

# SUSTAINABILITY REPORT 2014

reganosa 







# LETTER FROM THE CHAIRMAN

[G4-1]



Dear friends,

I am pleased to present you with the first Reganosa Sustainability Report. Over the next few pages we want to share information with all our stakeholders about our performance in social, environmental and economic areas, and reveal to you the lines of action planned for the coming years.

Fifteen years ago the first steps were taken to establish an energy company in Galicia, which would be essential for the security of supply in the Spanish gas system, and which nowadays is certified as a Transmission System Operator (TSO) managing part of the main gas pipeline network which supplies gas to the Iberian market.

Historically, our commitment has been to develop a responsible business project. We are aware that our business contributes to the welfare of people and to the development of the environment thanks to business productivity and competitiveness of our ports. We assume the demand that involves things being well done, and we do so by knowing that what is important, and that the key to success is to help create a better future in a more sustainable environment.

Our commitment to safety is our first and essential objective. Building and operating secure infrastructures is the starting point that generates the other values in our business. In order to do that, we implement the highest operating standards and state-of-the-art technology. We have internationally recognised certifications and are committed to a process of constant training of our professionals. On this fundamental premise, in 2014 we took steps in different fields of management, thus making our continuous improvement process a reality for yet another year.

Following the most demanding environmental standards we have obtained the EMAS certification, and we have created our first Environmental Statement to publicise the performance of our organisation concerning this matter, which is at the centre of our priorities.

2014 has also been a period of consolidation of our commitments to corporate social responsibility, with the approval of Reganosa's Code of Ethics and Conduct, disseminated among our stakeholders and made publicly accessible through our corporate website, where there is a guide to behaviour that reflects our values and aspires to govern our activities and operations.

In economic terms, the company's performance has been influenced by the complexity of the sector's framework; the 9.6% decline in demand for natural gas in Spain compared to 2013 and the impact of the remuneration system reform have defined a financial year of major adjustments. To mitigate the possible effects of this context, our company, among other actions, has optimized cost efficiency to the maximum and has adapted to the logistical needs of the market. Consequently, by maintaining such good results while providing a positive dividend to its shareholders and remaining in good financial health to allow future investments to be made.

Among these, Reganosa is currently developing a project to create a centre in the port of Ferrol to supply liquified natural gas as a marine fuel in Galicia, this being an economic and environmental priority. This project, whose design has received financial support from the European Commission, will increase the competitiveness of the logistics, fisheries and transport sector while generating significant synergies with shipyards, attracting new maritime traffic from the centre of the Atlantic routes and contributing to the environmental improvement and growth of the Galician economy as a whole. [G4-2]

This year has been marked by our entering the ENTSOG association, a body created by the EU to promote the functioning of the internal gas market and to help build the energy model for the Europe of the future. Since our entry, by approval in the same category as other managers of the European transport networks, we have contributed with our knowledge to design and operate the European transport networks.

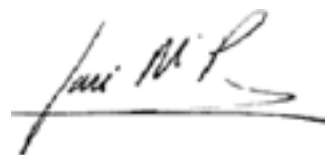
The importance of our social contribution is reflected in the various initiatives that are covered in the following pages of this Report, but I would especially like to emphasise —because of its importance for Mugardos— the cultural project developed to give value of the Roman remains found at the site of Caldoval. We carry out an activity that is oriented at building the future, and this precisely why we believe in the importance of recovering our history and preserving it for future generations. Only then is the passage of time can be translated into progress. Furthermore, due to the impact on the development of people, and because one of the best things we can share is knowledge, I would like to make an acknowledgement to the initiative carried out by our professionals, who have collaborated on a training project to improve employability in the local community.

Within our relationship plans with local communities, environmental organisations and associations, we continue with our open-door policy by establishing good relations that help to improve the awareness of the company. There have been 26 visits during this year, which have allowed 570 people to visit our facilities.

On behalf of the Board of Directors that I chair, I would finally like to offer my profound for the involvement, ability and effort of all our professionals, and for the trust given to us by our customers, government, local communities, suppliers and other people and entities that Reganosa engages with.

We hope this report will be of useful interest to you so that we can continue improve.

José María Paz Goday  
Chairman







01

REGANOSA,  
MANAGER AND  
OPERATOR OF  
NATURAL GAS  
INFRASTRUCTURES  
- TSO



## 1. REGANOSA, MANAGER AND OPERATOR OF NATURAL GAS INFRASTRUCTURES - TSO

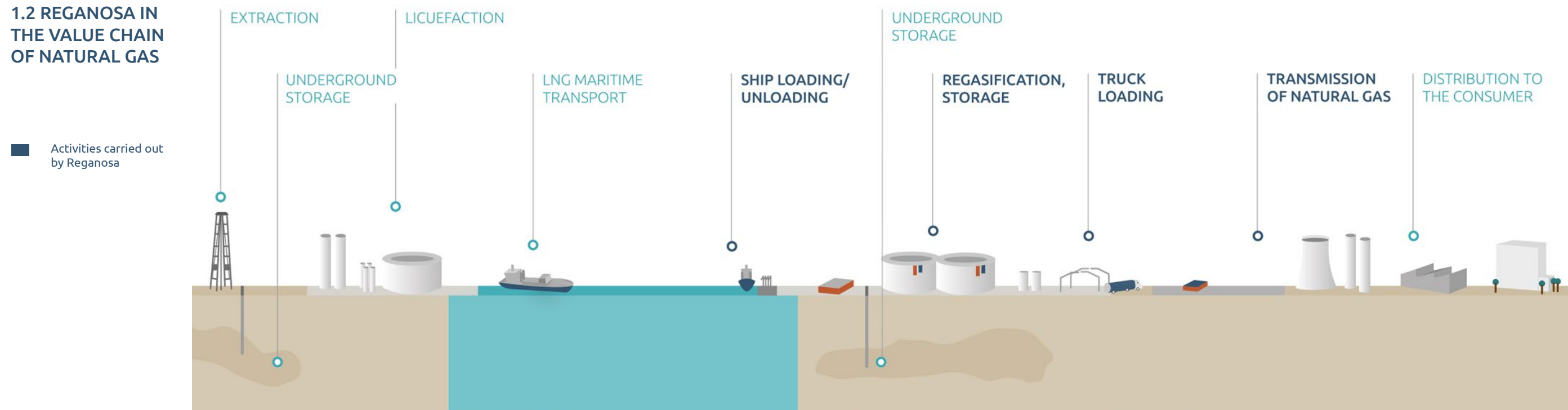
### 1.1. REGANOSA'S ACTIVITY

Reganosa is a company dedicated to the transport and regasification of natural gas, and has been approved and appointed by the Ministry of Industry, Energy and Tourism as a transmission system operator (TSO) after a certification process approved by the National Commission of Markets and Competition and the European Commission. Reganosa helps to ensure the security of supply while building, operating and maintaining basic transport infrastructures in a safe, efficient and flexible way. [G4-3]

The company operates one of the access points to the Spanish gas network— thus allowing for a diversification of supply—and carries out operations in its facilities for the loading and unloading of ships, for storage, regasification, transport by gas pipeline and by tanker loading.

Reganosa is also part of various national and international organisations in the sector, and cooperates with regulatory authorities on policy development. The company is a member of ENTSOG, where it participates as an approved member with all the managers of the European transport network in order to promote the efficient construction and operation of the European natural gas market and to ensure a coordinated management and a sound technical evolution of the transport network in Europe. [G4-16]

### 1.2 REGANOSA IN THE VALUE CHAIN OF NATURAL GAS

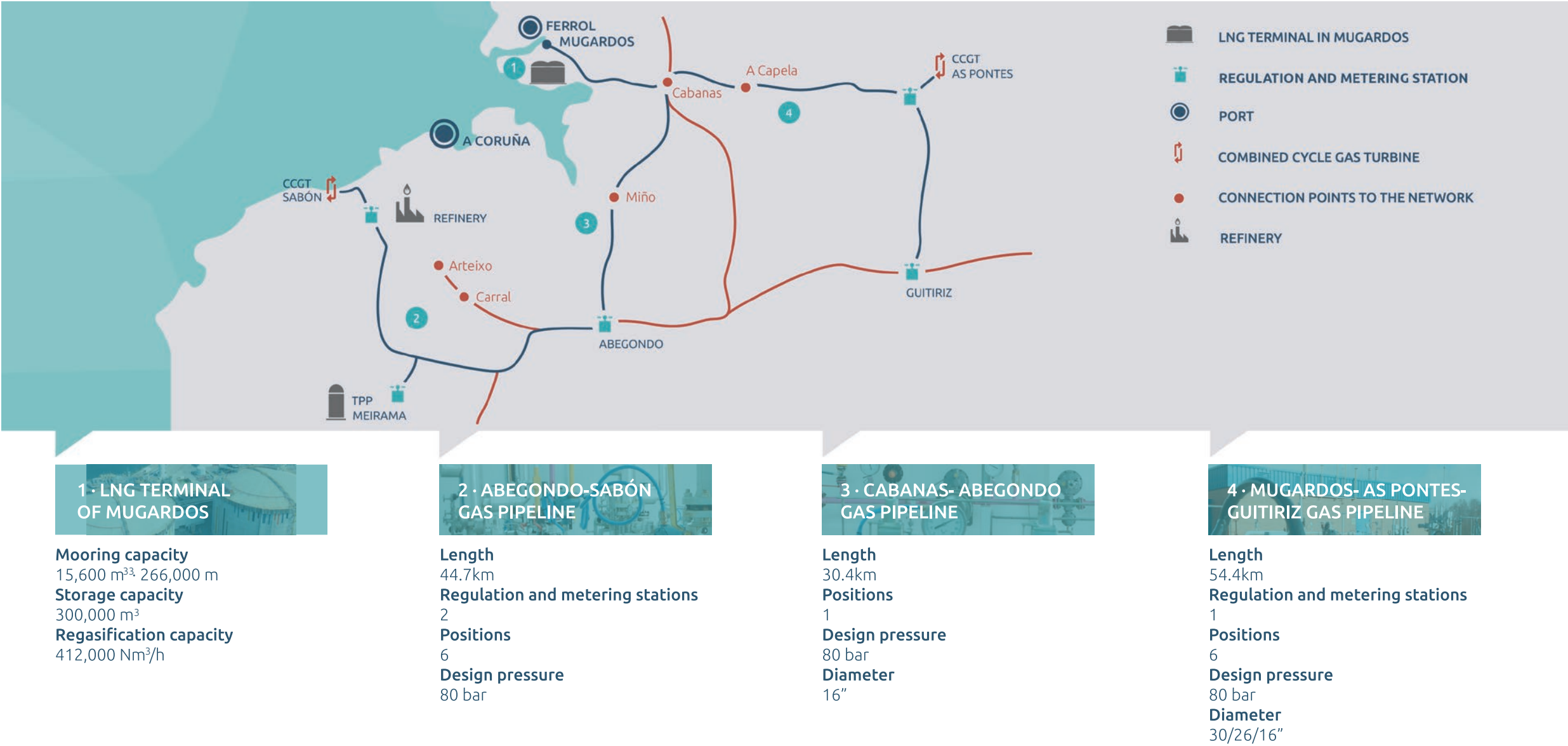




1.3 MANAGEMENT PRINCIPLES



1.4 OUR INFRASTRUCTURES





## 1.5. SERVICES PROVIDED BY REGANOSA

[G4-6] [G4-8] [G4-4]

Reganosa primarily carries out regulated activities within the Spanish gas system which are included in the third party access system. In its performance, it continuously analyses market conditions in order to develop services that support the growing logistical needs demanded by the natural gas market.

### SHIP UNLOADING

Access is granted to LNG tankers to the terminal facilities to unload LNG which is delivered at a temperature of  $-160^{\circ}\text{C}$ .

### GASSING UP AND COOL DOWN

The LNG is transferred to the ship from the terminal's tanks. Cooling down operations are also carried out, starting with the placement of the natural gas in the ship tanks (*gassing up*) to its gradual reduction in temperature (*cool down*).

### LNG STORAGE

The services we provide include the right to use the operative storage available, under the terms and conditions set up for the access to the facilities.

### REGASIFICATION

The LNG, stored in the terminal's tanks at  $-160^{\circ}\text{C}$ , is transformed into its gaseous state by increasing its temperature using a physical process, for which seawater vaporisers are generally used.

### TRANSMISSION OF NATURAL GAS

Through the transport network owned by Reganosa the gas is transmitted, connecting the LNG terminal with the Tui-Llanera gas pipeline, town councils and consumers directly connected to the network.

### TRUCK LOADING

LNG is also transported by tankers. The loading service is provided at the Mugardos terminal, which allows to supply companies and factories in the northwest of the Iberian Peninsula as well as domestic consumers in areas with little access to gas, through satellite plants connected to local distribution networks. Reganosa was consolidated in 2014 as the European leader in truck loadings, with a total of 9,729 operations conducted.

### LABORATORY ANALYSES

Reganosa's laboratory provides analyses for the composition of natural gas and LNG to both the users of our facilities and external organizations. The laboratory equipment is perfectly calibrated and verified.

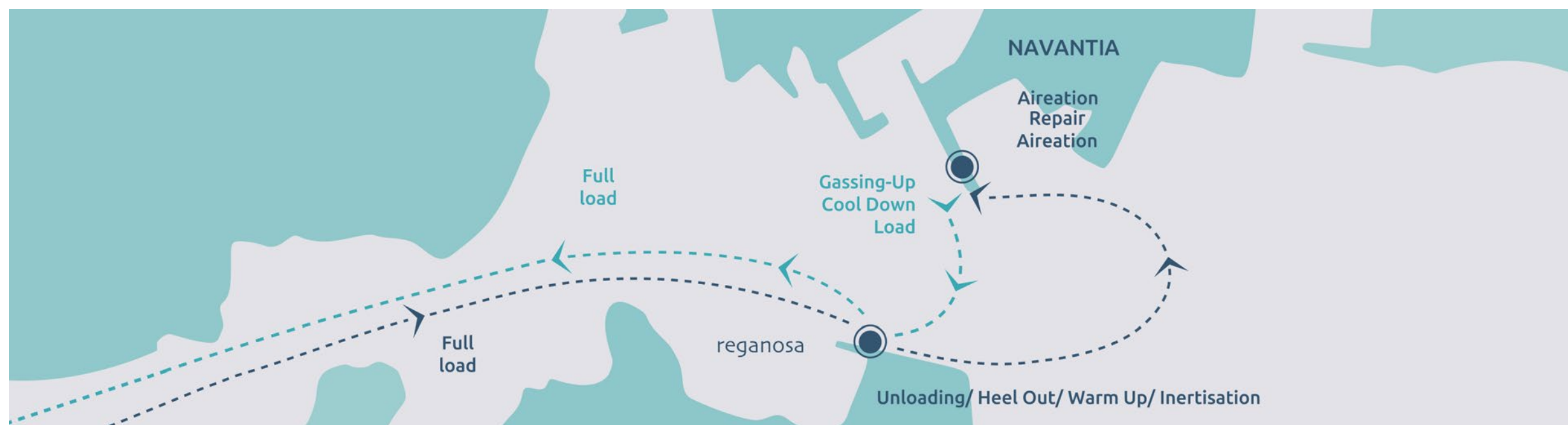
### O&M, TRAINING AND CONSULTING ACTIVITIES

Reganosa provides additional services of training, transmission network simulations, technical advisory services, consultancy, operation and maintenance of LNG terminals and transport facilities, and services in the areas of design, construction, commissioning and exploitation.



## REPAIR CYCLE

The signing of a ground-breaking agreement between Navantia, Reganosa and Gas Natural to jointly offer comprehensive repair services to gas carriers has converted the port of Ferrol into one of a few in the world where a ship can arrive, unload, be repaired, cool down, be loaded and depart, therefore covering a complete repair cycle.







02

MAIN  
FIGURES



## 2. MAIN FIGURES

### ACTIVITY DATA

[G4-9]

	2012	2013	2014
LNG ship unloading (GWh)	20,487	18,964	21,051
Production (GWh)	21,472	19,215	20,131
Regasification (GWh)	16,621	13,561	10,190
Truck loading (GWh)	1,366	1,939	2,994
LNG transfer to ships (GWh)	3,485	3,604	6,947
Gas transported in the gas pipeline network (GWh)	16,625	13,827	10,824
Utilisation ratio of Murgardos terminal (%)	47%	42%	44%

### DATA ON SAFETY AND THE ENVIRONMENT

[G4-EN31] [G4-OG13]

	2012	2013	2014
Staff training in safety matters (h/employee)	24.32	14.97	48.7
Simulations and safety drills performed (nº)	2	2	3
Investment in environmental improvements (€)	0	166,797.25	136,044.61
Expenditure on environmental control studies (€)	126,411	127,524	116,630
Quality and Safety audits, Internal and external (nº)	4	6	6

### FINANCIAL INFORMATION

[G4-EC1] [G4-EC4] [G4-9]

	2012	2013	2014
Net profit (€)	15,117,624	12,890,931	12,010,021
EBITDA (€)	54,503,443	46,383,716	44,882,033
Dividends (€)	7,000,000	2,000,000	4,000,000
Investments (€)	1,825,366	680,862	538,923
Net debt (€)	232,892,472	203,658,014	177,092,981
Equity (€)	83,543,150	97,099,830	107,051,516
Assets (€)	310,751,305	294,927,304	274,175,749
Net debt/EBITDA ratio	4.27	4.39	3.95
Financial subsidies granted by the Public Authorities (€)	0	280,556.48	253,665 *

\* This amount corresponds to the financial aid received by the European Commission, under the TEN-T Programme for the development of the "Hub of LNG in the north west of the Iberian Peninsula" project.

### DRIVER FOR GROWTH

[G4-EC1] [G4-EC8] [G4-EC9]

	2012	2013	2014
Economic value generated (€)	59,202,166	58,291,995	56,413,001
Economic value distributed (€)	35.828.050	28.335.980	25.564.219,80
Indirect economic value generated from port traffic of Murgardos terminal * (€)	10,620,880	11,855,920	11,524,178
Percentage of Galician suppliers contracted (%)	54%	52%	50.58%
Large Galician industries which have been supplied with natural gas (nº)	20	25	33
Economic savings in these companies thanks to the change to natural gas ** (€)	39,917,267	58,760,111	95,630,102
Reduction of emissions by these companies thanks to their shift to natural gas *** (tCO <sub>2</sub> eq)	33,838	53,506	91,984
Development of natural gas in Galicia (gasification index) ****	8.10	8.56	8.79*

\* Estimated data; this includes port charges, consignee services, tug operators, pilots, moorers, supply of goods and provisions for ships.

\*\* / \*\*\* Estimated data. It has been considered that the fuel consumed before switching to natural gas was diesel.

\*\*\*\* Index calculated from the data on number of gas customers (source: Sedigas; data available up to August 2014) and population (source: INE).



**SOCIAL ACTION**

[G4-EC1] [G4-EC7]

	2012	2013	2014
Social investment regarding EBITDA of the Company (%)	0.50%	0.73%	1%
Social investment regarding net profit of the company (%)	1.82%	2.61%	3.75%
Total social investment (€)	274,657	336,940	450,065
Project to enhance the archaeological value of the remains at Caldoval archeological site (€)	27,989	43,200	213,437
Donations and sponsorships (€)	146,000	176,670	137,704
Participants in the various sport clubs supported by Reganosa (nº)	5,437	5,645	6,141
Scholarships and internships (nº of beneficiaries)	23	33	22

\* VAT is included.

**CUSTOMERS AND SUPPLY CHAIN**

	2012	2013	2014
Customers surveyed (%)	100	100	100
Customer satisfaction (%)	66	74	76
Suppliers contracted registered in the approval database (%)	36	38	39
Suppliers registered in the approved databases with certification UNE 9.001 (%)	90	85	83

**PROFESSIONAL DEVELOPMENT**

[G4-LA6] [G4-9] [G4-LA9] [G4-LA11]

	2012	2013	2014
Employees at 31st December (nº)	66	67	69
Rotation rates	0.03	0.03	0.01
Index of new hirings	0.03	0.04	0.04
Average age of the workforce	39.75	40.36	40.75
Professional profiles (% graduates)	45%	45%	48%
Frequency rate*	0	17.38	8.61
Seriousness rate**	0	0.96	2.29
Absenteeism rate ***	1.18	1.38	3.57
Training per employee (hours/employee)	36.47	58.48	67.62
Percentage of employees under performance assessments	95.45%	92.54%	91.30%

\* Frequency rate = number of accidents with sick leave x 1,000,000 / hours worked

\*\* Severity index = number of days lost x 1,000 / hours worked

\*\*\* Absenteeism rate = lost hours / theoretical hours x 100

**CORPORATE GOVERNANCE AND TRANSPARENCY**

[G4-SO4] [G4-SO5]

	2012	2013	2014
Directors in the board on 31st December (nº)	14	14	20
Percentage of women in the Board of Directors	7%	7%	7%
Employees who have been handed in the Code of Ethics	N/A	N/A	100%
Incidents related to corruption	0	0	0
News about the company (covered) in the media (nº)	266	224	265
People who have visited the Mugardos terminal (nº)	692	391	570





03

MISSION,  
CORPORATE VISION  
AND VALUES



### 3. MISSION, CORPORATE VISION AND VALUES

[G4-56]

#### VALUES



In 2014 Reganosa's Board of Directors approved its Code of Ethics and Conduct, which reflects the values that should guide the activities and operations of the company and the behaviour of all our professionals. [G4-DMA]

The Code of Ethics and Conduct expressly endorses all the principles of the United Nations Global Compact, an initiative that Reganosa joined in 2013. In addition, it is based on values developed and promoted by the Board of Directors and designed to meet the highest standards of professional responsibility and integrity. [G4-15] [G4-DMA] [G4-HR4]

Its publication is an important milestone in terms of transparency, and intends to spread good management practices and good governance to all institutions and suppliers working with our company. The Code is accessible through the corporate website: [www.reganosa.com](http://www.reganosa.com). [G4-SO3] [G4-SO4]

#### COMPLIANCE CONTROL MECHANISMS

Monitoring is carried out through an Ethics Committee, which will report directly to the Board of Directors, and shall aim to:

- 1 Promote the integration of a professional, ethical and responsible behaviour in the strategy and management of Reganosa.
- 2 Safeguard the respect and observance of the principles established in the Code.
- 3 Develop skills related to its binding interpretation and application.

The stakeholders of the company have an Ethics Channel, which shall process enquiries on the implementation of the Code and help solve the dilemmas or concerns about ethical behaviour in the workplace and in professional relations. [G4-57] [G4-58] [G4-LA16]

#### MISSION

We are an energy company that works to improve peoples's well-being and to reduce the impact on climate change. We guarantee the safety of our environment while implementing state-of-the-art technology. We are focused on generating value for society, our customers and our shareholders.

#### CORPORATE VISSION

Our aim is to be an innovative, quality company that is committed to the environment, wishing to improve people's well-being, as well as encouraging their development and growth, while ensuring the availability of the necessary energy infrastructures and their safe and efficient management.



