

REPORT PREPARED BY THE BOARD OF DIRECTORS OF ENCE ENERGÍA Y CELULOSA, S.A. ON THE PROPOSED RE-ELECTION, AND APPOINTMENT 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 2 and 03 April 2025, 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 20 February 2025, issued the statutory report proposing the re-election and appointment 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 Ángel Agudo Valenciano, as Proprietary Director.

Following a favourable report from the Appointments and Remuneration Committee, and at the proposal of the significant shareholder Asúa Inversiones, S.L., the Board of Directors proposes the re-election of Mr Ángel Agudo Valenciano as Proprietary Director of the Company.

Mr Ángel Agudo Valenciano was appointed member of the board of directors in 2022, following a favourable report from the appointments and remuneration committee, at the proposal of the significant shareholder Asúa Inversiones, S.L.

Likewise, the competences, experience, and merits of Mr Ángel Agudo Valenciano are set out in detail in the report issued by said appointment and remuneration committee.

Based on the information contained in this report, the Board of Directors has been able to verify that Mr Agudo Valenciano 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 Angel Agudo Valenciano as member of the company's board of directors and of the sustainability committee, his attendance at meetings and the proper preparation of the matters discussed at them. He also highlighted his proven international and financial experience. His curriculum vitae is attached as **Annex I** to this report.

In view of the foregoing, the board deems that Mr Agudo Valenciano 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.

2.2 Re-election of Mr Fernando Abril-Martorell Hernández as another External Director.

Following a favourable report from the Appointments and Remuneration Committee, the Board of Directors proposes the re-election of Mr Fernando Abril-Martorell Hernández as another External Director of the Company.

Mr Fernando Abril-Martorell Hernández was appointed member of the board of directors in 2007, following a favourable report from the aforementioned appointments and remuneration committee.

The competences, experience, and merits of Mr Fernando Abril-Martorell Hernández 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 Abril-Martorell Hernández 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 Fernando Abril-Martorell Hernández to the company's board of directors, as well as the executive committee and appointments and remuneration committee, his attendance at meetings and the proper preparation of the matters discussed at them. He also has proven experience in the management of companies in different industries and in the financial sector. His curriculum vitae is attached as **Appendix II** to this report.

In view of the foregoing, the board deems that Mr Abril-Martorell Hernández 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 of Mr José Guillermo Zubia Guinea as another external director.

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

Mr José Guillermo Zubia Guinea was appointed member of the board of directors in 2007, following a favourable report from the appointments and remuneration committee.

The competences, experience, and merits of Mr José Guillermo Zubia Guinea 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 Zubia Guinea 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 Guillermo Zubia Guinea to the company's board of directors, as well as the executive committee and audit committee, as well as

the other committees he has been a member of, his attendance at meetings and the proper preparation of the matters discussed at them. He also has proven experience in the field of business management and finance.

In view of the foregoing, the board deems that Mr Zubia Guinea 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 Ms Irene Hernández Álvarez 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 Irene Hernández Álvarez as an Independent Director of the Company.

The competences, experience, and merits of Ms Irene Hernández Álvarez, 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 Hernández Álvarez as an independent director since joining the board in 2019. Her knowledge and experience in the financial, accounting and risk areas, as well as her performance in the position of chairwoman of the audit committee until April 2024 also stand out. Her work as coordinating councillor is also recognised, having generated a very positive dynamic of communication and relationship with the councillors in the performance of her role. The board has also positively valued the dedication and performance of Ms. Hernández as a member of the executive committee, the audit committee, as well as the appointments and remuneration committee, of which she is a member (her curriculum vitae is attached as **Appendix IV**).

The board also considered very satisfactory the dedication of Ms Irene Hernández Álvarez, 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 Hernández Álvarez possesses the necessary skills, experience and merits justifying her proposed re-election to the Company's General Shareholders' Meeting as 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.

2.5 Re-election of Ms Carmen Aquerreta Ferraz 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 Carmen Aquerreta Ferraz as Independent Director of the Company.

The competences, experience, and merits of Ms Carmen Aquerreta Ferraz, whose re-election as an independent director has been submitted to the company's General Shareholders' 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.

Specifically, the board has rated her knowledge and experience in the financial, accounting and risk fields very positively, as well as her performance in the position of chair of the audit committee since her appointment in April 2024, 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 **Appendix V**).

The board also considered very satisfactory the dedication of Ms Carmen Aquerreta Ferraz 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 Aquerreta Ferraz possesses the necessary skills, experience and merits justifying her proposed re-election to the Company's General Shareholders' Meeting as 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.

