

REPORT FORMULATED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE ON THE PROPOSAL BY THE BOARD OF DIRECTORS OF ENCE ENERGÍA Y CELULOSA, S.A. FOR THE RE-ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

1. PURPOSE OF THE REPORT

The Appointments and Remuneration committee of ENCE ENERGÍA Y CELULOSA, S.A. (the "**Company**") has drafted this report in accordance with Articles 529 *decies* (section 6) and 529 *quindicies* (section 3.d) of the Capital Companies Act, which establishes that the proposal for the appointment and re-election of Non-Independent Directors must be preceded by a report issued by the Appointments and Remuneration Committee.

Likewise, this report complies with section 4 in Article 529 i of the Capital Companies Act, which assigns the Appointments and Remuneration committee the right to make proposals for the appointment or re-election of Independent Directors.

It is established that the proposal for the appointment and re-election of members of the Board of Directors will be submitted for approval by the General Shareholders' Meeting of the Company called for 3 and 4 April 2024, at 12:30 p.m. in first and second call, respectively, under the fifth point of the Agenda.

2. BACKGROUND INFORMATION ON THE APPOINTMENTS AND REMUNERATION COMMITTEE REPORT

In accordance with the company's Board of Directors Regulations, the proposals for the re-election of Directors submitted at the Annual General Meeting must be subject to a formal process, of which a report issued by the appointments and remuneration committee will necessarily form part.

For the purposes of issuing the required report, the committee has taken the following into account:

- board selection policy and diversity in board composition
- the competency matrix
- the education, professional experience and suitability of the directors
- the time commitment required

3. REPORT ON THE NOMINATION AND THE RE-ELECTION OF NON-INDEPENDENT DIRECTORS

The Board of Directors has asked the appointments and remuneration committee to report on the re-election of various directors that are expected to be proposed at the Annual General Meeting.

Based on the foregoing in the previous section, the appointments and remuneration committee has decided to report favourably on the proposed re-election of non-independent directors, as explained below.

3.1 Re-election of Mr José Ignacio Comenge Sánchez-Real as a proprietary director.

The committee reports favourably on the re-election of Mr José Ignacio Comenge Sánchez-Real as proprietary director of the Company, whose first appointment as a member of the board of directors was made by co-optation at its meeting of 22 December 2020, which was subsequently ratified by the General Shareholders' Meeting of 26 March 2021, following a favourable report from this committee, at the proposal of the significant shareholder, Mendibea 2002, S.L.

José Ignacio Comenge Sánchez-Real's professional experience in various sectors and his work on Ence's board of directors and executive committee were highlighted by the committee, which highly valued his contribution to these corporate bodies, appreciating his strategic vision of the business.

The Committee has also highlighted Mr Comenge's knowledge of the financial and industrial sector and his international experience, and highly values the time he has devoted to the Company by attending meetings of corporate bodies, and the proper preparation of the matters addressed at them.

Therefore, the committee has agreed to submit its favourable report to the board so that it may propose to the Annual General Meeting the re-election of Mr José Ignacio Comenge Sánchez-Real as a proprietary director for the statutory period of three years, at the proposal of significant shareholder Mendibea 2002, S.L.

3.2 Re-election of Mr Gorka Arregui Abendivar as a proprietary director.

The Committee reports favourably on the re-election of Mr Gorka Arregui Abendivar as a proprietary director of the Company, whose first appointment as a member of the board of directors took place in 2021 by resolution of the General Shareholders' Meeting, following a favourable report from this committee, at the proposal of the significant shareholder Retos Operativos XXI, S.L.

The Appointments and Remuneration Committee has valued very positively the contribution of Mr Gorka Arregui Abendivar on the company's board of directors and committees (Executive Committee and Appointments and Remuneration Committee) attendance at meetings and proper preparation of the matters dealt with at them. It has also taken into account his financial and industrial expertise and his proven experience in strategic and business management.

Therefore, the committee has agreed to submit its favourable report to the board so that it may propose to the Annual General Meeting Mr Gorka Arregui's re-election as a proprietary director of the Company for the statutory period of three years, at the proposal of significant shareholder, Retos Operativos XXI, S.L.

3.3 Re-election Mr Javier Arregui Abendivar as a proprietary director.

The Committee reports favourably on the re-election of Mr Javier Arregui Abendivar as proprietary director of the Company, whose first appointment as a member of the board of directors took place in 2021 by resolution of the General Shareholders' Meeting, following a favourable report from this committee, at the proposal of the significant shareholder, Retos Operativos XXI, S.L.

The Appointments and Remuneration Committee has highly valued the contribution of Mr Javier Arregui Abendivar to the company's Board of Directors and the committees of which he is a member (Audit Committee and Sustainability Committee), his attendance at meetings and the proper preparation of the matters discussed at them. It has also highlighted his experience and knowledge in the field of forestry management, the energy sector and the environment.

Therefore, the committee has agreed to submit its favourable report to the board so that it may propose to the Annual General Meeting Mr Javier Arregui Abendivar's re-election as a proprietary director of the Company for the statutory period of three years.

3.4 Re-election of Mr Oscar Arregui Abendivar as a proprietary director.

The Committee reports favourably on the re-election of Mr Oscar Arregui Abendivar as a proprietary director of the Company, whose first appointment as a member of the board of directors took place in 2021 by resolution of the General Shareholders' Meeting, following a favourable report from this committee, at the proposal of the significant shareholder, Retos Operativos XXI, S.L.

