

**ENCE ENERGÍA Y CELULOSA, S.A.**

**NOTICE OF ANNUAL GENERAL SHAREHOLDERS' MEETING**

The Board of Directors of ENCE ENERGÍA Y CELULOSA, S.A. (The **Company**) hereby notifies all shareholders of the annual General Shareholders' Meeting which will be held at the Auditorio Rafael del Pino on Calle de Rafael Calvo, 39-A, 28010 Madrid (Spain). The first call to the meeting will be held at 12:30 pm on 28 March 2019. Where necessary, a second call to the meeting will be held on the following day, 29 March 2019, at the same time and place. The agenda for the meeting is below.

**AGENDA**

- First.** The deliberation and approval, if appropriate, of the financial statements and management report for ENCE ENERGÍA Y CELULOSA, S.A. and its consolidated group for the financial year which ended 31 December 2018.
- Second.** The deliberation and approval, if appropriate, of the consolidated non-financial information status (2018 Sustainability Report) corresponding to the fiscal year ended on 31 December 2018.
- Third.** The deliberation and approval, if appropriate, of the proposal on how to apply the profits of ENCE ENERGÍA Y CELULOSA, S.A. from the year ended 31 December 2018.
- Fourth.** The deliberation and approval, if appropriate, of the management performed by the Board of Directors of ENCE ENERGÍA Y CELULOSA, S.A. for the year ended 31 December 2018.
- Fifth.** The re-election and nomination of members to the Board of Directors:
- Fifth A:** Re-election of Ms. Isabel Tocino Biscarolasaga as independent director.
- Fifth B:** Re-election of Mr. Fernando Abril-Martorell Hernández as other external director.
- Fifth C:** Re-election of Mr. José Guillermo Zubía Guinea as other external director.
- Fifth D:** Nomination of Ms. Amaia Gorostiza Tellería as independent director.
- Fifth E:** Nomination of Ms. Irene Hernández Álvarez as independent director.
- Sixth.** Re-election of the auditors of the Company and its consolidated group.

- Seventh.** Approval, where appropriate, of the long-term incentive plan from 2019 to 2023.
- Eighth.** Delegation of the powers to interpret, supplement, rectify, execute and formalise the resolutions adopted by the General Shareholders' Meeting.
- Ninth.** Advisory vote on the Annual Report on the Remuneration of Directors for 2018.
- Tenth.** Report on the amendments made to the Board of Directors' Regulations of the Company since the last General Shareholders' Meeting.

## **SUPPLEMENT TO THE NOTICE AND THE SUBMISSION OF RESOLUTION PROPOSALS**

Shareholders representing at least three percent of the total share capital may request the publication of a supplement to this notice, which includes one or more items for the agenda (as long as any new items are justified or, where applicable, contain a resolution proposal). They may also submit reasonable resolution proposals for items already included in the agenda or which should be included. These rights must be exercised through a certified notification that should be received at the company's registered office (Calle de Beatriz de Bobadilla no. 14, Planta 4ª, 28040 Madrid, Spain) within five days following the publication of this notice. The notification must include the identity of the shareholders exercising their rights and the number of shares that they hold, as well as the items to be included in the agenda or the content of the resolution proposals, supported by any relevant documentation.

The supplement to this notice will be published at least fifteen days prior to the scheduled date for holding the General Meeting.

The foregoing is without prejudice to the right of any shareholder to make proposals during the General Shareholders' Meeting on items that are not required to be included in the agenda as per the Capital Companies Act.

## **RIGHT TO INFORMATION**

Once this notice is published, shareholders have the right to examine and obtain the below documents from the Investor Relations Department at the Company's registered office at Calle de Beatriz de Bobadilla no. 14, Planta 4ª, 28040 Madrid, Spain. They may also consult such documents on the Company's website ([www.ence.es](http://www.ence.es)), or request them via post at the above-mentioned address from the Company, which will immediately send the documents free of charge. The documents are as follows:

1. This notice of the Annual General Meeting.
2. The full text of the proposed resolutions to be submitted to the General Shareholders' Meeting.
3. The full text of the financial statements and management report for the Company and its consolidated group closed on 31 December 2018, along with the auditor's reports.
4. The state of consolidated non-financial information (2018 Sustainability Report).
5. With regard to the proposed re-election and appointment of Directors:
  - (i) a report by the Board of Directors on the Directors proposed for re-election and appointment, which includes their identity, curriculum vitae and categorisation; and
  - (ii) a report by the Appointment and Remuneration Committee on the Directors who have been proposed for re-election and appointment.
6. The Annual Corporate Governance Report for 2018.
7. The Annual Report on the Remuneration of Directors for 2018.
8. Report of the Board of Directors on the amendment of the Company's Regulations of the Board of Directors.

9. The report by the Audit Committee on the independence of the auditor.
10. The report on the operations of the Audit Committee.
11. Examples of attendance, proxy and absentee voting cards.

From the date of this notice, the total number of shares and voting rights existing at the time of this notice will be continuously published on the Company's website ([www.ence.es](http://www.ence.es)). Where applicable, any resolution proposals received from shareholders in accordance with the law will also be published.

