

FULL TEXT OF THE MOTIONS PREPARED BY THE BOARD OF DIRECTORS OF ENCE ENERGÍA Y CELULOSA, S.A. TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS CONVENED FOR 4 MAY 2023 ON FIRST CALL, AND 5 MAY 2023 ON SECOND CALL

First. The review and approval of the financial statements and management report for ENCE ENERGÍA Y CELULOSA, S.A. and its consolidated group for the financial year ended on 31 December 2022.

Motion:

To approve the individual and consolidated annual accounts of ENCE ENERGÍA Y CELULOSA, S.A. and its subsidiaries and the respective management reports for the financial year ended on 31 December 2022, as prepared by the Company's Board of Directors in its meeting of 31 March 2023.

Second. Examination and approval of the consolidated non-financial information statement (2022 Sustainability Report) corresponding to the financial year ended 31 December 2022.

Motion:

To approve the consolidated non-financial information statement (2022 Annual Sustainability Report) corresponding to the financial year ended on 31 December 2022, which forms part of the management report.

Third. Review and approval of the proposal for the application of the results of the financial year ended on 31 December 2022 of ENCE ENERGÍA Y CELULOSA, S.A.

Motion:

To approve the application of the profits from the financial year ended on 31 December 2022, in the amount of €228,656,129.94, as follows:

Application base:

Profit for the year: €228,656,129.94

Application:

For distribution of dividends:

- Interim dividend (paid in May 2022)	€13,119,329.00
- Interim dividend (paid in August 2022)	€31,566,930.00
- Interim dividend (paid in November 2022)	€21,866,345.07
- Interim dividend (paid in March 2023)	€70,304,523.00

A complementary dividend: at the rate of 0.29 euros gross per share entitled to receive it and which is in circulation on the date on which the corresponding payment is made (maximum total amount excluding treasury stock at year-end 2022: € 70,304,523)

The final dividend will be paid in cash on 18 May 2023. Those who appear as holders of shares at the close of the market on 15 May 2023 in the accounting records of the participating entities of Sociedad de Gestión de los Sistemas de Registro,

Compensación y Liquidación de Valores, S.A. shall be entitled to the dividend. (IBERCLEAR). The legally applicable withholdings will be made based on the gross amounts paid, where appropriate.

For compensation: Negative results from previous years: €21,494,479.87

Fourth. Review and approval of the management of the board of directors of ENCE ENERGÍA Y CELULOSA, S.A. during the financial year ended on 31 December 2022.

Motion:

To approve the corporate management and the action taken by the Company's Board of Directors during the financial year ended on 31 December 2022.

Fifth. Offsetting of prior years' losses against voluntary reserves.

Approve the offsetting of losses from previous years against existing voluntary reserves, amounting to €159,883,823.24.

Sixth. Re-election of Mr Ignacio de Colmenares Brunet as Executive Director.

Motion:

To re-elect, at the proposal of the Board of Directors, as member of the Company's Board of Directors, Mr Ignacio de Colmenares Brunet, in the capacity of Executive Director for the statutory period of three years from the approval of this resolution.

As a result of the re-election provided for in this resolution, the number of Directors is fixed at thirteen.

Seventh. Examine and approve the remuneration policy for Board Members for the years 2024, 2025 and 2026.

Motion:

To approve the remuneration policy for the Company's directors for financial years 2024, 2025 and 2026, the text of which has been made available to the shareholders since the date of the call of this general meeting together with the report of the appointments and remuneration committee on said remuneration policy. This new remuneration policy shall also apply for the remaining period of the 2023 financial year from the date of its approval.

Eighth. Examine and approve a new long-term incentive for the financial years 2023 to 2027.

Approve a long-term incentive plan, which includes the delivery of shares in the Company, aimed at executives, including the Chairman and CEO of the Company, and other employees of the Ence Group (the "**Plan**").

The Plan is approved in accordance with the following basic features, which will be further developed in the regulations of the long-term incentive plan 2023-2027 (hereinafter the "**Regulations**") to be approved by the Board of Directors:

General terms and conditions of the Plan

1. Description of the Plan: the Plan allows its beneficiaries to receive, after a certain period of time, an incentive payable in Ence shares and in cash, provided that certain multi-year objectives of the Company and the requirements set out in the Plan Regulations are met.