04

PREVENTIVE  
APPROACH TO RISK  
MANAGEMENT





4. PREVENTIVE APPROACH TO RISK MANAGEMENT

[G4-DMA] [G4-2] [G4-14] [G4-45] [G4-46] [G4-47]



DESCRIPTION OF THE TYPE OF RISK	PREVENTIVE MEASURES AND CORRECTIVE ACTIONS
<b>Reganosa operates in a regulated sector, thus changes in its regulatory framework may have an impact on its profits</b>	<p>Fluid communication with the regulatory organizations and national and international public authorities in a collaborative framework.</p> <p>Continuous monitoring of legal changes approved at any given time and the undertaking of regulatory development proposals.</p> <p>Participation in associations, debate forums and work groups as well as active interaction with other agents of the sector.</p> <p>Legal defence of the Company's interests in any necessary cases.</p> <p>Implementation of the gas transport network simulation software GANESO, which allows to simulate the application of a wide number of policies.</p> <p>Active participation in ENTSOG workgroups for the development of European Network Codes, which allows for an efficient operation and a proper development of the domestic natural gas market.</p>



DESCRIPTION OF THE TYPE OF RISK	PREVENTIVE MEASURES AND CORRECTIVE ACTIONS
<b>Interest rate risks</b>	Hedging policy for this risk based on maintaining fixed interest rates for at least half of the debt.
<b>Cash flow</b>	<p>Maintenance of the required liquid assets to meet financial commitments.</p> <p>Thorough monitoring and estimations of the future evolution of the deficit in the Spanish gas sector.</p>





DESCRIPTION OF THE TYPE OF RISK

PREVENTIVE MEASURES  
AND CORRECTIVE ACTIONS

DESCRIPTION OF THE TYPE OF RISK

PREVENTIVE MEASURES  
AND CORRECTIVE ACTIONS

**Safety, health and Environment**

**A rigorous management ensures that the impacts and risks are minimised or eliminated**

Implementation and maintenance of the Integrated Management System for quality, environment and occupational health and safety (ISO 9001, OHSAS 18001, ISO 14001 and EMAS).

Approval of the Prevention Plan for Occupational Risks, where the preventive actions are developed to be integrated into all the organisational structure.

The Planning of the preventive activity is made every year ,when the measures to control, reduce and eliminate the risks identified in the risk assessments carried out periodically.

Yearly planning of the preventive activity is done whereby measures are set out to control, reduce and eliminate the risks identified in periodic risk assessments.

Regular review of the Self-Protection Plan and organizing simulation drills to establish the effectiveness of the actions planned in it and in the External Emergency Plan.

The company has a package of insurance policies with well known companies of international experience in the energy sector to meet all those contingencies that may arise. The types of policies contracted are: General civil liability, D & O. environmental protection, property damage and loss of profits.

**Market**

**The uncertainty on the evolution of the demand can have an impact on the company's results**

**Operation**

**It refers to the risks arising from infrastructures, such as failures or unavailability**

Constant monitoring of the behaviour of demand and participation in initiatives for the development of new uses of natural gas.

Development and implementation of procedures and actions according to quality criteria, environment and prevention (ISO 9001 Certifications, OHSAS 18001, ISO 14001 and EMAS).

Validation of internal analytical methods used in laboratory according to the standard ISO 17 .025.

Preventive and predictive review of equipment, according to specific maintenance programmes.

Setting up of a procedure for the approval of suppliers when contracting their services, works and supplies, which ensures the selection of the most qualified ones.

Besides preventative actions, the management procedure for industry incidents establishes the methodology for the process of investigation of conducts or facts that determine the occurrence of incidents. On the basis of the resulting conclusions, the the specific corrective and preventive measures implemented carried out in order to prevent their repetition.





05

**SUSTAINABLE  
MANAGEMENT,  
PERFORMANCE AND  
OBJECTIVES**



## 5. SUSTAINABLE MANAGEMENT, PERFORMANCE AND OBJECTIVES

### 5.1. SAFETY IN OUR OPERATIONS AND ENVIRONMENTAL PROTECTION

[G4-DMA] [G4-EN7]

#### PERFORMANCE IN 2014

##### Health and safety

Drill for the activation of the External Emergency Plan.

Development of a software application to manage the work permits system.

Passing the external MTMSA audit carried out by Qatargas.

Improvement of the facilities for fire prevention in the mooring area of the Mugardos terminal.

##### Environment

Attainment of the EMAs certification and preparation of our Environmental Statement.

12% reduction in water consumption.

87.4% reduction in the generation of non-hazardous waste

Development of an improvement project for the facilities aimed at reducing gas and electricity consumption in LNG transfer operations.

Monitoring plan for sediments and living organisms in the coastal area near the Mugardos terminal.

Participation in the development tool to calculate the carbon footprint of the gas system, in collaboration with other agents in the sector through Sedigas.

Obtaining values under the limits set in all legal and voluntary environmental surveillance and monitoring controls.

#### OBJECTIVES FOR 2015

##### Health and safety

Creation of a Commitment Plan for Health and safety, which shall define specific measures in matters of training, organisational structures and new procedures to strengthen integrated safety in the workforce.

Incorporation of medical criteria, first aid practices and action protocols in case of work accidents.

##### Environment

Analysis of the carbon footprint of Reganosa's activity.

Project to improve the facilities to reduce gas and electricity consumption in the LNG transfer operations.

5% reduction in the generation of hazardous waste.

5% reduction in the generation of non-hazardous waste.

Carrying out an energy audit according to UNE 216.501

Maintenance of a plan to monitor the sediments and organisms of the coastal area near the Mugardos terminal.

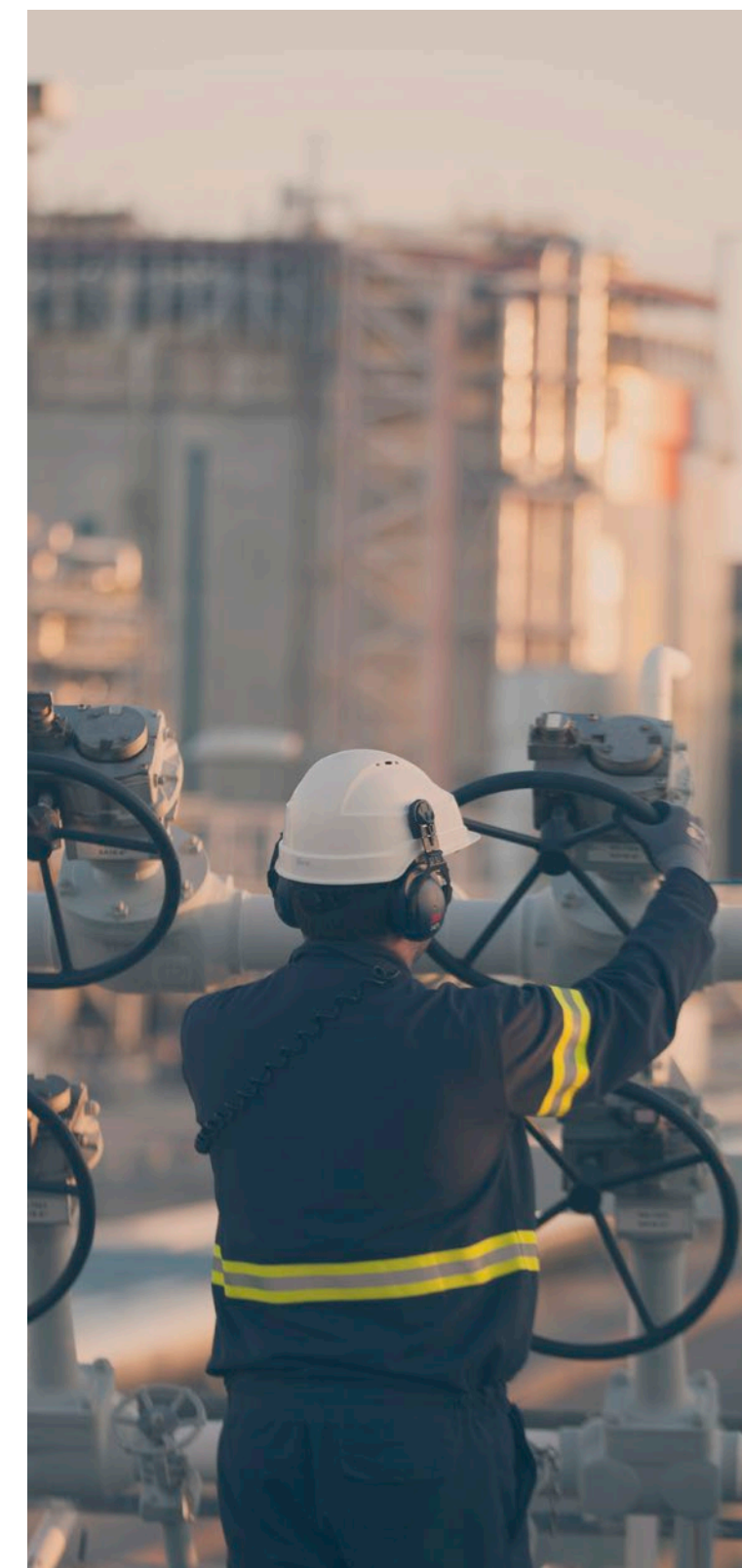
Development of environmental improvement projects.

#### 5.1.1 SAFETY FIRST

[G4-DMA] [G4-SO1]

Safety is the basic principle of the company management. In each of its activities, Reganosa applies the highest international standards and carries out the necessary measures to ensure the safety of people, facilities and the environment.

The company has an annually audited Integrated Management System for its entire activity. The system is certified according to standard OHSAS 18001 —among others— which ensures compliance with legislation in health and safety matters, its integration into the overall system of the company, the commitment to continuous improvement and adaptation, and risk control, while taking the necessary measures to eliminate or minimise such risks.

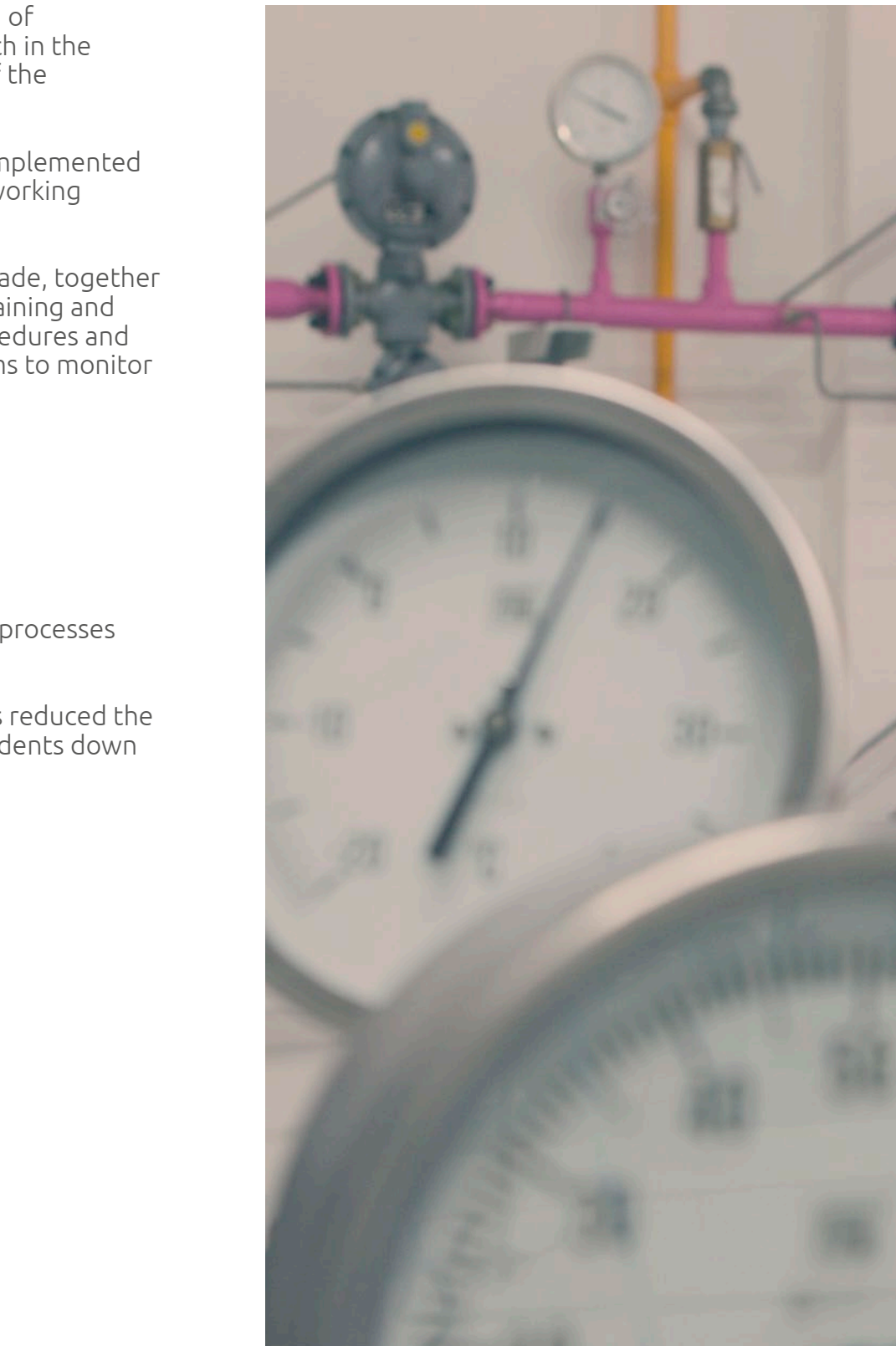




Among the procedures of the Integrated Management System, Reganosa has developed a method of monitoring and observing safety issues, which can detect and implement improvement actions both in the workplace and industrial area, and includes the criteria of communication, analysis and response of the organisation before the incidents are detected.

A Plan for the Commitment to Health and Safety is currently under development. Such plan shall implemented a prevention programme into the organisation and set the objectives of the company to improve working conditions and to protect health by strengthening the company’s integrated safety objective..

The Plan will start from an initial diagnosis where an analysis of labour and industrial risks will be made, together with those of the operating and management systems of the jobs of internal and external staff. Training and awareness activities will be carried out depending on the needs that are detected. Strategies, procedures and standards of performance to attain a zero accident rate shall be established, along with mechanisms to monitor and control the Plan in order to ensure its maximum effectiveness.



**OCCUPATIONAL  
RISK PREVENTION  
SYSTEM**  
[G4-DMA]

Reganosa’s Occupational Risk Prevention Plan establishes the measures to integrate into business processes and into the conditions and organisation of work, in order to ensure risk control in all its facilities.

Our commitment to the health and safety of our people and strict compliance with our policies has reduced the frequency rate of work related accidents requiring sick leave compared to 2013, and kept such incidents down to zero regarding external contractors working in our facilities. [G4-LA6]

	2012	2013	2014
Frequency rate for own staff	0	17.38	8.61
Seriousness rate for own staff	0	0.96	2.29
Absenteeism rate for own staff	1.17%	1.38%	3.57%
Frequency rate for external staff	0	0	0
Rate for occupational diseases	0	0	0
Number of casualties	0	0	0



These figures are also possible thanks to the efforts in training, awareness and safety drills, which are aimed at both professionals of Reganosa as well as individuals and external companies which carry out some type of activity at the company's premises.

Additionally, the Health and Safety Committee, comprised of two members of the technical staff and two area managers in charge, meet on a quarterly basis to review the actions of the company regarding matters for the prevention of occupational hazards. [G4-LA5] [G4-LA8]

## OCCUPATIONAL HEALTH

Reganosa promotes healthy habits among its professionals and carries out periodical medical examinations as well as encouraging participation in campaigns and information activities regarding health.

## SAFETY OF THE FACILITIES

[G4-DMA] [G4-PR1] [G4-SO1] [G4-OG13]

Reganosa carries out continuous monitoring of all its facilities with the most advanced monitoring and control systems. In addition, we provide training on safety and actions to be taken in the event of an emergency to 100% of the external contractors working in our premises. Similarly, the owners of works or of the land where the gas pipeline runs through are informed about the features and security measures applicable to the infrastructures.

All technological adaptations required in the facilities undergo a rigorous change management process in which the requirements for conducting quantitative and qualitative risk assessments according to international standards of good practice are identified.

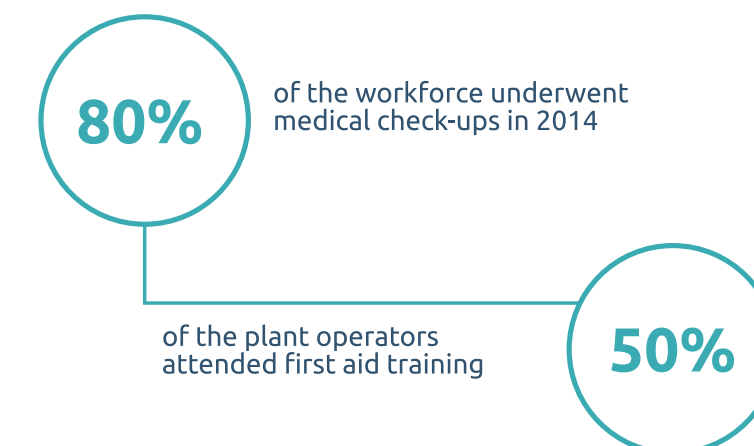
In 2014 Reganosa also carried out three drills —within its intensive safety training programme— in the terminal facilities of Mugaros. One of the drills consisted in activating the External Emergency Plan, which involved the actions of the Security Forces of the State, Firemen and technical staff of the Regional Ministries of Environment, Planning and Infrastructure, Health, and Economy and Industry. Another drill consisted in verifying the response capacity of one of the scenarios listed in the Self-Protection Plan, which was also attended by tug operators from the Port of Ferrol, activated by the Port Authority.

Likewise, the staff belonging to the Ferrol fire station staff makes regular visits to Reganosa's facilities in order to know and be familiar with the various products that are being handled with the installed fire fighting as well as to participate in fire training days with the professionals in the Company's intervention team.

## PREVENTION OF OCCUPATIONAL RISKS



## OCCUPATIONAL HEALTH





### 5.1.2. ENVIRONMENTAL CARE

Reganosa is a company that looks after the environment. Our commitment goes beyond compliance with 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.

Therefore, the company has been certified to the highest standards: standard ISO 14001 and EMAS regulation. The implementation of an Integrated Management System in accordance with these regulations ensures compliance with all regulatory provisions, the systematization of environmental procedures and guidelines, and the commitment of Reganosa with continual improvement to prevent and minimize the impacts associated with our activity. [G4-DMA] [G4-SO1]

The company establishes a control system that includes procedures, periodic optional studies and training activities among our staff. In addition, Reganosa sets forth specific objectives in its annual Environmental Statement for the reduction of emissions and water consumption, for saving energy and materials and optimizing its waste management processes.

All environmental performance is carried out with transparency. The company has established several communication channels that allows us to respond to the information requestsof all our stakeholders regarding its operation. Through the annual Environmental Statement, all stakeholders are informed on the environmental aspects of management, and any questions and suggestions may be directed to the communication channel enabled on the website [www.reganosa.com](http://www.reganosa.com).

### CONTROL OF CONSUMPTION

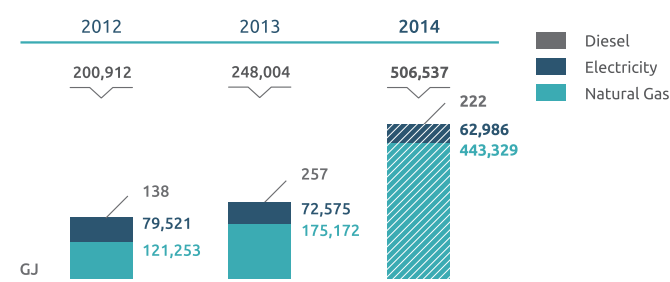
Reganosa uses energy and auxiliary materials for the activities and services provided in their facilities. A control log of this consumption is carried out annually in the audit for the Integrated Management System and a comparison is made with previous years to assess the trend, check the efficiency of processes and set the objectives and necessary measures for the following years.

### ENERGY CONSUMPTION [G4-DMA] [G4-EN3] [G4- EN5]

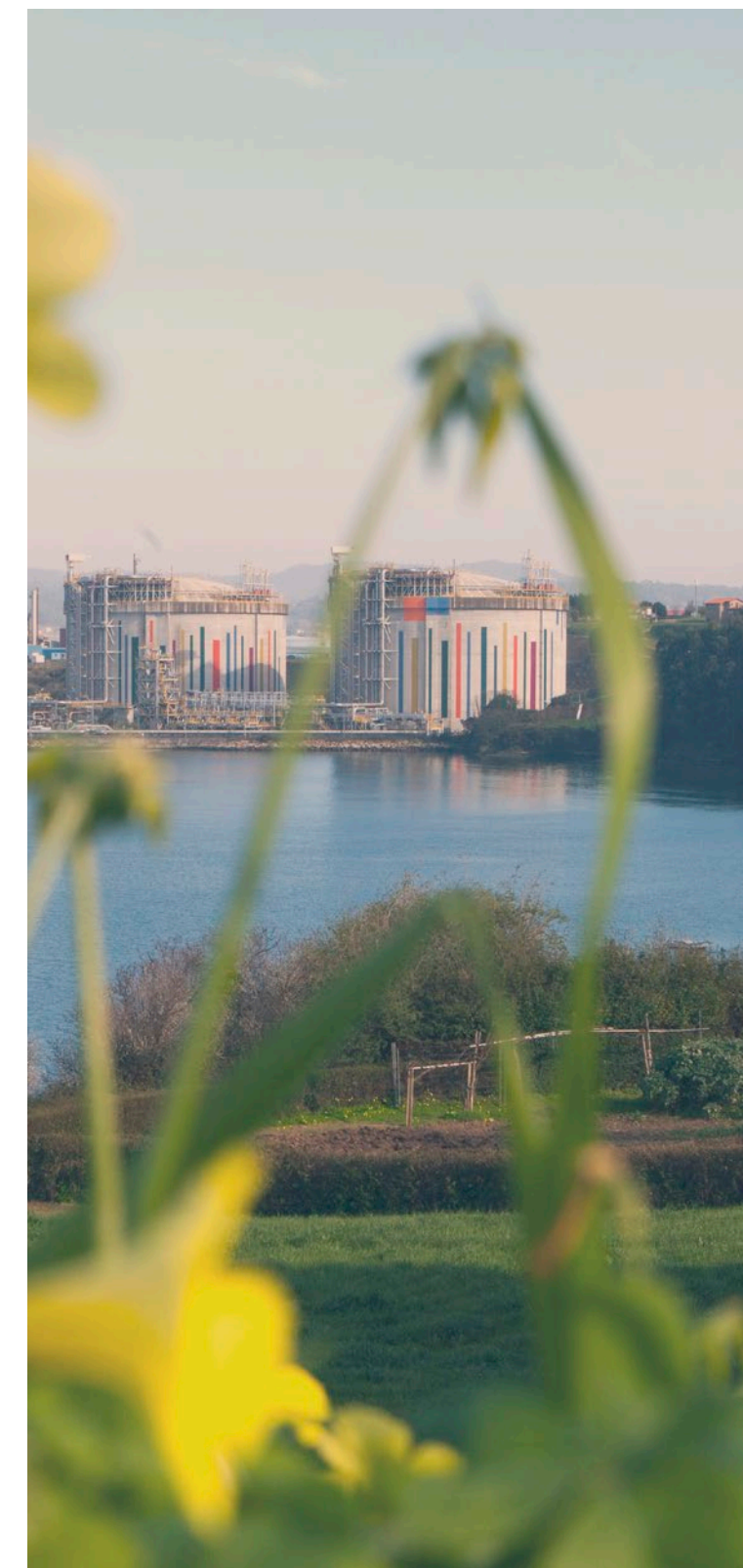
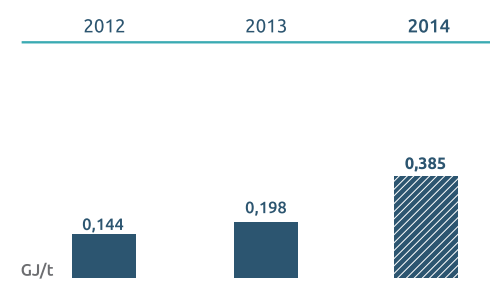
During 2014 Reganosa had a natural gas consumption of 443,329 GJ. Additionally, it has consumed 62,986 GJ of electricity and 222 GJ of diesel.