The committee has highly valued the contribution of Mr Oscar Arregui Abendivar to the board of directors and the executive committee of the company, his attendance at meetings and the proper preparation of the matters discussed at them. It has also highlighted his experience and knowledge in the agroforestry and industrial fields, and his strategic vision.

Therefore, the committee has agreed to submit its favourable report to the board so that it may propose to the General Shareholders' Meeting Mr Oscar Arregui Abendivar's re-election as proprietary director for the statutory period of three years, at the proposal of significant shareholder Retos Operativos XXI, S.L.

4. PROPOSAL FOR INDEPENDENT DIRECTOR RE-ELECTION

The Appointments and Remuneration Committee has decided to submit the proposal to the Board of Directors for submission at the Annual General Meeting for the re-election of Ms Rosa María García Piñeiro and Ms María Paz Robina Rosat as independent directors of the Company.

4.1 Re-election of Ms Rosa García Piñeiro as independent director.

The appointments and remuneration committee has very positively assessed the quality of the work and the dedication to the position of Ms García Piñeiro (whose CV is attached as **Annex I** to this report) as an independent director since joining the board in 2018. The committee has highlighted her knowledge and experience in the field of sustainability and her career trajectory in the industrial sector, which allows her to identify and address issues of interest within the board and to share a practical and insider vision of the reality of plants and biofactories. Her contribution to the Sustainability Committee, of which she is Chair, is appreciated in particular, supported by her international experience and solid knowledge of regulations and trends in ESG issues.

The committee also considered very satisfactory the dedication of Ms Rosa Garcia, her attendance at meetings, and her suitable preparation on the issues to be discussed or addressed at meetings.

Based on her personal and professional qualities and the performance of her duties as a director, the appointments and remuneration committee considers that Ms García Piñeiro has the necessary competences, experience, and merits to justify submitting to the board of directors the proposal for the re-election of Ms Rosa María García Piñeiro as independent director for the statutory period of three years, to be submitted to the general meeting.

4.2 Re-election of Ms María Paz Robina Rosat as an independent director.

The appointments and remuneration committee has very positively assessed the quality of the work and the dedication to the position of Ms Robina Rosat (whose CV is enclosed as **Annex I** to this report) as an independent director since joining the board in 2021.

The committee has highlighted her knowledge and experience in the industrial sector, as well as her performance in the position of Chair of the Appointments and Remuneration Committee, in which she has stood out for her dedication and rigour, addressing in depth the analysis of the different issues dealt with and systematically contributing her knowledge and experience to the proper functioning of the body.

The committee also considered very satisfactory the dedication of Ms Robina Rosat, her attendance at meetings, and her suitable preparation on the issues to be discussed or addressed at meetings.

Based on her personal and professional qualities and the performance of her duties as a director, the appointments and remuneration committee considers that Ms Robina Rosat has the necessary competences, experience, and merits to justify submitting to the board of directors the proposal for the re-election of Ms María Paz Robina Rosat as independent director for the statutory period of three years, to be submitted to the general meeting.

Madrid, 26 February 2024

Annex I

Curriculum vitae of Ms Rosa María García Piñeiro

Rosa María García Piñeiro is an Independent Director for Ence, Chair of the Sustainability Committee and member of the Audit Committee. The date she was first appointed as a board member was 22/03/2018.

She holds a degree in Industrial Engineering from the University of Vigo and a Master's degree in Business Administration and Management from the University of Geneva, as well as a Master's degree in Environmental Engineering from the EOI Business School of Madrid.

She has extensive experience in the industrial sector, with a notable focus on the environment and sustainability, and with an international vision. She has spent her professional career at Alcoa, where she has held positions such as Environmental Engineer, Internal Environmental and Occupational Health and Safety Auditor, Director of Occupational Health and Safety, Director of Government Affairs and Sustainability for Europe, and Chairwoman of Alcoa Inespal, S.L. in Spain.

Her last positions at Alcoa, until February 2024, were Vice President of Alcoa Global Sustainability and Chair of the Alcoa Foundation. She is currently an independent director on the board of directors of Acerinox, S.A. and PowerCo (Volkswagen Group).

Annex II

Curriculum vitae of Ms María de la Paz Robina Rosat

Maria de la Paz Robina Rosat is an Independent Director for Ence, a member of its Sustainability Committee and Chairwoman of its Appointments and Remuneration Committee. The date she was first appointed was 26/03/2021.

She has a degree in Chemical Sciences from the University of Valladolid. She has spent her entire professional career at Michelin Spain and Portugal where she was the first woman to hold each and every position she undertook. In February 1988, she joined Michelin Spain at the Vitoria factory, holding various positions of responsibility within the quality and manufacturing areas in the production of semi-finished products. In February 1993, she transferred to the Aranda de Duero factory continuing in the area of Quality and Industrialisation, being in charge of Quality Assurance for the manufacturing of lorry tyres. In June 2004, she worked at the Central office in Valladolid in the role of Staff Management, Training and Administration Manager for the whole of Michelin Spain and Portugal. From July 2009, for 7 years, she managed the lorry tyre factory in Aranda de Duero. In August 2016, she took over the management of the Michelin Industrial Centre in Álava, one of the largest in the world, comprising 4 industrial activities in Vitoria and a logistics centre in Araia.

Currently, since March 2019, she has been the Human Resources Director, Managing Director and Chair of the Board of Directors of Michelin España Portugal S.A. She is also a member and Chair of the Board of Directors of Signus Ecovalor, S.L., a member of the Executive Board of the Rubber Consortium and the Governing Board of the FACYL automotive cluster.