Self-Protection Plan and conducting simulations to establish the effectiveness actions described both in this plan and in the External Emergency Plan.</p> <p>Contracting of an insurance package with companies of recognised prestige and international experience in the energy sector, to cover any contingencies that may arise.</p> <p>Implementation of cyber-security measures in IT systems, segregation of functions and access limitations.</p>
	Market Uncertainty about the evolution of demand can affect the company's results.	<p>Constant monitoring of the behaviour of demand, and participation in initiatives to develop new uses for natural gas.</p> <p>Participation in initiatives to promote the use of liquefied natural gas for mobility.</p> <p>Ongoing analysis of the natural gas market in Europe and the rest of the world, to assess possible impacts on Reganosa's future business.</p>
	Operation This refers to infrastructure risk, such as obsolescence, failures or unavailability.	<p>Development and implementation of procedures and actions according to quality, environmental and prevention criteria (ISO 9001, OHSAS 18001, ISO 14001 and EMAS certifications).</p> <p>Analytical methods validated according to UNE ISO IEC 17025 for determining the composition and physical properties of natural gas and analysis of sulphur compounds.</p> <p>Preventive and predictive review of equipment, according to specific maintenance programmes.</p> <p>Use of the latest natural gas measurement technologies to enable adequate calculation of regasified quantities conveyed by gas pipeline</p> <p>In addition to the preventive actions, the industrial incident management procedure sets out the process methodology for investigating conduct or factors that have led to the occurrence of incidents. Based on the conclusions, specific corrective and preventive measures are implemented and monitored to prevent the repetition of incidents.</p> <p>Establishment of a suppliers approval procedure for contracting services, projects and supplies; the procedure ensures that the best qualified suppliers are selected.</p>
	International projects Geopolitical and operational risks in countries where Reganosa carries out its activity.	<p>Project selection based on a detailed analysis of the customer, country, business model, and margins and risks.</p> <p>Limitation of liability in projects.</p>

Type of risk [102-15] [102-34]	Description of the type of risk	Preventive measures and corrective actions
Financial	Interest rate risk	A policy to hedge this risk, based on keeping fixed interest rates for at least 50% of the debt. Contracting of interest rate hedging systems to protect the business from high interest rate scenarios.
	Cash flow	Maintenance of the necessary liquidity to meeting financial commitments. Maintain a solid balance sheet and adequate lines of financing to ensure solvency to take on projects. Comprehensive monitoring and estimate of the future evolution of the gas sector's deficit in Spain.
	Financing risk in new project development	Fluid relationship with banking entities. Management of financing processes through consultants and specialist personnel.
	Tax	Tax procedures. Advice by tax experts on the taxation criteria for all of the company's operations.
Reputacional	The company's reputation influences its results	Periodic tracking of information about the company in the media and on-line. Issuing press releases and periodic meetings with stakeholders Code of Ethics and Conduct and internal regulations to ensure compliance with legislation and that professionals behave ethically.



5. Mission, corporate vision and values

Mission

We are an energy company that develops and manages natural gas infrastructure with the aim of improving the welfare of society and reducing the impact of climate change.

We guarantee the safety of our environment by implementing the latest technological advances, and we generate value by managing resources efficiently.

Corporate vision

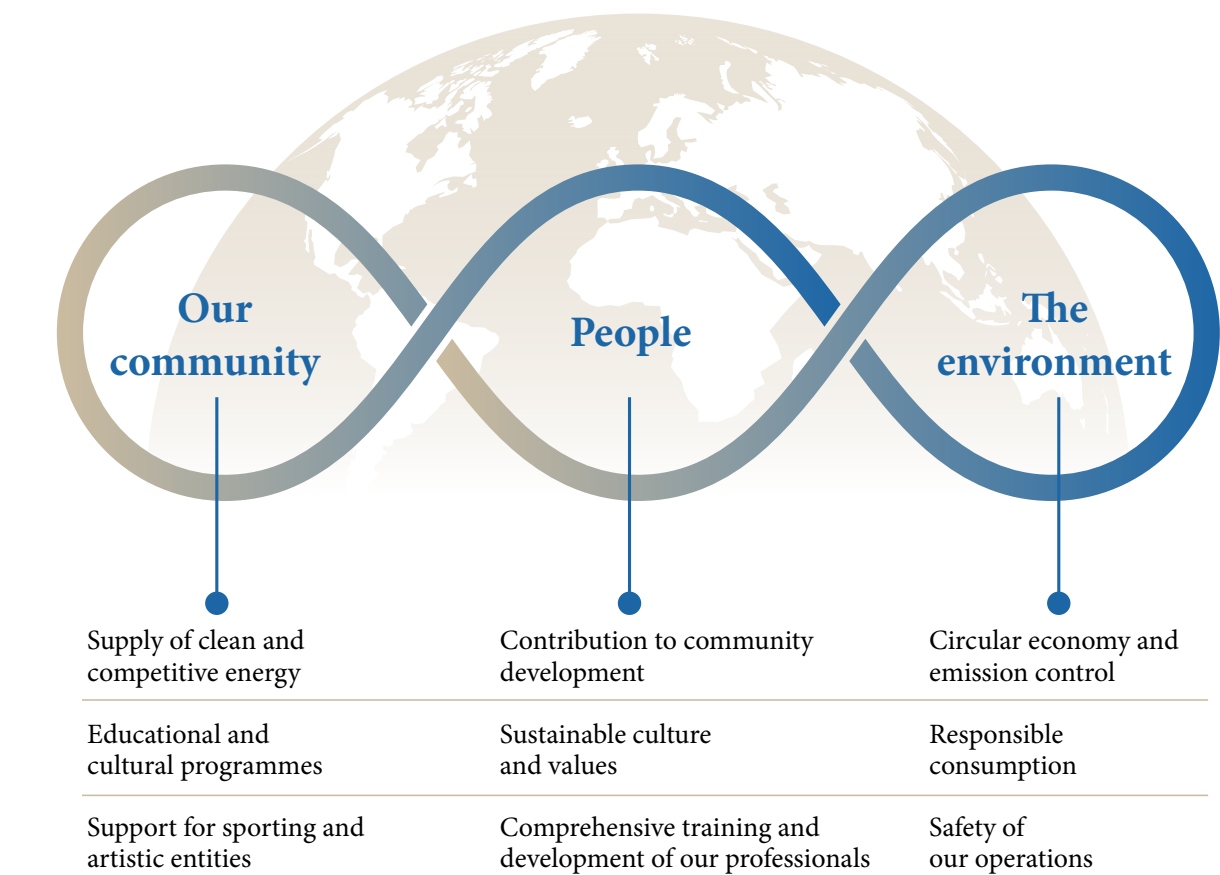
Our goal is to develop and operate natural gas infrastructure using the latest technological innovations and best practices, with the aim of promoting the sustainable development and growth of people and territories, guaranteeing the availability of the necessary energy infrastructure and its safe and efficient management.

Values [102-16]

- Integrity
- Honesty
- Transparency
- Personal effort
- Commitment to the project
- Commitment to safety
- Respect
- Local roots and global projection



Reganosa in the environment



Commitments

- Operate in a safe, efficient and environmentally friendly manner.
- Contribute to security of supply and to the development of the gas system and the European market.
- Create value for shareholders.
- Continue being a driving force for growth in Galicia.
- Invest in the development and well-being of local communities.
- Guarantee good governance and ethical behaviour during operations and relations with stakeholders.
- Train and retain talent.



Corporate culture [\[102-16\]](#) [\[103-2\]](#) [\[103-3\]](#) [\[205-1\]](#)

Ethical Pact

Reganosa’s Code of Ethics and Conduct, approved by the Board of Directors, sets out the values that guide the company’s activities and operations, as well as the behaviour of all of its employees.

The Code of Ethics and Conduct expressly endorses all the principles of the United Nations Global Compact, an initiative joined by Reganosa in 2013. Furthermore, it is based on values developed and promoted by the Board of Directors, designed to achieve the highest standards of professional responsibility and integrity. [\[102-12\]](#)

The objective is to extend good management and governance practices to all group entities, third parties and suppliers who work with the company. The Code can be accessed on the corporate website: www.reganosa.com, and is available in Spanish, English and Galician.

Ethics Committee

Reganosa’s Ethics Committee reports directly to the Board of Directors. It includes a director, the legal counsel to the Board of Directors and board members. According to the Internal Regulations governing its operation, this Committee has the following goals:

Promote the inclusion of professional, ethical and responsible behaviour in Reganosa’s strategy and management.

Safeguard respect and compliance with the principles set out in the Code.

Develop competences related to their binding interpretation and application.

Ethical Channel

An Ethical Channel is available to company stakeholders, accessible from the corporate website, which confidentially handles queries regarding the application of the Code and helps solve questions or concerns about ethical conduct in the workplace or in professional relationships. No requests for information or communications have been received through the Ethical Channel this year. All doubts were resolved during the welcome days for new recruits. [\[102-17\]](#)

Supply chain control [\[412-1\]](#) [\[412-3\]](#)

Reganosa includes a clause in its general contracting terms and conditions that establishes an obligation for all suppliers to respect the principles set out in Reganosa's Code of Ethics and Conduct, and in the United Nations Global Compact. All providers receive the Code of Ethics through the general contracting conditions, in which the source is stated so that it can be consulted. [\[205-1\]](#)

Training

During their welcome day, new recruits receive a copy of the Code of Ethics and Conduct, and training on its principles and tools, to foster a culture of values and encourage ethical behaviour in our day-to-day activities, and to ensure that the entire workforce understands the mechanisms available to them.

Training sessions are organised periodically, when a need is identified by the Ethics Committee, to ensure that all of the professionals are aware of the updates established in the Code of Ethics. [\[205-2\]](#) [\[412-2\]](#)



6. Sustainable management: performance and goals

6.1.Business model

6.1.1 Safety first



Performance in 2018

Improvement plan for IT systems for monitoring quality, health, safety and environmental processes.

Update of the occupational health and safety policy to include needs arising from the development of Reganosa’s lines of activity.

Launch of the “Healthy and Active Company” project.

Development of a simulation plan for the Mugardos and Delimara terminals, to optimise technical action by in-house and contractor personnel in the event of incidents.



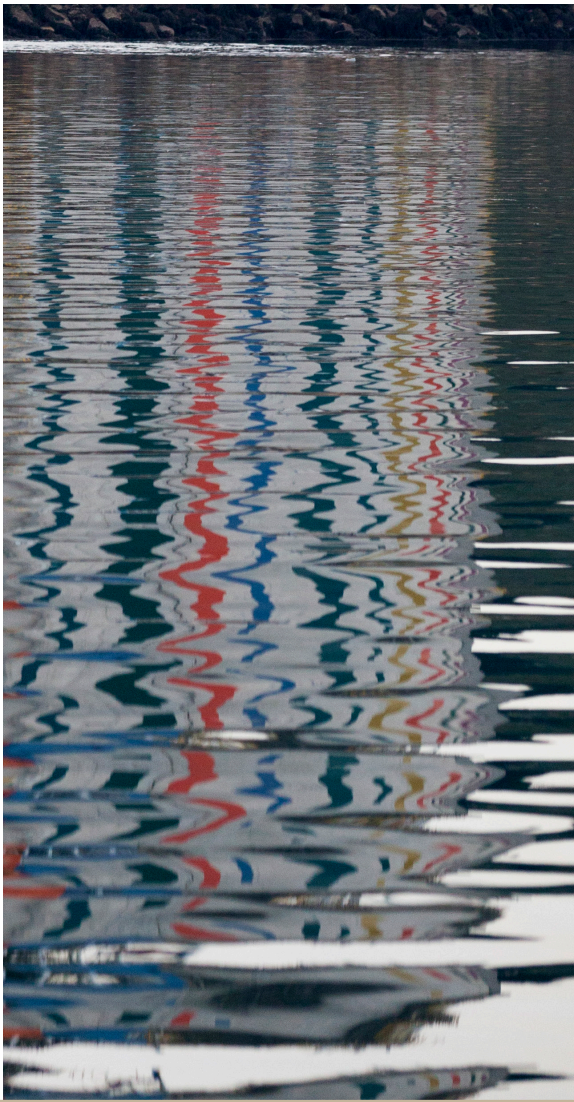
Goals for 2019

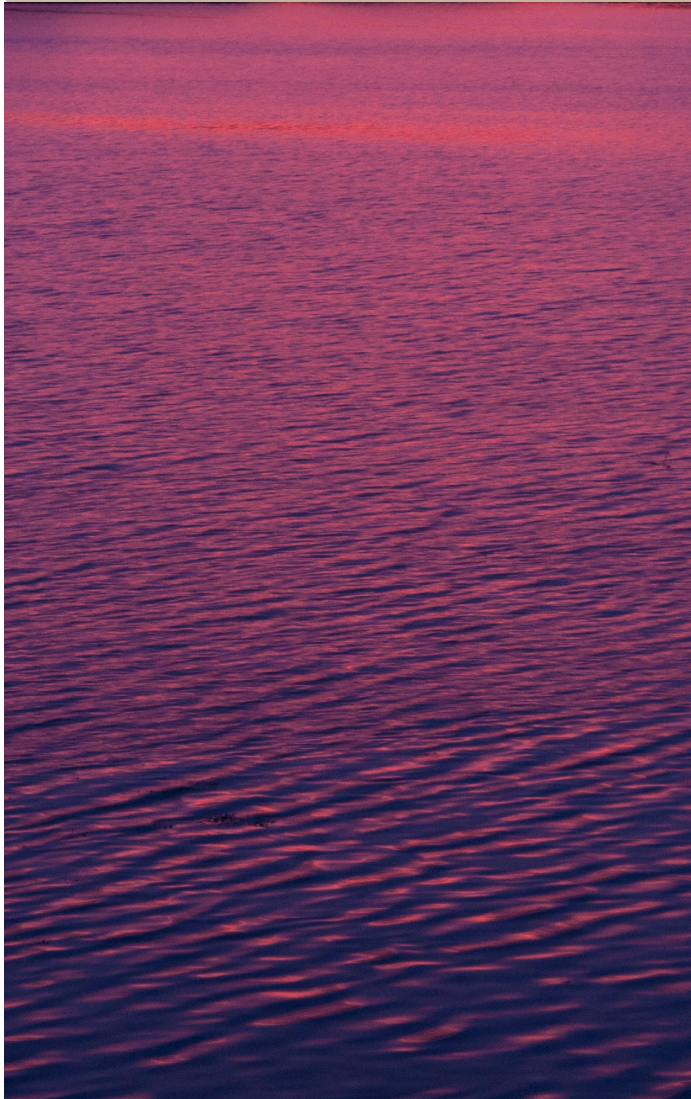
Implementation and certification of the Information Security Management System, according to the ISO 27001 standard.

