

## **Energy Rehabilitation Solidarity Fund**

### **Regulation**

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1. Presentation. About the fund.

The Gas Natural Fenosa Foundation (Naturgy Foundation), which is part of the Naturgy business group, is committed to helping alleviate energy poverty. Collaboration between companies, governments, third sector entities and the general public is key to finding solutions to the problem of energy vulnerability in the medium and long term. Some of the causes of energy poverty are the state of houses and their lack of energy efficiency, and so remedying them means improving the well-being of those houses. On the other hand, the Naturgy Foundation considers that the use of household appliances, lighting and heating are some of the main areas of the home which can represent a greater potential for energy savings and efficiency.

The purpose of the Naturgy Group Energy Rehabilitation Solidarity Fund (the Fund), managed by the Naturgy Foundation, is to collect economic contributions for use by people in situations of energy vulnerability, both in terms of housing refurbishment and in terms of equipment and energy efficiency.

With the economic aid provided by the Fund, families in Spain considered economically vulnerable who are being attended by the entities with which the Naturgy Foundation has a collaboration agreement, will be able to

make home improvements and, where appropriate, repair or change household equipment; all aimed at reducing energy consumption.

## 2. Definitions.

For the purposes of this Regulation, the following definitions shall apply:

**Donor:** Natural or legal persons, excluding the Naturgy Foundation, who make monetary contributions to the Fund.

**Equivalent amount:** The amount that the Naturgy Foundation contributes to the Fund for each euro contributed by donors. This is set at €1 contributed by Naturgy Foundation for each euro contributed by donors, with the initial annual limit of the maximum amount to be contributed by the Naturgy Foundation. The Naturgy Foundation reserves the right to modify this amount depending on the development of the Fund and its projects. The Naturgy Foundation is committed to disseminating this equivalence as widely as possible. In order to initiate the actions of the Fund, an initial contribution of €250,000 will be made by the Naturgy Foundation on account of future contributions.

**Maximum contribution:** The maximum amount to be contributed to the Fund by the Naturgy Foundation per year by is established at €500,000. The maximum amount to be contributed annually by a single donor per year is also set at €10,000.

**Beneficiaries:** Persons in whose houses refurbishment works are carried out and/or installations are improved.

**Beneficiary entities:** The entities that own the houses that are refurbished and/or in which the installations are improved. Said beneficiary entities may belong to the Third Sector or be public administrations that manage the houses inhabited by people in a situation of energy vulnerability.

**Refurbishment or express refurbishment:** For the purposes of this Regulation, refurbishment is considered to be the improvement solutions that are carried out in houses with the following characteristics:

- The work must be carried out quickly.
- The inhabitants can be inside the house during the work.
- The solutions suit the specific conditions of the building.
- The solutions can be carried out without the need to apply for a building permit in advance.
- The solutions can be made without the need of the agreement and/or permission of the Property Owners' Association.
- The solutions can be executed as improvement works by the tenant or the landlord (in the case of rented housing), complying in any case with the Law on Urban Leases.
- The implementation of the solutions does not preclude future energy refurbishment of the building as a whole or subsequent improvements along the same lines.
- The solutions are carried out inside, do not require scaffolding and do not affect the exterior façades of the affected properties.

Equipment: This includes air conditioning equipment in general, as well as household appliances and gas and electricity installations.

Suitability of facilities: This includes installation works and improvements in order to legalise them in accordance with current regulations, enabling the relevant certificates to be obtained.

### 3. Operation. Lines of action.

The Fund is established with contributions from donors. In addition, for each euro contributed by donors, the Naturgy Foundation will contribute an equivalent amount that is set at €1 for each € contributed.

The actions to be financed will be presented to the Fund Monitoring Committee both by Naturgy's Vulnerability Unit and the Naturgy Foundation's Social Projects area.

The following lines of action are established:

- Express refurbishment.
- Repairing or replacing household equipment. This includes all equipment that to adapt the beneficiaries' house, such as refrigerators, kitchens, heaters, boilers, dehumidifiers, etc.
- Work on a customer's electricity and natural gas installations, provided that the actions are aimed at their adaptation to basic regulations in order to guarantee supply and comply with safety regulations. Examples: tariff changes or discrimination and obtaining the installation certificate.

### 4. Initial and subsequent economic contribution.

The Naturgy Foundation establishes a single initial endowment of €250,000 (two hundred and fifty thousand euros) for the constitution of the Fund and the commencement of its activities. It is an endowment on account, and thus the first €250,000 contributed by donors will be covered by this initial contribution. From the next additional euro contributed by donors, the Naturgy Foundation will contribute the established equivalent amount of €1 per euro contributed by donors.

The Naturgy Foundation undertakes to contribute the maximum annual amount of €500,000 to the Fund. The maximum annual amount to be contributed by any donor will be €10,000.

The Naturgy Foundation reserves the right to make such additional contributions as it deems necessary for the proper functioning of the Fund.