Over the period 2012-2014, the total energy consumption in Reganosa experienced an increase, caused mainly by operating days below the technical minimum and plant shutdowns that trigger the burning of natural gas.

#### TOTAL ENERGY CONSUMPTION



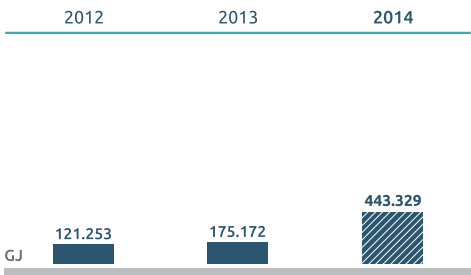
#### TOTAL ENERGY INTENSITY



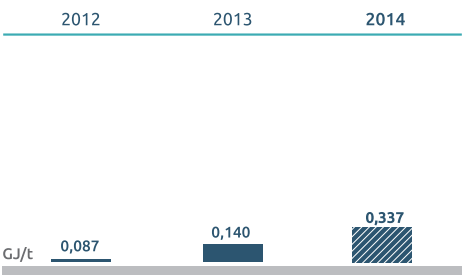


**Natural gas.** Consumption of natural gas occurs at times when facilities operate below their technical minimum and during plant shutdowns. In 2014, while still maintaining the values of global activity of the terminal, a much larger amount of natural gas has been devoted to transfer operations of LNG to ships. There has also been less regasification, therefore more days have been worked below the technical minimum .

SELF  
CONSUMPTION OF  
NATURAL GAS  
[G4-EN3]

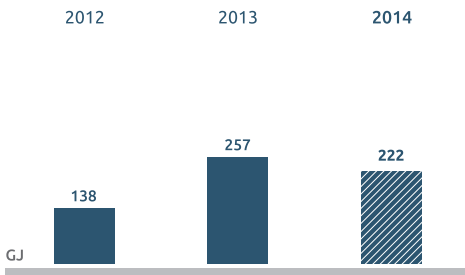


ENERGY  
INTENSITY (SELF-  
CONSUMPTION  
NATURAL GAS)  
[G4-EN5]

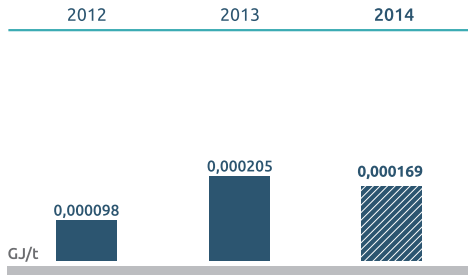


**Diesel oil.** The use of diesel fuel in 2014 represented 0.04% of the total energy consumption and was mainly due to performance testing of the emergency engines in Mugardos terminal. Fuel consumption of the company's vehicle fleet is also included.

DIESEL  
CONSUMPTION



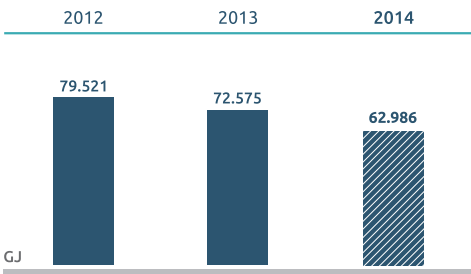
ENERGY INTENSITY  
(DIESEL)



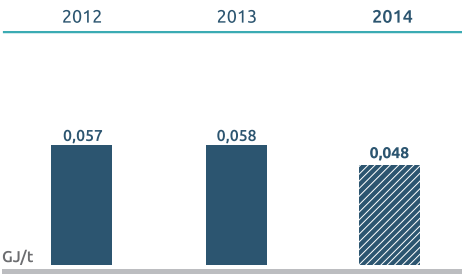
**Electricity.** It is mainly used to operate equipment at the LNG terminal. Currently, electricity is the second most important energy consumption.

Over the period 2012-2014, the use of electricity experienced a steady decline, mainly influenced by a reduction in regasification activity. During this period, various energy efficiency measures were also adopted, which resulted in savings of 925 GJ per year with respect to consumption in 2011. [G4-EN6] [G4-EN7]

CONSUMPTION OF  
ELECTRICITY  
[G4-EN3]



ENERGY INTENSITY  
(ELECTRICITY)  
[G4-EN5]

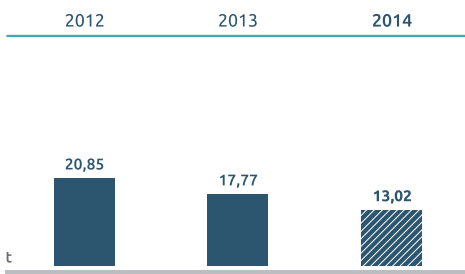


CONSUMPTION  
OF MATERIALS  
[G4-DMA] [G4-EN1]

Reganosa consumes materials that play an auxiliary role in its production process.

**THT (tetrahydrothiophene).** The THT is a compound used as an odorant in the natural gas transport network for safety reasons. Its concentration in the gas pipeline is determined by law and its consumption is linked to the regasification performed.

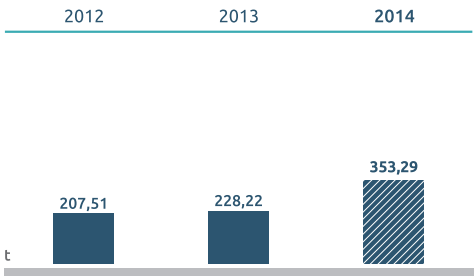
THT





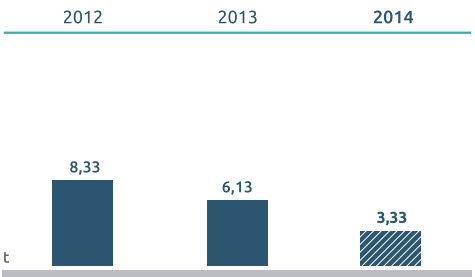
**Nitrogen.** Its consumption is related to inerting tasks performed on equipment which are carried out before and after the maintenance tasks, as well as sweeping and emptying the arms after loading tankers. In 2014, there was an increase in consumption due to an increase in the maintenance work.

NITROGEN  
[G4-EN1]



**Sodium bisulfite.** This compound is used in the plant to neutralize the sodium hypochlorite used in the seawater circuit. In turn, the sodium hypochlorite is continuously generated in a plant at the start of the electro chlorination of the circuit and serves to prevent the growth of micro-organisms inside the pipes and equipment.

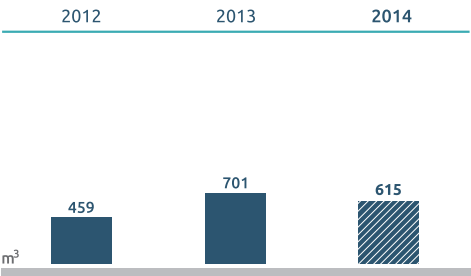
SODIUM BISULFITE  
[G4-EN1]



WATER  
CONSUMPTION  
[G4-DMA] [G4-EN8] [G4-EN9] [G4-EN22]

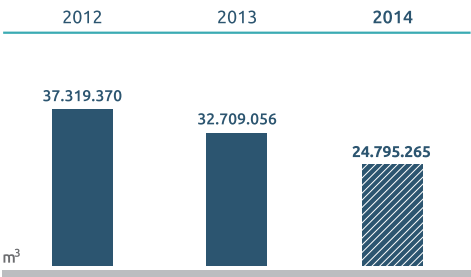
**Water for facility services.** Water consumption is mainly used in industrial and cleaning applications. Health and auxiliary uses are also included. The increase in consumption in 2013 was mainly due to the washing-out tanks at the Mugardos terminal prior to painting.

CONSUMPTION OF  
DRINKING WATER



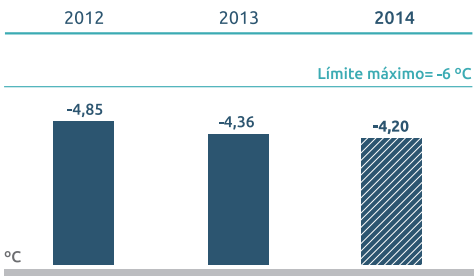
**Seawater.** The terminal uses seawater in its regasification process to increase the temperature of LNG and change its state from liquid to gas. The volume used is fully returned to the marine environment with minimal temperature decrease. 2014 saw a reduction in the use of seawater due to a decrease in regasification activity. The parameters of chlorine and temperature of the water returned to the sea are well below the established limits.

CAPTURE OF  
SEAWATER

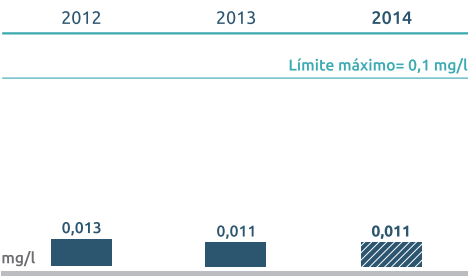




DECREASE OF THE TEMPERATURE

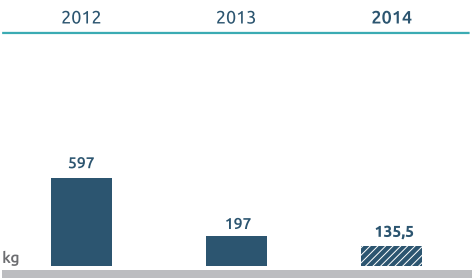


FREE RESIDUAL CHLORINE



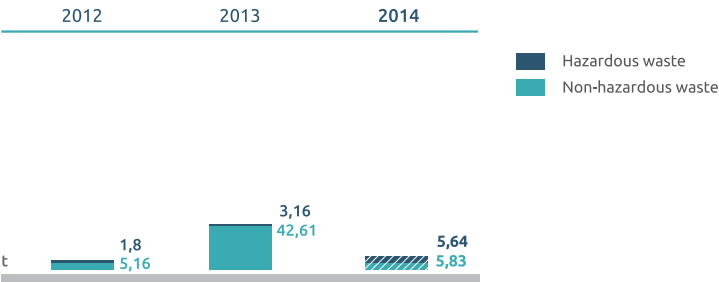
**Emissions of other gases.** In 2014, emissions of NOx in the submerged combustion vaporizer of Mugardos terminal reached a minimum, placing itself at 135.5 kg.

NOX



Hazardous waste generated by Reganosa is very limited and is mainly due to the maintenance and cleaning tasks performed on the facilities and equipment. The increase of waste in 2013 was due to the cleaning of collecting pools.

WASTE GENERATED

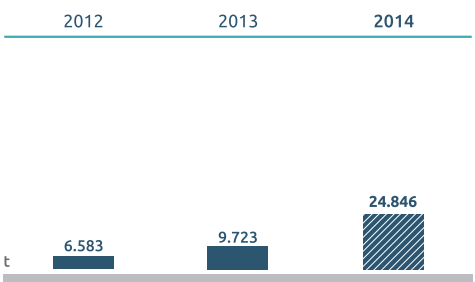


EMISSIONS  
[G4-DMA] [G4-EN15] [G4-EN16] [G4-EN21]

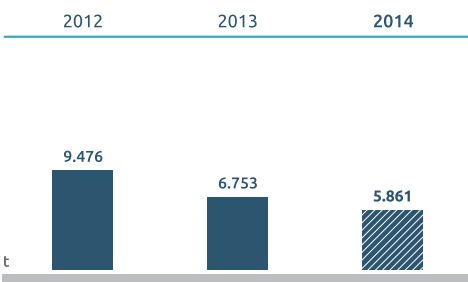
**GEI emissions.** Reganosa carries out annual atmospheric control checks under Regulation (EU) 601/2012. Direct emissions (Scope 1 according to standard GHG Protocol), are generated by the combustion of gas as self-consumption and by the auxiliary engines of the terminal equipment.

Indirect greenhouse gas emissions (Scope 2 according to standard GHG Protocol) corresponding to the generation of electricity consumed, continued the downward trend until reaching 5861 tCO2eq.

EMISSIONS  
SCOPE 1



EMISSIONS  
SCOPE 2

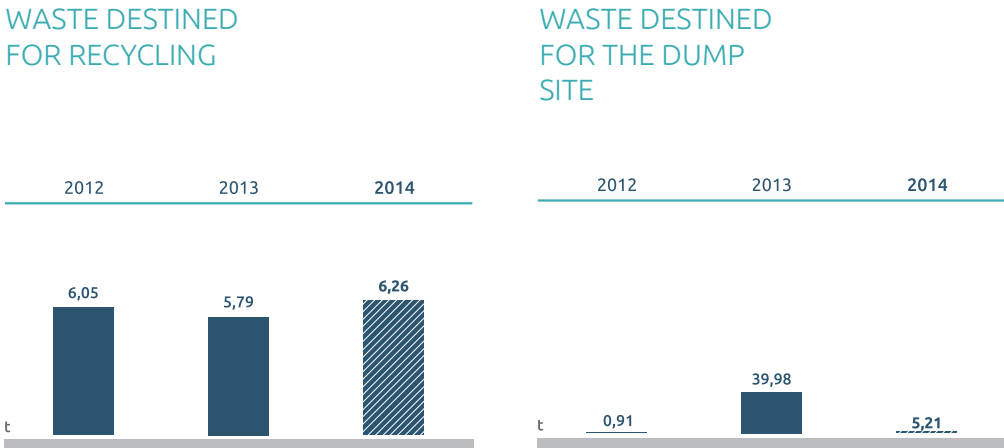


\* The calculations do not include the consumption of the vehicle fleet

WASTE  
MANAGEMENT  
[G4-DMA] [G4-EN23] [G4-EN25]



The company recycles and reuses waste whenever possible. In 2014, 13% of hazardous waste and 95% of non-hazardous waste was destined for recovery and recycling processes.



COLLABORATIVE INITIATIVES TO IMPROVE OUR ENVIRONMENTAL PERFORMANCE [G4-15]

Agreement on good environmental practices, signed between APFSC and Reganosa.

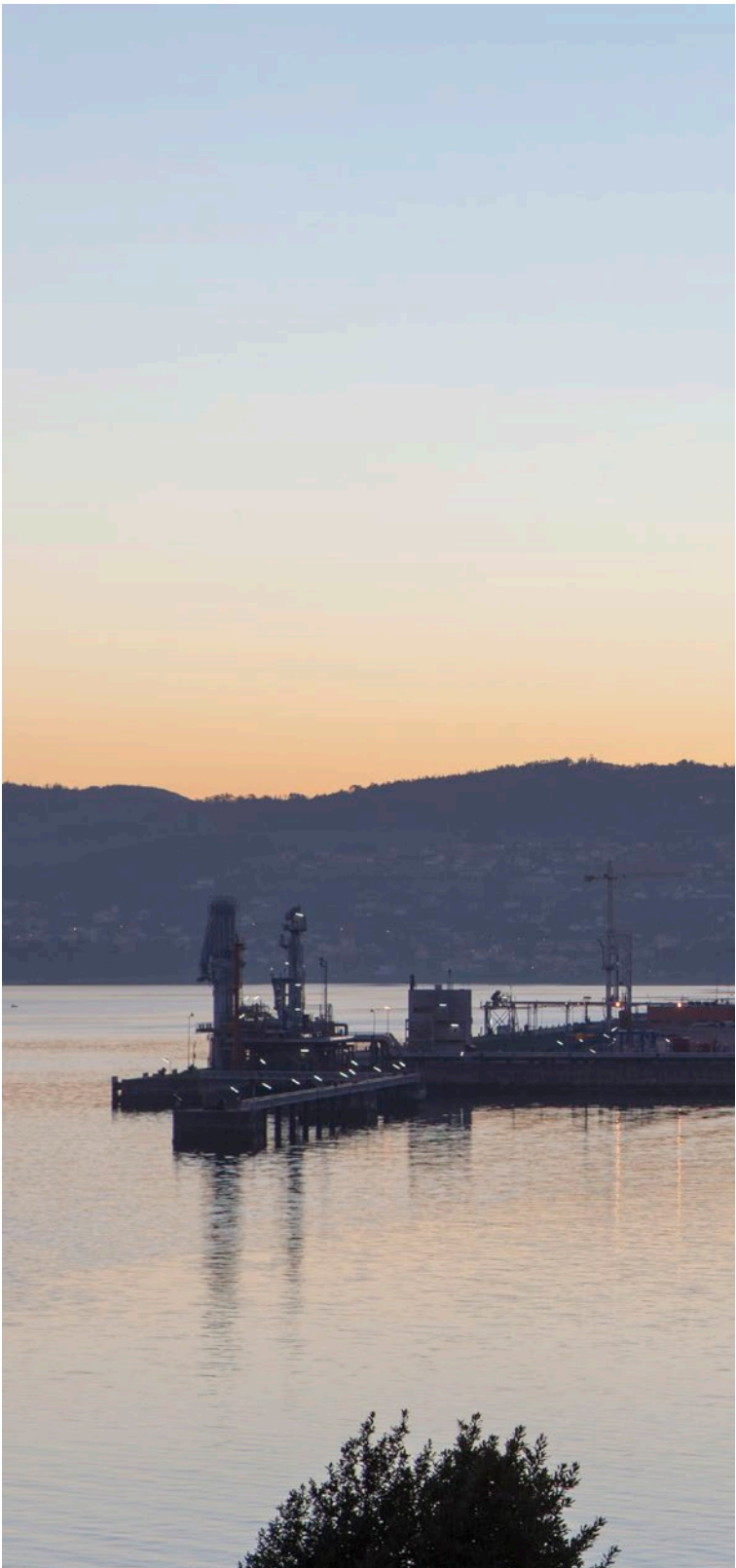
By signing this agreement in 2013, Reganosa committed itself to meet the provisions of the Guide to Good Environmental Practices approved by the Ports of State and to implement continuous improvement systems in control operations and maintenance tasks.

As a verification measure, monitoring and review tasks are performed annually. In such activities, the company is required, among other obligations, to keep the certification of its environmental management system in line with ISO 14001 Standards and with the EMAS Regulation as well as to develop its commitment to continuous improvement through the implementation of environmental investments.

Study of “Regular monitoring of the evolution of infra-coastal benthic communities in the cove of Santa Lucia” developed by the Bioloxia Marina da Graña station and the University of Santiago de Compostela. [G4-DMA] [G4-EN9] [G4-EN12] [G4-OG4] [G4-EN26]

Since 2006, Reganosa voluntarily carries out on a bimonthly study aimed at the regular monitoring of the composition and structure of infra-coastal benthic communities in the cove of Santa Lucia.

The analyses monitor the evolution of these communities, assess the substrate, the amount of deposited organic matter and influence of the hydrodynamics of the discharge of Reganosa in sedimentation processes.





The results show that the discharge does not affect either the composition or the structure of benthic communities in the vicinity of the terminal. Moreover, a comparison with the government’s historic data microorganism systems (before the presence of Reganosa) has also proved the lack of impact of the terminal on the marine environment.

5.2. COMMITMENT TO COMMUNITIES AND THE ENVIRONMENT

5.2.1. GENERATION OF WEALTH AND ACTIVITY

Through the development of its business, Reganosa generates economic and social growth and creates value for its stakeholders through the transformation of material, as well as through its financial and social resources.

Indirect economic contribution of our business. [G4-DMA] [G4-EC7] [G4-EC8]

Reganosa’s activity generates significant indirect impacts:

It contributes to the productive efficiency of industries in the north west of the Iberian Peninsula. Over 90% of the loading operations of tanker was aimed at industries and businesses. The change of fuel in their processes has led to an improvement in their competitiveness in terms of cost savings, along with a considerable reduction of CO<sub>2</sub> emissions.

	2012	2013	2014
Major Galician industries supplied with natural gas	20	25	33
Reduction in emissions in these industries (tCO <sub>2</sub> eq)	33,838	53,506.6	91,984

An increase in port traffic.

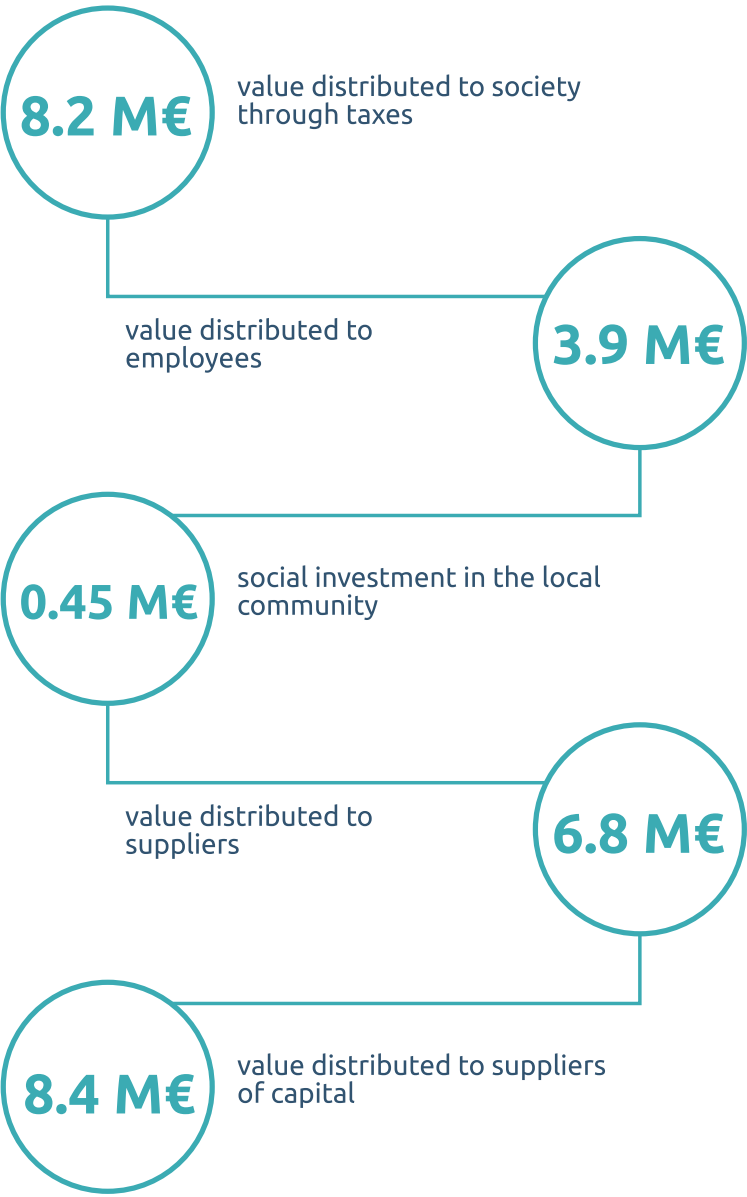
	2012	2013	2014
Economic value generated from port traffic	10,620,880.50	11,855,920.10	11,524,178.78

\* It includes port charges, consignee services, tug operators, pilots, moorers, supply of goods and provisions for ships.

