

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 3 and 04 April 2024, in first call and second call respectively, under item 5 of the agenda.

The policy for the selection of directors and diversity in the composition of the board of directors regulates the process for the selection of candidates for directors and their re-election, which is based on a prior assessment by the appointments and remuneration committee of the Company's needs and the determination of the skills, knowledge and experience considered most appropriate, in accordance with the skills matrix in force at any given time.

Prior to this report, the Appointments and Remuneration Committee, in its meeting of 26 February 2024, issued the statutory report proposing the re-election of Independent Directors and indicating the Non-Independent Directors whose re-election the Board will propose (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

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

Following a favourable report from the Appointments and Remuneration Committee, the Board of Directors proposes the re-election of Mr José Ignacio Comenge Sánchez-Real as Proprietary Director of the Company.

Mr. José Ignacio Comenge Sánchez-Real was appointed member of the board of directors by co-optation at its meeting of 22 December 2020, a resolution that was subsequently ratified by the General Shareholders' Meeting of 26 March 2021, following a favourable report from the appointments and remuneration committee, at the proposal of the significant shareholder, Mendibea 2002, S.L.

The competences, experience, and merits of Mr José Ignacio Comenge are set out in detail in the report issued by the appointment committee.

Based on the information contained in this report, the Board of Directors has been able to verify that Mr Comenge continues to hold the competences, experience, and merits required to hold the position of director.

In particular, the board has highly valued the contribution of Mr José Ignacio Comenge to the company's board of directors and executive committee, his attendance at meetings and the proper preparation of the matters discussed at them. He also highlighted his proven international, financial and industrial experience. His curriculum vitae is attached as **Annex I** to this report.

Consequently, the board deems that Mr Comenge has the necessary competences, experience, and merits to justify proposing to the Company's general meeting his re-election as a proprietary director for the statutory period of three years.

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

Following a favourable report from the Appointments and Remuneration Committee, the Board of Directors proposes the re-election of Mr. Gorka Arregui Abendivar as Proprietary Director of the Company.

Mr Gorka Arregui Abendivar was appointed member of the board of directors by resolution of the General Shareholders' Meeting held on 26 March 2021, following a favourable report by the appointments and remuneration committee, at the proposal of the significant shareholder, Retos Operativos XXI, S.L.

The competences, experience, and merits of Mr Gorka Arregui are set out in detail in the report issued by the appointment committee.

Based on the information contained in this report, the Board of Directors has been able to verify that Mr Arregui continues to hold the competences, experience, and merits required to hold the position of director.

In particular, the board has highly valued the contribution of Mr Gorka Arregui Abendivar on the company's board of directors and on the committees of which he is a member (executive committee and appointments and remuneration committee), attendance at meetings and proper preparation of the matters discussed at them at these meetings. It has also taken into account his financial and industrial expertise and his proven experience in strategic and business management — his curriculum vitae is attached as **Annex II**.

In view of the foregoing, the board deems that Mr Arregui has the necessary competences, experience, and merits to justify proposing to the Company's general meeting his appointment as a proprietary director for the statutory period of three years.

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

Following a favourable report from the Appointments and Remuneration Committee, the Board of Directors proposes the re-election of Mr Javier Arregui as Proprietary Director of the Company.

Mr Javier Arregui Abendivar was appointed member of the Board of Directors by resolution of the General Shareholders' Meeting held on 26 March 2021, following a favourable report from the Appointments and Remuneration Committee, at the proposal of significant shareholder Retos Operativos XXI, S.L.

Likewise, the competences, experience, and merits of Mr Javier Arregui are set out in detail in the report issued by the appointment committee.

Based on the information contained in this report, the Board of Directors has been able to verify that Mr Arregui continues to hold the competences, experience, and merits required to hold the position of director.

Specifically, the board 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. He also highlighted his experience and expertise in the field of forestry management, energy and environment — his curriculum vitae is attached as **Annex III.**

In view of the foregoing, the board deems that Mr Arregui has the necessary competences, experience, and merits to justify proposing to the Company's general meeting his appointment as a proprietary director for the statutory period of three years.

