

REPORT PREPARED BY THE BOARD OF DIRECTORS OF ENCE ENERGÍA Y CELULOSA, S.A. ON THE PROPOSED RE-ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

1. PURPOSE OF THE REPORT

The Board of Directors of ENCE ENERGÍA Y CELULOSA, S.A. (the “**Company**”) has prepared this report in order to comply with Article 529 *decies* (section 5) of the Capital Companies Act, under which the proposed re-election and appointment of Directors of the Board must be supported in all cases by an explanatory report from the Board of Directors evaluating the skills, experience, and merits of the proposed candidate. It is foreseen that this proposed re-election will be subject to the approval of the Company's General Shareholders' Meeting convened for the 4 and 05 May 2023, in first call and second call respectively, under item 5 of the agenda.

Prior to this report, the appointments and remuneration committee issued at its meeting of 22 March 2023 the mandatory report on the non-independent director whose re-election is to be proposed by this board, who is the executive director Mr Ignacio de Colmenares Brunet (the “**Report**”).

This report also complies with Article 518.e of the Capital Companies Act, the general information the company must publish when convening a General Shareholders' Meeting and in the event of the nomination or re-election of members of the Board of Directors including the identity of each member, their CV and the category to which they belong, in addition to the proposal and reports referred to in Article 529 *decies* (section 6).

2. JUSTIFICATION OF THE PROPOSAL

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

Following a favourable report from the Appointments and Remuneration Committee, the Board of Directors proposes the re-election of Mr. Ignacio de Colmenares Brunet as Executive Director of the Company.

Mr. Colmenares holds a law degree from the Central University of Barcelona and a master's degree in Economics and Business Management from the IESE Business School in Barcelona. He has had a long professional career in the steel, cellulose and energy sector. For the purposes of completing this information, the curriculum vitae of Mr Colmenares is attached to this report as Annex I.

Mr Colmenares has been a member of the Company's Board since 2010, and has been its CEO ever since. On 30 April 2019, he was appointed President of the Company.

The Board highlights his long-term strategic vision, which, together with his solid business experience in industrial sectors, and in particular the cellulose and energy sector, justifies proposing his re-election to the board as Executive Director for the statutory period of three years. The management and leadership shown by Mr Colmenares in a complex environment, marked by uncertainty and market volatility in the face of events of the magnitude of a pandemic or the effects of the invasion of Ukraine, was particularly appreciated. More specifically, with solvency and solidity he has faced the problems derived from the situation of legal uncertainty affecting the Pontevedra biofactory, articulating and implementing alternatives to a possible closure, and has addressed the challenges of growth in the sectors in which the company operates, both in cellulose and in the energy business,

the latter affected by regulatory changes, and has also had to consolidate the relationship with a new partner in undertaking this activity. Thus, the Board endorses the considerations made by the Appointments and Remuneration Committee in the Report.

3. APPROVED PROPOSALS

The complete text of the approved proposals on the re-election of Directors, which will be subject to separate voting at the General Meeting, is as follows:

"FIFTH .- RE-ELECTION OF MR IGNACIO DE COLMENARES BRUNET AS EXECUTIVE DIRECTOR.

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".

Annex I

***Curriculum vitae* of Mr Ignacio de Colmenares Brunet**

He holds a law degree from the Central University of Barcelona and a Master's degree in Economics and Business Management from the IESE Business School in Barcelona.

He has had a long professional career in the steel and energy sector. He was an Export and Trading Manager for Compañía Española de Laminación, born out of the CELSA steel group. Subsequently, he held the position of Commercial Director of Nueva Montaña Quijano, a common steel company, and he was General Sales Director for the CELSA Trefilerías Group.

In 1996, he became the Managing Director of Trenzas y Cable de Acero-TYCSA, a company specialising in the manufacture of steel cable, aluminium, and optical fibre. Subsequently, in 2001, he joined the Global Steel Wire steel group as Managing Director, a position that he combined with that of Corporate Development Director for the CELSA Group.

Before joining Ence, in 2008 he became CEO of Isofotón, a company producing photovoltaic panels and developing solar installations, in which he restructured the company from a technological, industrial and commercial perspective. He has also been Chairman and CEO of Bergé Lift, a group of companies dedicated to the import, distribution, rental and maintenance of handling equipment.

He is currently a member of the Board of Directors of the Spanish Association of Pulp, Paper and Cardboard Manufacturers (ASPAPPEL) and a Director and Member of the Investment Committee for Corporación Financiera Alba.

Madrid, 31 March 2023