## 5. Donors.

Donors to the Fund may be natural or legal persons.

Natural persons. Those individuals who wish to donate to the fund can do so. Donations will be made through the payment platform set up for donations, donations from Naturgy Group employees through a payroll discount or any other mechanism created for this purpose.

Legal persons. Legal persons can also make contributions either through the platform created for this purpose or directly to the Naturgy Foundation.

Donations to specific projects will not be accepted. It is up to the Monitoring Committee alone to decide how the funds are to be used.

The Fund, through its Monitoring Committee, reserves the right to accept donations in accordance with the Naturgy Group's compliance and money laundering policy.

## 6. Beneficiaries and beneficiary entities.

The beneficiaries shall be vulnerable natural persons living in the social housing of third sector entities with which the Naturgy Foundation has formalised collaboration agreements in connection with this Fund.

Beneficiaries and beneficiary entities (whether third sector or public administrations) with which the corresponding agreement is signed will be encouraged to publicise the improvement in the quality of their homes thanks to Fund contributions, as well as to measure the impact of the social action also derived from the Fund contribution.

## 7. Expenditure to be financed.

Expenses to be financed by the Fund will be those derived from:

- The reforms to be carried out in the homes, materials, labour, technical project if necessary, and licenses if necessary.
- Repair or purchase of new equipment, transfer to the house and installation labour.
- Installation insurance.

In no case shall the following be included among the expenses to be financed by the Fund:

- Salaries and stationery, documentation, or administration expenses for Fund management.
- Expenditure on communication and promotion of the Fund (\*).

(\*) It is therefore understood that neither the contributions of the donors nor those of the Naturgy Foundation itself will be used for this purpose.

## 8. Submission of applications and Evaluation criteria

The actions to be financed will be submitted to the Fund's Monitoring Committee, which will decide which actions and how much is allocated to them. Projects may be submitted at any time and will be evaluated by the Monitoring Committee.

**Territorial impact.** During the first year of operation of the Fund, priority will be given to the Autonomous Regions of Madrid, Catalonia and Galicia.

**Social impact.** Preference will be given to projects that meet the needs of the most vulnerable groups and those with the most urgent needs. The stability of the family will be taken into account, as well as the amount of time they are likely to stay in the house where the improvements are made.

## 9. Fund Monitoring Committee.

The Fund Monitoring Committee (also known as the Monitoring Committee) is made up of two people from the Naturgy Foundation and two people from the Vulnerability Unit of Naturgy Energy Group, S.A. in order to carry out the monitoring, surveillance and control of all projects and actions related to the Fund, as well as the allocation of endowments to beneficiaries and beneficiary entities.

The Monitoring Committee shall meet as often as necessary and at least once a month. The Committee shall only be valid if all members are present or represented. Agreements within the Committee shall be taken by an absolute majority. The Committee will be chaired by a representative of the Naturgy Foundation who will convene its meetings and will draw up the corresponding minutes to be signed by all participants.

## 10. Execution of works, reforms or installations.

In order to improve equipment beforehand, an initial analysis of the existing equipment will be carried out and the most appropriate solution will be adopted (renewal or repair of the equipment). To this end, both the beneficiary entities and the Naturgy Foundation will be involved.

## 11. Justification of the aid.

Invoices. Collaborating companies shall send the invoices for their actions to the Monitoring Committee within a maximum period of one month from the end of the actions.

Beneficiary entities that act after signing a collaboration agreement shall submit, at the intervals indicated in the aforementioned agreement, a detailed report justifying the correct and adequate application of the funds received for the purposes intended.

## 12. Measurement of results.

The Monitoring Committee shall draw up a report at the end of the year of operation of the Fund which shall include the actions carried out, the beneficiaries and the benefit provided by the Fund to the beneficiaries, the beneficiary entities and the collaborating companies.

## 13. Communication and dissemination of actions.

The Naturgy Foundation reserves the right to communicate and disseminate Fund actions. For the preparation of communication material, if necessary, the consent of the beneficiaries shall always be obtained.

The dissemination of all the actions carried out by the Fund with the participation of the beneficiaries and beneficiary entities will be encouraged.

Collaborating companies may not communicate or make use of communication materials where the Naturgy Foundation or the Naturgy Group is mentioned without their express consent.

Beneficiary entities will collaborate in the promotion and dissemination of the Fund.

## 14. Data Protection

Any personal data to which the Naturgy Foundation may have access by virtue of the Fund will be processed with the confidentiality and security required by current data protection regulations and in accordance with the Naturgy Foundation privacy policy (website <http://www.fundacionnaturgy.org/nota-legal/> ).

## 15. Modification.

The Naturgy Foundation reserves the right to modify these Regulations at any time. These modifications, which in no case will have retroactive effects, will come into force as of their publication on the website [www.fundacionnaturgy.org](http://www.fundacionnaturgy.org)