For the purposes of exercising the right to information prior to the General Shareholders' Meeting under the terms of Articles 197 and 520 of the Capital Companies Act, and in accordance with Article 34 of the Articles of Association and Article 8 of the General Shareholders' Meeting Regulation, shareholders may, until five days prior to the holding of the General Shareholders' Meeting, exercise their right to information on the items contained in the agenda, request information and clarifications or pose questions, in writing, in relation to any public information supplied by the Company to the National Securities Market Commission since the previous General Shareholders' Meeting, as well as with regard to the auditor's report. Requests for information may be made by delivering a written request to the Company's registered office (Calle de Beatriz de Bobadilla no. 14, Planta 4ª, 28040 Madrid, Spain) or by posting the request to that address. The request must be accompanied by the shareholder's proof of identity and proof of shareholding. The shareholder must retain proof that the request was made in the proper form and within the deadline. The Company's website contains further information on how shareholders can exercise their right to information as stipulated under law.

For any clarification on the delivery of documents and any other particulars relating to this notice, shareholders should contact the Investor Relations Department at the above-mentioned address or telephone the shareholder information line at +34 91.312.86.38 between 9 am and 1 pm, Monday to Friday.

#### **RIGHT TO ATTEND**

In accordance with Article 30 of the Articles of Association and Article 11 of the General Shareholders' Meeting Regulation, all company shareholders whose shares are registered under their name in the relevant accounting records five days prior to the General Shareholders' Meeting may attend the General Shareholders' Meeting. To exercise the right to attend, shareholders should obtain an attendance card at least two days prior to the meeting's date, which is issued by the participating entities of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (depository institutions). As an alternative, shareholders may attend using the ready-to-print attendance card found on the Company's website. For their part, the depository entities must send to the Legal Department of ENCE ENERGÍA Y CELULOSA, S.A. (Madrid, Calle de Beatriz de Bobadilla no 14, Floor 4ª, 28040) before the date established for the meeting, the list of the cards that they have issued at the request of their respective clients.

Within the above-mentioned time frame, shareholders may also obtain the attendance card at the Company's registered office (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040 Madrid, Spain) by producing a certificate issued by a depositary institution proving the registration of his/her shares in the corresponding book entry records. The attendance card provided by the Company includes the possibility of delegating the shareholder's rights as stated below.

The Board of Directors has approved the contents of the attendance card that is made available to shareholders with the notice of the meeting which includes the rules relating to personal attendance rights, proxy voting and remote voting.

Registration of attendance cards and voting cards will start at 11:30 am and credentials will be accepted until 12:30 pm (the scheduled start of the meeting). To facilitate registration and organisation of the meeting, shareholders are requested to arrive as early as possible.

### **RIGHT TO A PROXY**

Under Article 31 of the Articles of Association and Article 10 of the General Shareholders' Meeting Regulation, any shareholder unable to attend the meeting may be represented by any other person, even if the latter is not a shareholder.

Without prejudice to the provisions of the Corporate Enterprises Act in relation to representation by a family member, and the granting of general power of attorney, such a proxy must be nominated in writing and specifically for this meeting. The attendance and proxy card provided by the depositary institution or the Company, which can be found on the Company's website in a ready-to-print form, must be duly completed and signed by the shareholder.

Proxies may also be nominated or notified to the Company by post. The attendance and proxy card provided by the depositary institution or the Company must be duly completed and signed by the shareholder, and sent to the Company's registered office (Calle de Beatriz de Bobadilla no. 14, Planta 4ª, 28040 Madrid). Any proxy nominated or notified by this method should be received by the Company at least twenty-four hours before the day immediately preceding the scheduled first call to meeting. Otherwise, the proxy will be deemed invalid and without effect. Any person with delegated voting rights may only exercise them if they physically attend the General Shareholders' Meeting. If the proxy has not been given voting instructions in relation to items not included on the agenda, the proxy may vote in whatever way he/she deems aligned with the interests of the represented party. A proxy can be revoked at any time. The attendance of the represented party, whether in person or by absentee voting, will be considered revocation of any delegated powers regardless of when they were granted.

### **ABSENTEE VOTING**

Under Article 36 of the Articles of Association and Article 25 of the General Shareholders' Meeting Regulation, shareholders with a right to attend the General Shareholders' Meeting may issue an absentee vote on the proposals in relation to the items on the agenda by sending a duly completed and signed attendance and voting card which has been provided by the

depository institution to the Company's registered office (Calle de Beatriz de Bobadilla no. 14, Planta 4ª, 28040 Madrid).

If the cards issued by the depository institutions do not include the possibility of issuing an absentee vote, shareholders with a right to attend the meeting and wishing to issue such a vote by post can obtain the relevant card from the Company's registered office (Calle de Beatriz de Bobadilla no. 14, Planta 4ª, 28040 Madrid), or find a ready-to-print card on the Company's website. Such a card must be duly completed and signed and sent to the Company at its registered office, along with the attendance card provided by the depository institution or Company under the terms stated above.