Inclusion of medical criteria, first aid practices and protocols for action in the event of workplace incidents.

Development of the actions identified in the "Healthy and Active Company" project.

Development of a simulation plan for the Mugardos and Delimara terminals, to optimise technical action by in-house and contractor personnel in the event of incidents.





Safety is one of the company's basic management principles. Reganosa applies the most demanding international standards to each of its activities, and fosters the practices necessary to guarantee the safety of people, its facilities and the environment. [\[103-1\]](#)

Through its Integrated Management System, certified to the OHSAS 18001 standard, among others, the company ensures compliance with health and safety legislation, its integration into the company's general system, a commitment to adapt and make continuous improvements, and risk control through the adoption of any necessary measures to eliminate or minimise risks. [\[416-1\]](#)

As part of the Integrated Management System procedures, Reganosa has developed a safety monitoring and observation method to allow the early detection of occupational and industrial improvement actions. This method includes the organisation's criteria for communicating, analysing and responding to any incidents detected.

Occupational health and safety system [\[103-2\]](#) [\[103-3\]](#)

The Occupational Health and Safety Plans set out the measures to be integrated into operational processes, working conditions and the organisation of activities to ensure control over the risks at all facilities, complying with legislation in force at the locations where Reganosa has a presence.

Reganosa promotes a culture of safety among its contractors, by extending all measures and technical requirements to activities carried out at the facilities of partner companies. Prior to the formalisation of the contractual relationship, and during the course of the contract, the contractors' documentation is reviewed using an IT application; contractors are subsequently given an access course before carrying out their activities.



Our commitment to the health and safety of people and strict compliance with our policies and procedures has allowed us to keep the rate of occupational illness at zero. [\[403-2\]](#)

These figures are also made possible through the efforts made in the areas of training, awareness and safety exercises, aimed both at Reganosa professionals and at external people and companies who carry out activities at the company's facilities.

16 accident simulations at the Mugardos and Delimara terminals, some with the participation of external groups. [\[OG13\]](#)

[403-2]	2016	2017	2018
Total frequency index	10,01	0	4,87
Total severity index	0,09	0	0,07
Absenteeism rate	4,67	3,27	2,17
Company staff frequency rate	8,29	0	0
Company staff severity rate	0,07	0	0
Frequency rate for external workers	12,65	0	13,72
Occupational illness rate	0	0	0
Fatalities	0	0	0

* Frequency rate = no. of accidents with time off x 1,000,000/hours worked.

** Severity rate = no. of days lost x 1000/hours worked.

*** Rate of absenteeism = hours lost/theoretical hours x 100.

Every work centre has its own Health and Safety representative or committee, on which prevention delegates representing the workers sit. The committees meet on a quarterly basis to review the company's occupational health and safety actions. [403-1]

Occupational health [103-2]

Reganosa promotes healthy habits among its professionals, by periodically conducting medical examinations and encouraging participation in health information campaigns and activities.

86.07% of the workforce had medical examinations in 2018.

100% of our infrastructure operators have received first aid training.

Information security

Reganosa has an ICT security policy that aims to develop efficient and secure management of information processed by IT systems. Access to sensitive information is protected through security protocols, logical measures and restricted access. All procedures that are part of the safety regulations are based on the ISO 20000 standard. During 2018, Reganosa began the process of implementing the integrated information security management system in accordance with the ISO 27000 standard.



Facility safety [103-2] [103-3] [OG13]

Reganosa continuously monitors all of its facilities using the most advanced monitoring and control systems. In addition, it provides training on safety and actions to take in an emergency to 100% of external contractors working at its facilities. Similarly, the owners of works or sites over which the gas pipelines run are informed about the characteristics and safety measures that apply to the infrastructure.

All necessary technological adaptations to the facilities undergo a rigorous change management procedure in which needs for quantitative and qualitative risk studies are identified, in accordance with international standards of best practice.

During 2018, Reganosa also conducted 16 drills at the Mugardos and Delimara terminal facilities, as part of its intensive training programme. All of these drills verified the capacity to respond to risk scenarios, or scenarios set out in the Self-protection Plan and in the Port Facility Protection Plan. The police force and the fire service also participated in these drills.

Likewise, personnel from the Ferrol Fire Service make periodic visits to the Mugardos terminal facilities to obtain information, and familiarise themselves with the products that are handled and the fire extinguishing systems that are installed. They also participate in fire training days, along with personnel which forms part of the company intervention team. [413-1]

6.1.2 Caring for the environment



Performance in 2018

- Carbon footprint analysis for our activities in Spain (Scopes 1, 2 and 3).
- Updating of the environmental risk assessment according to the standard established in the environmental risk assessment guidelines for LNG plants, approved by the Ministry of Agriculture, Food and the Environment.
- Maintenance of the plan for monitoring sediments and organisms on the coast close to the Mugardos terminal.
- Ongoing development of the energy efficiency plan through the installation of new equipment and action to reduce consumption.
- Participation in the Climate Change Cluster.



Goals for 2019

- Carbon Footprint analysis for our activities in Spain (Scopes 1, 2 and 3)
- Maintenance of the plan for monitoring sediments and organisms on the coast close to the Mugardos terminal.
- Ongoing development of the energy efficiency plan through the installation of new equipment and action to reduce consumption.
- Participation in the Climate Change Cluster.



[103-2] [103-3]

Reganosa cares for the environment. Our commitment goes beyond respect for environmental legislation. We are concerned about the natural resources that surround us, and we want to contribute to their maintenance and improvement through our actions.

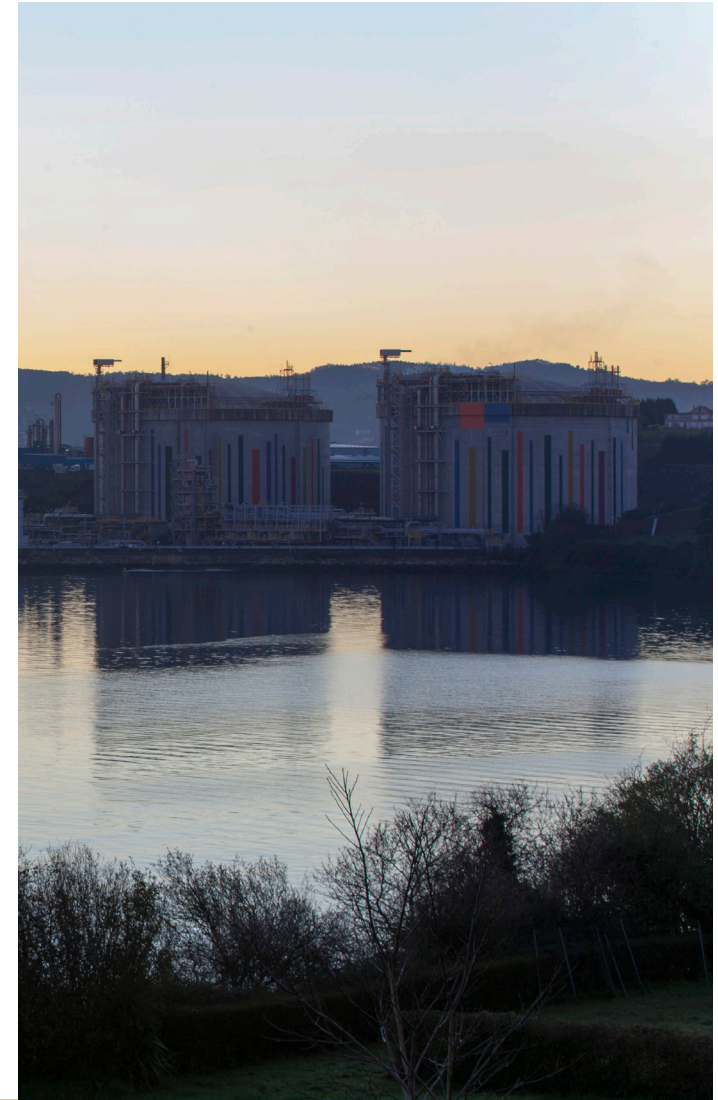
As a result, Reganosa's companies have been certified according to the ISO 14001 international standard and the European Eco-Management and Audit Scheme (EMAS). The implementation of the Integrated Management System in accordance with these standards ensures advanced environmental management, compliance with all regulatory provisions and the systematisation of environmental procedures and guidelines, and enacts the commitment to continuous improvement to prevent and minimise impacts associated with our activity.

The company establishes a control system that includes optional periodic study and procedures, and training activities for the workforce.

Environmental actions are carried out transparently. The company has put in place several communication channels that enable it to respond to requests for information from any parties interested in its activities. In addition, Reganosa publishes an Environmental Statement on its website, which explains performance data and includes specific goals for reducing its emissions and consumption of water, energy and materials, and the optimisation of waste management processes.

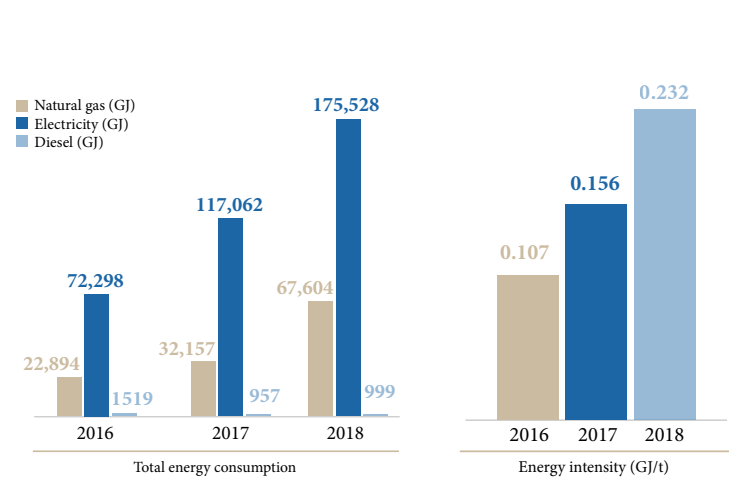
Control of consumption

The company uses resources - energy, water and auxiliary materials - in the activities and services in its facilities. On an annual basis, during audits of the Integrated Management System and EMAS, records of these consumptions are checked and compared with those from previous years to assess the trend, check the efficiency of the processes and establish the goals and measures necessary for the following years.



Energy consumption [302-1] [302-3] [302-4] [302-5] [305-5]

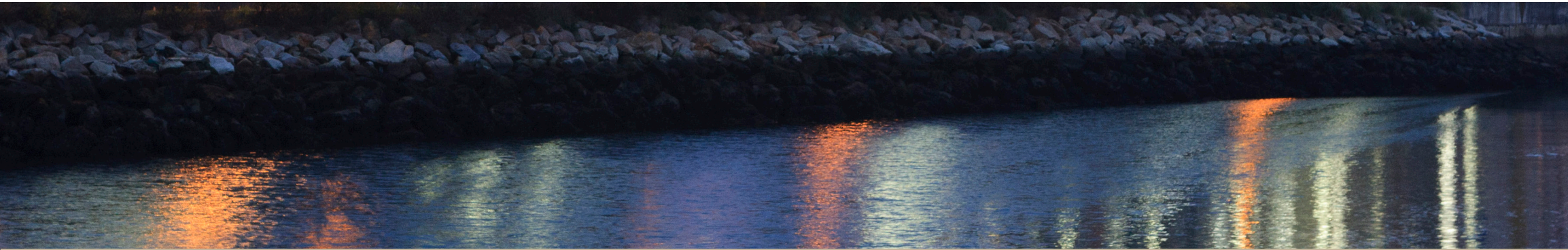
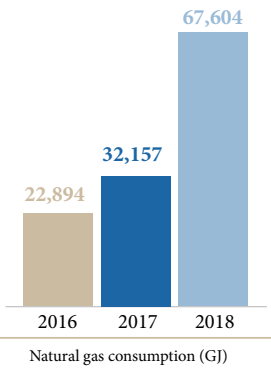
Total energy consumption in the year was 224,131.24 GJ. The Mugardos terminal accounted for 50.95% of the total consumption. The increases in consumption since 2016 are due to the incorporation of figures for the Delimara terminal.



