



Naturgy 

Anti-Corruption
Policy

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Environment

The changing environment in which Naturgy operates, the different geographic areas in which it conducts its operations and the constant relationship with third parties put the company at risk in different situations. This makes it necessary to establish the basic principles of an anti-corruption model, thereby covering the main legal, reputational and financial risks to which the Group is exposed.

Purpose

The purpose of this document is to establish the principles that must guide the conduct of all employees and directors of companies of the Naturgy group (hereinafter, Naturgy or the Group) with respect to preventing, detecting, investigating and correcting any corrupt practice within the organization.

The Anti-Corruption Policy of Naturgy is understood as an extension of Chapter 4.7. "Corruption and Bribery" of the Group's Code of Ethics.

Scope

This policy is applicable to all companies that make up the Naturgy group in which it holds a majority shareholding and those in which it has operational and/or management responsibility.

Responsibilities

The Anti-Corruption Policy has the express commitment of Executive Management, which includes the Senior Management Level and the President. Executive Management must actively and permanently demonstrate its commitment to the design, development, application, dissemination and improvement of the Anti-Corruption Policy.

In turn, the company expects all its employees to make every effort and give their utmost commitment to the defence of honesty in their behaviour and to complete adherence to the Anti-Corruption Policy.

Principles of action

The Anti-Corruption Policy is added to the set of corporate policies that already exist at Naturgy, which have been established to ensure compliance with laws in force and to align its strategies and operations with the universally accepted principles of the United Nations Global Compact, which the Group embraces.

Specifically, and in accordance with principle ten of this Compact, Naturgy is committed to fighting against corruption, and it is committed to working in all areas to foster and strengthen measures in the fight against corruption, wherefore it rejects all forms of corruption, whether direct or indirect.

The Anti-Corruption Policy emphasises the express prohibition of bribery in any form. Bribery is understood as anything of value that may be offered, promised, paid, authorised or delivered to a third party in order to illegally influence a business decision or obtain an undue advantage in the development of the company's business activity. Bribes can materialise, among other ways, in the form of payments, gifts, trips, entertainment, job offers, contract awards, debt write-offs, donations, etc.

In the event of any doubt or if cases of corruption or bribery are observed, employees must inform the company through their hierarchical superior at the director level or through the Code of Ethics channel of Naturgy www.naturgy.ethicspoint.com.

Naturgy establishes the following principles with the basic objective of preventing all facets of corruption:

Fostering integrity

Aware of the importance of preventing and detecting corruption, Naturgy promotes a culture of integrity within the Group, and with its suppliers and collaborators, through training and by disseminating ethical conduct, with the aim of preventing and avoiding illegal activities and activities that are contrary to the guidelines of conduct established in the Code of Ethics.

Guarantee of transparency

Naturgy believes in the importance of being transparent with the information sent to management bodies and the market. In order to earn the highest level of trust from customers, suppliers, commercial partners, investors, regulatory bodies and all other stakeholders, Naturgy offers true and complete information.

Treatment of confidential information

Naturgy treats the information of customers, commercial partners, shareholders and employees with utmost discretion and privacy. This information must be kept strictly confidential, and it will not be used unduly by either employees or administrators to their own benefit or to the benefit of third parties.

Money laundering

Naturgy does not facilitate money laundering or terrorist financing. Therefore, it cooperates with the competent authorities of every country in the fight against money laundering and terrorist financing by providing all the information they may request in accordance with laws in force on the subject and by reporting suspicious transactions.

Conflict of interests

Naturgy bases the relationship with its employees on loyalty, originating as a consequence of the common interests between them and the company. Therefore, it respects the participation of its employees in activities unrelated to the Group, as long as such activities are carried out within the applicable legal framework and employment contracts and they neither compete with nor contradict the duties of personnel as employees of Naturgy, nor are they used as a means for conducting corrupt practices

Contributions to political parties

Naturgy does not show support for or make financial contributions or donations to any class of politicians and/or political parties.

Relations with third parties and intermediaries

The relationships between employees and administrators of Naturgy and customers, partners and/or suppliers are maintained according to the highest level of professional ethics. In its contractual agreements, Naturgy requires commitments that include compliance with anti-corruption laws.

Relationship with civil servants

All offers to government officials, including business courtesies, must be made legally and in accordance with the Group's regulations, thereby assuring effective compliance with the principles of objectiveness, impartiality, neutrality and transparency.

Commissions, payments and benefits of third parties

Employees may not receive, offer or deliver, either directly or indirectly, payments in cash, payments in kind or any other benefit for persons employed by public or private entities, by political parties or holding public office for the purpose of illegally carrying out or maintaining investment transactions, divestment transactions, financing operations or other business or advantages.

Sponsorship of and donations and contributions to NGOs, foundations, associations, trade unions and organisations of a similar nature

Naturgy may collaborate with non-profit organizations, as long as a clear and documented, reciprocal benefit between the parties involved is guaranteed, which must never be to conceal illegal acts of corruption or bribery.

Business courtesies

Gifts, courtesies and invitations to acts, events, etc. will be based on the Group's internal regulations, and in no event should they influence the wishes or objectivity of Naturgy's own personnel or others to obtain any benefit or commercial advantage or inappropriate business.

Business courtesies must not go beyond politeness, and they must be proportionate, reasonable, transparent, legitimate and socially acceptable, and if they are known, they should not cause unease for the person who either delivers or receives them.

Facilitating payments

Naturgy is against facilitating payments. Facilitating payments are understood as illegal payments of small amounts to official bodies for the purpose of facilitating or streamlining administrative or similar processes.

Record of operations

All operations conducted by the Group will be recorded clearly and accurately in appropriate accounting records that represent the true view of the conducted transactions. Naturgy has implemented and maintains an adequate system of internal control over the preparation of financial information, and it guarantees periodic supervision of the efficiency thereof. All operations will be approved, documented and recorded in accordance with the Group's regulations and with the established model of Internal Control.

Extension to suppliers and collaborator companies

Naturgy will promote the application of this policy among its main suppliers, collaborators and collaborating organizations.

Implementation

The Group has various mechanisms available for ensuring adequate implementation of the Anti-Corruption Policy, as well as for preventing, detecting, investigating and penalizing cases of corruption, including the following:

- An autonomous body follows up the operation and evaluates the efficiency of the organization, control and compliance models implemented in the different corporate and business areas of the Group, especially the Criminal Prevention Model.
- For employees and third parties, the Group has a communication channel with the Ethics and Compliance Committee so that they can, in good faith, confidentially and without fear of reprisals, ask questions and make notifications of breaches of the Code of Ethics and of the Anti-Corruption Policy (www.naturgy.ethicspoint.com, postal mail and internal mail).
- The Group has Due Diligence procedures for learning about and analysing the counterparties with which the Group operates, thereby evaluating the associated risks of corruption and reputational risks.
- The Group will periodically require that all its employees formally state that they know and comply with the principles set forth in the Anti-Corruption Policy.
- The Group will periodically disseminate the content of the Anti-Corruption Policy to all employees through informative actions and training sessions.

Approval

The current Anti-corruption Policy has been approved by the Board of Directors of Naturgy Energy Group, S.A., on July 23, 2019, and is applicable to all Naturgy employees.

In case of any inconsistency between the English and the Spanish versions of this Policy, the version in Spanish language shall prevail.

Naturgy 

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