The Plan is implemented through the granting of an initial incentive to each beneficiary determined as a number of units (hereinafter, "**Units**") **and, in some cases, a target cash incentive that will serve as the basis for determining, respectively, (i) the number of Ence shares to be delivered and (ii) the gross cash amount to be paid, if any, to each beneficiary of the Plan (the shares and the gross cash amount, hereinafter, the "Incentive"), depending on the degree of compliance with certain objectives and the fulfilment of the requirements established in the Plan.**

In the case of members of the Management Committee, including the chairman and CEO, 100 per cent of the initial incentive shall be implemented through the granting of a certain number of "Units". For the remaining beneficiaries, 70 per cent of the initial incentive will be implemented through the award of Units and the remaining 30 per cent through the award of a target cash incentive in euros.

Until such time as the Company's shares are delivered, where applicable, the Plan does not grant the beneficiaries the status of Ence shareholders. The Units do not have the status of shares, and therefore their allocation does not entail, in any case, the acquisition by the beneficiary of the economic or voting rights inherent to the Company's shares. The beneficiaries will become shareholders of the Company under the Plan on the occasion of its liquidation and the delivery, if applicable, of the corresponding Ence shares, which will take place on the payment date, in accordance with the provisions of section 7 of this agreement.

2. Beneficiaries: Initially, the potential Incentive Plan Beneficiaries will be the Company's main executives and other key personnel ("executives") who, by virtue of their responsibilities, have the capacity to directly influence the success of the strategic plans. Specifically, four levels are defined: First managerial level: Chairman and CEO, second executive level: members of the Management Committee; and third and fourth executive level, which includes other executives and key personnel.

The initial number of beneficiaries of the Plan is 84 people, without prejudice to the possible incorporation of new beneficiaries to the Plan.

3. Duration of the Plan: the Plan will have a duration of 5 years and will be divided into 3 overlapping annual cycles of 3 years each, independent of each other (i.e. with delivery of the actions corresponding to each cycle after 3 years from the start of each cycle). Specifically:

- The first cycle of the Plan will correspond to the 3-year period between 2023 and 2025 (both included), with the target measurement period of this first cycle being between 1 January 2023 and 31 December 2025.
- The second cycle of the Plan will correspond to the 3-year period between 2024 and 2026 (both included), with the target measurement period of this second cycle being between 1 January 2024 and 31 December 2026.
- The third cycle of the Plan will correspond to the 3-year period between 2025 and 2027 (both included), with the target measurement period of this third cycle being between 1 January 2025 and 31 December 2027.

This is without prejudice to the obligations to maintain the shares delivered under the Plan as described in section 6 of this agreement.

4. Maximum number of shares that may be assigned under the Plan: the maximum number of shares that may be assigned under the Plan is 8,637,532 ordinary shares of the Company, representing 3.51% of the share capital, of which a maximum of 1,736,111 shares are assigned to the Chairman and Chief Executive Officer of Ence.

Specifically, the number of shares to be delivered to the Chairman and CEO in the first cycle (2023-2025) of the Plan, in the event that the targets are met at 100% of the objectives described in section 5, is 694,444 shares. This number of shares is the result of dividing three annuities of their Fixed Remuneration set out in the Remuneration Policy by €3.24 (the arithmetic average share price of the Company's shares in the period from 20 trading days prior to 1 January 2023 to 30 March 2023, rounded to two decimals). In this respect, as can be observed, the Board of Directors has decided to extraordinarily extend the period for calculating the average trading price compared to the standard period (arithmetical average trading price of the Company's shares in the 20 trading days before and after 1 January). In this way, the share price reflects the revaluation experienced after the favourable ruling on the extension of the concession of the Pontevedra biofactory. Therefore, by considering a higher share price than would have been obtained by applying the standard period, the number of shares to be granted in the first cycle has been reduced.

In a scenario of achievement beyond targets, the maximum number of shares to be delivered would amount to 150% of the previous number.

For the second cycle (2024-2026) and third cycle (2025-2027), the number of shares to be delivered to the Chairman and Chief Executive Officer, in the event that 100% of the targets established at the time are met, will be calculated by dividing one year's fixed remuneration by the arithmetic average price of the Company's shares on the 20 trading days before and after 1 January of the first year of the corresponding cycle. In any case, the maximum number of shares may not exceed 694,445 shares in the Company for the whole of the aforementioned 2 cycles.