An absentee vote sent by post should be received by the Company at least twenty-four hours before the day immediately preceding the scheduled first call to meeting. Otherwise the vote will not be valid and will be deemed as not having been cast.

Shareholders with a right to attend who issue a vote under the terms stated above will be considered present for the purposes of quorum and, as a result, any delegated powers granted beforehand will be deemed revoked and any granted afterwards will be invalid. A postal vote may be cancelled by: (i) its subsequent express revocation using the same method and abiding by the same deadline for the original vote, (ii) by the physical attendance at the meeting of the shareholder who issued it, or (iii) by the conveyance of the shares through which the shareholder held the right to vote, as long as the Company has been informed of this beforehand.

### **SHAREHOLDERS' ONLINE FORUM**

In accordance with Article 539 (2) of the Capital Companies Act, the Company will provide an online forum on its website from the date this notice is published. Shareholders and duly formed voluntary associations registered in the specific registry of the National Securities Market Commission may access this forum.

The forum will allow the publication of possible proposals to be added to the announced agenda, petitions in support of such proposals, initiatives to gain the percentage of shareholding required to exercise minority rights as stated in law, and offers or requests to act as a voluntary proxy.

The forum in no way acts as a means of communication between the Company and its shareholders. It is only for the purpose of facilitating communication between the shareholders of ENCE ENERGÍA Y CELULOSA, S.A. during the time leading up to the General Shareholders' Meeting.

Access to the forum and the terms and conditions of its use and operation are governed by this notice and the forum's rules of operation, which can be consulted on the website ([www.ence.es](http://www.ence.es)).

### **ATTENDANCE OF A NOTARY**

The Board of Directors has agreed to the attendance of a notary for the purposes of executing a public document with the minutes of the meeting, in accordance with Article 203 of the Capital Companies Act.

## PERSONAL DATA PROTECTION

Any personal data provided by the shareholder to the Company in the exercise or delegation of his/her rights of access to the online forum, attendance and vote at the General Shareholders' Meeting, or provided for these purposes by banks, companies and security brokers acting as depositaries or custodians of shares, will be processed by **ENCE ENERGÍA Y CELULOSA S.A., as responsible for the processing**, in order to manage the development, compliance and supervision of the shareholding relationship in relation to the notice and holding of the General Shareholders' Meeting.

In order to comply with Regulation (EU) 2016/679 of the European Parliament and of the Board of Directors, the following data are recorded:

- Company: Ence Energía y Celulosa, S.A. (hereinafter referred to as "Processing Manager")
- Address: Beatriz de Bobadilla Street nº 14, 4th floor, 28040, Madrid, Spain.
- Contact Information: info@ence.es or +34 91 337 85 00 CIF: A-28212264
- Register Data: Registro Mercantil de Madrid, Page nº M-31131, Folio 157, Volume 27285

The legitimate basis of the processing for all the above purposes is the legitimate interest of the shareholders.

The personal data obtained will be kept for a period of 7 years.

We inform you that your data may be given or transferred to other group companies or third parties that provide services related to the processing purposes for which the data were collected, and subject to your consent.

In addition, your data will not be transferred to countries outside the European Union, except for reasons of provision of technical services, such as that the system providers' servers or technological resources were hosted outside the European Union.

However, Ence may transfer your data to third parties if such transfer is required by law, by a regulatory provision or by a court ruling, or if such disclosure is necessary to ensure the protection and defence of your rights.

In accordance with Spanish and European laws and regulations relating to data protection, at any time you may exercise your rights of Access, Rectification, Cancellation or Forgetting, Opposition, Automated Opposition, Portability and Limitation of Processing.

The exercise of these rights may be carried out following the procedure established in the document "Instructions for the Exercise of the Rights of the Interested Party" available on Ence's website. This procedure consists of filling in the form contained in the aforementioned document and sending it by e-mail to the address [lopd@ence.es](mailto:lopd@ence.es) or by post to the company's fiscal address (C/ Beatriz de Bobadilla 14, 4ª Planta, 28040, Madrid).

If the data subject exercises his rights, Ence shall reply to the data subject's requests without undue delay and at the latest within one month, and shall explain its reasons if it will not comply with them. This period may be extended for another two months if necessary, taking into account the complexity and the number of applications. The official shall inform the person concerned of any such extension within one month of receipt of the request, stating the reasons for the delay.

In addition, you may contact the Spanish Data Protection Agency, at Calle Jorge Juan, 6, 28001 Madrid, regarding any issue related to the processing of your data by Ence.



**ADDITIONAL INFORMATION**

**FIRST CALL TO THE MEETING**

Shareholders are hereby informed that, unless otherwise published in the daily press, the first call to the meeting will be held on 28 March 2019 at 12:30 pm in the location mentioned above.

During the hour preceding the start of the meeting at the mentioned place, shareholders or their valid representatives can show their attendance and proxy cards to staff in charge of registration, along with their proof of identity (DNI or passport) and, where appropriate, proof of delegated powers.

Madrid, 26 February 2019  
Secretary of the Board of Directors  
José Antonio Escalona de Molina