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

Following a favourable report from the Appointments and Remuneration Committee, the Board of Directors proposes the re-election of Mr Oscar Arregui as Proprietary Director of the Company.

Mr Oscar Arregui Abendivar was appointed member of the Board of Directors by resolution of the General Shareholders' Meeting held on 26 March 2021, following a favourable report from the Appointments and Remuneration Committee, at the proposal of significant shareholder Retos Operativos XXI, S.L.

The competences, experience, and merits of Mr Oscar Arregui are set out in detail in the report issued by the appointment committee.

Based on the information contained in this report, the Board of Directors has been able to verify that Mr Arregui continues to hold the competences, experience, and merits required to hold the position of director.

In particular, the board 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. He also highlighted his experience and knowledge in the agroforestry and industrial fields and his strategic vision. His curriculum vitae is attached as **Annex IV.**

In view of the foregoing, the board deems that Mr Arregui has the necessary competences, experience, and merits to justify proposing to the Company's general meeting his appointment as a proprietary director for the statutory period of three years.

2.5 Re-election of Ms Rosa García Piñeiro as an Independent Director at the proposal of the Appointments and Remuneration Committee.

The Appointments and Remuneration Committee has submitted with the Board of Directors the proposed re-election of Ms Rosa María García Piñeiro as an independent director of the Company.

The competences, experience, and merits of Ms Rosa Garcia, whose re-election as an independent director has been submitted to the Annual General Meeting, are set out in detail in the report issued by the appointment committee. Based on the information contained in this report, the Board of

Directors has been able to verify that the candidate continues to hold the competences, experience, and merits required to hold the position of director.

In particular, the board has very positively assessed the quality of the work and the dedication to the position of Ms García Piñeiro as an independent director since joining the board in 2018. . Likewise, the committee has highlighted her knowledge and experience in the field of sustainability and her career trajectory in the industrial sector, which has allowed 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. Her curriculum vitae is attached as **Annex V**.

The board 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, the Board of Directors believes that Ms García Piñeiro possesses the necessary competences, experience, and merits to accept submitting the Appointments and Remuneration Committee's proposal for her re-election as an Independent Director for the statutory period of three years to the Company's Annual General Meeting. Thus, the Board endorses the considerations made by the Appointments and Remuneration Committee in the Report.

2.6 Re-election of Ms María Paz Robina Rosat as an Independent Director at the proposal of the Appointments and Remuneration Committee

The Appointments and Remuneration Committee has submitted with the Board of Directors the proposed re-election of Ms María Paz Robina Rosat as an independent director of the Company.

The competences, experience, and merits of Ms María Paz Robina, whose re-election as an independent director has been submitted to the Annual General Meeting, are set out in detail in the report issued by the appointment committee. Based on the information contained in this report, the Board of Directors has been able to verify that the candidate continues to hold the competences, experience, and merits required to hold the position of director.

In particular, the board has highly valued her knowledge and experience in the industrial sector, as well as her performance as chair of the Appointments and Remuneration Committee, where she has stood out for her dedication and rigour, tackling in depth the analysis of the different issues dealt with and systematically contributing her knowledge and experience to the proper functioning of the body. Her curriculum vitae is attached as **Annex VI**.

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

Based on her personal and professional assets, the Board of Directors believes that Ms Robina Rosat possesses the necessary skills, experience and merits to justify the acceptance of the proposal of the Appointments and Remuneration Committee of her re-election as an Independent Director for the statutory period of three years. 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 members to the Board of Directors

Fifth A: Re-election of Mr José Ignacio Comenge Sánchez-Real as a proprietary director.

Motion:

To appoint, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr José Ignacio Comenge Sánchez-Real, in the capacity of Proprietary Director for the statutory period of three years from the approval of this agreement.

Fifth B: Re-election of Mr Gorka Arregui Abendivar as a proprietary director.

Motion:

To appoint, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr Gorka Arregui Abendivar, in the capacity of Proprietary Director for the statutory period of three years from the approval of this agreement.

Fifth C: Re-election Mr Javier Arregui Abendivar as a proprietary director.