Enhances the activity of other sectors. By contracting suppliers we generate indirect employment, particularly by encouraging the economic development of local communities; 50.58% of services and works in 2014 were contracted in Galicia. [G4-EC9]

DIRECT ECONOMIC VALUE DISTRIBUTED BY REGANOSA

[G4-12] [G4-EC1] [G4-EC8]





### 5.2.2. SOCIAL COMMITMENT [G4-DMA] [G4-EC8]

#### PERFORMANCE IN 2014

Start of construction works in the Interpretative Centre that houses the archaeological remains of the Roman Site of Caldoval.

Development of corporate voluntary actions for giving classes to the unemployed in the local community to obtain their ESO certificate (compulsory school education) in the annual exams convened by the local government (Xunta de Galicia).

Participation in holding the International Industrial Tourism Conference and receiving groups of conference participants and tourists in the facilities.

Collaborations in training programmes with universities and educational centres.

Investment in the programme for scholarships and work placements for occupational training and university degree profiles.

Sponsorship of social, cultural and sporting activities.

Holding the 14th Edition of Arte Reganosa.

Programme of meetings and visits to the facilities of the Mugardos terminal.

#### OBJECTIVES FOR 2015

End of the works to be able to value the archaeological remains of the Caldoval site.

Development of the sponsorship programme.

Design of a corporate voluntary programme.

Maintenance of a scholarship programme and training practices.

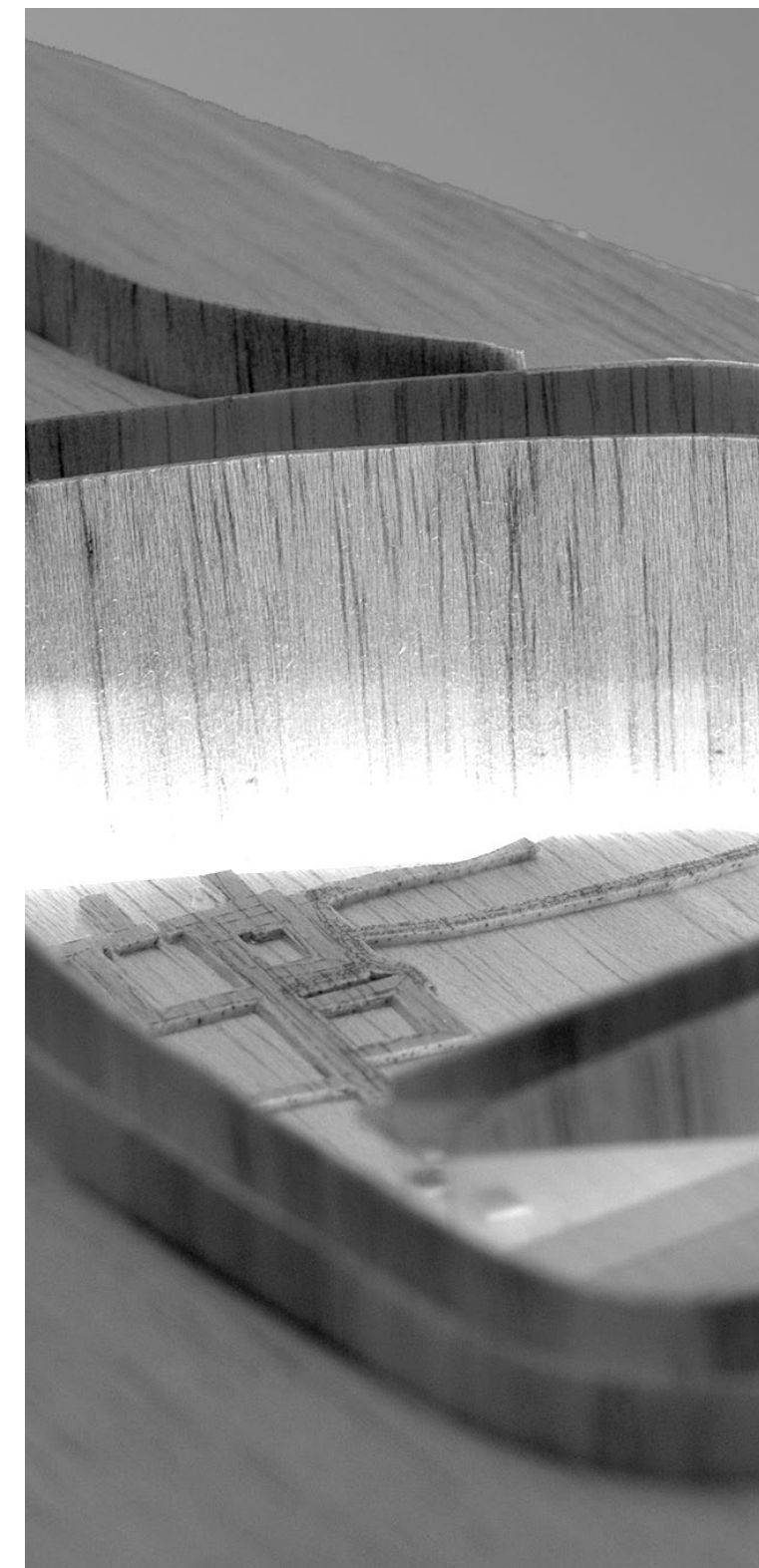
Cooperation in training programmes with Universities and educational centres.

Active collaboration in congresses, seminars and conferences within the sector.

Maintenance of the Programme of meetings and visits to the facilities of the Mugardos terminal.

Holding the 15th Edition of Arte Reganosa.

Reganosa is a people-oriented organisation and committed to society, developing projects in the fields of education, culture and sport.

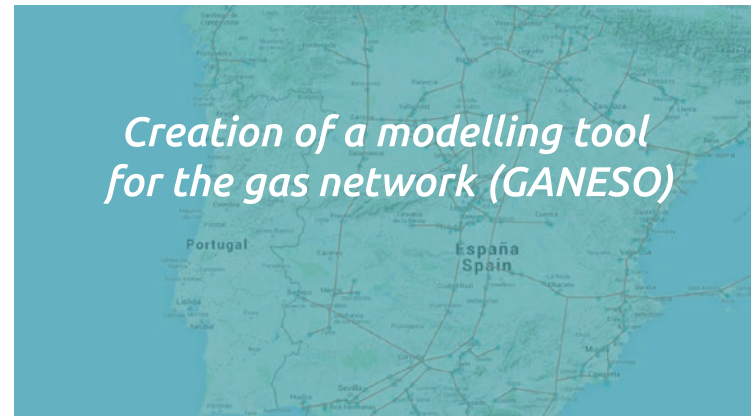




## PROMOTION OF KNOWLEDGE AND SCIENTIFIC RESEARCH

The company collaborates with different universities, business schools and study centres in Galicia. Thus contributing to the development of research, the generation of technical knowledge and training of students.

### *Creation of a modelling tool for the gas network (GANESO)*



This research project has been developed between Reganosa and the Department of Statistics and Applied Mathematics of the University of Compostela (USC), and is led by the professor for Applied mathematics Mr. Alfredo Bermúdez de Castro.

Using mathematical modelling, a simulation and optimization tool has been developed for the physical behaviour of the Spanish primary transport gas pipeline network.

The tool can replicate complex gas pipeline networks with all their elements (compression stations, valve positions, LNG and liquefaction plants, underground storage, etc.) and can take into account any scenario for the requirements and conditions of the operation. The results of the simulations allow decisions to be made on the development of infrastructures, system operation, regulatory policies and methodology of tariffs.

### *Training programmes with universities and educational centres*



Reganosa maintains continuous collaboration with Galician educational centres and universities.

The directors and professionals of the company give classes in different master's degrees at universities (MBA and Master in Logistics and Transport at the University of A Coruña and Interuniversity Master in Technical Statistics between the Universities of Vigo, A Coruña and Santiago), degrees in Engineering, occupational training schools, in the Mathematical Institute of Industrial Technology (ITMATI) and several secondary schools, among other institutions.

### *Scholarship Programmes and work placements*



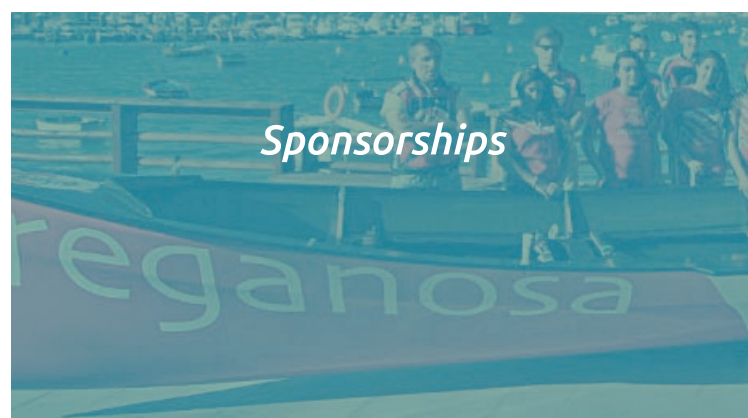
In order to attract talent and encourage the training and employability of young people, Reganosa carries out an annual programme that allows university students and those undergoing occupational training to enjoy work placements and scholarships in the company.

During the period 2012-2014, 56 students and new graduates took part in this programme in the areas of production, finance, development, laboratory and contracting.



## CULTURAL AND SPORTS ACTIVITIES

[G4-EC7] [G4-EC8] [G4-SO1]



Reganosa supports and sponsors social activities and solidarity initiatives with three main objectives: social action, promotion of sport and healthy habits, and artistic and cultural promotion.

The selection of the projects in which it collaborates is carried out by identifying the needs of the environment, both proactively and through the reception of requests from the interested parties. The Steering Committee is in charge of assessing the initiatives and approving those collaborations that meet the company's cultural principles and are likely to generate positive value and impacts in the community. In 2014 Reganosa devoted 137.704 Euros in donations and sponsorships. The organisations benefitting from these contributions to the programme for encouraging sport and healthy habits have more than 6141 members and beneficiaries.

### MAIN ACTIVITIES AND ASSOCIATIONS SPONSORED BY REGANOSA IN 2014

*Club del mar Mugardos*  
*Racing de Ferrol Football Club*  
*SDG Galicia de Mugardos*  
*Association of housewives of Mugardos*  
*Ferrolterra entrepreneur prizes*  
*Supply of computers to the school of A Franxa*  
*Touristic promotion of the municipality of Mugardos*

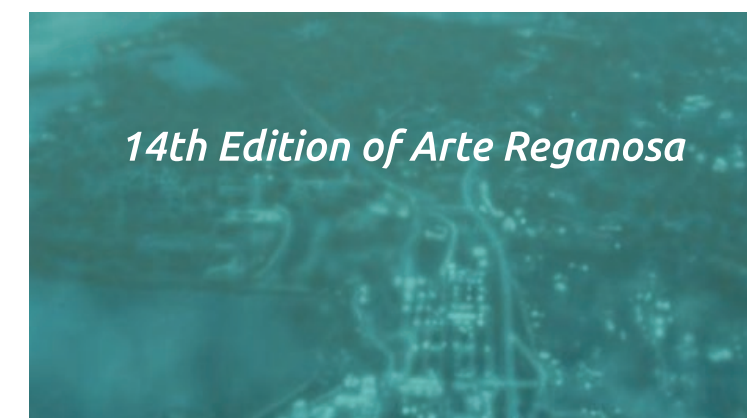


Reganosa, together with the Xunta de Galicia and the Town Council of Mugardos, is developing an initiative to value the 2nd century archaeological Roman remains of the Caldoval site.

In order to do this, an agreement was signed in 2010 in collaboration with the university department of Culture, Education and Planning and with the Town Council of Mugardos in order to build in the local community the first cultural infrastructure in Galicia that would exhibit the sports activity of the Roman world.

The support to be provided during the whole project consists of a financial contribution of 2.9 million Euros. The works carried out on the museum—the construction of the Interpretation Centre that will house the remains and the urbanisation of the surroundings—started in October 2014.

Renowned museum technical staff, archaeologists and restorers will work on the project. The remains, which comprised a leisure complex, a thermal baths area, and an arena with a portico area, will be installed again in a special building, which will recreate the topographic conditions that will allow us to view them in their original position. The centre has been designed by the architect Alfonso Penela, whose proposal was selected after a tender for ideas. The end of the project is estimated for November 2015, the date from which it will be made available to the community.



The company has once again convened the Edition of Arte Reganosa, to which it invited a number of Galician artists with skills in painting, sculpture, collage and photography, selected for their work and career.

The theme for the competition was the surroundings of the Reganosa company.

The selected work, by Fruela Alonso, has entered to be part of the Reganosa art collection, and a limited edition series has been produced from it.



CORPORATE  
VOLUNTEERING

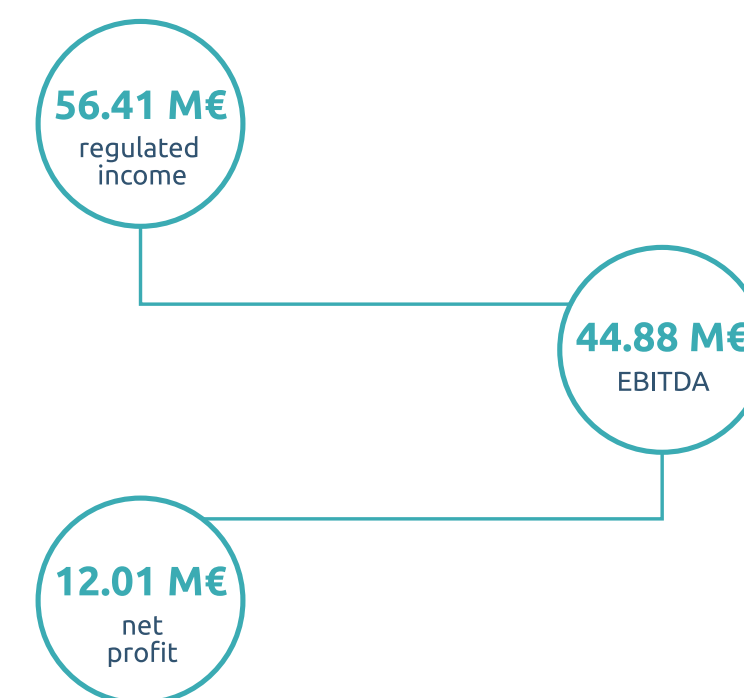
The professionals of Reganosa have voluntarily taken part in a social action initiative during 2014. The company signed a collaboration agreement with the Town Council of Mugardos to set up a training project, whose aim was that directors and managers of Reganosa would give classes to prepare students who were over 18 years old and unemployed, in order to obtain their ESO certificate (compulsory secondary education). The exams took place on 31st May and 12th September 2014 and were convened by the University Department of Education and Planning of the Xunta de Galicia.

The professionals of Reganosa devoted a total of approximately 200 hours to this action, including hours for actual classes and preparation of subjects. Thanks to their devotion, and to the involvement and effort of the students, all those who completed their participation in the programme finally obtained their certificate.

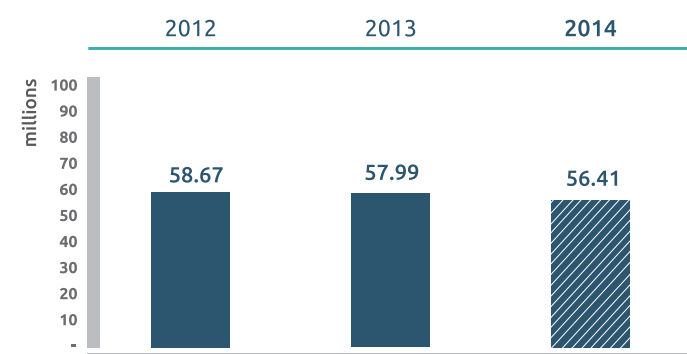
5.3. CREATING  
VALUE FOR OUR  
SHAREHOLDERS  
[G4-DMA] [G4-EC1]

In 2014 Reganosa maintained its solvency and results. That year, the first affected by the gas reform, regulated revenues stood at 56.41 million Euros. EBITDA totalled 44.88 million Euros, and net profit amounted to 12.01 million euro.

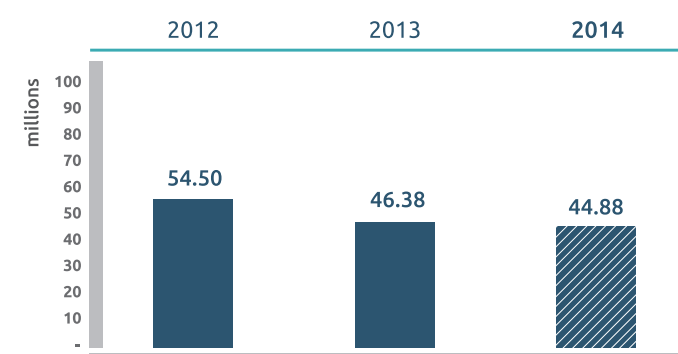
In order to minimise the impact of cuts in regulated remuneration in line with previous years, efforts have been maximized in efficiency through a cost control plan and optimization of operational processes.



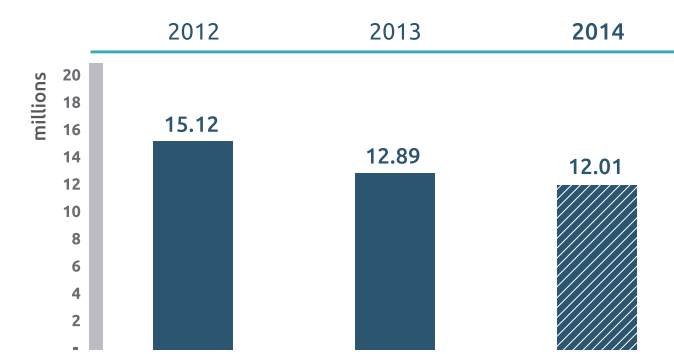
## REVENUES



## EBITDA



## NET PROFIT

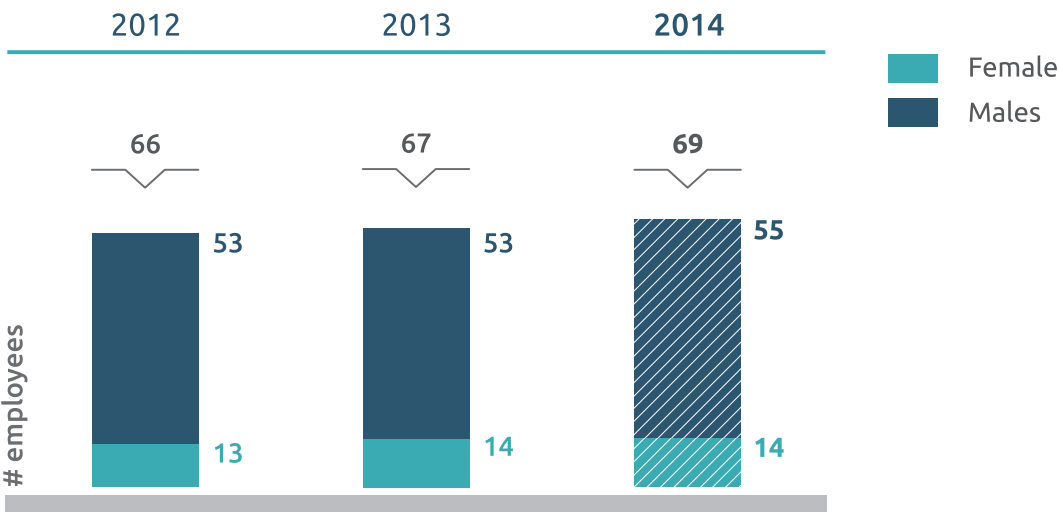




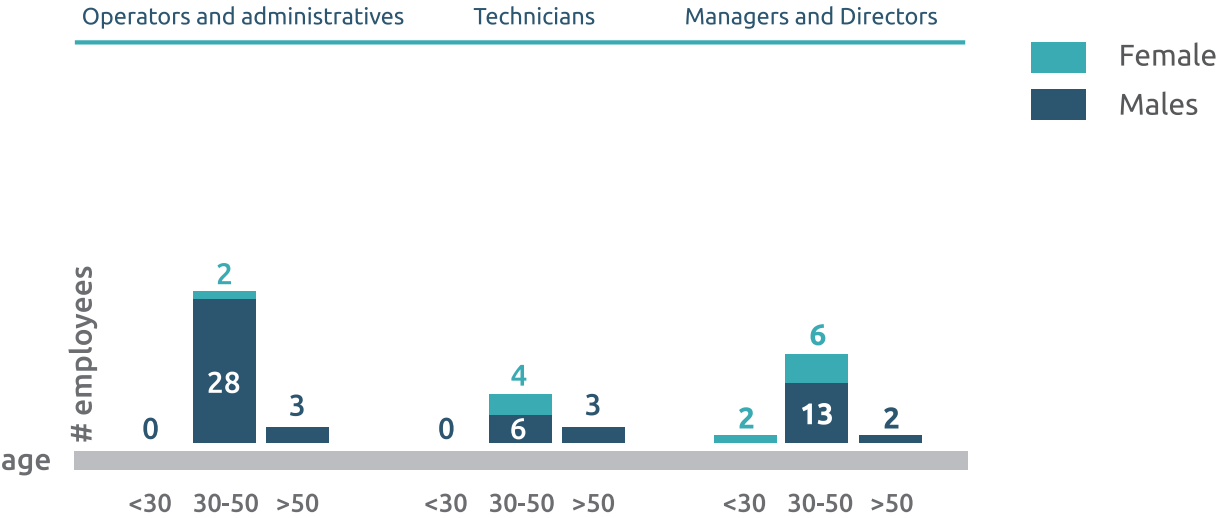
5.4. ATTRACTIVE  
WORK  
ENVIRONMENT  
[G4-DMA] [G4-10]

Reganosa promotes a work environment whose main pillars are safety, respect for people, equal opportunities, professional development and the retention of talent. The company currently has a workforce with an average age of 40.7 years, comprising 48% of our people with medium or higher qualifications, and with a turnover rate of 0.01. [G4-LA1] [G4-LA12]

EVOLUTION OF THE  
WORKFORCE TO  
DECEMBER 2014



BREAKDOWN OF  
WORKFORCE BY  
AGE, GENDER AND  
CATEGORY 2014



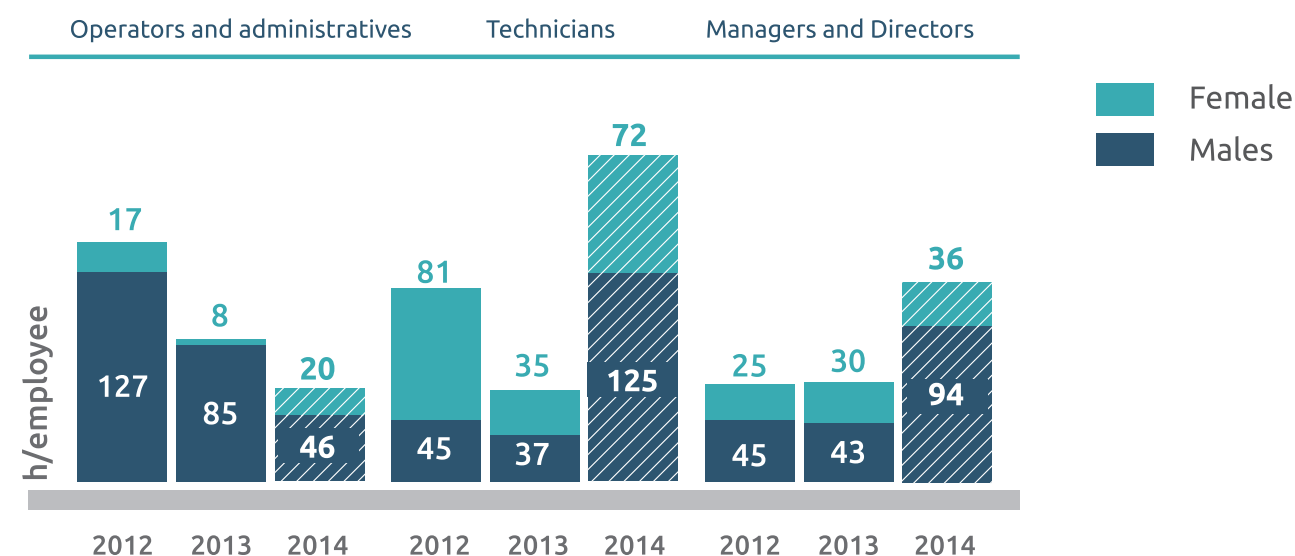
**Social payments.** Reganosa offers its employees medical and life insurance, facilitates taking up maternity and paternity leave, including the modification and adaptation of working conditions, and establishes reductions in working hours if needed. Furthermore, mechanisms are established for reconciliation through teleworking, and has implemented a continuous work shift for all staff not subject to shifts. [G4-LA2] [G4-EC1]

**Training and professional development.** Training plans are a fundamental part of our human resources policy. Maintaining our high level of professional training is pursued, while updating employees' general and specific knowledge, and providing skills to enable them to respond to all the needs that may arise in the workplace. [G4-DMA]

Similarly, professionals at Reganosa receive language training throughout the year by attending specialization courses and are given access to carry out masters' programmes. [G4-LA9] [G4-LA10]



# AVERAGE HOURS OF TRAINING PROVIDED TO EMPLOYEES [G4-LA9]



**Assessment system by skills.** The skill-based management system implemented by the company is a valuable tool for guiding professional careers and detects training needs in key competencies and skills for each job and profile. The skill-based management mechanism also allows the promotion of workers based on their merits and abilities. Thus equal opportunities are guaranteed for obtaining access to jobs while eliminating any discrimination based on sex, age, religion and any other aspect than performance criteria in all professional categories .