Natural gas

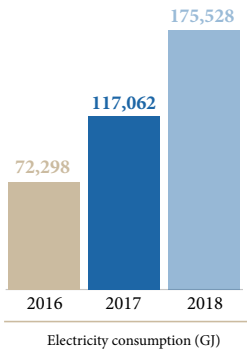
Natural gas consumption in Spain mainly takes place in the submerged combustion vaporiser (SCV) and in the combustor. The SCV is a heat exchanger where the LNG temperature is raised until its gaseous state is reached. It operates at demand peaks and during maintenance periods of other vaporisers. The combustor or ground flare is a piece of equipment where the vapours generated by the evaporation of the LNG that cannot be recovered through the re-liquefier are burnt off.

Natural gas self-consumption during 2018 was 67,604.18 GJ.



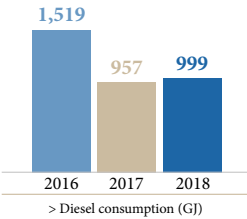
Electricity

Electrical power is mainly used for the operation of LNG terminal equipment, lighting and air conditioning systems. In 2018 total consumption amounted to 175,528 GJ.



Diesel

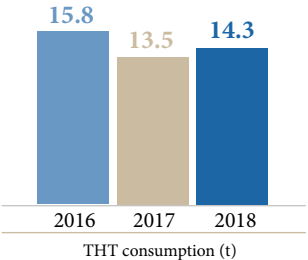
Use of diesel accounted for 0.4 % of total energy consumption in 2018, including fire extinguishing pumps, emergency generators and fuel for the vehicle fleet.



Consumption of materials ^[301-1]

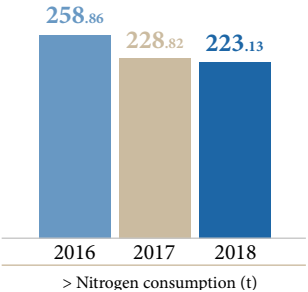
THT (Tetrahydrothiophene)

THT is a compound used as an odorant in the natural gas transmission network for safety reasons. Its concentration in gas pipelines is determined by regulations and its consumption is linked to the regasification that is carried out.



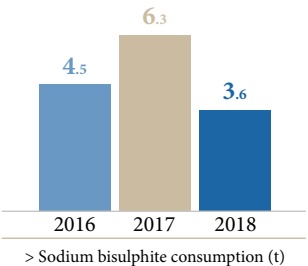
Nitrogen

Nitrogen consumption is related to the inerting of equipment before and after maintenance tasks, as well as the sweeping and emptying of the arms upon completion of LNG loading and unloading operations of ships and tanker trucks at the Mugardos terminal. In 2017 there was a decrease in its consumption due to the type of services and the maintenance work carried out.



Sodium bisulphite

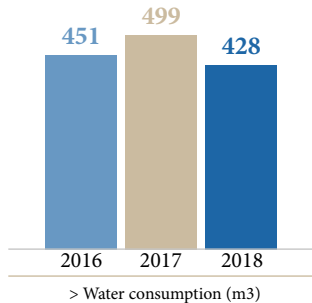
This compound is used at the Mugardos LNG terminal to neutralise the sodium hypochlorite used in the seawater circuit. In turn, sodium hypochlorite is continuously generated in an electrochlorination plant and is used to prevent the development of micro-organisms inside pipes and equipment.



Water consumption ^[303-1] ^[303-2] ^[306-1]

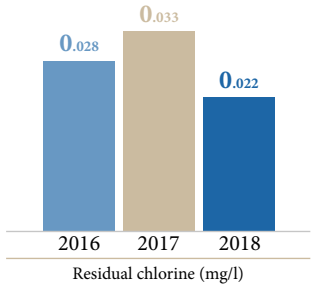
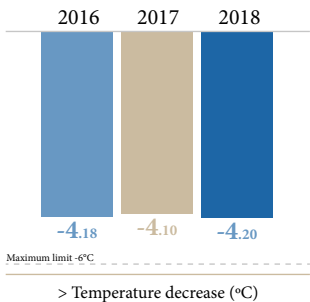
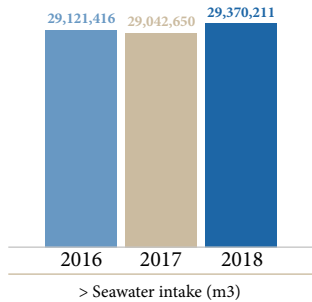
Water for services in the facilities

Water is mainly consumed for industrial and cleaning uses. This also includes sanitary and auxiliary uses.



Sea water

Sea water is used by the Mugardos LNG terminal for regasification processes to increase the temperature of LNG and achieve its liquid to gas phase change. The volume used is returned in its entirety to the marine environment, with a slight temperature decrease. The chlorine and temperature parameters of the water returned to the sea are well below the established limits. ^[304-2]



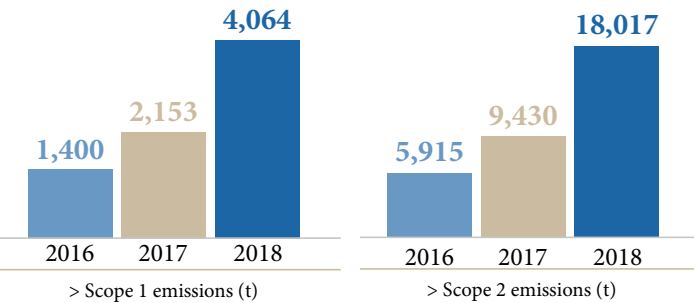
Emissions [103-2] [103-3] [305-1] [305-2]

Greenhouse Gas (GHG) Emissions

Reganosa analyses the carbon footprint of its activities in Spain and performs the annual atmospheric control verifications provided as per Regulation (EU) 601/2012.

Direct emissions (Scope 1 under the GHG Protocol) are generated by the combustion of natural gas for self-consumption, and by the consumption of diesel in auxiliary engines of terminal equipment. Under the GHG Protocol, emissions are calculated based on fixed generation sources, so consumption by the vehicle fleet is not included.

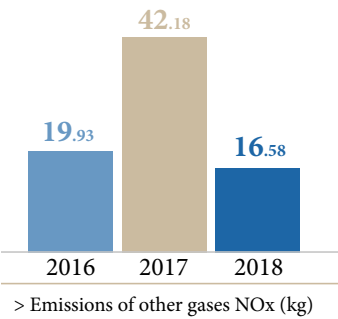
Indirect emissions of greenhouse gases (Scope 2 under the GHG Protocol) correspond to the electricity consumed.



Factores de emisión utilizados para el cálculo: Mugardos: 0,29 kg CO₂/MWh y Malta: 0,382 kg CO₂/MWh

Emissions of other gases [305-7]

In 2018, NOx emissions in the submerged combustion vaporiser at the Mugardos terminal decreased by 60.7%, due to the use of submerged combustion equipment.



Emission rights [305-7]

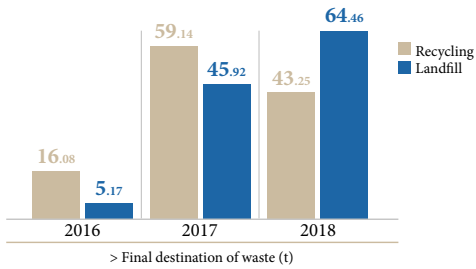
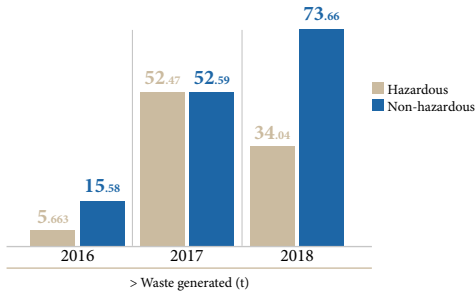
Reganosa purchases long-term emission rights to cover its needs, in addition to the allocation of rights that it acquires from the European Union Emission Trading Scheme. During 2018 it had to purchase 2,526 t of emission rights for the Mugardos terminal.

Waste management [306-2]

Waste generated by the company's activity is very limited, and is mainly due to maintenance and cleaning of facilities and equipment.

In 2017 and 2018, the increase in the volume of hazardous waste generated is due to the removal of lead batteries at the end of their useful lives from equipment at the Mugardos LNG terminal. At the Malta plant, waste mainly comes from cleaning work and the management of the waste water purification system.

Where possible, the company sends the waste that it generates for recycling and reuse. In 2018, 43.25 % of total waste generated was recycled. At the Mugardos LNG terminal, 97.55 % of waste was sent to recovery and recycling processes.



Collaborative initiatives to improve our environmental performance



Best environmental practices agreement, signed between the Port Authority of Ferrol-San Cibrao (APFSC) and Reganosa. [102-12]

An updated version of this Convention was signed in 2018, in which Reganosa undertakes to comply with the stipulations of the Environmental Best Practices Guidelines approved by the Puertos del Estado port authority, and to implement continuous improvement systems for the control of operations and maintenance tasks.

To verify this, an annual monitoring and review process is carried out to compel the company, among other requirements, to maintain the certification of its environmental management system according to the ISO 14.001 international standard and the EMAS Regulations, and to develop its commitment through the execution of environmental investments.

Study of "Periodic monitoring of the evolution of the infralittoral benthic communities in Santa Lucía Bay" performed by the Graña Marine Biology Station, run by the University of Santiago de Compostela. [304-2] [306-5] [OG4]

Since 2006, Reganosa has prepared a two-monthly voluntary study monitoring the composition and structure of infralittoral benthic communities in Santa Lucía Bay.

This analysis allows to monitor the development of these communities. It includes evaluations of the substrate, the amount of organic matter deposited and the hydrodynamic influence of Reganosa's discharge on sedimentation processes. The final analysis of the year was performed in December 2018.

The results show that the discharge affects neither the composition nor the structure of the benthic communities located in the vicinity of the terminal. Furthermore, comparisons of the state of micro-organism systems with historical data (prior to the presence of Reganosa) have also shown that the terminal has had no impact on the marine environment.

Climate Change Cluster [102-13]

Reganosa forms part of the Climate Change Cluster run by Forética. In this Cluster, it works with other leading Spanish companies to share strategies and participate in initiatives that allow the main trends and practices in the fight against climate change to be transposed into the Spanish context.



6.1.3 Work environment [103-2] [103-3] [102-8] [405-1]

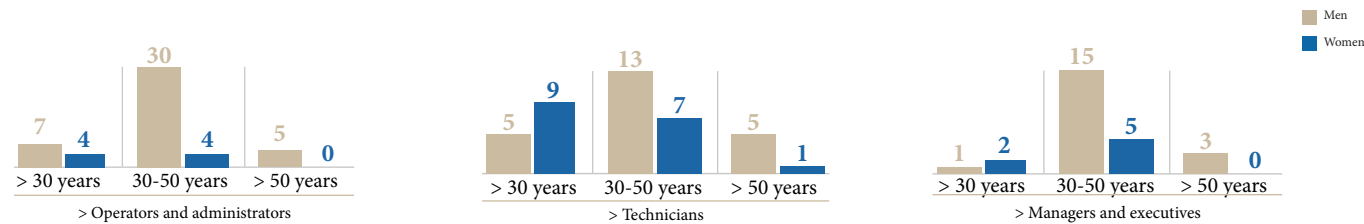
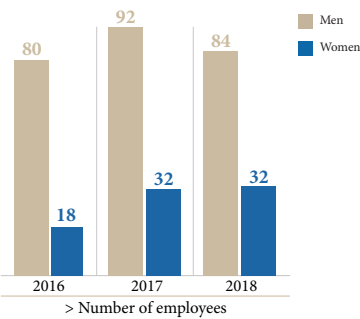
Performance in 2018 and outlook for 2019

In 2018, Reganosa made progress with the implementation of its human resources plan to enhance the capacities of its human capital and meet the needs arising from the company’s growth. The actions carried out included implementation and performance of the 360 degree annual performance evaluation, enabling the adoption of training measures and actions to develop the company’s professional profiles.

During the 2019 financial year, according to the 2018 - 2020 Strategic Plan, Reganosa will continue to develop its comprehensive professional training and career development plan.

Reganosa promotes a working environment based on the fundamental principles of safety, respect for people, equal opportunities, professional development and retention of talent. The average age of the company's workforce is currently 38.71, with 92.24 % being higher and medium level graduates.

Breakdown of the workforce



Social welfare [401-2]

Reganosa offers its employees national and expatriate health insurance, life insurance and retirement insurance. It facilitates the taking of maternity and paternity leave, including the modification and adaptation of working conditions.

It also fosters work-life balance through teleworking and continuous working hours for all personnel.

Training and professional development [103-2] [103-3]

Training plans are a key part of the human resources policy. The aim is to maintain the professionals' high level of training, to update their general and specific knowledge, and to provide them with knowledge that allows them to meet all the needs that may arise in their job. **36.4 hours of training per professional in 2018.**

Reganosa professionals also receive language training throughout the year, attend specialisation courses and have access to Master's programmes.

Competence assessment system [404-3]

The competence-based management system implemented by the company is an effective tool that can give professional career guidance and detect competence and key skills training needs for each job and profile.

95.68 % of the workforce underwent performance assessments in 2018.

The company uses competence-based management techniques in its main people-management processes. This is a management system that allows the identification of the best candidates in our selection processes, by ensuring a better match between the person and the position, professional career development and a fair and effective remuneration system. It also enables the detection of training needs to develop and improve the skills that make it possible to successfully perform the functions required by the position. The first 360 degree performance assessment model was implemented and carried out in 2018. [404-3]

Competence-based management also allows professionals to be promoted based on their merits and abilities. This ensures equal professional development opportunities, eliminating any discrimination based on sex, age, religion and any criteria other than performance.