2.6 Appointment of Ms María Samoilova as an Independent Director at the proposal of the Appointments and Remuneration Committee.

With the involvement in the process of an external consultant, the Appointments and Remuneration Committee has forwarded to the Board of Directors for submission to the Annual General Meeting the proposed nomination of Ms Maria Samoilova as Independent Director of the Company.

Ms Maria Samoilova (whose curriculum vitae is attached as **Annex VI**) has spent her career in J.P. Morgan, an investment bank. After a first few years in New York, working as an analyst, in 2008 she moved to London where she worked in corporate finance for EMEA in the industrial sector. In 2015 she assumed the position of executive director in Madrid, where she led M&A transactions, both equity and debt. From 2020 to 2024, she was responsible for Iberia M&A, with duties in the origination of acquisitions, sales and IPOs. She has developed projects related to industrial companies in Spain, such as Ferrovial, Urbaser or Siemens Energy.

At the end of 2024, she joined Impact Bridge, a Spanish fund manager focused on the management of impact funds, where she currently holds the position of Managing Partner and Head of IB Deuda Impacto España.

Based on her personal and professional qualities, the Board of Directors believes that Ms María Samoilova has the necessary skills, experience and merits, as well as the availability needed that justify the submission of her proposal to appoint her as an Independent Director for the statutory period of three years to the Shareholders' Meeting. 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 and appointment of Directors, which will be subject to separate voting at the General Meeting, is as follows:

"Fifth.- The re-election and nomination of members to the Board of Directors:

Fifth A: Re-election of Mr Ángel Agudo Valenciano, as Proprietary Director.

Motion:

To re-elect, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr Ángel Agudo Valenciano, whose personal details appear in the commercial register, in the capacity of Nominee Director for the statutory period of three years from the approval of this resolution.

Fifth B: Re-election of Mr Fernando Abril-Martorell Hernández as another External Director

Motion:

To re-elect, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr Fernando Abril-Martorell Hernández, whose personal details appear in the commercial register, in the capacity of Other External Director for the statutory period of three years from the approval of this resolution.

Fifth C: Re-election of Mr José Guillermo Zubía Guinea as another External Director.

Motion:

To re-elect, at the proposal of the Board of Directors, as a member of the Company's Board of Directors, Mr José Guillermo Zubía Guinea, whose personal details appear in the commercial register, in the capacity of Other External Director for the statutory period of three years from the approval of this resolution.

Fifth D: Re-election of Ms Irene Hernández Álvarez 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 Irene Hernández Álvarez, whose personal details appear in the commercial register, in the capacity of Independent Director for the statutory period of three years from the approval of this resolution.

Fifth E: Re-election of Ms Carmen Aquerreta Ferraz as 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 Carmen Aquerreta Ferraz, in the capacity of Independent Director for the statutory period of three years from the approval of this resolution.

Fifth F: Appointment of Ms Maria Samoilova as Independent Director.

Motion:

Nominate, at the proposal of the Appointments and Remuneration Committee, as a member of the Company's Board of Directors, Ms María Samoilova, of legal age, of Ukrainian nationality, with ID number Y3834734G, and with address at calle de Juan Ramon Jiménez 41, Piso 9D, Madrid-28036, with the status of independent director for the statutory period of three years from the approval of this resolution.

Madrid, 27 February 2025

Annex I

Curriculum vitae of Mr Ángel Agudo Valenciano

Ángel Agudo Valenciano is a Proprietary Director and a member of Ence's Sustainability Committee. The date she was first appointed was 31/03/2022.

He has a degree in industrial engineering from ICAI, specialising in mechanics (Madrid) and an MBA from IMD (Lausanne, Switzerland).

He is currently CEO of the Asúa Inversiones family office. He began his professional career at LVMH in Madrid, subsequently working for fund manager Fidelity Investments. He has been managing global and American equity funds for institutional clients in Europe and Asia for 18 years.

Annex II

Curriculum vitae of Mr Fernando Abril-Martorell Hernández

Fernando Abril-Martorell is an Additional External Consultant for Ence and a member of its Executive Committee and its Appointments and Remuneration Committee. The date she was first appointed was 30/03/2007.

He has worked at various companies and financial entities. He was Chairman of Indra from January 2015 to May 2021. Between 2011 and 2014, he was Managing Director of the Prisa Group. Between 2005 and 2011, he was CEO of Credit Suisse in Spain and Portugal. He was Chief Executive Officer of the Telefónica Group from 2000 to 2003, and prior to this, Chief Financial Officer from 1997 to 2000. He began his career at JP Morgan where he spent 10 years from 1987 to 1997 in the Madrid, New York, and London offices.