91.30%

of the workforce has received performance assessments in 2014

Respect for diversity and preventing all forms of discrimination, both in recruitment and selection processes and the development of the professional career is regulated in the Code of Ethics and Conduct. [G4-DMA]

The same criteria also extend to our wages policy, which establishes differentiating criteria based on merit and level of responsibility within the organisation. In addition, variable remuneration is linked to the achievement of individual and corporate goals.

The average remuneration of Reganosa employees is twice above the minimum wage. Also, salary bands are set up to ensure internal equity, to be competitive to encourage the recruitment and retention of talent.





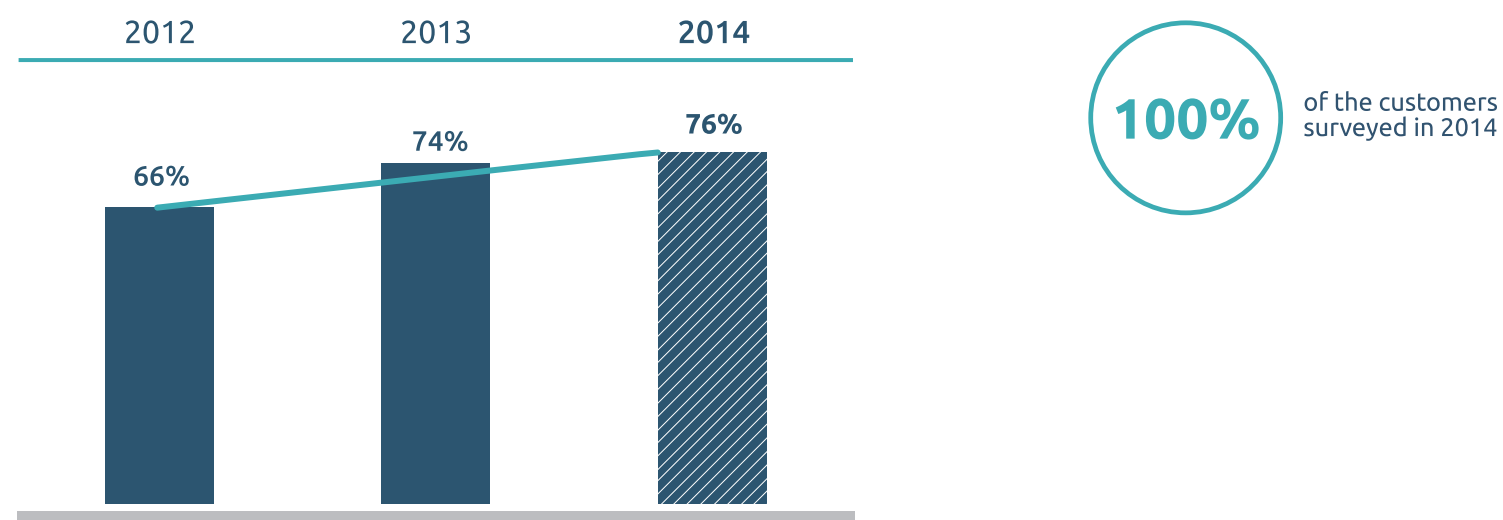
## 5.5. CUSTOMER ORIENTATION

Maintaining customer satisfaction is a priority under our Quality Policy. Reganosa adjusts its services to its needs, and focuses efforts on operational efficiency and continuous improvement of its processes.

The company has ISO 9001 certification that accredits the continuous implementation of systems and resources needed to verify and improve the performance and efficiency of its activities.

In order to assess the views and needs of our customers concerning the provided operations and services, the company periodically conducts satisfaction surveys. On the basis of replies, Reganosa identifies areas for improvement and compares expectations, thus allowing to take further measures and actions designed to offer an increasingly satisfactory service.

### LEVEL OF SATISFACTION



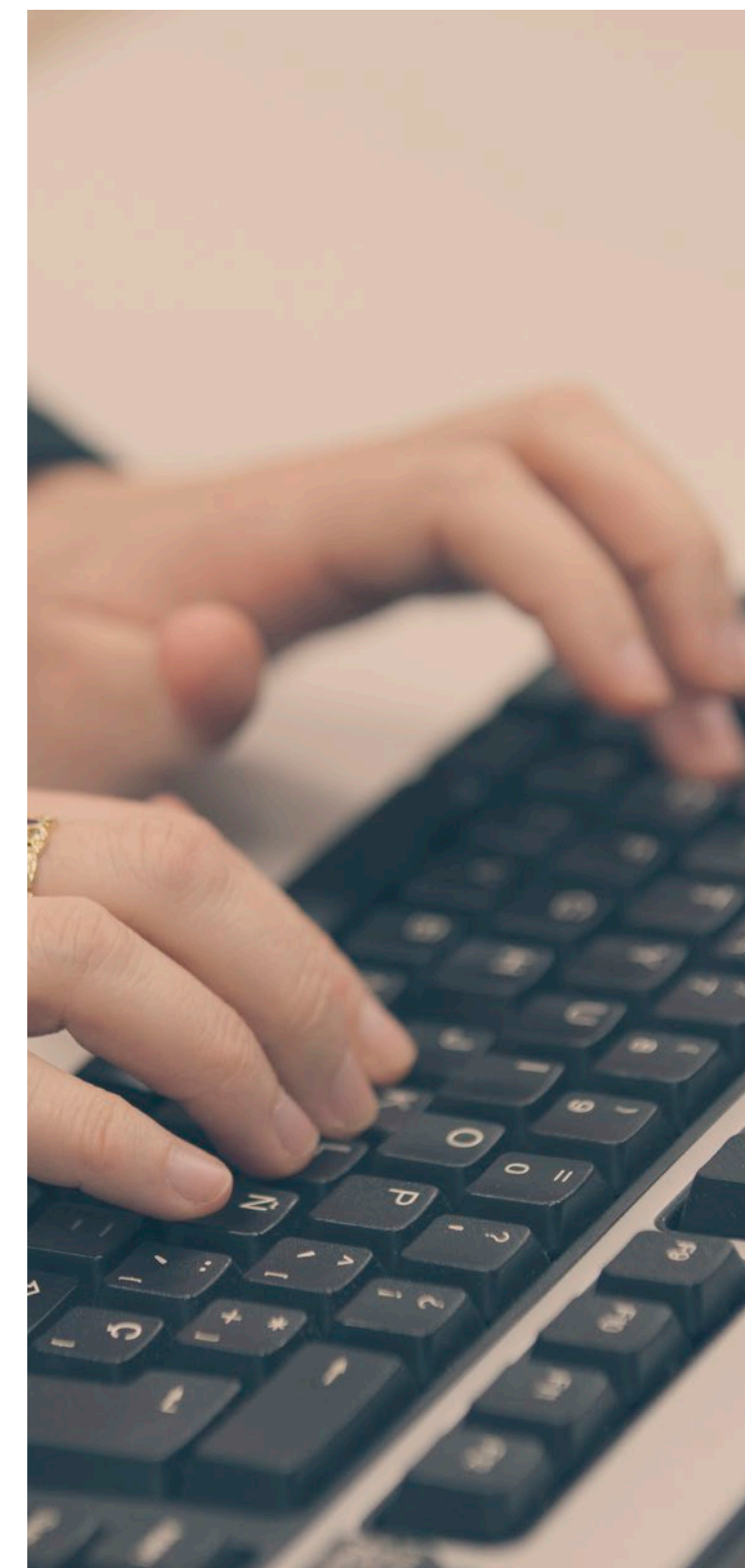
In order to ensure third party access to the network, Reganosa publishes clear and detailed information about the services offered through its website, while specifying all the required technical issues. Through a common tool used by all TSOs (transparency template), it provides information on the management of the company's transport network.

## 5.6. MANAGEMENT OF THE SUPPLY CHAIN

[G4-DMA] [G4-EC9]

Reganosa's supply chain is comprised of:

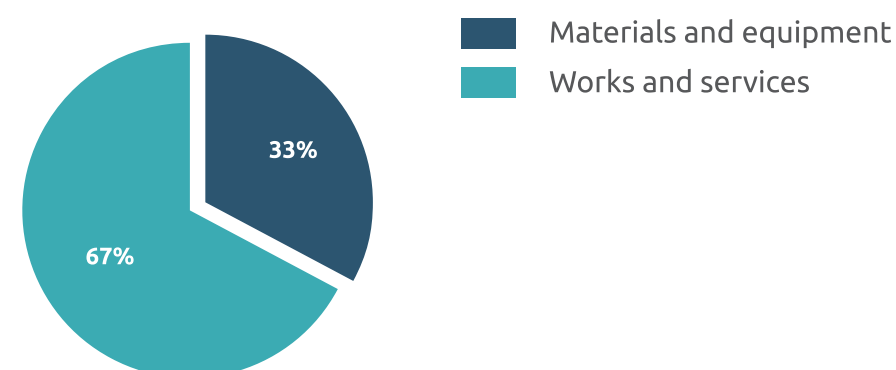
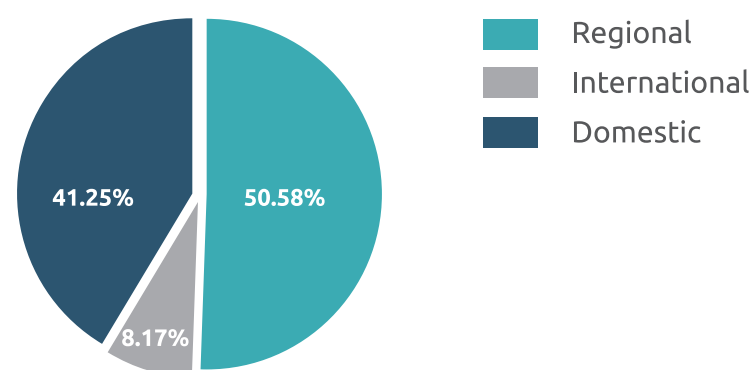
- 1 Suppliers of materials and equipment
- 2 Suppliers of works and services needed for the construction, operation and maintenance of our infrastructures. [G4-12]





### TPOLOGY OF SUPPLIERS IN 2014

[G4-12] [G4-EC9]



Reganosa applies a procedure for the approval of suppliers, in order to verify their performance in issues regarding work, environment, technical matters, quality and safety issues, as well as in the areas of corporate social responsibility, therefore allowing their suitability to participate in the tendering procedures to be verified. In 2014, 12 new suppliers were approved following this procedure.

It also uses an external database of registration of suppliers (Repro) to verify compliance with the established criteria and to ensure they comply with the legal requirements. Once tenders have been awarded, Reganosa sets out the contracts at service level, through which it measures the quality of the service.

### APPROVAL OF SUPPLIERS

[G4-DMA]

#### QUALIFICATION

Suppliers should have the available requirements concerning environmental management, and safety and quality control systems

Compliance with legal requirements

Technical capabilities and credentials

Respect the UN Global Impact and the Universal Declaration for Human Rights

#### SELECTION

The awards are given to those suppliers with the best financial and technical qualification

#### ASSESSMENT

Periodic assessments and audits through service level agreements where factors such as quality of services and faults incurred are measured

## 5.7. RELATIONSHIPS WITH OUR STAKEHOLDERS

### PERFORMANCE IN 2014

Programme of meetings and visits to the facilities in the Mugardos terminal.

Company performance report throughout the year by preparing the first Sustainability Report

Active participation in congresses, seminars and conferences in the sector.

### OBJECTIVES FOR 2015

Launch of the Ethical Channel.

Creation of an Ethics Committee.

An increase in 10% of the participants in the programme of meetings and visits to the facilities in the Mugardos terminal.

Launch of a new Reganosa corporate website.

Reganosa strongly believes that one of the greatest assets it can bring to its stakeholders is to build up trust. This establishes channels that allow easy, transparent and honest communication.

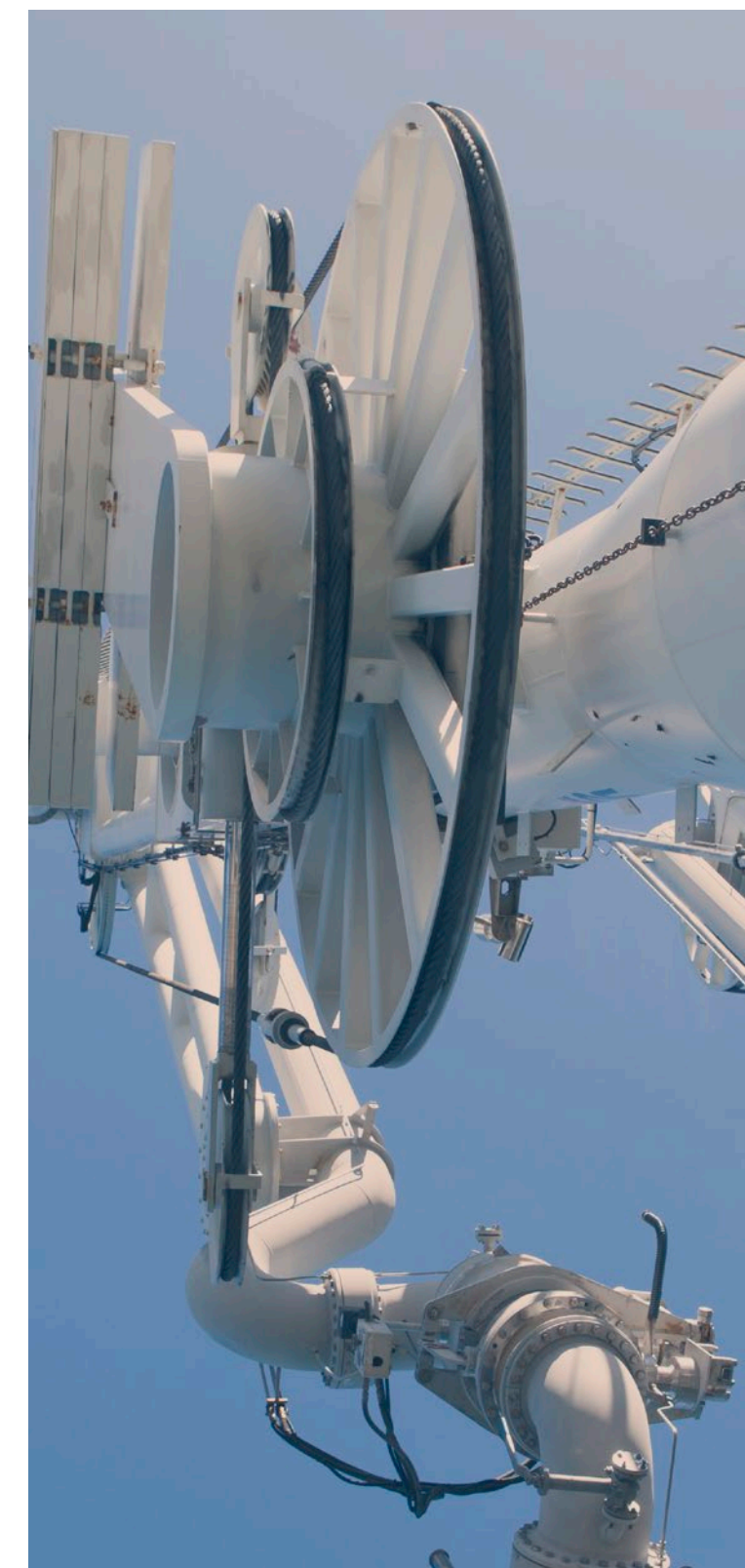
The aspiration of the company is to understand the needs and expectations of stakeholders, and from this knowledge, to develop an operational and corporate social responsibility strategy to respond to the interests of all groups, persons and entities with which it relates. Identifying the opinions and preferences of stakeholders is also a valuable assessment tool that enables a process of continuous improvement.

The company constantly identifies these groups, it analyses issues relevant to them, establishes a procedure for continuous communication and carrying out regular monitoring to respond adequately to their demands.

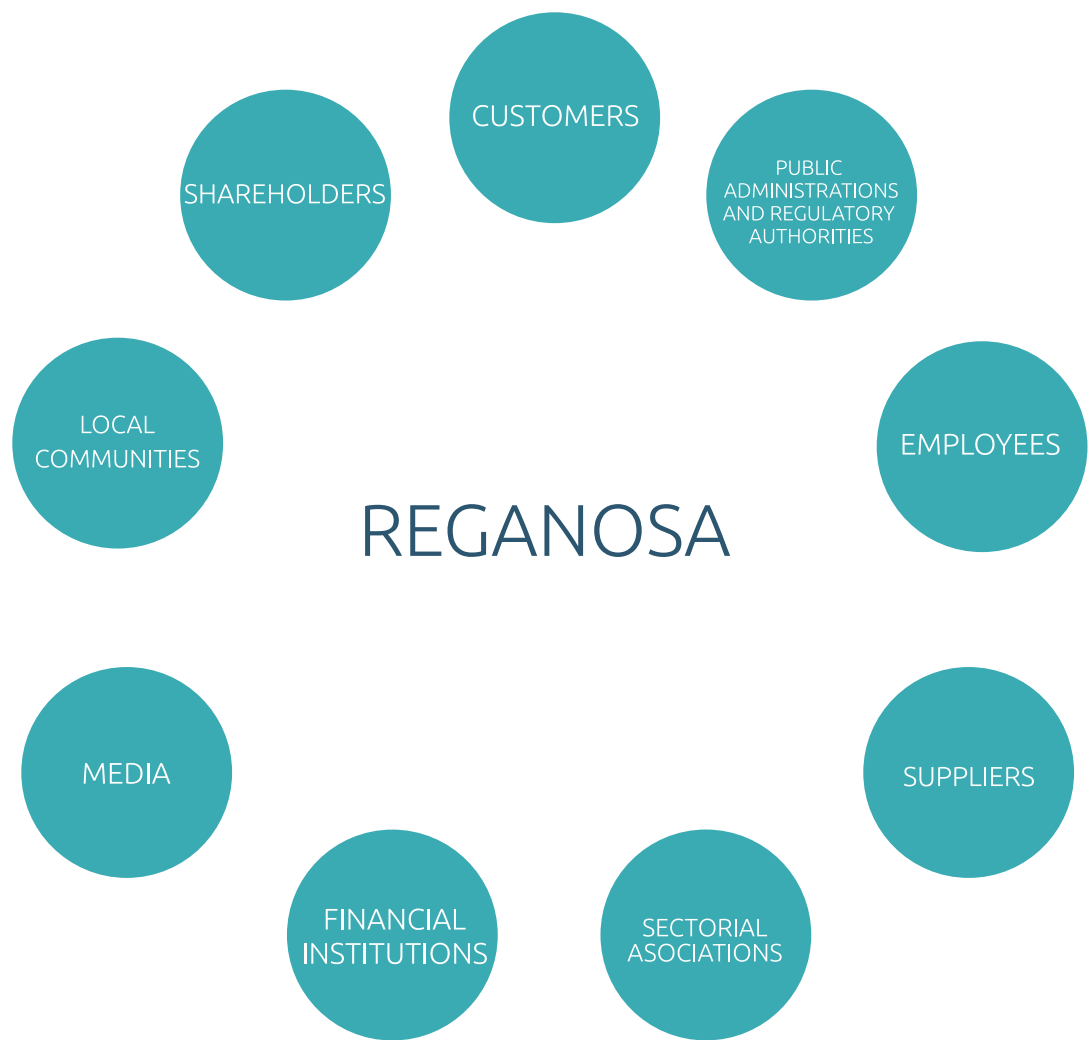
## REGANOSA'S STAKEHOLDERS

[G4-24]

In the identification and prioritization of stakeholders, Reganosa's managers take into account the relevant issues for the company according to the business plan and corporate strategy. They also identify these groups within their local community and associations and among relevant prescribers who show interest in the company.