Equal opportunities

Respect for diversity and prevention of any kind of discrimination in our recruitment processes and throughout the professional careers of our personnel is regulated by the company's Code of Ethics and Conduct.

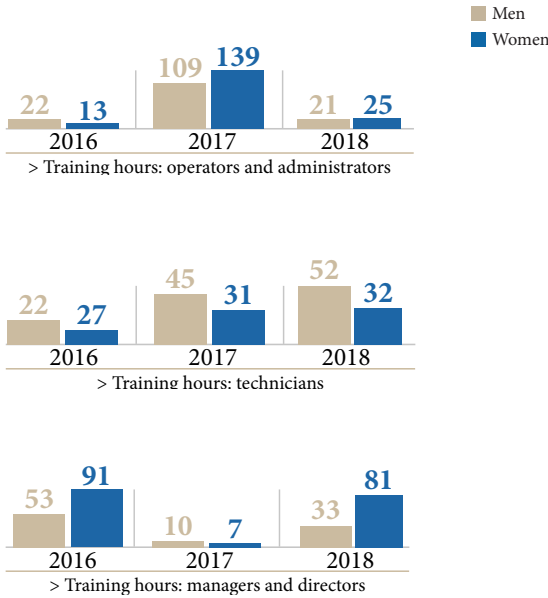
These criteria also extend to our remuneration policy, with the differentiating criteria being merit and level of responsibility within the organisation. Variable remuneration is also linked to the attainment of individual and corporate goals.

The average remuneration of Reganosa's employees is more than double the minimum wage, and salary brackets are in place to ensure internal fairness and competitiveness, fostering the recruitment and retention of talent. [202-1]

Labour agreement

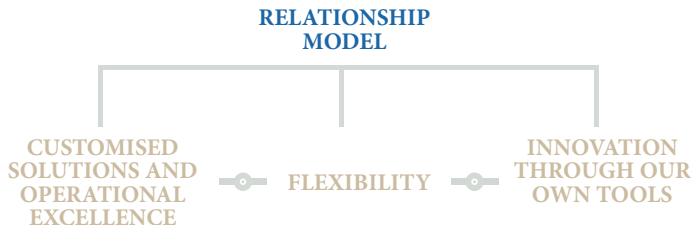
Reganosa has a labour agreement in place, and keeps a communication and collective bargaining channel open with employee representatives. It periodically analyses working conditions and mutual labour concerns. The labour agreement covers 50% of employees in Spain (31.03% of operators and 18.97% of technicians). [102-41]

Professional training hours



6.1.4 Customer focus [103-2] [103-3]

Reganosa maintains a diversified customer portfolio in each business line. Ensuring customer satisfaction and repeat business is a priority established in the Quality Policy, which guides the company's strategic actions.



The company adjusts its services to meet the needs of each customer, and focuses efforts on operational excellence and the continuous improvement of its processes.

The company holds an ISO 9001 certification, which accredits the continuous implementation of the systems and resources necessary to verify and improve the performance and efficiency of all its activities. In addition, ISO 17025 certification has been obtained, which verifies the adoption of the highest quality standards and requirements in the test and calibration laboratories.

Customer types vary depending on the line of business. [102-6]

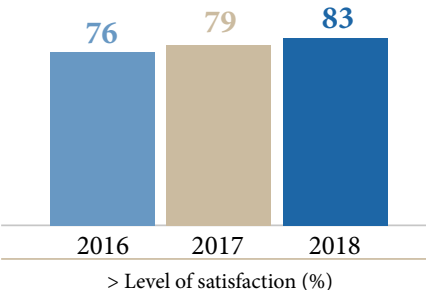
Natural gas infrastructure management

The main customers are the sales companies and direct consumers. Reganosa's laboratory provides services to all types of companies related to the sector.

Customer satisfaction [102-44]

Reganosa periodically runs satisfaction surveys aimed at finding out about customer opinions and necessities relating to the operations and services provided. Based on the answers, aspects for improvement are identified and expectations are compared, allowing the company to adopt new measures and design actions that offer an increasingly satisfactory service.

Reganosa sends satisfaction surveys to all of its infrastructure customers in Spain.



In order to guarantee third party access to the network, Reganosa publishes clear and detailed information about the services that it offers on its website, specifying all necessary technical issues. Furthermore, it uses a tool common to all TSOs (transparency template) to provide information about the management of the company's transmission network.

The capacity contracting procedures are carried out in a simplified and

agile way through a single telematics platform in Spain, managed by the System's Technical Manager.

Provision of services

In 2018, the service provision business had customers distributed across 3 continents. Most of these clients contracted engineering services.

Customers are in constant contact with project managers, to whom any complaints about the service are sent if necessary. When a complaint or claim is received, a quality process is opened and, if applicable, corrective actions are proposed as a response to customer needs. No significant complaints were received through project managers in 2018.

6.1.5 Supply chain management [103-2] [103-3]



Approval

Reganosa has a supplier approval procedure that checks the occupational, environmental, technical, quality and safety performance of suppliers, as well as corporate social responsibility aspects, which verifies their suitability to participate in tendering procedures.

The assessment process takes place through an external database (Repro), which analyses the following supplier characteristics:

- Availability of quality management, safety and environmental systems.
- Compliance with legal requirements.
- Technical capacities and credentials.
- Respect for the United Nations Global Compact and the Universal Declaration of Human Rights.



Selection

Contracts are awarded to suppliers with the highest technical and economic qualifications. The availability of environmental management systems is taken into account during technical assessments.



Assessment

Once contracts are awarded, Reganosa performs assessments based on service level agreements, which measure factors such as service quality and the level of excellence. If any incidents are detected, corrective actions are proposed and a manager is assigned to ensure that the proposed measures are implemented.

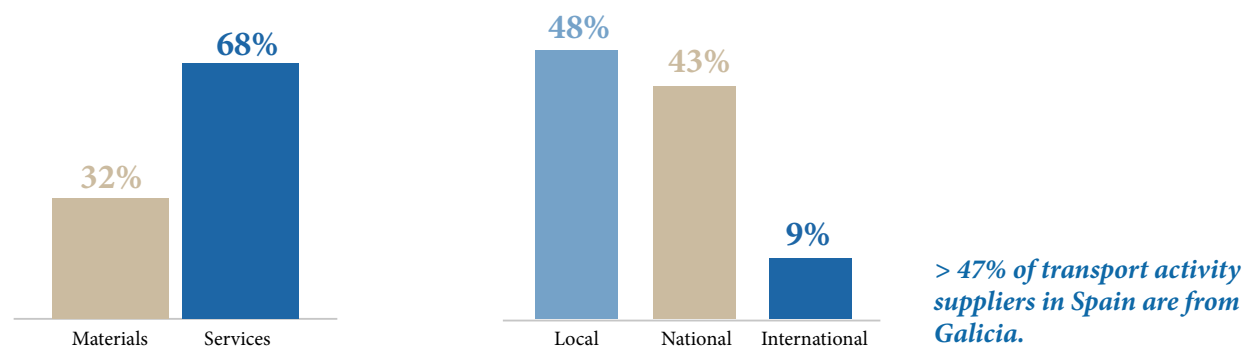
The general contracting terms and conditions, compliance clauses and respect for the principles of the United Nations Global Compact are public and can be downloaded from the Reganosa website. www.reganosa.com.

Reganosa provides a form and an email address for suppliers to contact the company regarding any issues related to orders or contracts.

Supplier types in 2018 [102-9] [204-1]

Reganosa's supply chain consists of 381 suppliers classified as follows:

- Suppliers of materials and equipment.
- Suppliers of the work and services required for infrastructure construction, operation and maintenance.



Supplier approval [103-3]

20 new suppliers were approved in 2018. In total, 39 % of suppliers are approved in Repro System. Out of these, 57% hold ISO 14001 certificates and 88% have UNE 9001 certificates. [308-1] [414-1]



6.1.6 Stakeholder relations [103-2] [103-3]



Performance in 2018

Drawing up of the 2018 Annual Report.

Active participation in sector events, seminars and conferences.

550 people visited our facilities.

Involvement of stakeholder groups in defining the material issues for the company.

Updating of the stakeholder communication plan.



Goals for 2019

Update of the stakeholder communication plan.

Disclosure of the company's development during the financial year in the 2019 Annual Report.

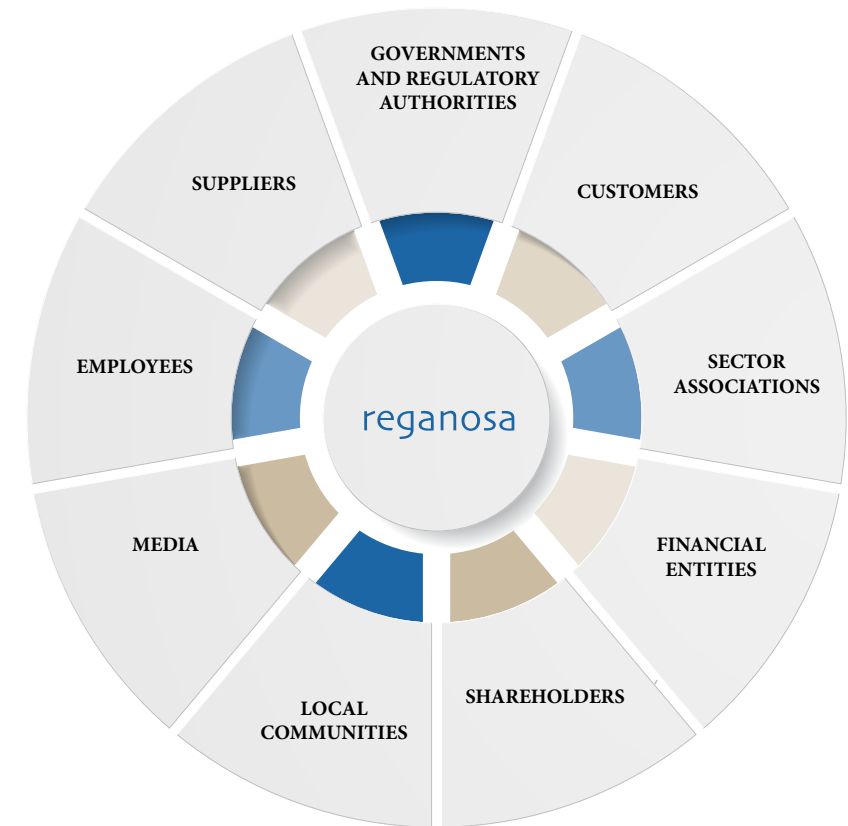
Maintenance of the visitors' programme for the Mugardos terminal facilities.

Active participation in sector events, seminars and conferences.

Reganosa is firmly convinced that some of the greatest value that it can contribute to its stakeholders is building trust and providing them with the information they want to know. To do this, it establishes channels that allow easy, transparent and honest communication.

The company aspires to understand stakeholder needs and expectations. Based on this knowledge it develops an operational and sustainable strategy that responds to all of the interests of the groups, peoples and entities with which it has relations. Identifying the opinions and preferences of stakeholders is also a valuable assessment tool, making a continuous improvement process possible.

The company constantly identifies these stakeholders, analyses the issues relevant to them, establishes a continuous communication procedure and carries out periodic follow-up to ensure that their demands are adequately met. [102-42] [102-43] [102-40]



Stakeholder relationships [103-2]

Stakeholder	Relationship mechanisms
Governments and regulatory authorities	<p>The regulated nature of Reganosa's activity requires continuous contact with these institutions. Their queries and opinions are part of the company's day-to-day activities.</p> <p>Periodic meetings.</p> <p>Sector seminars and conferences.</p> <p>Information submitted to meet legal obligations.</p>
Customers	<p>Quality surveys.</p> <p>Periodic meetings to respond to all interests and needs.</p> <p>Corporate website.</p> <p>Ongoing monitoring of service provision through project managers.</p> <p>Sector seminars and conferences..</p>
Employees	<p>Meetings held periodically and upon request from workers sitting on the Company Committee.</p> <p>Intranet.</p> <p>Human resources management platform.</p> <p>Communication campaigns in the company.</p> <p>Social networks.</p> <p>Ethical Channel.</p>
Local communities	<p>Reganosa runs an open door policy. Guided tours around the terminal and informative meetings are held year-round with community associations and groups, to discuss and assess their particular concerns and needs. Anybody can visit our facilities by applying to http://www.reganosa.com/es/antes-de-visitarnos.</p> <p>Social networks.</p> <p>Corporate website.</p> <p>Press releases.</p> <p>Ethical Channel.</p>
Shareholders	Shareholders actively participate in the management of the company through its governing bodies and at regular meetings.
Suppliers	Suppliers have a direct point of contact with the contracting area, to whom they can send any suggestions or queries.
Media	<p>Corporate website.</p> <p>Reganosa maintains a relationship of trust and transparency with the media, to which it offers a point of contact at all times.</p> <p>Reganosa's management holds interviews with representatives of these media outlets, to whom it provides information about company performance.</p> <p>Corporate website.</p> <p>Social networks.</p>
Sector associations	<p>Reganosa holds periodic meetings with representatives and members of associations of which it is a member, or of which its governing bodies form a part.</p> <p>Work groups.</p> <p>Open days, forums and conferences.</p> <p>Public information surveys and procedures.</p>
Financial entities	<p>Regular submission of information.</p> <p>Periodic meetings.</p> <p>Published financial information.</p>

6.2. Wealth creation and activity

By running its business, Reganosa generates economic and social growth, and creates values for its stakeholders through the transformation of material, financial and social resources.