Motion:

To appoint, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr Javier Arregui Abendivar, in the capacity of Proprietary Director for the statutory period of three years from the approval of this agreement.

Fifth D: Re-election of Mr Oscar Arregui Abendivar as a proprietary director.

Motion:

To appoint, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr Oscar Arregui Abendivar, in the capacity of Proprietary Director for the statutory period of three years from the approval of this agreement.

Fifth E: Re-election of Ms Rosa María García Piñeiro as an independent director.

Motion:

Re-election, at the proposal of the Appointments and Remuneration Committee, as a member of the Company's Board of Directors, Ms Rosa María García Piñeiro, in the capacity of Independent Director for the statutory period of three years from the approval of this agreement.

Fifth F: Re-election of Ms. María de la Paz Robina Rosat as an independent director.

Motion:

Re-election, at the proposal of the Appointments and Remuneration Committee, as a member of the Company's Board of Directors, Ms María de la Paz Robina, in the capacity of Independent Director for the statutory period of three years from the approval of this resolution.”

Madrid, 29 February 2024

Annex I

Curriculum vitae of Mr José Ignacio Comenge Sánchez-Real

José Ignacio Comenge is a member of Ence's Executive Committee. The date he was first appointed as a physical board member was 26/03/2021.

He is an economist who held several positions in the Banco Hispano Americano between 1973 and 1983, such as Deputy Director of the Foreign Trade Department and Director of Large Companies.

From 1984 to 2002 he held the following positions in MUTUA MADRILEÑA AUTOMOVILISTA: Director of the Finance Department and Vice-chairman of the Board of Directors.

He currently holds the position of Chairman in the company Ball Beverage Can Iberica, S.L.; and is a Director for the companies COCA-COLA EUROPEAN PARTNERS, plc; EBRO FOODS S.A.; BARBOSA & ALMEIDA, S.A., Compañía Vinícola del Norte de España, S.A. and OLIVE PARTNERS, S.A. (the Director in these last two companies is MENDIBEA 2002, S.L.).

Annex II

Curriculum vitae of Mr Gorka Arregui Abendivar

Gorka Arregui Abendivar is a Proprietary Director for Ence. He is a member of the Executive Committee and of the Appointments and Remuneration Committee. The date he was first appointed as a board member was 26/03/2021.

With a degree in Law, he has held positions of responsibility in companies in the industrial, energy, agri-food and forestry investment sectors, among others. He is currently a Member of the Board of Directors of companies belonging to these sectors such as Ciresco S.A., Gopisa, S.A., and Investigación y Desarrollo Agrario, S.A.

Annex III

Curriculum vitae of Mr Javier Arregui Abendivar

Javier Arregui Abendivar is a Proprietary Director for Ence, and a member of the Audit Committee and the Sustainability Committee. The date he was first appointed was 26/03/2021.

He has an undergraduate degree in Business Administration from the University of Saint Louis (Missouri, USA) and a postgraduate degree in Finance from San Andrés University (Buenos Aires, Argentina). He has occupied different positions of responsibility within Grupo Seche, and he has been Board of Directors member with Cesa, Grupo Guascor, and Foresta Capital, among others. Before his appointment as the natural person representing TURINA 2000, S.L., the office he held at Ence was Managing Director of international development and forestry assets, forming part of the company's management committee.

Annex IV

Curriculum vitae of Mr Óscar Arregui Abendivar

Óscar Arregui Abendivar is a Proprietary Director for Ence. He is a member of the Executive Committee. The date he was first appointed was 26/03/2021.

He holds a degree in industrial engineering (specialising in electricity) from the Higher Technical School of Bilbao and a Master's in Business Administration (MBA) from the IESE Business School. He has held several positions of responsibility within the Guascor Group in the fields of both research and development and its expansion into the North American market. He is currently a Director of Dehesa del Corcho XXI, S.L. and Dehesa del Castillo XXI, S.L., and a Member of the Board of Turina 2000, S.L.

Annex V

Curriculum vitae of Ms Rosa 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 VI

Curriculum vitae of Ms María 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, a member of the Executive Board of the Rubber Consortium and the Governing Board of the FACYL automotive cluster.