STAKEHOLDER	RELATIONSHIP MECHANISM
Public administrations and regulatory authorities	<p>The regulated nature of the activity involves a continuous contact with these institutions. Their enquiries and opinions are part of the company's daily activity.</p> <p>Regular meetings.</p> <p>Seminars and conferences on the sector.</p> <p>Information sent to comply with legal obligations.</p>
Customers	<p>Quality control surveys.</p> <p>Regular meetings to respond to all their interests and needs.</p> <p>Reganosa website includes information for the development of activities.</p> <p>Seminars and conferences on the sector.</p>
Employees	<p>Regular meetings and also upon request of the workers that make up the Company's Committee.</p> <p>Intranet.</p> <p>Human resources area.</p> <p>Social networks.</p>
Local communities	<p>Reganosa has an open door policy. Throughout the year there are guided visits to the terminal and information meetings with associations or community groups to deal with and assess their specific concerns and requirements.</p> <p>Social networks.</p> <p>Corporate website.</p> <p>Press releases.</p> <p>Communication channel on the website.</p>
Shareholders	<p>Our shareholders actively participate in the company's management through the governing bodies and regular meetings.</p>
Suppliers	<p>Our suppliers keep a direct dialogue with the contracting department to which they can transfer any suggestion or enquiry.</p> <p>Corporate website.</p>
	<p>Reganosa has a relationship of trust and transparency with the media by being open to dialogue at all times.</p> <p>Reganosa's management meets with media representatives to whom it provides information about the company's performance.</p> <p>Corporate website.</p> <p>Social networks.</p>
Sectorial associations	<p>Reganosa holds regular meetings with the representatives and members of the associations to which it belongs.</p> <p>Work groups.</p> <p>Congresses, forums and conferences.</p> <p>Public information surveys and processes.</p>
Financial organizations	<p>Regular submission of information.</p> <p>Financial information published.</p>

RELATIONSHIP WITH STAKEHOLDERS

Reganosa's commitment with its stakeholders is reflected in its effort to maintain a fluid contact and to identify relevant issues for each of them.

To manage the communication process with these groups, the company has developed specific channels tailor made to their specific characteristics. Through them, all relevant aspects for both parties are treated while also holding talks and making proposals. [G4-16] [G4-26] [G4-27] [G4-37] [G4-DMA] [G4-SO1]

## 5.8 BUSINESS OUTLOOK

[G4-16]

### PERFORMANCE IN 2014

Certification of Reganosa as TSO.

Entry into ENTSG.

Development of simulation software for the gas transport network GANESO.

Consolidation as European leader in gas transport using tankers with an increase in operations of 54% compared to the previous year.

Greater factor of use between the regasification plans in Spain (44%).

23,871 hours of maintenance actions in the facilities.

Signing an agreement with the Port of Ferrol and other entities to encourage the use of LNG as a fuel for ships.

Organisation and participation in several events related with the future creation of an LNG hub; promoting natural gas as a fuel.

Proposal of infrastructures for their inclusion in the Ten Year Network Development Plan (TYNDP) 2015 and participation in the investment working group of Entso.

### OBJECTIVES FOR 2015

Signing an agreement between the Department of Economy and Industry of the Xunta de Galicia and Reganosa to encourage the use of liquefied natural gas as a fuel for maritime transport.

Completion of the studies for the project "LNG Hub in the north east of the Iberian Peninsula".

Incorporation of a new feature to GANESO that allows to perform real-time network monitoring and gas quality measurements.

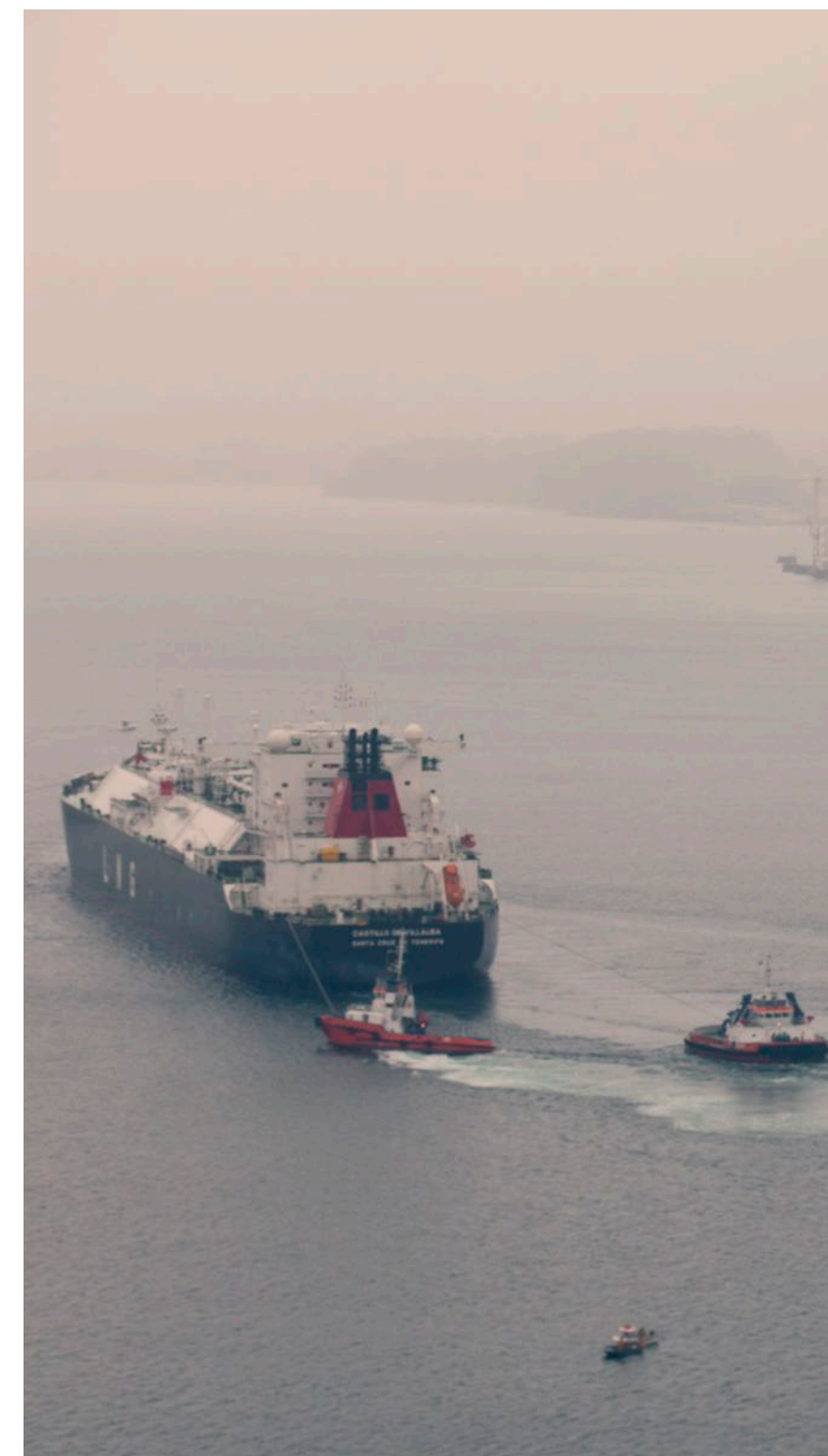
Participation in the CORE LNG as a hive initiative, which will be presented in the multiannual tender of the CEF (Connecting Europe Facility) programme.

Action plan for the maintenance of the facilities.

## TRANSMISSION SYSTEM OPERATION

Reganosa, from its position as TSO, has been actively involved in the development of a common and competitive framework of the European market by cooperating with other TSOs in ENTSG activities:

- Development of network codes on balance, tariffs and capacity allocation, to establish a joint system of operation and to develop a network that will integrate national gas markets.
- Completing the TYNDP 2015, which provides a picture of existing and planned gas infrastructures in Europe, while pointing to possible investment needs.





- Development of scenarios on supply perspectives in the summer and winter periods; Annual Summer and Winter Supply Outlook.
- Establishment of mechanisms and common operating rules to ensure transparency and coordination of network operations, such as the “Transparency Platform” containing technical and commercial information about the transmission and interconnections points.

#### LNG HUB IN THE NORTHWEST OF THE IBERIAN PENINSULA

[G4-EC2]



In 2014 Reganosa received financial assistance from the European Commission under the TEN-T programme, to carry out studies on the infrastructures, facilities and procedures necessary to implement an LNG fuel supply centre in Galicia in order to help reduce the use and environmental impact of oil-based fuels. Reganosa participates in this project along with the APFSC, the INEGA, USC and Navantia.

Studies have been carried out this year on the market and demand, on navigation conditions, transfer procedures, elements to create the supply chain, on technical adaptations needed in the Mugardos terminal as well as on the regulatory framework. All studies to carry out the project will be completed in 2015. All the necessary infrastructures have currently been included in the TYNDP.

The implementation of a hub in the north west of the Iberian Peninsula, in the middle of the Atlantic routes, would be a leverage for growth in the Galician community, and would place the port of Ferrol in a leading position regarding the supply of LNG. A cleaner and cheaper fuel would have an impact on business productivity while an increased in port traffic would also generate significant synergies with shipyards and companies in the logistics sector.

COMMITMENTS

Operate in a safely, efficiently, flexible and environmentally friendly way	Contribute to the safety of supply and development of the gas system	Create value for shareholders	Continue being a force for growth in Galicia	Invest in the development and well-being of the local community	Ensure good governance and ethical behaviour in our operations and in relationships with our stakeholders	Offer our workforce a safe and rewarding job
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06

**CORPORATE  
GOVERNANCE**





## 6. CORPORATE GOVERNANCE

### PERFORMANCE IN 2014

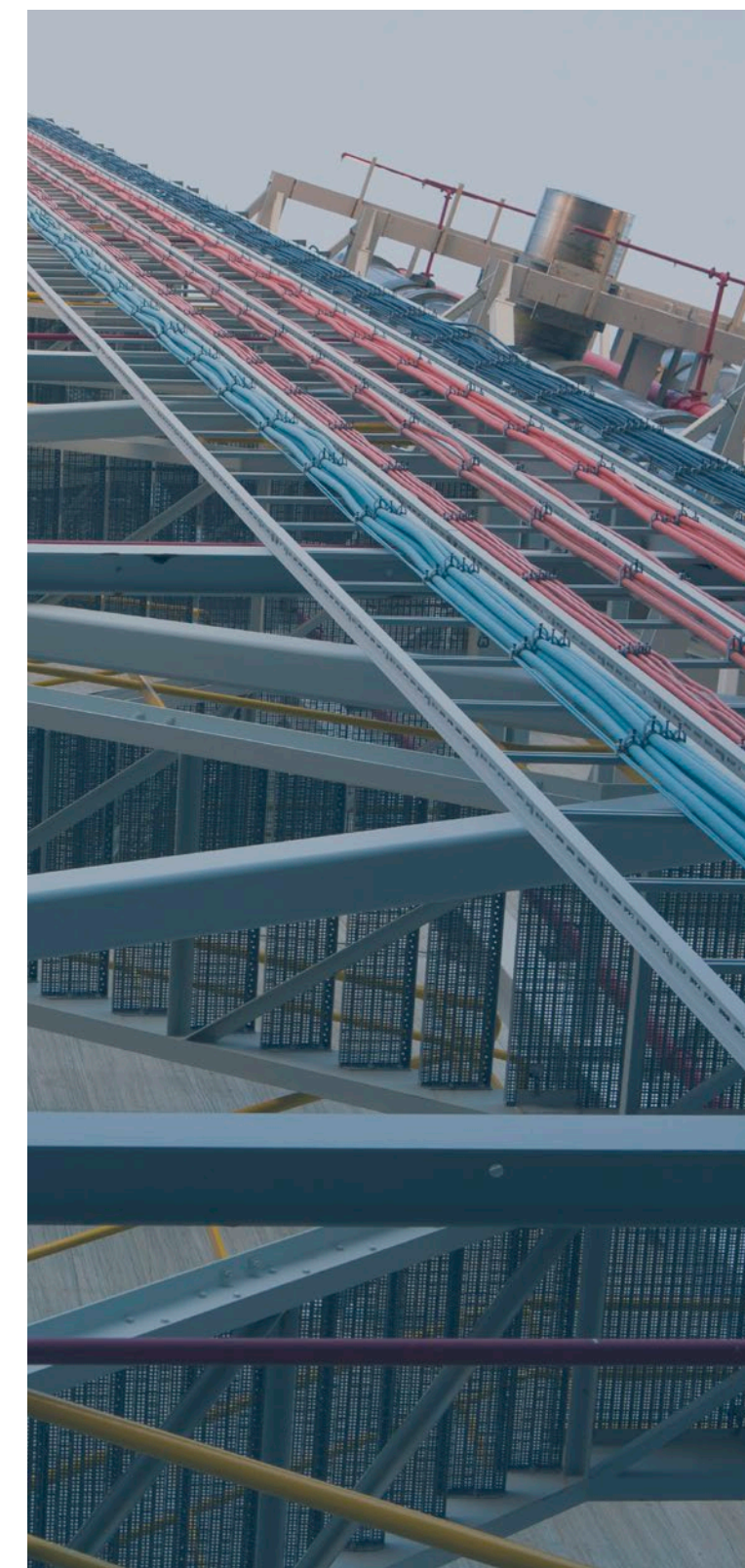
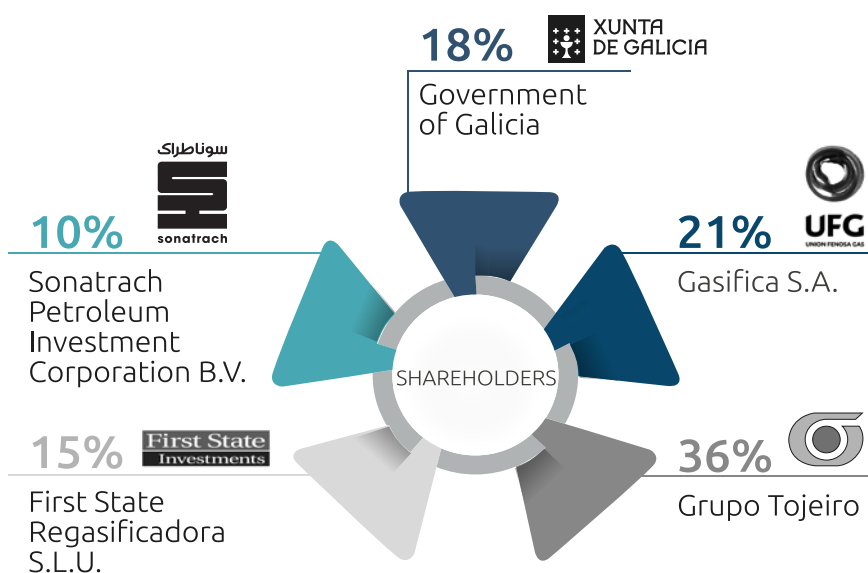
Approval of the Code of Ethics and Conduct.  
Reaffirmation of the support to the UN Global Impact.  
Preparation of the company's first sustainability report.

### OBJECTIVES FOR 2015

Creation of an Ethics Committee and approval of internal regulation to govern its operation.  
Approval of the Strategic Plan 2016-2020.  
Review of the general risk matrix.

### 6.1. SHAREHOLDER STRUCTURE

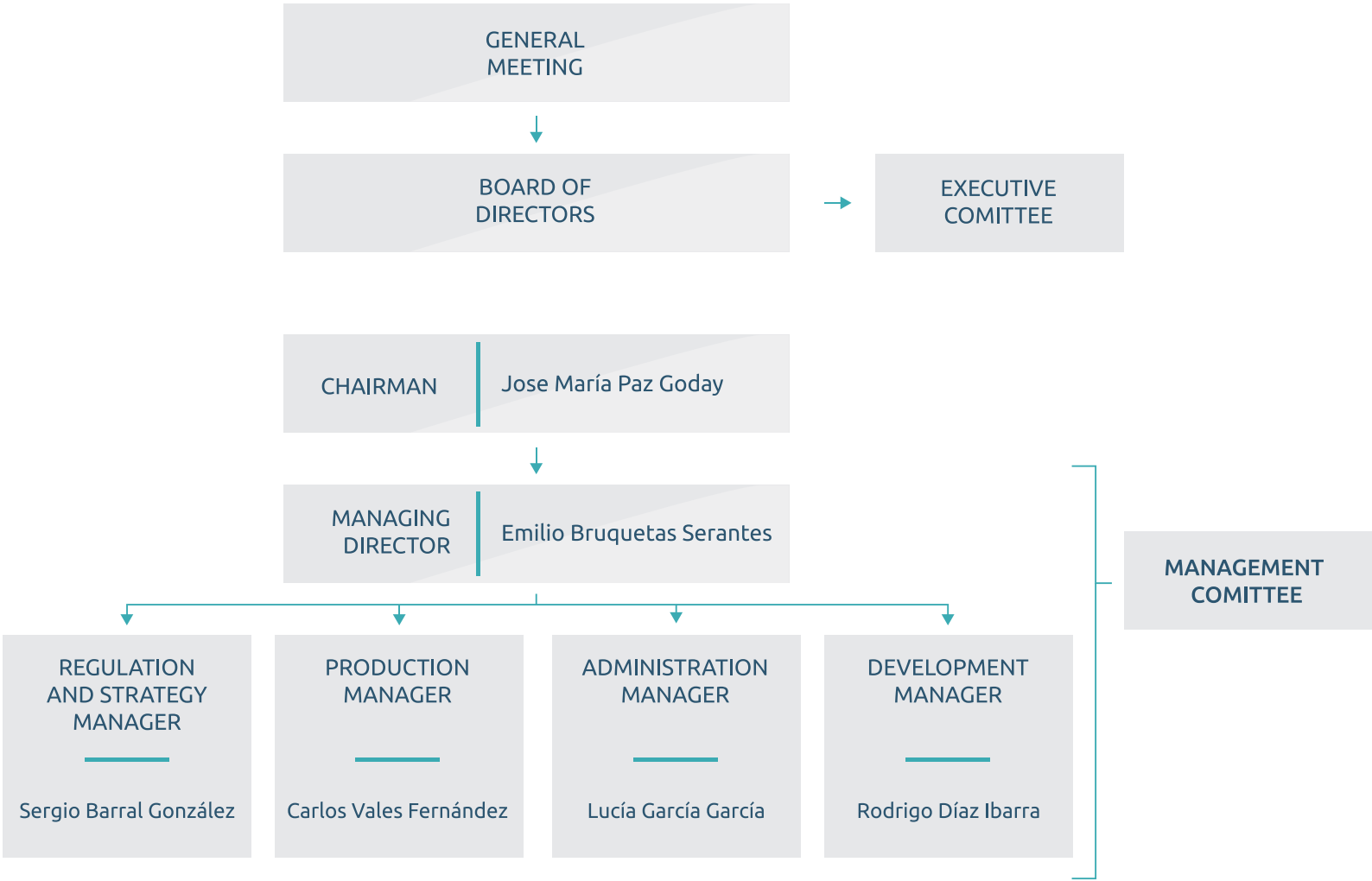
The shareholding structure of Reganosa is an important asset, due to its diversity, strength and industry knowledge. Company shares are currently distributed as follows: [G4-7]





6.2. GOVERNING BODIES  
[G4-34]

The governing bodies of Reganosa are Shareholders' General Meeting, the Board of Directors and the Executive Committee. Its performance is based on the principles of independence, expertise and transparency.

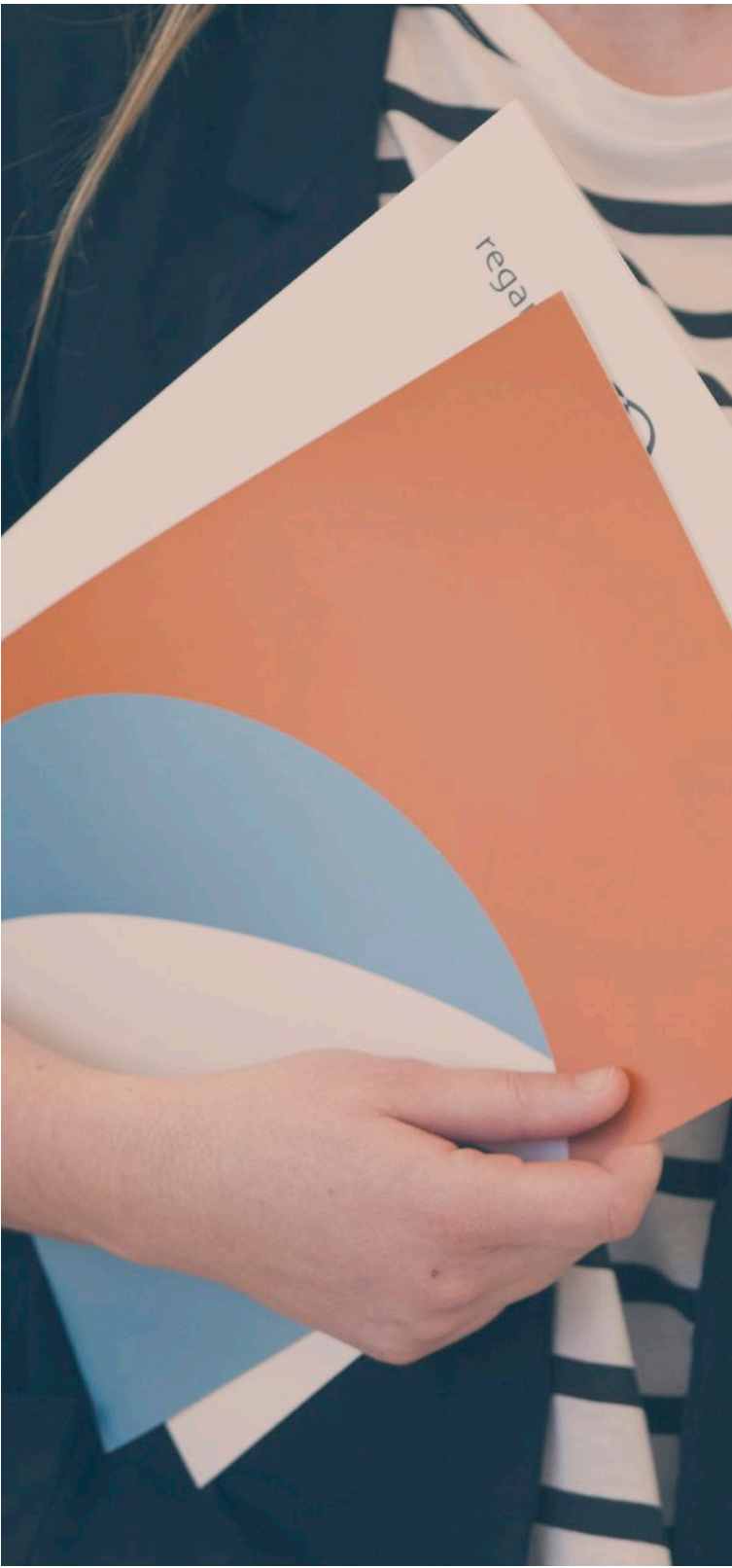


6.2.1. GENERAL SHAREHOLDERS MEETING

The Shareholders' general meeting is the highest governing body. As stated in the Articles of Association, the life of the company is governed by the will expressed by the shareholders at the General Meeting, in accordance with the law and the Articles of Association.

The General Meeting shall necessarily be held within the first half of the financial year to assess the management of the company, to approve the annual accounts and to decide on the distribution of profits.

Reganosa provides its shareholders with the right to information, assistance and participation in the Shareholders' General Meeting, and offers shareholders adequate information for exercising their voting rights in accordance with the Law and the Articles of Association.