5. Requirements and conditions for the settlement of each cycle: the specific number of Ence shares that, within the established maximum, will be delivered to the beneficiaries of the Plan at the end of each cycle will be conditional on the fulfilment of financial, non-financial and shareholder value creation objectives.

The determination of the long-term incentive for the first cycle (2023-2025) of the Plan will be based on the following metrics that are primarily associated with the creation of shareholder value:

Weight	Metric
45%	Cumulative accounting EBITDA over the 2023-2025 period.
30%	Total Shareholder Return ("TSR"): (1/2) TSR relative to a comparison group. (1/2) Absolute TSR
25%	Environmental and organisational climate objectives: (1/3) Water consumption. (1/3) Odour minutes. (1/3) Synthetic climate index.

Cumulative accounting EBITDA over the 2023-2025 period

It is considered as the sum of the accounting EBITDA of Ence Energía y Celulosa, S.A. and subsidiaries, published in the consolidated annual accounts, for the years 2023, 2024 and 2025.

For employees in the pulp business, this target will consider the sum of the accounting EBITDA of the pulp business, published in the consolidated annual accounts for the years 2023, 2024 and 2025.

For both EBITDA, the Board of Directors, at the proposal of the appointments and remuneration committee, determines a scale of achievement which will include a (i) minimum threshold, below which no Incentive is paid and which will result in the delivery of 25% of the Incentive; (ii) a target level, which will result in the delivery of 100% of the Incentive; and (iii) a maximum level, which will result in the delivery of 150% of the Incentive.

Total Shareholder Return:

The performance of an investment in the company's shares, determined by the quotient (expressed as a percentage ratio) between the final value of a hypothetical investment in shares and the initial value of that same hypothetical investment, is considered as TSR. For these purposes, for the calculation of such final value, dividends or other similar items received by the shareholder on such investment, during the relevant period of time, shall be considered as if the gross amount thereof (before tax) had been reinvested in further shares of the same type, on the first date on which the dividend or similar item is payable to the shareholders and at the closing price on such date.

The initial value shall mean the arithmetic average price of the relevant company's shares in the period from 20 trading days prior to 1 January 2023 to 30 March 2023, rounded to two decimals.

Final value means the arithmetic average price of the company's share, rounded to two decimals, for the 20 trading sessions before and after 31 December 2025.

To determine compliance with the relative TSR target with respect to a comparison group, the TSR of the Ence share will be compared with the TSR of the following 16 companies: Acciona Energía, Altri, Canfor Pulp, CMPC, Drax Group, Greenvolt, Holmen, Miquel y Costas, Navigator, OPDE, Solaria, Stora Enso, Suzano, Svenska Cellulosa, UPM and Voltalia.

When calculating the TSR of the 16 companies, the currency in which each of these companies is listed will be considered.

For both the relative TSR and the absolute TSR, the Board of Directors, at the proposal of the appointments and remuneration committee, determines a scale of achievement which will include a (i) minimum threshold, below which no Incentive is paid and which will result in the delivery of 40% of the Incentive; (ii) a *target* level, which will result in the delivery of 100% of the Incentive; and (iii) a maximum level, which will result in the delivery of 150% of the Incentive.

Environmental and organisational climate objectives:

- Water consumption: Reduction of water consumption in the biofactories at the end of the 3-year duration of the first cycle, measured as the average water consumption in m³ /tAd in 2025 in the Navia and Pontevedra biofactories.
- Odour minutes: Average odour minutes per year for the years 2023, 2024 and 2025 (measured as the average of the Navia and Pontevedra biofactories).
- Synthetic climate index: The Trust Index GPTW proposed by the consultancy Great Place to Work will be used for its measurement. To calculate compliance with this objective, the average of Ence's Trust Index GPTW for the years 2023, 2024 and 2025 will be taken regarding the average of the Trust Index GPTW of the Industrial/Manufacturing sector for 2023, 2024 and 2025.