Direct economic value distributed by Reganosa [201-1]

€4.30 M of value distributed to society through taxation

€6.60 M of value distributed to employees

€0.28 M of social investment in the community.

€12.80 M of value distributed to suppliers

€1 M of value distributed to providers of capital

Indirect economic contribution of our activity [103-2][103-3] [203-2]

Reganosa's activity has the following major indirect impacts:

It promotes the productive efficiency of industries.

Switching the fuel used in processes has led to improved competitiveness of the companies through cost savings, as well as a considerable reduction in CO2 emissions. Specifically, emission reductions related to switching fuel amounted to 42,238.2 tCO2eq in 2018, a reduction of 17.8% compared to 2017.

Increase in port traffic.

Reganosa's activity increases maritime traffic in the ports where it is located, as well as the related contracting of goods and services. The economic value generated by port traffic at the Mugardos terminal amounted to €4.8 million in 2018.

Reinforces the activity of other sectors.

Contracting suppliers creates indirect employment. In Spain, we strongly support the economic development of local communities: 47% of suppliers in 2018 were from Galicia.



6.3 Growth and business development [103-3]



Performance in 2018

Participation in gas infrastructure development projects on three continents, contributing the company’s knowledge and experience.

Turnover from service provision activities increased by 9.5%.

Provision of engineering services in Kuwait to support the construction and start-up of the largest construction project for a LNG terminal in the world.



Goals for 2019

Develop service provision activity, strengthening the company’s knowledge.

Take advantage of business opportunities in accordance with the criteria established in the Strategic Plan.

Reinforce the company’s international presence as a European LSO and TSO.

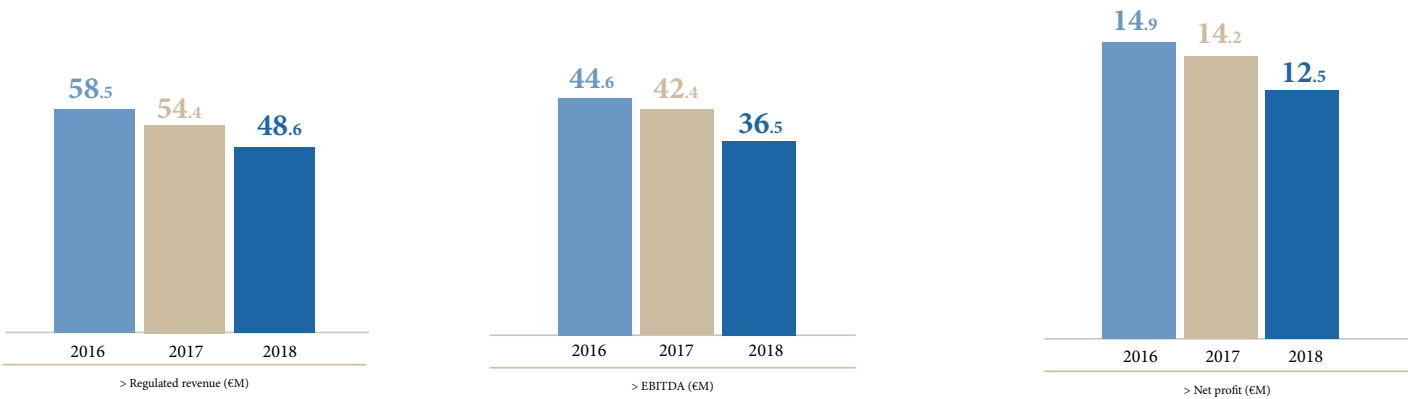


6.4 Value creation for our shareholders ^[102-7]

[103-2] [103-3] [201-1]

In 2018, EBITDA stood at 36.5 million euros and net profit amounted to 12.5 million euros. The net debt to EBITDA ratio stood at 1.64, a reduction of 0.51, placing the company in an increasingly solvent position to undertake the actions in the 2018 - 2020 Strategic Plan.

In line with previous financial years, efficiency efforts have been maximised through a plan for cost control and the optimisation of operational processes.



€48.6 M regulated revenue

€36.5 M EBITDA

€12.5 M net profit



6.5 Social Commitment [103-2] [103-3] [203-2] [413-1]

Reganosa is a people-focused organisation and is committed to society. As a result, it develops projects in the fields of education, culture and sport.



- Performance in 2018
- Maintenance of the scholarship and Internship programme.
 - Maintenance of the sponsorship programme.
 - Cooperation with universities and education centres on training and research programmes.
 - Maintenance of the meetings and tours programme at the Mugardos terminal facility.
 - Partnership agreement between the local authorities in Mugardos and Reganosa for the management of the Caldoval Visitors' Centre.



- Goals for 2019
- Maintenance of the sponsorship programme.
 - Implementation of the corporate volunteering programme.
 - Maintenance of the scholarship and Internship programme.
 - Cooperation with universities and education centres on training and research programmes.
 - Maintenance of the meetings and tours programme at the Mugardos terminal facility.
 - Drawing up of the sustainable management plan.



The company works with a range of different universities, business schools and study centres in Galicia. In this way it contributes to the development of research, the generation of technical knowledge and student training.

Training programmes with universities and education centres.
Reganosa maintains continuous collaboration with Galician education centres and universities. The company's directors and professionals teach in a range of university Master's programmes (MBA and Master in Logistics and Transport at the University of A Coruña and the Inter-university Master in Statistical Techniques, at the universities of Vigo, A Coruña and Santiago), engineering degrees, professional training schools and at the Mathematical Institute of Industrial Technology (ITMATI), as well as at several secondary education institutes, among other institutions.

Scholarships and internship programme.
To attract talent and encourage training and job placement among young people, Reganosa runs an annual programme that gives university and professional training students access to company internships and scholarships. During the 2016-2018 period, 5 students and new graduates participated in this programme, in the areas of production, finance, legal consultancy, development, laboratory and contracting.

Reganosa is also involved in the training of students of the Central University of Malta through an internship programme.

Cultural and sports activities:

Sponsorships

Reganosa supports and sponsors social activities and charity initiatives with three fundamental goals: social activities, encouraging sport and healthy habits, and the promotion of art and culture.

Partner projects are selected by identifying needs in the surrounding area, either in a proactive manner or following requests from the people involved. The Steering Committee takes charge of assessing the initiatives and approving any partnerships in line with the company's principles and culture, and that could create value and have a positive impact on the community. In 2018, Reganosa invested 289,009 euros in donations and sponsorships. The bodies benefiting from these contributions as part of the programme to encourage sport and healthy habits have 6,800 members and beneficiaries.

Main activities and associations sponsored by Reganosa in 2018.

Mugardos sea club.
Racing de Ferrol football club.
Galicia de Mugardos Sport and Cultural Society.
Novoa Santos Foundation.
Ferrol University Club.
A Coruña Aspanaes Association.
Mugardos municipal tourist office.
Ferrol Soup Kitchen.

The Caldoval Visitors' Centre opens its doors [203-1]

1997: Archaeological remains found on the Caldoval site
2001: Remains evaluated and classified.
2004: Start of extraction and transfer of the remains.
2010: A partnership agreement has been signed by Reganosa, the Department of Culture, Education and University Planning and the Mugardos Local Government to highlight the archaeological site and build the Caldoval Visitors' Centre.
2014: Start of construction of the Caldoval Visitors' Centre
2017: Opening to the public.

This initiative, developed jointly with Galicia's regional government and the district of Mugardos, showcases the Roman site's archaeological remains, which date back to the 2nd century. In 2010, a partnership agreement was signed with the Culture, Education and University Planning Council and with the Mugardos Local Government, aimed at constructing Galicia's first piece of cultural infrastructure to present sporting activities in the Roman world, in the local community. Reganosa has invested more than 3 million euros in this infrastructure, which was delivered to the Mugardos Local Government in September 2017.

The reconstruction shows the archaeological remains just as they were discovered, with a range of recreations necessary to allow visitors to understand what the building was like and what it was used for. A total of 12,500 original pieces were recovered and classified, before being

precisely relocated at their new site. In February 2018 a partnership agreement was signed between the Mugardos Local Government and Reganosa for the management of the Visitors' Centre.

€3.1 M invested by Reganosa since the start of the project

1,300 M2

12,500 pieces



6.6 Innovation ^[103-2] ^[102-3]

Investment in innovation allows Reganosa to acquire unique knowledge that it transfers to its customers, offering innovative and value added services.

Development of the gas network modelling tool (GANESO) ^[203-1]

Mathematical modelling has been used to create a tool to simulate and optimise the physical behaviour of the high pressure gas pipeline network in Spain. The software can also simulate the gas transmission networks of any country in the world.

This research project has been developed jointly by Reganosa and the Department of Statistics and Applied Mathematics of the University of Santiago de Compostela (USC), and is directed by Professor of Applied Mathematics Alfredo Bermúdez de Castro.

The tool can replicate complex pipeline networks with all of their components (compression stations, valve positions, LNG and liquefaction plants, underground storage, etc.) and can consider any demand scenarios and operating conditions. Simulation results allow decisions to be made on energy planning and infrastructure development, system operation, regulatory policies and tariff methodologies.

GANESO® enables optimisation of infrastructure development. The software can calculate the most sustainable configuration from an eco-

nomic point of view, such that different demand scenarios are taken into account to guarantee supply safety. This model has been integrated with the gas system's hydraulic simulation and optimisation functionalities, allowing economic and operational analyses to be combined. Furthermore, the tool allows shrinkage behaviour in the gas pipeline network to be analysed, which is essential for making decisions regarding the management of this aspect.



LNG hub in the north west of the Iberian Peninsula

LNG is the most competitive alternative for maritime freight transport, due to its environmental sustainability and the forecast price path of LNG. As a fuel, LNG allows vessels to cut sulphur emissions by almost 100%, nitrogen oxide by 90% and carbon dioxide by 20%, compared to conventional fuels. This will therefore allow the provisions of Annex IV of the Marpol Convention to be met. This Convention reduces the sulphur content limit of shipping emissions from 2020 onwards, from 3.5% to 0.5%.

According to forecasts by the Boston Consulting Group, it is expected that annual maritime LNG consumption will be at least 89 million tonnes by 2025. Construction has currently been confirmed for 80 vessels propelled by LNG by 2022. In this context, the “LNG Hub in the North West of the Iberian Peninsula” came about in 2013, promoted by the Regional Government of Galicia, the University of Santiago de Compostela, the Ferrol-San Cibrao Port Authority, Navantia and Reganosa, supported and funded by the European Commission as part of the TEN-T programme. This European support has been strengthened by another line of research, the project for promoting LNG as a CORE LNGas hive fuel, registered as part of the CEF (Connecting Europe Facility) programme.

This initiative has a total budget of 33.3 million euros, of which 50% is financed by the European Commission. Reganosa is participating in conjunction with 41 other partners, with the aim of developing a secure and efficient logistics chain for the supply of LNG as a fuel in the transport sector, particularly in the maritime sector.

The overall aim of the project is to analyse the demand and the design of facilities, infrastructure and procedures to guarantee LNG availability



through the implementation of a distribution centre in the region. This is leverage for the growth of the Autonomous Community of Galicia and puts the port of Ferrol at the forefront of LNG supply.

Ferrol, the most protected port in the north of the Peninsula, is a strategic location for the project. Among other reasons, it is located at the centre of Atlantic routes and close to one of the largest LNG carrier repair centres in the world, thus increasing the possibility of refuelling at the terminal. LNG carriers would go for repairs and then refuel, then cool or fill their tanks at the terminal before setting off for their destinations.

All of the activities and studies required to develop the project were completed in 2018: market and demand, navigation conditions, transfer procedures, components to set up the supply chain, technical adaptations required in the Mugardos terminal and the regulatory framework.

All necessary infrastructure is currently included in the TYNDP. The project requires investments in the current LNG terminal at Mugardos. The most significant investments are the construction of a third tank, as storage is a fundamental part of guaranteeing competitive prices, as well as a second berth to allow vessels of all sizes to be accepted, from the smallest to the biggest in the world.