6.2.2. BOARD OF DIRECTORS  
[G4-38]

The Board of Directors is the body that makes the major decisions concerning the management of the company, except those legally or statutorily reserved for the Shareholders' General Meeting. It is the core of management and supervision, and is in charge of approving the general policies and strategies of the company, and in particular, the business plan and management model, as well as monitoring the performance of the Executive Committee, constituted within it, and the Management of Reganosa. [G4-35] [G4-42] [G4-44] [G4-45] [G4-46]

The Board of Directors is regularly informed of all procedures, plans and proposals that are raised by the Management, and which are subject to deliberation and, where appropriate, to agreement, in order to have a proper management and risk control.

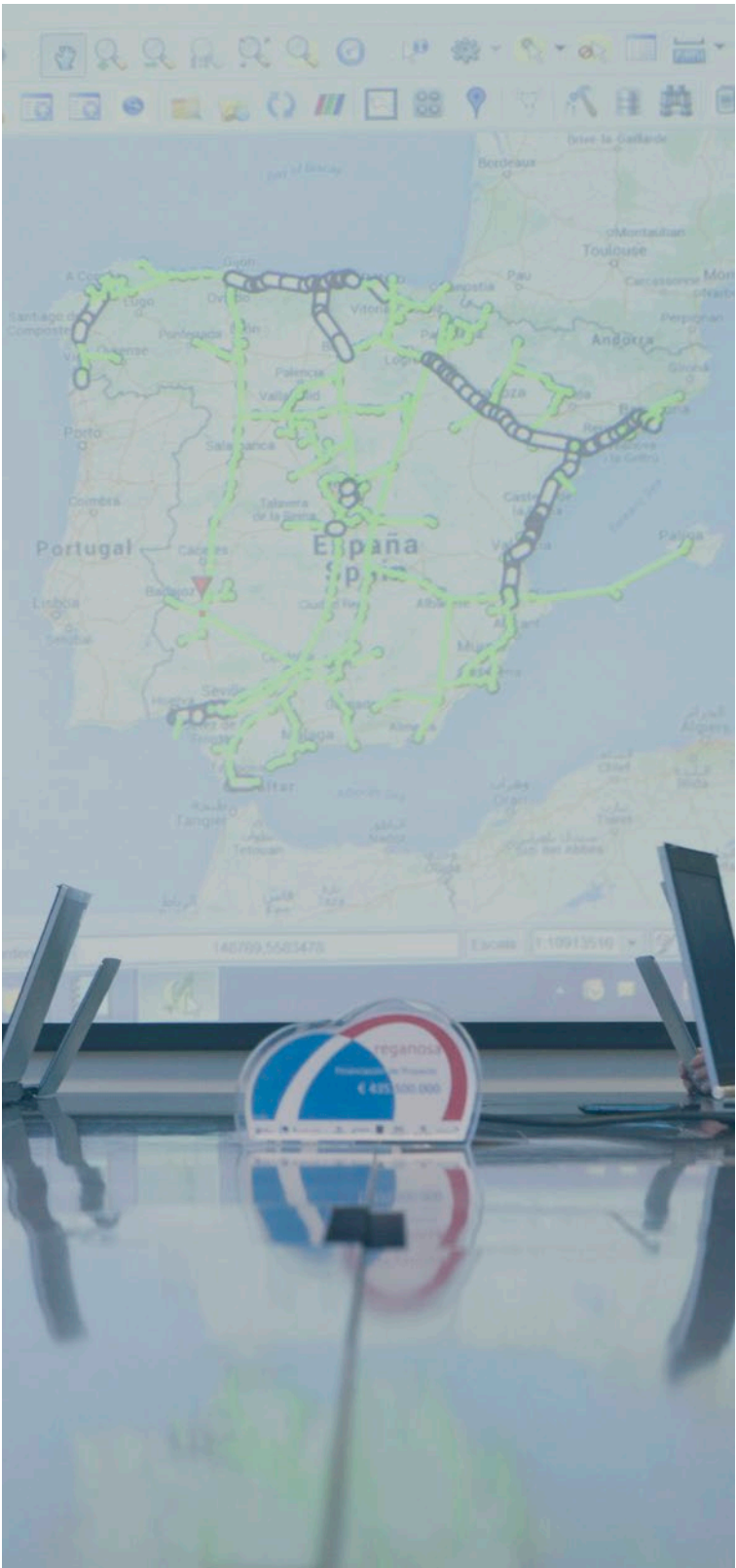
The Board consists of 20 members, 10% of whom are women. The board is assisted by a legal advisor who performs the task verifying the legality of the agreements and decisions that are made, as well as providing legal advice. Likewise, the directors are required to devote the required time and effort to their duties to perform them diligently and efficiently, and to adopt the necessary measures for the proper management and control of the company. [G4-LA12]

The Board of Directors meets as often as necessary for the proper development of its management and supervision duties and, in any case, once every quarter-year. [G4-47]

Likewise, the directors hold their office faithfully by avoiding conflicts of interest, and carrying out their office with loyalty to the Code of Ethics and Conduct, whose principles and values have been promoted and developed by the Board of Directors. [G4-DMA] [G4-SO4]

COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2014  
[G4-39]

NAME OF THE DIRECTOR	POST	NATURE OF THE POST	POST IN THE EXECUTIVE COMMITTEE
José María Paz Goday	Chairman	Executive	Chairman
Ángel Bernardo Tahoces	Director	Propietary director	
María Del Socorro Martín	Director	Propietary director	Secretary
Manuel Galdo Pérez	Secretary	Propietary director	
Germán María González Del Valle Chávarri	Director	Propietary director	
Manuel Lara Coira	Director	Propietary director	
Marcos López	Director	Propietary director	
Jesús Louro Carballeira	Director	Propietary director	
José Luis Méndez López	Director	Propietary director	
Niall Patrick Nills	Director	Propietary director	
Tomás Pedraza Bosi	Director	Propietary director	Member of the board
Ivan Seoane Abuin	Director	Propietary director	
Roberto Tojeiro Peleteiro	Director	Propietary director	
Roberto Tojeiro Rodríguez	Director	Propietary director	Member of the board
Alfonso Rueda Valenzuela	Director	Propietary director	Member of the board
Forestal Del Atlántico, S.A. (Andrés Fuentes Martín-Corral)	Director	Propietary director	
Impregnaciones Melamínicas Gallegas, S.A. (Jesús Louro Carballeira)	Director	Propietary director	
Gallega de Distribuidores de Alimentación, S.A. (Roberto Tojeiro Rodríguez)	Director	Propietary director	
Inderdip Singh Syan	Director	Propietary director	
Elena Muñoz Fonteriz	Director	Propietary director	





6.2.3. EXECUTIVE COMMITTEE

The Board of Directors has established an Executive Committee to which it has delegated all its powers, except those that cannot be legally delegated and those that are termed “Basic Agreements” in the Articles of Association of the Board of Directors. The Executive Committee provides greater operating power to the company’s management. [G4-38]

6.2.4. MANAGEMENT COMMITTEE

The Steering Committee is the body that coordinates the different business areas of Reganosa and carries out an internal control of the company’s activity. It is constituted by the Managing Director and the Directors of the different business areas: Regulation and Strategy, Production, Administration and Development.

Its main functions include the study and proposal of corporate objects and the annual budget, bringing the main concerns about the management to the Board of Directors and to make any proposals for action that are necessary for the development of the company’s activity.

According to the Articles of Association, the definition of the organisational structure and the appointment of the directors must be approved by a majority of two thirds of the Board of Directors based on the criteria of maximum competence and professionalism. [G4-38]

6.3. GOOD GOVERNANCE OF THE COMPANY  
[G4-40] [G4-41]

MANAGEMENT PRACTICES OF REGANOSA’S BOARD OF DIRECTORS

The Articles of Association prevent conflicts of interest by prohibiting the directors to take part in the governing bodies of companies with the same interests in production and commercialisation	Monitoring of the Company’s regulatory and normative compliance	Regular assessment of the quality and efficiency of performance and that of its Executive Committee	Independence, diversity and specialisation are the criteria for the appointment of Directors, whether they represent or not a major shareholder	Three-month performance analysis
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REMUNERATION OF THE BOARD OF DIRECTORS  
[G4-51] [G4-52] [G4-53]

The remuneration of the members of the Board of Directors, whose system is listed in the Articles of Association, consists of an allowance for attending each meeting, and if applicable, for attending the Executive Committee. This amount is fixed annually by a resolution of the Shareholders’ General Meeting, within the maximum limits set by the law in force at that time.


## INDEPENDENT VERIFICATION REPORT [G4-33]



KPMG Asesores S.L.  
Edificio Torre Europa  
Paseo de la Castellana, 95  
28046 Madrid

2

### Independent Review Report for the Management of Regasificadora del Noroeste S.A.

We have carried out a review of the non-financial information contained in the Sustainability Report for Regasificadora del Noroeste S.A. (hereinafter Reganosa) of the financial year ending on 31st December 2014 (hereinafter, "the Report"). The information reviewed is limited to the content referred to in the indicators of section "GRI Table of Contents" of the Report marked with the symbol .

Reganosa's Management is responsible for the preparation and presentation of the Report in accordance with the Guide for the creation of Sustainability Reports of Global Reporting Initiative version 4.0 (G4) as broken down in point G4-32 of the section "GRI Table of Contents" included in the Report. The management is also responsible for the information and the statements contained therein; for the determination of Reganosa's objectives referring to the selection and presentation of information on the performance in matters concerning sustainable development; and for the establishment and maintenance of systems for the control and management of the performance of those from which the information is obtained.

Our responsibility is to carry out a limited review and to issue a report based in the performed work. Our work has been carried out in accordance with Standard ISAE 3000, Assurance Engagements other than Audits or Reviews of Historical Information, issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC) and with the Action Guide for review work for Corporate Responsibility Reports issued by the Spanish Institute of Chartered Accountants (ICJCE). These regulations require that we plan and carry out our work so that we can obtain a limited security that this Report is exempt from material misstatements. It consists of a review work which is carried out in accordance with the independence standards for the assurance work of KPMG, as well as with the requirements of the Ethics Code of the International Ethics Standards Board for Accountants regarding integrity, objectivity, confidentiality and professional conduct and qualifications.

The scope of these procedures for compiling evidence carried out in a work of limited review is less than for a work with reasonable security. Therefore the level of security it provides is equally limited. This report may under no circumstances be understood as an audit report.

Our work of limited review has consisted in asking questions to the Management—mainly to the people in charge of preparing the information included in the Report—and in applying the following analytical procedures and others intended for compiling evidence:

- Interviews with staff belonging to Reganosa to discuss the application of policies and strategies regarding sustainability matters.
- Interviews with the Reganosa staff members responsible for the information contained in the Report.
- Analysis of the compiling and internal control processes of the quantitative data reflected in the Report with regards to their reliability, by using analytical procedures and review tests based on our samples.

- Reading the information included in the Report to determine if it is in line with our general knowledge and experience, in relation to the performance of Reganosa in sustainability.
- Comparison of the financial information reflected in the Report with that included in Reganosa's Annual Accounts, audited by independent third parties.

Our multi-disciplinary team has included experts in the social, environmental and financial performance of the company.

Based on the previously described procedures that were carried out, we have not observed any event that makes us believe that the data collected in the Sustainability Report for Regasificadora del Noroeste S.A. for the financial year ending on 31st December 2014 have not been obtained reliably, that the information is not presented in a proper way, or that there are significant deviations or omissions, or that the Report has not been prepared, in all significant aspects, in accordance with the Guide for preparing the Sustainability Reports of the Global Reporting Initiative version 4.0 as broken down in point G4-32 of section "GRI Table of Contents" of the Report.

In another document, we will supply Reganosa's management with an internal report that contains our findings and areas of improvement.

KPMG Asesores, S.L.

  
 José Luis Blasco Vázquez

3rd July 2015



**ABOUT THIS REPORT** [G4-18] [G4-19] [G4-20] [G4-21] [G4-26]**METHODOLOGY  
AND ANALYSIS  
OF THE DEVELOPED  
MATERIAL**

In accordance with the provisions of the Global Reporting Initiative G4 guide, this document provides information on the indicators for those aspects of sustainability that have been deemed to be material. To do this, we have addressed a specific analysis in which Reganosa has assessed with the key issues are, either because they affect decisions that its stakeholders may take, or because they are critical to the long term-success of the company's strategy.

Activities specifically developed for this material analysis have consisted of:

An assessment of the sectorial context by identifying those aspects of sustainability that are critical to other companies with similar activities to those of Reganosa.

Interviewing managers to identify what are the main risks and opportunities in sustainability and the priorities of the company in the future.

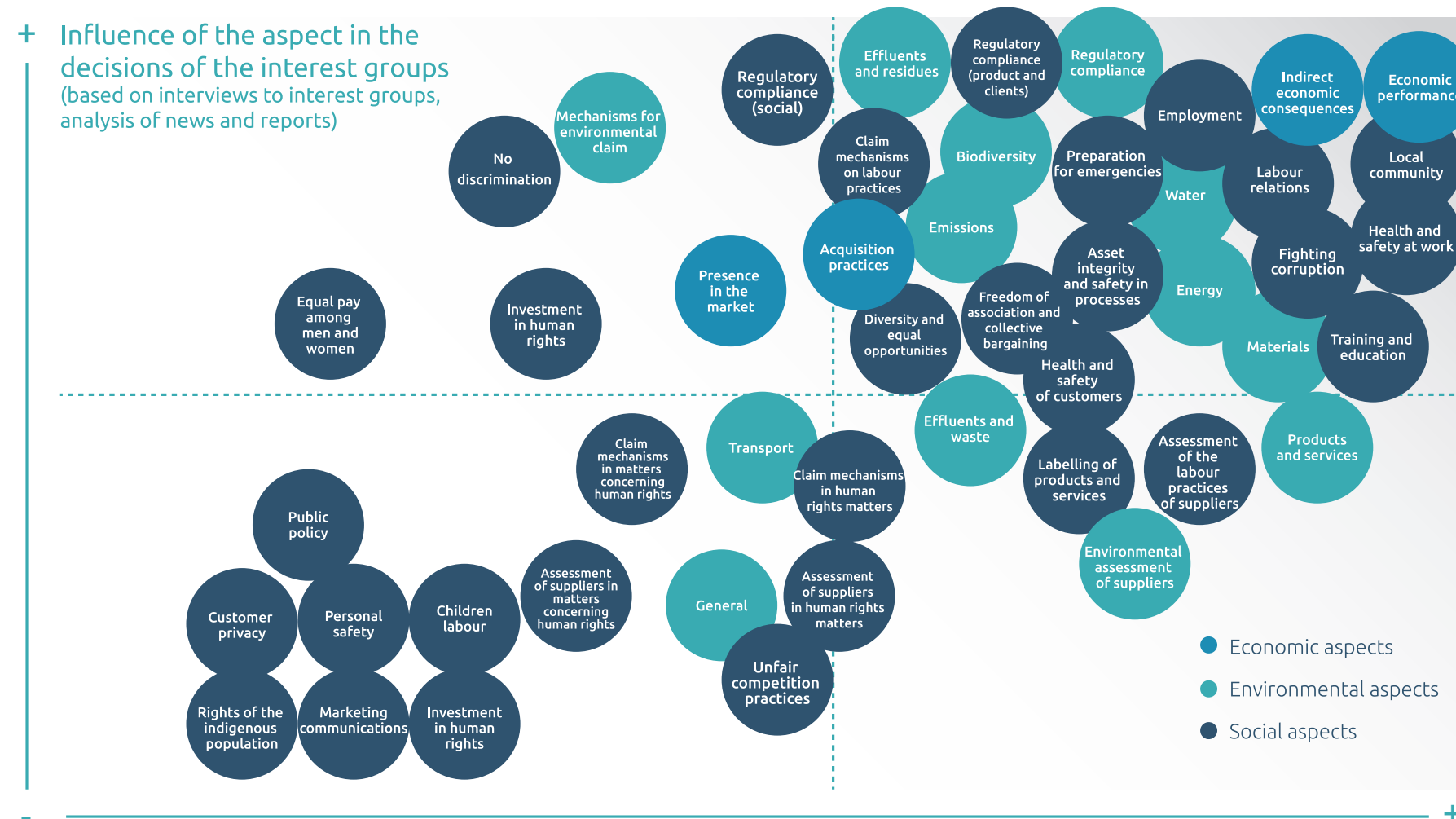
Identification of major stakeholders, as well as of the aspects that are most important to them regarding the performance of Reganosa. The opinion of the directors has been critical in this section, and the importance of these groups in terms of their relevance is defined for each of the areas of management. The main expectations of these stakeholders are likewise determined by the issues that most frequently arise in the process of communication between themselves and the managers of the company. Such identification of stakeholders and the topics of importance to them have been complemented with the next activity.

Telephone conversations with representatives of major Reganosa stakeholders such as employees, regulators, industry associations, customers and suppliers, in order to directly assess their concerns and expectations.

Analysis of reports in the media and press releases issued by the company in relation to the different variables included in sustainability.

Identification of requirements and indicators set by the GRI G4 guide and the supplement for the Oil & gas sector relevant to Reganosa.

The result of these actions has allowed the following materiality matrix to be created for the company:



\* Other non-material aspects have not been represented in the diagram for graphic reasons. These include some of those listed in the "Oil and Gas" Sector Supplement that are not applicable to Reganosa.

The aspects shown in the top right-hand square are those that represent the highest level of materiality for Reganosa. The following table specifies those that were definitely taken into account when preparing the report.



CATEGORY	MATERIAL ASPECT	M2 COVERAGE	
		ORGANISATION	OUTSIDE THE ORGANISATION
EC	Economic performance	X	
EC	Indirect economic consequences		X
EC	Acquisition practices	X	X
MA	Water	X	X
MA	Energy	X	
MA	Materials	X	
MA	Regulatory compliance	X	X
MA	Biodiversity		X
MA	Waste effluents	X	X
MA	Emissions	X	X
MA	Environmental investments	X	X
SO	Local communities	X	X
SO	Health and Safety at work	X	
SO	Training and education	X	
SO	Fighting corruption	X	X
SO	Work relationships	X	X
SO	Employment	X	X
SO	Preparation for the event of emergencies	X	X
SO	Integrity of assets and safety of the process	X	X
SO	Regulatory compliance (assets and customers)	X	X
SO	Claim mechanisms on working practices	X	X
SO	Diversity and equal opportunities	X	
SO	Freedom of association and collective bargaining	X	
SO	Health and safety of customers		X
SO	Regulatory compliance (social)	X	X

In addition to including information regarding these aspects, Reganosa has included information on other items not specified as material.  
Reganosa’s activities generate positive and negative impact on sustainability. The coverage given to each aspect refers to the place where these impacts occur (within the organisation and / or outside it), as well as describing their nature throughout the report.

After identifying the material aspects and determining, and their scope, gathering information for the report was conducted as follows:

- Sending of data sheets to the company’s managers requesting data from them on GRI indicators. The files must always included a detailed explanation of the items that are demanded, as well as suggestions on the most suitable method to be used.
- Resolution of doubts and content development for each of the chapters in this report.

With the received and with the context information obtained through the activities carried out in the materiality analysis, Reganosa has developed the final version of this report. In the GRI cross-table included in the section below, the readers are referred to the sections where they may find information on each of the indicators requested by the standard.

In those cases in which it has not been possible to cover all the requirements of the guide when reporting a particular indicator, this fact has been showed in that table. The company also makes a commitment to improve their information systems in order to make the requested data available for future editions of the report.

More information [G4-31]

For any further clarification on the information included in this document or on the sustainability performance of the company, please contact Reganosa through the following address: [reganosa @ reganosa.com](mailto:reganosa@reganosa.com)

## GRI TABLE OF CONTENTS [G4-32]

BASIC GENERAL CONTENTS				
BASIC GENERAL CONTENTS	Page or direct response	Omissions	External verification	Description
<b>Strategy and analysis.</b>				
G4-1	1, 2		No	Statement from the highest authority and sustainable strategy.
G4-2	1, 14, 15		No	Description of the main impacts, risks and opportunities
<b>Organization's profile</b>				
G4-3	Regasificadora del Noroeste, S.A.		No	Name of the organisation
G4-4	6, 7		No	Main brands, products and/or services
G4-5	The company's headquarters is in Mugaros (A Coruña).		No	Location of the organisation's headquarters
G4-6	5, 6		No	Name and number of countries where the organisation operates and in which it carries out major operations.
G4-7	Public Limited Company		No	Nature of ownership and legal form
G4-8	5, 6		No	Markets served
G4-9	9, 10		Yes. 44 <input checked="" type="checkbox"/>	Size of the organisation (number of employees, number of operations, net sales, etc.).
G4-10	30. During 2014 there were no significant changes in the number of workers in Reganosa.		Yes. 44 <input checked="" type="checkbox"/>	Breakdown of group of employees by type of employment, contract, and gender
G4-11	At the time of submission of this report Reganosa is in the process of negotiating a new employment agreement		Yes. 44 <input checked="" type="checkbox"/>	Percentage of employees covered by collective bargaining agreements
G4-12	25, 32.33		Yes. 44 <input checked="" type="checkbox"/>	Description of the supply chain
G4-13	During 2014 there have been no significant changes in any of the aspects taken into account.		No	Significant changes in size, structure, share ownership or supply chain.
G4-14	14, 15		No	Description of how the organisation has adopted the precautionary principle
G4-15	12, 25		No	Social, environmental and economic principles or initiatives that the organisation has subscribed to or has developed.
G4-16	4, 35.36		No	Main national and international associations or organisations that Reganosa belongs to or supports, in which: > It has positions in the governing bodies > Participates in projects or committees > Provides a substantial amount of funds, exceeding the membership fees > Its participation is strategic.
<b>Material aspects and coverage</b>				
G4-17	The Annual Accounts are only for Regasificadora del Noroeste, S.A. (Reganosa).		No	List of entities included in the financial consolidation and identification of those that are not included in this report.
G4-18	45-47		No	Definition process of the report content and scope of each aspect. Explanation of how the reporting principles have been defined to define the contents of the report.
G4-19	45-47		No	List of material respects.
G4-20	45-47		No	Identification of the issues that are material within the organisation. Limitations to the scope
G4-21	45-47		No	Material aspects identified outside the company, geographical location where the issue is material and limitations to the scope outside the organisation.
G4-22	This report is the first to be created by the company.		No	Description of the effect of any reformulation of information provided in earlier reports.
G4-23	This report is the first to be created by the company.		No	Major changes in the scope and coverage compared to previous reports
<b>Participation of the stakeholders</b>				
G4-24	34-35		No	Relationship of the stakeholders linked to the organisation.
G4-25	34		No	Criteria for identification and selection of stakeholders.
G4-26	35.45		No	Participation of the stakeholders (frequency of collaboration).
G4-27	35		No	Main concerns and areas of interest emerging from the participation of the stakeholders and how the way the organisation has responded to them in the preparation of the report.
<b>Profile of the report</b>				
G4-28	2014 (calendar year closing on 31st December).		No	Period covered by the report.
G4-29	This report is the first created by the company.		No	Date of most recent previous report
G4-30	Reganosa shall update this report annually.		No	Reporting cycle (annual, biennial, etc..)
G4-31	47		No	Point of contact.
G4-32	This report has been prepared in accordance with GRI G4 comprehensive option.		No	Option 'in accordance'
G4-33	44		No	Policy and current practice regarding external verification of the report, concerning the company that reviews the information and head or body of the company participant in the request for verification



G4-35	42		No	Description of the process to delegate the decision-making in relation to economic, environmental and social impacts.
G4-36	The management reports directly to the Board of Directors.		No	Existence of an executive level with responsibility for economic, environmental and social issues and relationship of this position with the highest governing body.
G4-37	35		No	Processes by which the stakeholders may consult or communicate recommendations or indications to the highest governance body.
G4-38	42-43		No	Composition of the highest governance body and its committees.
G4-39	42		No	Indicate whether the Chairman of the highest governing body also holds the post of executive officer.
G4-40	43		No	Appointment process and selection criteria of the highest governance body and its committees.
G4-41	43		No	Management process of potential conflicts of interest.
G4-42	42		No	Body responsible for the review and approval of the values, mission and vision of the company, policies and strategy related to economic, environmental and social objectives.
G4-43	An extensive report is submitted at each Board of Directors meeting where all economic, social and environmental aspects are examined.		No	Mechanisms to increase the knowledge of the highest governing body on economic, environmental and social issues.
G4-44	42		No	Procedures for evaluating the performance of the highest governing body regarding economic, environmental and social issues (independence of the process, self-assessment, frequency and actions taken following the outcome of the assessment).
G4-45	14.42		No	Role of the highest governing body in the identification and management of impacts, risks and opportunities in economic, social and environmental areas as well as its role in the implementation of due diligence processes. Consultation with stakeholders for use in the work of the governing body.
G4-46	14.42		No	Duties of the governing body in reviewing the effectiveness of the risk management process.
G4-47	14.42		No	Frequency of review of economic, environmental and social impacts, risks and opportunities by the highest governing body.
G4-48	The Board of Directors reviews and approves the Sustainability Report.		No	Most important position in charge of the review and approval of the Sustainability Report that ensures that all the material issues have been covered.
G4-49	At each Board of Directors meeting, an extensive report is submitted where all economic, social and environmental aspects are examined.		No	Communication process of critical matters to the Board of Directors.
G4-50	The Board of Directors has discussed, among others, on the following issues of importance: - Investments and hiring. - Approval of the Code of Ethics. - Preparation of the Annual Accounts. - Definition of corporate objectives.		No	Number and type of major concerns communicated to the Board of Directors and mechanisms implemented for their resolution.
G4-51	43		No	Remuneration of the highest governing body and senior management and relationship between performance criteria affecting the remuneration policy and economic, environmental and social objectives.
G4-52	43		No	Process for determining the remuneration.
G4-53	43		No	Involvement of stakeholders in the definition of remuneration policies
G4-54	The total annual remuneration of the employee with the highest salary is 3.7 times higher than the average annual remuneration of the entire workforce.		Yes. 44 <input checked="" type="checkbox"/>	Ratio between the remuneration of the employee with highest salary and total annual compensation of the entire workforce,
G4-55	Not applicable. There has been no salary increase in 2013-2014 due to undergoing labour agreement negotiations		Yes. 44 <input checked="" type="checkbox"/>	Ratio between the percentage increases in remuneration of the highest paid employee and the average of the employees' total increase percentage.
<b>Ethics and integrity</b>				
G4-56	12		No	Description of the values, principles, standards and rules of the organisation, such as codes of conduct or ethical codes.
G4-57	12		No	Internal or external mechanisms for advice on ethical behaviour and issues related to integrity (support lines).
G4-58	12		No	Mechanisms for reporting unethical or untrustworthy behaviour.