To determine compliance with the above objectives and calculate the Incentive to be paid for these items, at the beginning of each cycle, the Board of Directors, at the proposal of the appointments and remuneration committee, determines a scale of achievement which will include a (i) minimum threshold, below which no Incentive is paid and which will result in the payment of 50% of the Incentive; (ii) a target level, which will result in the payment of 100% of the Incentive; and (iii) a maximum level, which will result in the payment of 150% of the Incentive.

For the second cycle (2024-2026) and third cycle (2025-2027) of the Plan, the measurement periods of which begin on 1 January 2024 and 1 January 2025, respectively, the Board of Directors will establish eligibility, the criteria for determining the Incentive and the specific number of shares to be granted, the metrics, the weighting of each and the scales of achievement based on the strategic priorities at any given time, within the limits established in the current Directors' Remuneration Policy. In any case, the annual

report on directors' remuneration shall inform on any changes, if any, made in the second cycle and in the third cycle regarding the conditions described above in relation to the first cycle (2023-2025) of the Plan.

Acting on a proposal from the Appointments and Remuneration Committee, the Board determines the payment levels, after the target measurement period has closed, based on the degree of compliance.

The assessment of results and the determination of payment for some metrics may be made based on data provided by external consultants. In this assessment, the Board will also consider the associated risks. In this regard, positive or negative economic effects arising from extraordinary events that could introduce distortions in the evaluation results may be eliminated when proposing the level of achievement of the quantitative targets.

In addition, in the case of the Incentive corresponding to the first cycle (2023-2025), one fifth (1/5) of the amount of the incentive to be received in 2024 derived from the Long-Term Incentive Plan for the financial years 2019 to 2023, approved by Ence's General Shareholders' Meeting held on 28 March 2019, will be deducted.

6. Holding the shares: the Chairman and CEO will be obliged to hold Ence's shares, net of taxes, delivered to them under the Plan for at least three years after their delivery. However, this requirement does not apply if, at the time of delivery, the Chairman and Chief Executive Officer hold a number of shares the market value of which is equivalent to at least twice their annual fixed remuneration. The Board of Directors may set specific maintenance requirements for other beneficiaries of the Plan with respect to Ence's shares delivered to them under the Plan.
7. Date of payment: the payment of the Incentive corresponding to each cycle of the Plan will take place after the end of the relevant cycle, i.e. in 2026 for the first cycle, in 2027 for the second cycle and in 2028 for the third cycle, once the audited annual accounts for the financial years 2025, 2026 and 2027, respectively, have been prepared. The actual date of payment shall be determined by the Board of Directors or by the person to whom the Board of Directors has delegated the relevant powers. Moreover, the beneficiaries of the Plan will be charged any payments on account or, where applicable, withholdings. In any case, an agreement is reached regarding empowering the Board of Directors to agree, with valid reasons, not to execute, cancel, liquidate in advance or terminate all or part of the Plan or any of its cycles when circumstances so advise.
8. Origin of the shares to be delivered: the Board of Directors shall determine the origin of the shares to be delivered to the beneficiaries of the Plan which, subject to compliance with the legal requirements established for this purpose, may be shares in the Company held in treasury stock that Ence or any Group company has acquired or acquires, shares from third parties with which agreements have been entered into to ensure compliance with accepted commitments or any other equivalent system agreed for this purpose by the Board of Directors.
9. Malus and clawback clauses: The Board of Directors, at the proposal of the appointments and remuneration committee, reserves the right to claim the reimbursement ("Clawback") of all or part of the Incentive paid, in cash and shares, and to reduce all or

part of the amounts pending payment ("Malus"), in any of the three cycles, in the event of the circumstances established in the directors' remuneration policy in this regard. The Board of Directors may decide to apply the clawback clause at any time during the twenty-four (24) months following the subscription date.