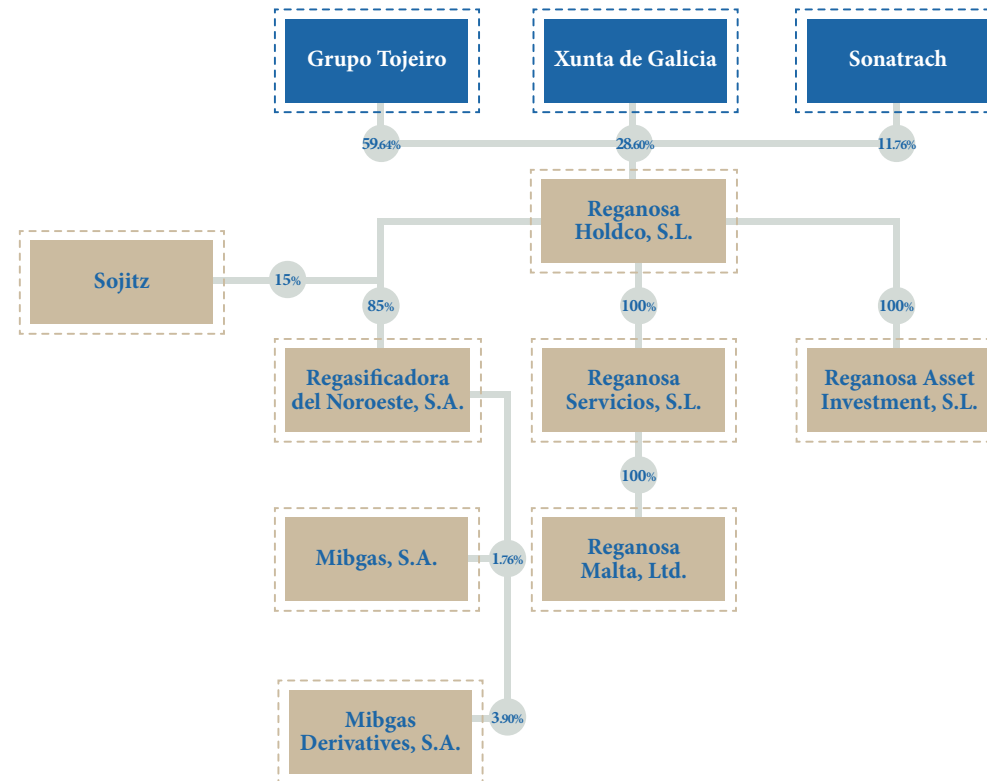
Capacity	10,000 m ³
Total length	119.35 m
Beam	20.5 m
Generation system	gas/diesel-electric
Design	Ghenova Engineering

An LNG supply vessel has been designed with financial assistance from the Regional Government of Galicia, which will allow anchored or moored vessels to be refuelled, and gas to be transported to satellite terminals at other Galician ports.

7. Corporate governance

7.1 Corporate structure [102-10]

Reganosa's corporate and shareholder structure is a significant asset, due to its diversity, robustness and knowledge of the sector.



7.2 Organic structure

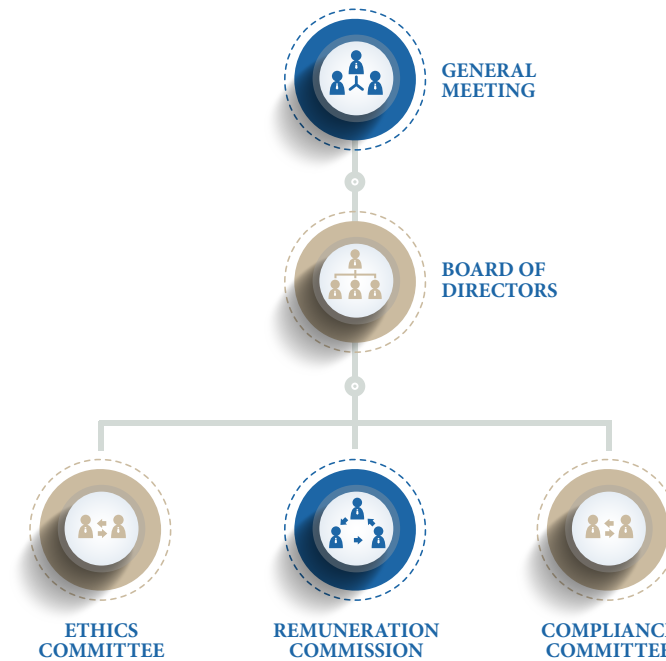
Reganosa's governing bodies are the Annual General Meeting, the Board of Directors and the Executive Committee. Its activities are based on the principles of independence, specialisation and transparency. [102-18]

Annual General Meeting

The Annual General Meeting is the highest level governing body. As laid down in the Articles of Association, the will of the Shareholders, expressed at the General Meeting, governs the life of the company, in accordance with the Law and the Articles of Association themselves.

The meeting must be held during the first half of the financial year to evaluate the management of the company, approve the annual accounts and decide on the application of the results.

Reganosa helps its shareholders to exercise their rights to information, attendance and participation in the General Meeting, and makes available to them adequate information for exercising their voting rights, pursuant to the Law and the Articles of Association.



Board of Directors [103-2] [103-3]

The Board of Directors is the body that takes the company's main management decisions, with the exception of decisions reserved by law or by the articles of incorporation for the Annual General Meeting. It is at the core of management and supervision, and is responsible for approving the company's general policies and strategies, particularly the Strategic Plan, the Business Plan and the management model. Its composition and operation are regulated by the Articles of Association. [102-19] [102-26] [102-29] [102-33]

The Board of Directors is periodically informed of all procedures, plans and proposals that are submitted to it by the Management for its consideration and, if applicable, agreement, for adequate risk control and management.

The board has 10 members, 10 % of whom are women. Board members have the obligation to dedicate the time and effort necessary to carry out their role diligently and effectively, and to adopt any measures necessary for the proper management and control of the company. [405-1]

The Board of Directors meets as often as necessary to correctly perform its management and supervisory functions; in any case, it meets at least once per quarter. It met a total of 13 times during 2018. [102-31]

Likewise, board members carry out their duties with loyalty, avoiding situations of conflict of interest. They perform their duties in line with the Code of Ethics and Conduct, the principles and values of which have been promoted and developed by the Board of Directors. [102-25]

Remuneration Commission

The Remuneration Commission is responsible for proposing and approving the company's remuneration policies, as necessary.

Ethics Committee

The Ethics Committee is a standing consultancy and advisory body, whose mission is to ensure that the values and principles established in the Code of Ethics are followed in the organisation. It advises the Board of Directors on the adoption of policies to promote ethical behaviour in the company.

Its operation is governed by the internal regulations of the Ethics Committee. It is made up of five members, 20 % of whom are women.

Compliance Committee ^[103-2] ^[103-3]

An independent body that oversees the compliance and effectiveness of the company's risk prevention model. It aims to correctly channel any non-observance and ensure that current legislation is complied with. It has the following main functions, set out in the Internal Regulations of the Compliance Committee:

Monitor all risk prevention measures, policies and procedures adopted in the company.

Prepare and implement suitable training programmes for all company personnel.

Ensure that periodic verifications of the criminal risk prevention manual, and regularly assess its compliance and effectiveness.

Prepare an annual report on the activity of the Compliance Committee, to be submitted to the Board of Directors.

Analyse any changes in legislation and any other new developments that could affect the prevention model.

Work with the managers and directors of each area to maintain a periodic reporting system to ensure the effectiveness of the controls and procedures established.





7.3. Good corporate governance

Management practices of the Reganosa Board of Directors ^[102-25]

The Articles of Association ensure compliance with the principle of separation of activities. They prohibit board members from sitting on management bodies of companies with stakes in production or marketing.

The conflict of interest policy sets out a framework for action at Reganosa for dealing with and preventing conflicts of interest in all of its bodies and areas of activity. It ensures that relations with third parties and stakeholders are coordinated in line with criteria of objectivity, transparency and respect for legality.

The anti-corruption and fraud policy sets out Reganosa's commitments to identifying, preventing and sanctioning possible irregular situations or corruption.

The Board of Directors is assisted by a legal advisor who checks the legality of all agreements and decisions and provides legal advice.

The Ethics Committee and Compliance Committee provide information and advice to the Board of Directors within their respective spheres of competence, proposing such measures as they deem necessary.

The criteria for appointing directors are independence, diversity and specialisation. ^[102-24]

Remuneration of the Board of Directors ^{[102-35] [102-36] [102-37]}

Remuneration paid to members of the Board of Directors, the system for which is detailed in the Articles of Association, consists of allowances for attending each meeting. The amount of this allowance is fixed each year by resolution of the Annual General Meeting, within the maximum limits established by the legislation in force at any given time.

Materiality analysis

Reganosa performs an annual materiality study to identify and update any key aspects that should be considered by the company due to their importance for stakeholders. These aspects include those that reflect the organisation’s significant economic, environmental and social impacts, as well as those that have a substantial influence on the analysis and decisions of stakeholders.

The methodology used is based on the GRI standards directives, specifically GRI 101. A process has been designed to identify the aspects that are most important to the company and its stakeholders, and their coverage, with the aim of checking that the GRI exhaustiveness principles are followed and that no material issues identified by Reganosa are omitted.

Identification of issues

Firstly,the issues that concern stakeholders were analysed based on a range of external sources and an industry benchmark to determine which of them should be deemed relevant to Reganosa. The company’s previous materiality studies are also taken into account

Prioritisation of issues

Once the relevant issues are identified, they are prioritised from both

the external perspective of stakeholders and the company’s internal point of view. The following activities are carried out for this purpose:

External evaluation

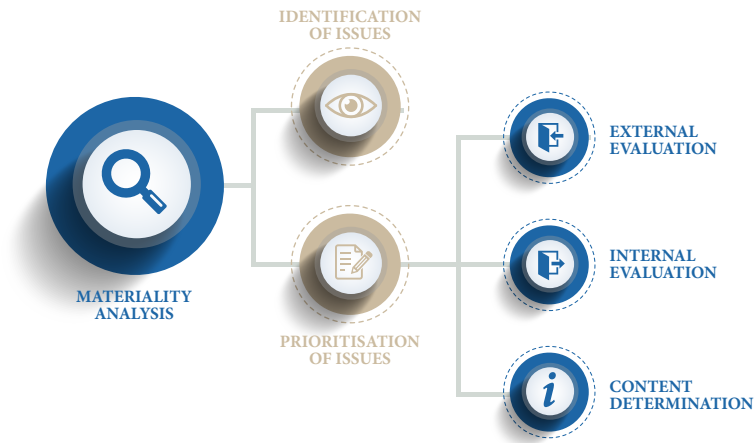
- Analysis of news published in the media and press releases issued by the company in relation to aspects of sustainability.
- Assessment of the sector context, through the identification of sustainability aspects that are critical to other companies with activities similar to those of Reganosa.
- Interviews with representatives of Reganosa’s main stakeholders, to assess their main concerns and expectations directly.

Internal evaluation

Interviews with directors and managers to find out about the main risks and opportunities related to sustainability, as well as the company's priorities in the future.

Content determination

Based on the results of the previous phases a materiality matrix was created, which in turn allows a list of material issues to be determined. This list is used to identify the GRI standards and Sustainable Development Goals (SDG) related to each of its items.



Material issues



BUSINESS ISSUES

- Economic performance
- Ethics, integrity and transparency
- Regulatory compliance
- Supply safety
- Safety of facilities
- Information security
- Risk management model
- International expansion
- Driving force for growth in the region
- Service quality and customer satisfaction
- Supply chain
- Innovation
- Energy regulation and political influence



ENVIRONMENTAL ISSUES

- Environmental impact
- Climate change



SOCIAL ISSUES

- Attraction and development of talent
- Labour practices
- Occupational health and safety
- Social commitment

GRI TABLE OF CONTENTS

GRI Standard	Contents	Page or direct response	Omissions	External verification
GRI 101: FUNDAMENTALS 2018				
General Content				
GRI 102: 2018 General Content	Profile of the organisation			
	102-1 Name of the organisation.	Reganosa, 81		No
	102-2 Activities, brands, products and services.	4, 5, 10		No
	102-3 Location of headquarters	The company's headquarters are located in Mugar dos (A Coruña).		No
	102-4 Location of operations.	7		No
	102-5 Ownership and legal form.	83		No
	102-6 Markets served.	7, 45		No
	102-7 Size of the organisation.	13, 14, 16, 52		Yes. ✓
	102-8 Information on employees and other workers.	43 During 2018, the percentage of workers with permanent contracts was 76.72 %. 19.83 % of women and 56.89 % of men have permanent contracts.		Yes. ✓
	102-9 Supply chain.	47		Yes. ✓
	102-10 Significant changes to the organisation and its supply chain.	58, 83		No
	102-11 Precautionary principle or approach.	22, 24		No
	102-12 External initiatives.	28, 42		No
	102-13 Membership of associations.	4, 42		No
	Strategy			
	102-14 Statement from senior decision-makers.	3		No
	102-15 Key impacts, risks and opportunities.	22, 24, 25		No

GRI Standard	Contents	Page or direct response	Omissions	External verification
GRI 102: 2018 General Content	Governance			
	102-29 Identifying and managing economic, environmental, and social impacts.	23, 59		No
	102-30 Effectiveness of risk management processes.	23		No
	102-31 Review of economic, environmental, and social topics.	59		No
	102-32 Highest governance body's role in sustainability reporting.	The Board of Directors reviews and approves the Annual Report.		No
	102-33 Communicating critical concerns.	59		No
	102-34 Nature and total number of critical concerns.	The Board of Directors has discussed the following matters of importance, among others: · Strategic Plan. · Formulation of the Annual Accounts. · Definition of corporate objectives. · Approval of the new corporate structure.		No
	102-35 Remuneration policies.	61		No
	102-36 Process for determining remuneration.	61		No
	102-37 Stakeholders' involvement in remuneration.	61		No
	102-38 Annual total compensation ratio.	The total annual remuneration of the employee with the highest salary is 4.39 times higher than the average annual remuneration of the workforce as a whole.		Yes.
	102-39 Percentage increase in annual total compensation ratio.			Yes.
	Stakeholder engagement			
	102-40 List of stakeholder groups.	48		No
	102-41 Collective bargaining agreements.	44		No
	102-42 Identifying and selecting stakeholders.	48		No
	102-43 Approach to stakeholder engagement.	48		No
	102-44 Key topics and concerns raised.	63		No