He is currently CEO of URBASER and a director at the Spanish company Sener, S.A.

Annex III

Curriculum vitae of Mr José Guillermo Zubía Guinea

José Guillermo Zubía Guinea is an Additional External Consultant for Ence and a member of the company's Executive Committee and its Audit Committee. The date she was first appointed was 30/03/2007.

He has a Law degree from the Complutense University of Madrid. He studied Economics at this University and Taxation at the Centre for Economic and Tax Studies.

He has been an entrepreneur, consultant and advisor for several companies. He was secretary general of the Alavés Business Union (SEA) from 1979 to 1995. He was secretary general of the Confederation of Basque Entrepreneurs (Confebask) from October 1995 to March 2011.

He has been a member of the Boards of Directors and Governing Bodies of the main Socio-Economic Institutions of the Basque Country: among others, the Company for Industrial Promotion and Reconversion and the Economic and Social and Labour Relations Councils. He has been a member of the Economic and Social Council of Spain and its Economic and Labour Relations Commissions. He has also been a member of the Permanent Commission of the Andalusian School of Economics and has participated in various courses and conferences at the Menéndez Pelayo International University, summer courses at El Escorial and the summer university at the Basque Country University.

Annex IV

Curriculum vitae of Ms Irene Hernández Álvarez

Irene Hernández Álvarez is an Independent Director for Ence, coordinating director and member of its Executive Committee, member of its Appointments and Remuneration Committee and Chairwoman of the Audit Committee. The date she was first appointed as a board member was 28/03/2019.

She has a degree in Economics and Business Administration from ICADE. She was granted the Special Graduation Award and Second National Prize for Economics.

She began her professional career at JP Morgan in Madrid and New York, from 1987 to 2001, where she was responsible for major fixed and variable income operations in national and international markets. She has had an outstanding career in financial advisory services for family businesses. She is one of the founding partners and Joint and Several Administrator of the company Impulsa Capital, S.L., dedicated to corporate financial advisory services in the private capital/risk capital segment and is a Registered Adviser for BME Growth and a Listing Sponsor for Euronext.

She is currently an Independent Director, Coordinating Director, Chairwoman of the Appointments, Remuneration and Sustainability Committee and Member of the Audit Committee of Saint Croix Holding Immobilier SOCIMI, S.A., and Independent Director, Member of the Appointments, Remuneration and Sustainability Committee and of the Audit Committee of Elecnor, S.A.

Annex V

Curriculum vitae of Ms Carmen Aquerreta Ferraz

Carmen Aquerreta Ferraz is an Independent Director for Ence, and Chairwoman of its Audit Committee. The date she was first appointed was 31/03/2022.

She has a degree in Economics and Business Studies and in Law from the Comillas Pontifical University, and a Master's in International Relations from Johns Hopkins University.

She has had an extensive professional career in the consulting sector. During her professional career she has worked for large entities such as Andersen, in Madrid, in the role of global strategy and planning director (tax and legal), BCG – Boston Consulting Group and the Mitchell Madison Group, where she managed the group's global diversification strategy for consumer goods, as well as its commercial and risk strategy for the national financial entity.

She was a partner of Deloitte United Kingdom and Deloitte North West Europe (2006-2019), where she led intangible assets and intellectual property operations, global relations with the company Vodafone Plc and numerous large-scale projects for BAE Systems and Thales, among others. Additionally, she has worked as a lawyer for the World Bank (Washington) where she developed the KPIs and strategy for judicial reform in the Latin America division.

She is currently an Independent Director for the Andbank Group, a member of its Audit Committee and Chairwoman of its Appointments and Remuneration Committee. She is also an independent director of ASTARA MOBILITY, S.L. She has also been an independent director of Indra Sistemas, S.A.

Annex VI

Curriculum vitae of Ms Maria Samoilova

Maria Samoilova has spent her career at J.P. Morgan, an investment bank. After a first few years in New York, working as an analyst, in 2008 she moved to London where she worked in corporate finance for EMEA in the industrial sector. In 2015 she assumed the position of executive director in Madrid, where she led M&A transactions, both equity and debt. From 2020 to 2024, she was responsible for Iberia M&A, with duties in the origination of acquisitions, sales and IPOs. She has developed projects related to industrial companies in Spain, such as Ferrovial, Urbaser or Siemens Energy.

At the end of 2024, she joined Impact Bridge, a Spanish fund manager focused on the management of impact funds, where she currently holds the position of Managing Partner and Head of IB Deuda Impacto España.