Without prejudice to the specific delegations of powers contained in the preceding sections, it is resolved to empower the Board of Directors, to the fullest extent required by law, so that it may proceed to develop, clarify and interpret the terms and conditions of the Plan, as well as to establish, specify and develop, its terms and conditions as far as necessary and in particular, but not limited to, to:

- Develop and establish the specific terms and conditions of the Plan and of each of its cycles in all matters not provided for in this agreement and, in particular, as applicable to Ence Group executives and employees, including, but not limited to, the determination of the Ence Group executives and employees benefiting from the Plan for each cycle and the distribution of the Incentive to be assigned to them under the Plan.
- Resolve, with good reason, not to execute, cancel, liquidate in advance or terminate all or part of the Plan or any of its cycles, as well as to exclude certain beneficiaries when circumstances so advise, all without prejudice to the Board of Directors being able to propose to the General Shareholder's Meeting the approval of a new long-term incentive plan. Adapt the content of the Plan in the terms and conditions deemed appropriate to maintain the equivalence and purpose of the plan to the circumstances in force at any given time, taking into account significant internal and external changes that may affect the Company. The events that may lead to a modification of the terms and conditions of the Plan by the Board include, without excluding other situations that the Board may consider, the following: (i) any corporate restructuring operation by purchase, sale, merger, spin-off, share exchange, capital increase or reduction, or reorganisation of any kind, which entails a substantial change in the size, activity or type of business of Ence; (ii) substantial changes in the companies forming part of the Group, such as, for example, mergers, delisting, bankruptcy or insolvency proceedings, which entail a significant reduction in the number of companies being compared and which do not entail early liquidation; (iii) substantial changes in the macroeconomic or regulatory environment that could significantly alter the current economic situation; (iv) events that could result in the dilution or concentration of the value of the Ence share such as, among others, capital increases charged to reserves or profits available with the issuance of new shares, or reduction or increase of the par value without modification of the capital stock and, in short, (v) any other event that, in the opinion of the Board of Directors, could affect the Company, the value of its shares or the determination of the payment coefficients corresponding to each target.
- Approve a regulation implementing the Plan containing the terms and conditions of the Plan within the framework of those established by this agreement and, in particular, the rights of the executives and employees of the Group who are beneficiaries of the Plan in the event of termination of their relationship with the Group for reasons such as dismissal, death, retirement and declaration of incapacity, among others.

- To the extent that the legal regime applicable to some of the beneficiaries of the Plan so requires or advises or if necessary or advisable for legal, tax, regulatory, operational or other similar reasons (such as the delisting of the Company's shares from the Spanish Stock Exchanges), adapt the basic conditions indicated, either generally or specifically, including, by way of example and without limitation, the possibility of adapting the mechanisms for delivery of shares, without altering the maximum number of shares linked to the Plan, and to provide for and execute the total or partial settlement of the Plan in cash.
- Determine the comparison groups necessary for the purpose of determining the *relative Total Shareholder Return* and any changes thereto.
- Agree, at the proposal of the Appointments and Remuneration Committee, the incentive to be paid to each beneficiary of the Plan. In this regard, the Board of Directors shall determine the manner in which the interim income or, as the case may be, withholdings shall be passed on to the beneficiaries of the Plan. In any case, the Board of Directors may agree to deliver the relevant shares net of tax, i.e., reducing the number of shares to be delivered to each beneficiary by an amount equivalent to the withholding or payment on account attributable to the beneficiary of the Plan in accordance with the regulations in force.
- Interpret the above agreements, being able to adapt them, without affecting their basic content, to new circumstances that may arise, including, but not limited to, the modification of the delivery mechanisms, without altering the maximum number of shares linked to the Plan, which may include the substitution of the delivery of shares by the delivery of cash amounts of equivalent value or options on shares of the Company.
- Define the rules that will be applicable in the event that any beneficiary of the Plan dies, is declared incapacitated or ceases to have a relationship with Ence or the Group during the term of the Plan.
- Acquire the Company's own shares within the limits and under the terms set forth by law in order, where appropriate, to cover the execution of the Plan, or carry out such actions as may be necessary to ensure the fulfilment of the commitments assumed under the Plan.
- Take whatever actions, adopt whatever resolutions and sign whatever documents are necessary or merely convenient for the validity, effectiveness, implementation, development, execution, liquidation and successful completion of the Plan and of the resolutions previously adopted.