BASIC SPECIFIC CONTENTS				
Information about the management approach and indicators	Page or direct response		Omissions (also include the explanation)	Description
			External verification	
ECONOMIC PERFORMANCE				
Economic Performance				
G4-DMA	29		No	Management approach
G4-EC1	9,10,25,29		Yes. 44 <input checked="" type="checkbox"/>	Direct economic value generated and distributed, including expenses, operating expenses, remuneration to employees, donations and other investments in the community, profits not distributed and paid to capital suppliers and governments.
G4-EC2	37		Yes. 44 <input checked="" type="checkbox"/>	Financial implications and other risks and opportunities for the organisation's activities due to climate change
G4-EC3	Reganosa does not have a pension plan for its employees.		Yes. 44 <input checked="" type="checkbox"/>	Coverage of the organisation's obligations due to the social benefits plan
G4-EC4	9		Yes. 44 <input checked="" type="checkbox"/>	Financial assistance received from governments
Indirect economic consequences				
G4-DMA	25,26		No	Materiality of the issue and management approach.
G4-EC7	10,25,28		Yes. 44 <input checked="" type="checkbox"/>	Development and impact of investments in infrastructures and the types of services
G4-EC8	9,25,26		Yes. 44 <input checked="" type="checkbox"/>	Significant indirect economic impacts and their scope.
Procurement practices				
G4-DMA	32,33		No	Materiality of the issue and management approach.
G4-EC9	9.33. 42% of supplier spending is for Galician suppliers		Yes. 44 <input checked="" type="checkbox"/>	Proportion of spending corresponding to local suppliers in places where significant operations are carried out.
ENVIRONMENTAL PERFORMANCE				
Materials				
G4-DMA	17,20,21		No	Materiality of the issue and management approach.
G4-EN1	21,22		Yes. 44 <input checked="" type="checkbox"/>	Materials by weight or volume
G4-EN2	None of the materials consumed by Reganosa that are indicated in the report consists of recycled components.		Yes. 44 <input checked="" type="checkbox"/>	Percentage of materials used from recycled materials
Energy.				
G4-DMA	17,20		No	Materiality of the issue and management approach.
G4-EN3	20,21. Reganosa does not consume renewable fuels or energy sources.		Yes. 44 <input checked="" type="checkbox"/>	Total internal energy consumption.
G4-EN4	The most relevant energy consumption sources outside the organisation are associated with the consumption for the transport of gas by road and with transport of employees from their home to their workplace.	Reganosa currently does not have any systems to estimate this figure it is expected to be reported in 2016 Sustainability Report	Yes. 44 <input checked="" type="checkbox"/>	External energy consumption.
G4-EN5	20, 21. The energy intensity calculation takes into account only domestic consumption of energy. The production of the terminal (tons of natural gas) has been used as a means for calculating the intensity		Yes. 44 <input checked="" type="checkbox"/>	Energy intensity.
G4-EN6	21		Yes. 44 <input checked="" type="checkbox"/>	Reduction of energy consumption (breakdown by type) due to conservation and improvements in efficiency and methods/assumptions applied.
G4-EN7	17,21. Environmental regulations applicable to Reganosa do not take into account the measurement of these pollutants, over which they have no direct management capacity. In accordance with our commitment to continuous improvement we expect to gradually increase the information on these emissions from 2017.		Yes. 44 <input checked="" type="checkbox"/>	Reductions in energy consumption as a result of initiatives to provide efficient products and services in energy consumption.
G4-OG2	Reganosa does not use renewable fuels or other renewable energy.		Yes. 44 <input checked="" type="checkbox"/>	Investments in renewable energy.
G4-OG3	Reganosa does not use renewable fuels or other renewable energy.		Yes. 44 <input checked="" type="checkbox"/>	Renewable energy generation by source.
Water				
G4-DMA	17, 20, 22, 25		No	Materiality of the issue and management approach.
G4-EN8	22		Yes. 44 <input checked="" type="checkbox"/>	Total water capture according to the source
G4-EN9	22, 25		Yes. 44 <input checked="" type="checkbox"/>	Water sources that have been significantly affected by water capture.
G4-EN10	Reganosa does not reuse water in its operations.		Yes. 44 <input checked="" type="checkbox"/>	Percentage and total volume of water recycled and reused.



### Biodiversity

<b>G4-DMA</b>	17,20,25		No	Materiality of the issue and management approach.
<b>G4-EN11</b>	At 31st December 2014, Reganosa gas pipelines occupy an area of 217.424 m <sup>2</sup> in natural protected areas and Red Natura 2000 (SCI); 187,55m <sup>2</sup> of the Mugaridos- As Pontes-Guitiriz gas pipeline, 18.3m <sup>2</sup> of the Abegondo-Sabón gas pipeline and 11.5 m <sup>2</sup> of the Abegondo-Sabón gas pipeline.		Yes. 44 <input checked="" type="checkbox"/>	Description of adjacent facilities or those located within protected natural areas or non-protected high biodiversity areas
<b>G4-EN12</b>	24		Yes. 44 <input checked="" type="checkbox"/>	Description of the most significant impacts on biodiversity in protected areas or in areas of high biodiversity that are not protected, arising from activities, products and services.
<b>G4-EN13</b>	No activity has been carried out in this sense during the reporting period taken into account in the Report.		Yes. 44 <input checked="" type="checkbox"/>	Protected or restored habitats
<b>G4-EN14</b>	The protected areas through which the Reganosa gas pipelines run through (See G4 · EN1) are inhabited by over 30 species of protected mammals, birds, amphibians and reptiles, fish and invertebrates. The impact of these facilities on these areas has been examined in the corresponding environmental impact studies and the necessary measures for their minimization have been set up.		Yes. 44 <input checked="" type="checkbox"/>	Number of species included the in IUCN Red List and in national conservation lists with inhabits areas affected by operations. Species listed according to their danger of extinction.
<b>G4-OG4</b>	Reganosa continuously analyses all its impacts on the environment. Similarly, for construction projects of new infrastructures environmental impact assessments (EIA) are carried out and they take into account protected areas located in the environment.		Yes. 44 <input checked="" type="checkbox"/>	Number and percentage of significant operating locations in which a biodiversity risk monitoring and assessment has been carried out.

### Emissions

<b>G4-DMA</b>	17,20,23		No	Materiality of the issue and management approach.
<b>G4-EN15</b>	23. The tons of CO <sub>2</sub> emissions from fuel consumption in the terminal owned by the company in Mugaridos are reported. Reganosa produces no emissions of biogenic origin.		Yes. 44 <input checked="" type="checkbox"/>	Direct emissions of greenhouse gases (scope 1).
<b>G4-EN16</b>	23		Yes. 44 <input checked="" type="checkbox"/>	Indirect emissions of greenhouse gases (scope 2).
<b>G4-EN17</b>	Currently Reganosa does not calculate indirect emissions of Scope 3.	Currently Reganosa does not have systems to estimate indirect emissions of scope 3; it is expected to be reported in 2016 Sustainability Report.	Yes. 44 <input checked="" type="checkbox"/>	Indirect emissions of greenhouse gases (scope 3).
<b>G4-EN18</b>	The emission intensity is 0.023tCO <sub>2</sub> /t The denominator used was the production of the terminal (tons).		Yes. 44 <input checked="" type="checkbox"/>	Intensity of the greenhouse gas emissions
<b>G4-EN19</b>	Currently there is no project under way for the reduction of CO <sub>2</sub> emissions except those that have resulted in a saving in electricity consumption Actions have been planned in this sense for future years. The potential emission reduction that can take place may be estimated when they are put into action.		Yes. 44 <input checked="" type="checkbox"/>	Reduction of GHG emissions.
<b>G4-EN20</b>	Reganosa does not consume or emit greenhouse gases containing substances that exhaust the ozone layer.		Yes. 44 <input checked="" type="checkbox"/>	Emission of substances affecting the ozone layer.
<b>G4-EN21</b>	23. NOx emissions per unit of production have not been calculated as they are regarded as insignificant.		Yes. 44 <input checked="" type="checkbox"/>	NOx, SOx and other significant atmospheric emissions.

### Effluents and waste

<b>G4-DMA</b>	17,20,22,23,24		No	Materiality of the issue and management approach.
<b>G4-EN22</b>	22		Yes. 44 <input checked="" type="checkbox"/>	Volume of water discharges by quality and destination
<b>G4-EN23</b>	23		Yes. 44 <input checked="" type="checkbox"/>	Total weight of waste managed by type and treatment method
<b>G4-EN24</b>	There have been no major spills during the reporting period.		Yes. 44 <input checked="" type="checkbox"/>	Total number and volume of the most significant accidental spills
<b>G4-EN25</b>	23. All waste is transported by authorized operators.		Yes. 44 <input checked="" type="checkbox"/>	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annexes I, II, III, and VIII, and percentage of transported waste shipped internationally.
<b>G4-EN26</b>	24. During 2014 no body of water or habitat has been affected by discharges or run-off from the organisation.		Yes. 44 <input checked="" type="checkbox"/>	Identification, size, protected status and biodiversity value of water bodies and related habitats significantly affected by discharges and run-off from the organisation.
<b>G4-OG5</b>	It does not apply to Reganosa's activity because it does not carry out continuous discharge of fuels.		Yes. 44 <input checked="" type="checkbox"/>	Volume of water formation or production
<b>G4-OG6</b>	During 2014 the volume of natural gas burnt has been 11,495,238.03Nm <sup>3</sup>		Yes. 44 <input checked="" type="checkbox"/>	Vented and/or burned hydrocarbon volume
<b>G4-OG7</b>	This does not apply to Reganosa activity because it does not make continuous discharge of fuels.		Yes. 44 <input checked="" type="checkbox"/>	Drilling waste (cuttings and drilling mud). Implemented strategies for treatment and disposal.

### Regulatory Compliance

<b>G4-DMA</b>	17.20		No	Materiality of the issue and management approach.
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<b>G4-EN29</b>	During 2014 Reganosa has not received any significant fines (> €1,000) or non-monetary sanctions for breach of legislation and regulations that apply through the channels provided for this purpose.	Yes. 44 <input checked="" type="checkbox"/>	Monetary value of significant fines and number of non-monetary fines for breach of environmental legislation and regulations
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**SOCIAL PERFORMANCE - LABOUR PRACTICES AND ETHIC AT WORK****Employment**

<b>G4-DMA</b>	30,31	Yes. 44 <input checked="" type="checkbox"/>	Management approach
<b>G4-LA1</b>	30. In 2014 3 people were hired, 2 men and 1 woman and one female was dismissed.	Yes. 44 <input checked="" type="checkbox"/>	Total number of employees and average employee turnover broken down by groups of age, gender and region.
<b>G4-LA2</b>	30	Yes. 44 <input checked="" type="checkbox"/>	Social benefits provided to full-time employees that are not provided to temporary or part-time employees, broken down by main locations of activity.
<b>G4-LA3</b>	100% of employees from Reganosa's workforce who applied for parental leave in 2014 could enjoy it. They all re-joined when it finished. During 2014 there was not any maternity leave	Yes. 44 <input checked="" type="checkbox"/>	Levels of return to work and retention rates after maternity or paternity leave, broken down by gender.

**Relationships between workers and management**

<b>G4-DMA</b>	30. Reganosa is subject to the provisions of the Workers' Statute and related regulations.	No	Materiality of the issue and management approach.
<b>G4-LA4</b>	Reganosa is subject to the provisions of the Workers' Statute and related regulations.	Yes. 44 <input checked="" type="checkbox"/>	Minimum notice for deadlines of operating changes and possible inclusion of these in collective agreements.

**Occupational health and safety**

<b>G4-DMA</b>	18,19	No	Management approach
<b>G4-LA5</b>	19	Yes. 44 <input checked="" type="checkbox"/>	Percentage of total workforce represented in management and employees health and safety committees, established to help monitor and advise on health and safety programmes at work.
<b>G4-LA6</b>	10,18. The overall absenteeism rate is 3.57, in the case of women it is 0.9 and 4.22 in men	Yes. 44 <input checked="" type="checkbox"/>	Absentee rates, occupational diseases, days lost, and number of work related fatalities by region.
<b>G4-LA7</b>	There are no workers whose profession involves a high risk of occupational diseases.	Yes. 44 <input checked="" type="checkbox"/>	Workers whose job has incidence or risk of occupational diseases.
<b>G4-LA8</b>	19. There are no formal agreements with trade unions. The representation of workers in health and safety issues is exercised through the Health and Safety Committee.	Yes. 44 <input checked="" type="checkbox"/>	Health and safety issues covered in formal agreements with trade unions.

**Training and education**

<b>G4-DMA</b>	30	No	Materiality of the issue and management approach.
<b>G4-LA9</b>	10,30,31	Yes. 44 <input checked="" type="checkbox"/>	Average hours of training per year per employee, broken down by category
<b>G4-LA10</b>	30	Yes. 44 <input checked="" type="checkbox"/>	Programmes for skills management and continuous training that promote the continued employability of workers and assist them in the final management of their careers.
<b>G4-LA11</b>	353 hours of English language training per year 10, 31. In total, the 91.30% of employees receive performance assessments, 92.73% of which are men and 85.71% of which are women.	Yes. 44 <input checked="" type="checkbox"/>	Percentage of employees receiving regular performance and career development assessments, by gender and class.

**Diversity and equal opportunities**

<b>G4-DMA</b>	37,38	No	Materiality of the issue and management approach.
<b>G4-LA12</b>	30,42	Yes. 44 <input checked="" type="checkbox"/>	Composition of the corporate governing bodies and staff broken down by sex, age group, belonging to minorities and other indicators of diversity.

**Grievance mechanisms on labour practices**

<b>G4-DMA</b>	12,31	No	Materiality of the issue and management approach.
<b>G4-LA16</b>	During 2014 Reganosa has not registered any claims relating to employment practices through the channels provided.	Yes. 44 <input checked="" type="checkbox"/>	Number of complaints filed on employment practices which were addressed and resolved through formal grievance mechanisms

**SOCIAL PERFORMANCE - HUMAN RIGHTS****Freedom of association and collective bargaining.**

<b>G4-DMA</b>	12,33	No	Materiality of the issue and management approach.
<b>G4-HR4</b>	12. Reganosa 2014 reaffirmed its commitment to the principles of the UN Global Compact.	Yes. 44 <input checked="" type="checkbox"/>	Identification of centres and suppliers in which freedom of association and the right to collective agreements may be infringed or threatened, as well as the measures taken to uphold these rights.

**SOCIAL PERFORMANCE - SOCIETY****Local Communities**

<b>G4-DMA</b>	17,26,27,28,35	No	Materiality of the issue and management approach.
<b>G4-SO1</b>	17, 20, 28, 35. Reganosa implements these programmes on the environment of its facilities in Mugardos.	Yes. 44 <input checked="" type="checkbox"/>	Percentage of centres where development programmes, impact assessments and local community involvement have been implemented
<b>G4-SO2</b>	The construction of gas pipelines can have significant effects on local communities. In this sense, the environmental impact studies required by law, take into account the necessary preventive and corrective mitigation measures as well as the identified impacts.	Yes. 44 <input checked="" type="checkbox"/>	Operations with significant potential or real negative impacts on local communities.
<b>G4-OG10</b>	Reganosa provides channels for its stakeholders to allow their comments to be received and dealt with The company's commitment		Significant conflicts with local and indigenous communities.



	is to understand the needs and expectations of stakeholders, and from this knowledge, develop an operational and corporate social responsibility strategy to respond to the interests of all groups, persons and organizations with which it relates.			
<b>G4-OG11</b>	No dismantling has been carried out in Reganosa's facilities during 2014.			Facilities that have been closed / dismantled and the number of installations in process of being dismantled.
<b>Fight against corruption</b>				
<b>G4-DMA</b>	12,42		No	Materiality of the issue and management approach.
<b>G4-SO3</b>	12. Reganosa facilities are governed by the provisions in the Code of Ethics and Conduct.		Yes. 44 <input checked="" type="checkbox"/>	Percentage and total number of business units analysed for risks related to corruption and significant risks detected.
<b>G4-SO4</b>	10,12,42		Yes. 44 <input checked="" type="checkbox"/>	Communication and training on anti-corruption.
<b>G4-SO5</b>	10. During 2014 Reganosa has not registered any case of corruption among its employees through the channels provided.		Yes. 44 <input checked="" type="checkbox"/>	Confirmed cases of corruption and measures taken.
<b>Regulatory Compliance</b>				
<b>G4-DMA</b>	14		No	Materiality of the issue and management approach.
<b>G4-SO8</b>	During 2014 Reganosa has not received significant fines through the channels available for this purpose (> 1,000 €) or non-monetary sanctions for breach of legislation and applicable regulations.		Yes. 44 <input checked="" type="checkbox"/>	Monetary value of significant fines and number of non-monetary fines for breach of legislation and regulations
<b>Preparation for emergencies</b>				
<b>G4-DMA</b>	17,18		No	Materiality of the issue and management approach.
<b>Integrity of assets and security process</b>				
<b>G4-DMA</b>	17,18		No	Materiality of the issue and management approach.
<b>G4-OG13</b>	9,19		Yes. 44 <input checked="" type="checkbox"/>	Number of safety events occurring in operations, by activity.
<b>SOCIAL PERFORMANCE - RESPONSIBILITY ON PRODUCTS</b>				
<b>Health and safety of the customer</b>				
<b>G4-DMA</b>	17,19		No	Materiality of the issue and management approach.
<b>G4-PR1</b>	19. Reganosa assesses the possible impacts on health and safety issues, of all the services it provides.		Yes. 44 <input checked="" type="checkbox"/>	Percentage of categories of significant products and services whose impacts on health and safety are assessed in order to promote improvements.
<b>G4-PR2</b>	During 2014 Reganosa has not recorded any incidents arising from the breach of any regulations of voluntary codes relating to health and safety of products and services		Yes. 44 <input checked="" type="checkbox"/>	Number of incidents arising from breach of regulations or voluntary codes concerning the impacts of products and services on health and safety during their life cycle, broken down according to type of fines for these incidents.
<b>Regulatory Compliance</b>				
<b>G4-DMA</b>	14		No	Materiality of the issue and management approach.
<b>G4-PR9</b>	During 2014 Reganosa has not received fines or non-monetary sanctions due to breach of legislation or regulations relating to the supply of products and services through the channels provided for this purpose.		Yes. 44 <input checked="" type="checkbox"/>	Monetary value of important fines for non-compliance of laws and regulations concerning the provision and use of products and services.

## GLOSSARY OF TERMS AND ABBREVIATIONS

**APFSC:** Port Authority of Ferrol - San Cibrao

**BOIL OFF GAS:** natural gas vapour produced in the regasification terminals in situations in which it operates below the technical minimum, and in ship loading and unloading

**CNMC:** Comisión Nacional de los Mercados y la Competencia (National Commission of Markets and Competition)

**D&O:** Liability of Directors and Trustees

**ENTSOG:** European Network Transmission System Operator for gas - European Network of Transport Network Managers. It is integrated by all European TSOs. It promotes the construction and operation of the European market in natural gas and cross-border trade, and ensures optimal management, coordinated operation and adequate technical evolution of the European gas transmission network.  
**GASNAM:** Spanish Association of Natural Gas for Mobility

**GIE:** Gas Infrastructure Europe

**GLOBAL COMPACT:** United Nations Global Compact

**GNL:** Natural liquefied gas

**GTE:** Gas Transmission Europe

**GTS:** Technical Manager of the System

**INEGA:** Galician Energy Institute

**MINETUR:** Ministry of Industry of Industry, Energy and Tourism

**NOx:** Nitrogen oxide

**MTMSA:** Marine Terminal Management and Self Assessment

**OCIMF:** Oil Companies International Marine Forum

**SEDIGAS:** Spanish Gas Association

**SERGAS:** Galician Health Service

**TSO:** Transmission System Operator

**UE:** European Union