GRI Standard	Contents	Page or direct response	Omissions	External verification
GRI 102: 2018 General Content	Report drafting practices			
	102-45 Entities included in the consolidated financial statements.	The Annual Accounts relate to Reganosa Holdco S.L., Regasificadora del Noroeste S.A., Reganosa Servicios S.L., Reganosa Asset Investments S.L. and Reganosa Malta Ltd.		No
	102-46 Defining report content and topic boundaries.	63		No
	102-47 List of material topics.	63		No
	102-48 Restatements of information.	There have been no restatements of information.		No
	102-49 Changes in reporting.	There has been no significant change in the preparation of this report.		No
	102-50 Reporting period.	2018 (calendar year ending 31 December).		No
	102-51 Date of most recent report.	2018.		No
	102-52 Reporting cycle.	Reganosa updates this report annually.		No
	102-53 Contact point for questions regarding the report.	Reganosa: Punta Promontoiro s/n 15,620 Mugardos, A Coruña T. 981 930093 / F. 981 930092/reganosa@reganosa.com		No
	102-54 Claims of reporting in accordance with the GRI Standards Disclosure	This report has been prepared in accordance with the GRI Standards: Comprehensive option.		No
	102-55 GRI contents index.	64		No
	102-56 External assurance.	81		No

MATERIAL ISSUES

Economic performance

GRI 102: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes	✓
	103-2 The management approach and its components.	52		Yes	✓
	103-3 Evaluation of the management approach.	52		Yes	✓

GRI Standard	Contents	Page or direct response	Omissions	External verification	
MATERIAL ISSUES					
Economic performance					
GRI 201: 2018 Economic Performance	201-1 Direct economic value generated and distributed.	14, 15, 17, 50, 52		Yes	✓
	201-2 Financial implications and other risks and opportunities due to climate change.	22		Yes	✓
	201-3 Defined benefit plan obligations and other retirement plans.	In its labour agreement, Reganosa establishes the terms for contracting a retirement pension plan for its employees. The company makes an annual contribution in benefit of each worker.		Yes	✓
	201-4 Financial assistance received from government.	14		Yes	✓
Ethics, integrity and transparency					
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes	✓
	103-2 The management approach and its components.	28		Yes	✓
	103-3 Evaluation of the management approach.	28		Yes	✓
GRI 205: Anti-corruption 2018	205-1 Operations assessed for risks related to corruption.				✓
	205-2 Communication and training about anti-corruption policies and procedures.	29		Yes	✓
	205-3 Confirmed incidents of corruption and actions taken.	During 2018, Reganosa did not record any cases of corruption among its employees through the channels available for this purpose.s.		Yes	✓
GRI 412: Human rights assessment 2018	Operations that have been subject to human rights reviews or impact assessments.	29		Yes	✓
	412-2 Employee training on human rights policies or procedures.	29		Yes	✓
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	29		Yes	✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Ethics, integrity and transparency				
GRI 415: Public politics	415-1 Contributions to parties and/or political representatives	Reganosa does not make contributions to political parties and/or representatives		Yes. ✓
Regulatory compliance				
GRI 103: 2017 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	60		Yes. ✓
	103-3 Evaluation of the management approach.	60		Yes. ✓
GRI 307: 2018 Environmental Compliance	307-1 Non-compliance with environmental laws and regulations.	During 2018, Reganosa did not receive any significant fines (> €1000) or non-monetary sanctions for a failure to comply with environmental legislation and regulations.		Yes. ✓
GRI 419: 2018 Socio-economic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area.	During 2018, Reganosa did not receive any significant fines (> €1,000) or non-monetary sanctions for a failure to comply with legislation or its associated regulations.		Yes. ✓
Supply safety				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	4		Yes. ✓
	103-3 Evaluation of the management approach.	14		Yes. ✓
Safety of facilities				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	31, 62, 63		Yes. ✓
	103-2 The management approach and its components.	31		Yes. ✓
	103-3 Evaluation of the management approach.	31		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Information security				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	33		Yes. ✓
	103-3 Evaluation of the management approach.	33		Yes. ✓
Risk management model				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	23		Yes. ✓
	103-3 Evaluation of the management approach.	23		Yes. ✓
Portfolio of products and services				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	4, 10, 20		Yes. ✓
	103-3 Evaluation of the management approach.	51		Yes. ✓
International expansion				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	20, 21		Yes. ✓
	103-3 Evaluation of the management approach.	20, 21		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Driving force for growth in the region				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.			Yes. ✓
	103-2 The management approach and its components.			Yes. ✓
	103-3 Evaluation of the management approach.			Yes. ✓
GRI 202: 2018 Market presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage.	The minimum wage in Spain and in the countries where Reganosa operates have been used as a benchmark.		Yes. ✓
	202-2 Proportion of senior management hired from the local community.	100 %		Yes. ✓
GRI 203: 2018 Indirect economic impacts	203-1 Infrastructure investments and services supported.	54, 55		Yes. ✓
	203-2 Significant indirect economic impacts.	17, 50, 53		Yes. ✓
GRI 204: 2018 Procurement practices	204-1 Proportion of spending on local suppliers	17, 47		Yes. ✓
Service quality and customer satisfaction				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	45		Yes. ✓
	103-3 Evaluation of the management approach.	45		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Service quality and customer satisfaction				
GRI 416: 2018 Customer health and safety	416-1 Assessment of the health and safety impacts of product and service categories.	Reganosa assesses the possible health and safety impacts of all the services that it provides.		Yes. ✓
	416-2 Assessment of the health and safety impacts of product and service categories.	During 2018, Reganosa did not record any incidents derived from non-compliance with regulations or voluntary codes related to the impacts of products and services on health and safety.		Yes. ✓
GRI 418: Customer privacy 2018	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Reganosa received no complaints during 2018 regarding customer privacy violations.		Yes. ✓
Supply chain				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	46		Yes. ✓
	103-3 Evaluation of the management approach.	46, 47		Yes. ✓
GRI 308: Supplier environmental assessment 2018	308-1 New suppliers that were screened using environmental criteria.	47		Yes. ✓
	308-2 Negative environmental impacts in the supply chain and actions taken.	Reganosa detected no negative environmental impacts in its supply chain in 2018.		Yes. ✓
GRI 408: Child labour 2018	408-1 Operations and suppliers at significant risk for incidents of child labour	During 2018, no operations or suppliers with significant risk of child labour were detected through the available channels.		Yes. ✓
GRI 409: Forced or compulsory labour 2018	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	During 2018, no operations and suppliers with significant risk of cases of forced or compulsory labour were detected through the available channels.		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Supply chain				
GRI 414: 2018 Supplier social assessment	414-1 New suppliers that were screened using social criteria.	47		Yes. ✓
	414-2 Negative social impacts in the supply chain and actions taken.	During 2018, Reganosa detected no negative social impacts in its supply chain.		Yes. ✓
Innovation				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	20, 55		Yes. ✓
	103-3 Evaluation of the management approach.	55		Yes. ✓
Energy regulation and political influence				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	4, 24, 49		Yes. ✓
	103-3 Evaluation of the management approach.	4		Yes. ✓
Environmental impact				
GRI 103: 2017 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	35		Yes. ✓
	103-3 Evaluation of the management approach.	35		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Environmental impact				
GRI 301: 2018 Materials	301-1 Materials used by weight or volume.	36 Nitrogen is consumed at the Malta LNG terminal. This is obtained directly from ambient air and production and consumption is not currently measured.		Yes. ✓
	301-2 Recycled input materials used.	None of the materials consumed by Reganosa, reported in the report, are made of recycled components.		Yes. ✓
	301-3 Reclaimed products and their packaging materials.		Not applicable. Reganosa does not sell products.	Yes. ✓
GRI 302: 2018 Energy	302-1 Energy consumption within the organisation.	Reganosa does not consume fuels or renewable energy sources.		Yes. ✓
	302-2 Energy consumption outside of the organisation.		Information not available. Reganosa is currently calculating its carbon footprint for scope 3. This is expected to be reported in the 2018 Annual Report.	Yes. ✓
	302-3 Energy intensity.	36 The energy intensity calculation only takes into account internal energy consumption. The terminal's production has been used as a measurement for calculating intensity (Gj/t).		Yes. ✓
	302-4 Reduction of energy consumption.	36		Yes. ✓
	302-5 Reductions in energy requirements of products and services.	36		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Environmental impact				
GRI 303: 2018 Water	303-1 Water withdrawal by source.	39		Yes. ✓
	303-2 Water sources significantly affected by withdrawal of water.	39		Yes. ✓
	303-3 Water recycled and reused.	Reganosa does not reuse water in its operations.		Yes. ✓
GRI 304: 2018 Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	As of 31 December 2018, Reganosa's gas pipelines occupy an area of 217,424 m ² in protected natural spaces and Red Natura 2000 (lic); 187.55m ² of the Mugardos-As Pontes-Guitiriz gas pipeline, 18.3 m ² of the Abegondo-Sabón gas pipeline and 11.5 m ² of the Abegondo-Sabón gas pipeline.		Yes. ✓
	304-2 Significant impacts of activities, products, and services on biodiversity.	39, 42		Yes. ✓
	304-3 Habitats protected or restored.	No activity has been carried out in this sense during the reporting period considered in the report, as there are no identified habitats.		Yes. ✓
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations.	Over 30 species of protected mammals, birds, amphibians and reptiles, fish and invertebrates inhabit protected areas through which Reganosa's gas pipelines pass (see 304-1). No animal species on the IUCN Red List, or on the Spanish list of animals at risk of extinction, are affected by the company's activity. Posidonia meadows were recorded at the facilities of the Malta LNG terminal. The country's Habitats Directive considers these to be priority habitats. In addition to the marine vegetation Posidonia oceanica, the species Cymodocea nodosa and the sea urchin Paracentrotus lividus were also recorded. The corresponding environmental impact assessment studies analysed the impact of the facilities on these habitats and established the measures necessary to minimise them.		Yes. ✓

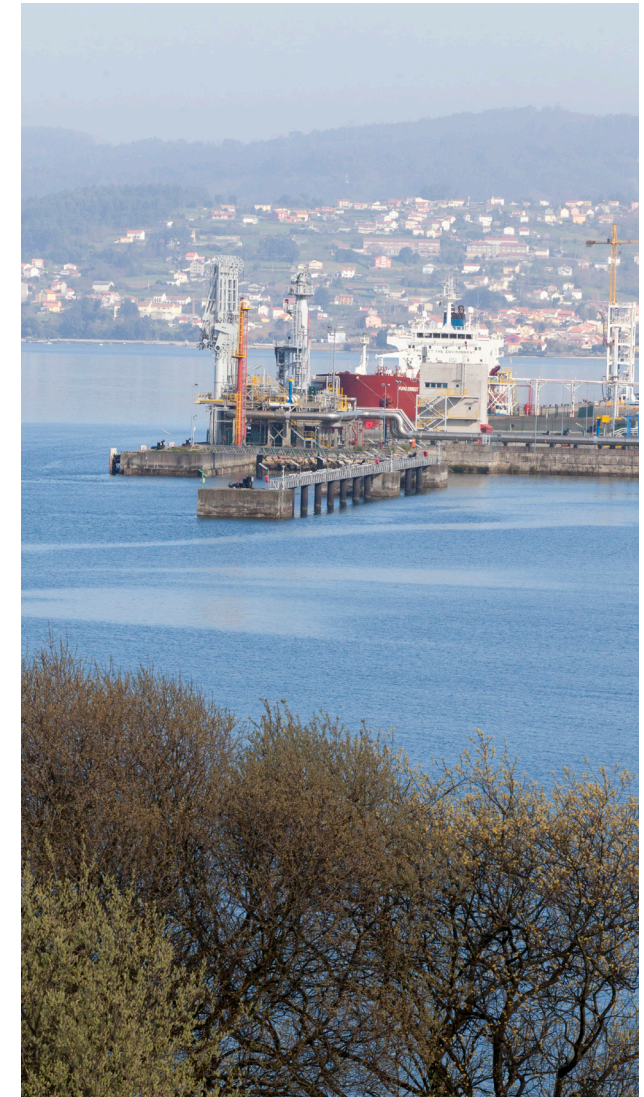
GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Environmental impact				
GRI 306: 2018 Effluents and waste	306-1 Water discharge by quality and destination.	39		Yes. ✓
	306-2 Waste by type and disposal method.	41 The source of reported data is the waste acceptance documentation and waste treatment contracts with the management companies.		Yes. ✓
	306-3 Significant spills.	No significant spills occurred during the reporting period.		Yes. ✓
	306-4 Transport of hazardous waste.	All waste is transported by authorised management companies.		Yes. ✓
	306-5 Water bodies affected by water discharges and/or runoff.	42 No body of water or habitat was affected by discharges or run-off from the organisation during 2018.		Yes. ✓
Climate change				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	22, 40		Yes. ✓
	103-3 Evaluation of the management approach.	40		Yes. ✓
GRI 305: 2017 Emissions	305-1 Direct (Scope 1) GHG emissions.	40 Reganosa does not produce emissions of a biogenic origin.		Yes. ✓
	305-2 Energy indirect (Scope 2) GHG emissions.	40		Yes. ✓
	305-3 Other indirect (Scope 3) GHG emissions.		Information not available. There are plans to determine Scope 3 emissions as part of the company's carbon footprint study. Scope 1 and 2 were calculated during 2018. This is expected to be reported in the 2019 Annual Report.	Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Climate change				
GRI 305: 2018 Emissions	305-4 GHG emissions intensity.	The emissions intensity is 0.008 tCO2/t. The terminal's production (tonnes) was used as the denominator.		Yes. ✓
	305-5 reduction of GHG emissions.	36		Yes. ✓
	305-6 Emissions of ozone-depleting substances (ODS).	Reganosa neither consumes nor emits gases containing substances that significantly deplete the ozone layer.		Yes. ✓
	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions.	40		Yes. ✓
Attraction and development of talent				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	43, 44		Yes. ✓
	103-3 Evaluation of the management approach.	43, 44		Yes. ✓
GRI 401: 2018 Employment	401-1 New employee hires and employee turnover.	13 people were hired in 2018 - 7 men and 6 women - of whom 5 are from Galicia and 8 from other Spanish regions and countries.		Yes. ✓
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees.	44		Yes. ✓
	401-3 Parental leave.	Out of the Reganosa workforce, 100% of employees who requested parental leave during 2018 were able to enjoy it. Such requests were made by one man and one woman. All workers requesting parental leave in 2017 and 2018 rejoined the company at the end of the leave, and still work at the company.		Yes. ✓
GRI 402: Labour/management relations 2018	402-1 Minimum notice periods regarding operational changes.	Reganosa is governed by the provisions of the Workers' Statute and its implementation regulations.		Yes. ✓
GRI 404: Training and education	404-1 Average hours of training per year per employee.			Yes. ✓
	402-2 Programmes for upgrading employee skills and transition assistance programmes	444 hours of English language training per year		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Attraction and development of talent				
GRI 404: Training and education	404-3 Percentage of employees receiving regular performance and career development reviews	44		Yes. ✓
Labour practices				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	43		Yes. ✓
	103-3 Evaluation of the management approach.	43, 44		Yes. ✓
GRI 405: 2017 Diversity and equal opportunity	405-1 Diversity of governance bodies and employees.	43		Yes. ✓
	405-2 Ratio of basic salary and remuneration of women to men	The established salary brackets do not discriminate between men and women.		Yes. ✓
GRI 406: 2018 Non-discrimination	406-1 Cases of discrimination and corrective measures adopted.	In 2018, Reganosa did not record any cases of discrimination through the channels available for this purpose.		Yes. ✓
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There are no suppliers whose right to freedom of association and collective bargaining may be at risk.		Yes. ✓
Occupational health and safety				
GRI 103: 2017 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	33		Yes. ✓
	103-3 Evaluation of the management approach.	32		Yes. ✓