Furthermore, without prejudice to the specific delegations of powers contained in the preceding sections, it is resolved to empower the Board of Directors, to the fullest extent required by law and with express powers of substitution in the Chairman and Chief Executive Officer, the Chairwoman of the Appointments and Remuneration Committee, and the Secretary and Deputy Secretary of the Board of Directors, insofar as they are not affected by being beneficiaries of the Plan, so that any of them, jointly and severally and without distinction, may proceed with the implementation of the Plan's cycles and its liquidation, as well as to set, specify and develop, as far as necessary for these purposes, its terms and conditions, and in particular, but not limited to, to:

- Carry out such acts as may be appropriate, and to sign and execute such public or private documents as may be required for the delivery of shares to the beneficiaries of the Plan.
- Prepare and deliver letters of acceptance to the beneficiaries of the Plan containing the terms and conditions for each of them, to which the regulations for the development of the Plan approved by the Board of Directors will be attached. Beneficiaries of the Plan are required to sign and accept this letter as a condition of becoming beneficiaries of the Plan.
- Draft, sign and submit any communications and complementary documentation that may be necessary or appropriate before any public or private body for the purposes of the implementation, execution or liquidation of the Plan or any of its cycles, including, if necessary, the relevant communications and information leaflets.
- Carry out any action, declaration or proceeding before any public or private body or entity or register, in order to obtain any authorisation or verification required for the implementation, execution or liquidation of the Plan, of each of its cycles.
- Negotiate, agree and enter into such contracts of any kind with financial institutions, external advisors or other entities as it may freely designate, under such terms and conditions as it deems appropriate, as may be required or advisable for the best implementation, execution or settlement of the Plan or of each of its cycles, including, where required or advisable due to the legal regime applicable to some of the beneficiaries or if required or advisable for legal, regulatory, economic reasons and financial, operational or other similar reasons, the establishment of any legal figure (including *trusts* or other similar figures) or the reaching of agreements with any type of entities for the deposit, custody, holding and/or administration of the shares and/or their subsequent delivery to the beneficiaries within the framework of the Plan.
- Draft and publish such notices as may be required or desirable.
- Draft, sign, grant and, where appropriate, certify any type of document relating to the Plan.
- Take whatever actions, adopt whatever decisions and sign whatever documents are necessary or merely convenient for the validity, effectiveness, implementation, development, execution, liquidation and successful completion of the Plan and of the resolutions previously adopted.

Ninth. Delegation of the powers to interpret, supplement, rectify, execute, and formalise the decision adopted by the Annual General Meeting of Shareholders.

Motion:

Without prejudice to the delegations included in previous agreements, it is agreed:

Expressly delegate to the Board of Directors, the Chairman of the Board of Directors, the secretary and the vice-secretary of the Board of Directors with all the powers required by law, so that any of them, indistinctly with their sole signature and with respect to the resolutions adopted at this general shareholders' meeting, may:

1. Interpret, clarify, specify, complete, or correct the decisions adopted by this Annual General Meeting of Shareholders, or those set out in any texts or documents issued in execution thereof, and in particular, any omissions, defects, or errors of substance or form that might prevent the registration of these agreements and their consequences in the Trade Register.
2. Resolve any doubts that may arise in relation to the decisions adopted by this Annual General Meeting of Shareholders.
3. Carry out any legal acts or deals that are necessary or convenient for the execution of the decisions adopted by this Annual General Meeting of Shareholders, granting any public or private documents deemed necessary or convenient for these agreements.
4. Delegate to one or several of its members, jointly or severally, or in the Executive Committee, with powers of substitution, all or part of the powers it deems appropriate from those that correspond to the Board of Directors and assigned to it by this Annual General Meeting of Shareholders.
5. Record such agreements in a public document, particularly empowering them in all matters necessary for their development and compliance; to sign any public or private documents required and to perform as many actions necessary for proper implementation, including the publication of legal notices, before any public or private bodies or agencies, until they are registered in the Trade Register or other public records where applicable, also having the power to grant documents of ratification, rectification, correction, and clarification, in view of the verbal suggestions or the written instructions of the Trade Register - even being able to request the partial registration of the registrable agreements -, of the National Securities Market Commission and any other competent public or private body; to carry out as many formalities as possible before the competent bodies in order to execute and carry out the approved agreements and to process files and documentation of any kind that may be necessary before the National Stock Market Commission and other public or private bodies when necessary, and in general for all actions related to the decisions adopted in this Annual General Meeting of Shareholders.

Tenth. Advisory vote on the annual report on remuneration for directors for 2022.

Approve, with advisory capacity, the annual remuneration report for 2022, approved by the Board of Directors, which has been made available to the shareholders together with the other documentation on the Annual General Meeting from the date of its convocation.