GRI Standard	Contents	Page or direct response	Omissions	External verification
MATERIAL ISSUES				
Training and education				
GRI 403: 2018 Occupational health and safety	403-1 Workers' representation in formal joint management-worker health and safety committees.	33		Yes. ✓
	403-2 Types of injury and rates of injury, occupational illnesses, lost days, and absenteeism, and number of work-related fatalities.	32 The overall absenteeism rate is 0.03; 76.5% of men and 23.55% of women.		Yes. ✓
	403-3 Workers with high incidence or high risk of illnesses related to their occupation.	There are no workers whose profession has a high risk of occupational illness.		Yes. ✓
	403-4 Health and safety topics covered in formal agreements with trade unions.	No formal agreements are in place with trade unions. Workers are represented on occupational health and safety matters through the Health and Safety Committee.		Yes. ✓
Social commitment				
GRI 103: 2018 Management Approach	103-1 Explanation of the material topic and its Boundary.	62, 63		Yes. ✓
	103-2 The management approach and its components.	53		Yes. ✓
	103-3 Evaluation of the management approach.	53		Yes. ✓
GRI 413: 2018 Local communities	413-1 Operations with local community engagement, impact assessments, and development programmes.	33, 53		Yes. ✓
	413-2 Operations with significant actual and potential negative impacts on local communities	Gas pipeline construction can have significant effects on local communities. In this sense, the environmental impact assessments required by law include the preventive and corrective measures necessary to mitigate the impacts identified. No gas pipeline projects were carried out during 2018		Yes. ✓

Contents	Page or direct response	Omissions	External verification
Energy			
OG2 Total amount invested in renewable energy.	Reganosa does not use fuels or other renewable energies.		Yes. ✓
OG3 Total amount of renewable energies generated by source.	Reganosa does not use fuels or other renewable energies.		Yes. ✓
Biodiversidad			
OG4 Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored.	Reganosa continually analyses all of its environmental impacts. Similarly, environmental impact assessments are conducted for the company's new infrastructure construction projects with protected areas in the surroundings.		Yes. ✓
Effluents and waste			
OG5 Volume and disposal of formation or produced water	Not applicable to Reganosa's activity, as it does not continuously vent hydrocarbons.		Yes. ✓
OG6 Volume of flared and/or vented hydrocarbon.	During 2018, 22,509 GJ (625,209.02 Nm3) of natural gas were flared in Mugardos, and 9,647.88 GJ in Malta.		Yes. ✓
OG7 Drilling waste.	Not applicable, because Reganosa's activity does not create drilling waste.		Yes. ✓
Local communities			
OG10 Significant disputes with local communities and indigenous peoples.	See 102-44.		Yes. ✓
G11 Number of sites that have been decommissioned and sites that are in the process of being decommissioned.	No Reganosa facilities were decommissioned during 2018.		Yes. ✓
Asset integrity and process safety			
G13 Number of process safety events, by business activity.	15, 32, 33		Yes. ✓



Glossary of terms and abbreviations

APFSC

Ferrol - San Cibrao Port Authority

BOIL OFF GAS

Natural gas vapour produced in regasification terminals in situations where the terminals are operating below technical minimums, and during ship loading and unloading operations.

ECA

Emission control areas.

ENTSO

European Network Transmission System Operator for gas

FSRU

Floating Storage and Regasification Units

FSU

Floating Storage Units

GASNAM

Spanish Natural Gas for Mobility Association

GHG

Greenhouse Gases

LNG

Liquefied natural gas

HSQE

Health, Safety, Quality and the Environment

INEGA

Galicia Energy Institute

LSO

LNG System Operator

O&M

Operation and maintenance

PCIs

Projects of common interest

SCV

Submerged combustion vaporiser

SEDIGAS

Spanish Gas Association

TSO

Transmission System Operator

TYNDP

Ten Year Network Development Plan

Verification report



KPMG Asesores, S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Informe de Revisión Independiente sobre el Informe Anual de Reganosa del ejercicio 2018

A la Dirección de Reganosa Holdco, S.L.:

Hemos sido requeridos por la Dirección de Reganosa Holdco, S.L. (en adelante, Reganosa) para realizar una revisión independiente del Informe Anual de Reganosa del ejercicio anual finalizado el 31 de diciembre de 2018 (en adelante, "el Informe") con un nivel de aseguramiento limitado. La información revisada se circunscribe al contenido del "Índice de contenidos GRI" del Informe identificado con el símbolo "✓"

Responsabilidades de la Dirección de la Sociedad

La Dirección de Reganosa es responsable de la preparación y presentación del Informe de conformidad con los *Sustainability Reporting Standards* de Global Reporting Initiative (*GRI Standards*), en su opción exhaustiva, y con el Suplemento Sectorial de *Oil and Gas* de Global Reporting Initiative, según lo detallado en el punto 102-54 del Índice de contenidos GRI del Informe.

La Dirección también es responsable de la información y las afirmaciones contenidas en el mismo; de la determinación de los objetivos de Reganosa en lo referente a la selección y presentación de información sobre el desempeño en materia de desarrollo sostenible, incluyendo la identificación de los grupos de interés y de los asuntos materiales; y del establecimiento y mantenimiento de los sistemas de control y gestión del desempeño de los que se obtiene la información.

Estas responsabilidades incluyen el establecimiento de los controles que la Dirección considere necesarios para permitir que la preparación de los indicadores con un nivel de aseguramiento limitado esté libre de errores materiales debidos a fraude o errores.

Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código de Ética para Profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia profesional, diligencia, confidencialidad y profesionalidad.

Nuestra firma aplica la Norma Internacional de Control de Calidad 1 (NICC 1) y mantiene, en consecuencia, un sistema global de control de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

KPMG Asesores S.L., sociedad española de responsabilidad limitada y firma miembro de la red KPMG de firmas independientes afiliadas a KPMG International Cooperative ("KPMG International"), sociedad suiza. Páase de la Castellana, 259C - Torre de Cristal - 28046 Madrid

Reg. Merc. Madrid, T. 14.972, F. 53, Sec. 8, H. M. 240.480, Inscricp. 1ª N.I.F.: B-02080550



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Nuestra responsabilidad

Nuestra responsabilidad es llevar a cabo una revisión limitada y, basado en el trabajo realizado, emitir este informe. Hemos llevado a cabo nuestro trabajo de conformidad con la Norma ISAE 3000 Revisada, *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, emitida por el International Auditing and Assurance Standard Board (IAASB) y con la Guía de Actuación sobre trabajos de revisión de Informes de Responsabilidad Corporativa emitida por el Instituto de Censores Jurados de Cuentas de España (ICJCE). Estas normas exigen que planifiquemos y realicemos nuestro trabajo de forma que obtengamos una seguridad limitada sobre si el Informe está exento de errores materiales.

Procedimientos aplicados

Nuestro trabajo de revisión limitada se ha llevado a cabo mediante entrevistas con la Dirección y las personas encargadas de la preparación de la información incluida en el Informe, y la aplicación de procedimientos analíticos y otros dirigidos a recopilar evidencias, como:

- La comprobación de los procesos que dispone Reganosa para determinar cuáles son los aspectos materiales, así como la participación de los grupos de interés en los mismos.
- La comprobación, a través de entrevistas con la Dirección y con otros empleados relevantes, tanto a nivel de grupo como a nivel de las unidades de negocio seleccionadas, de la existencia de una estrategia y políticas de sostenibilidad y Responsabilidad Corporativa para atender a los asuntos materiales, y su implantación a todos los niveles de Reganosa.
- La evaluación de la consistencia de la descripción de la aplicación de las políticas y la estrategia en materia de sostenibilidad, gobierno, ética e integridad de Reganosa.
- El análisis de riesgos, incluyendo búsqueda en medios para identificar asuntos materiales durante el ejercicio cubierto por el Informe.
- La revisión de la consistencia de la información que responde a los *Universal Standards* con los sistemas o documentación interna.
- El análisis de los procesos de recopilación y de control interno de los datos cuantitativos reflejados en el Informe, en cuanto a la fiabilidad de la información, utilizando procedimientos analíticos y pruebas de revisión en base a muestreos.
- La lectura de la información incluida en el Informe para determinar si está en línea con nuestro conocimiento general y experiencia, en relación con el desempeño en sostenibilidad de Reganosa.
- El contraste de la información financiera reflejada en el Informe con la incluida en las cuentas anuales de Reganosa, auditadas por terceros independientes.

Nuestro equipo multidisciplinar ha incluido especialistas en diálogo con grupos de interés y en el desempeño social, ambiental y económico de la empresa.

Los procedimientos llevados a cabo en un encargo de aseguramiento limitado varían en naturaleza y tiempo empleado, siendo menos extensos que los de un encargo de revisión razonable. Consecuentemente, el nivel de aseguramiento obtenido en un trabajo de revisión limitado es inferior al de uno de revisión razonable. El presente informe en ningún caso puede entenderse como un informe de auditoría.



3

Conclusión

Nuestra conclusión se basa, y está sujeta a los aspectos indicados en este informe de verificación independiente.

Consideramos que la evidencia que hemos obtenido proporciona una base suficiente y adecuada para nuestras conclusiones.

Basándonos en los procedimientos aplicados y en la evidencia obtenida, no tenemos conocimiento de ningún hecho que pueda llevarnos a pensar que el Informe no haya sido preparado, en todos los aspectos materiales, de acuerdo con los *Sustainability Reporting Standards* de Global Reporting Initiative (GRI Standards), en su opción exhaustiva, y el Suplemento Sectorial de *Oil and Gas* de *Global Reporting Initiative*, según lo detallado en el punto 102-54 del Índice de contenidos GRI del Informe, lo que incluye la fiabilidad de los datos, la adecuación de la información presentada y la ausencia de desviaciones y omisiones significativas.

Propósito de nuestro informe

De conformidad con los términos y condiciones de nuestra carta de encargo, este Informe de Revisión Independiente se ha preparado para Reganosa en relación con su Informe Anual 2018 y por tanto no tiene ningún otro propósito ni puede ser usado en otro contexto.

En otro documento, proporcionaremos a la Dirección de Reganosa un informe interno que contiene todos nuestros hallazgos y áreas de mejora.

KPMG Asesores, S.L.

Patricia Reverter Guillot

25 de junio de 2019

About this report

This Annual Report is drafted based on the principles of the standards of the Global Reporting Initiative and the International Integrated Reporting (IR) Framework. Based on these criteria, the Report presents all matters reflecting the significant economic, environmental and social impacts for the Reganosa Group during the 2018 financial year, from 1 January 2018 to 31 December 2018.

This report has been verified by KPMG Advisers according to the ISAE 3000 standard.

The information that it contains may be supplemented with the information at www.reganosa.com

Information perimeter [102-1] [102-5]

For the purposes of this report, the name “Reganosa” is used for all of the companies forming part of the group: Reganosa Holdco, S.L., Regasificadora del Noroeste, S.A., Reganosa Servicios, S.L., Reganosa Asset Investments, S.L. and Reganosa Malta, Ltd.

The information perimeter contained in this report corresponds to the Consolidated Annual Accounts of Reganosa Holdco, S.L. and its dependent subsidiaries.

In 2018, the Reganosa Group operated two LNG terminals, one in Spain (Mugardos) and one in Malta (Delimara). [102-10]

In cases where the reported information corresponds to a scope different to the established perimeter, this will be specified in the corresponding section or table.

