

REPORT ON THE FUNCTIONING OF THE 2025 FINANCIAL YEAR SUSTAINABILITY COMMITTEE

1. Introduction

ENCE ENERGÍA Y CELULOSA, S.A. (hereinafter, "Ence" or the "Company") has prepared this Sustainability Committee Operating Report (hereinafter, the "Report") in order to inform shareholders and other interested parties of the activities carried out by the Sustainability Committee during the financial year.

This report is published on the Company's website (www.ence.es) sufficiently in advance of the ordinary shareholders' meeting.

2. Regulation of the Sustainability Committee

The regulations governing the composition, functioning and powers of the sustainability committee are contained in the regulations of the board of directors of the Company (article 17 bis), as well as in article 49 of the Articles of Association. In any event, the internal rules of the Company governing the sustainability committee comply with the relevant provisions of the Capital Companies Act ("LSC") and the recommendations of the Code of Good Governance.

3. Composition of the Sustainability Committee

The sustainability committee is composed exclusively of non-executive directors and is chaired by an independent female director.

At year-end 2025, the composition of the sustainability committee and the seniority of its members is as follows:

Name	Position	Category	Seniority in the Sustainability Committee
Ms Rosa María García Piñeiro	Chairwoman	Independent	Since 29 March 2019
Ms María Paz Robina Rosat	Member	Independent	Since 31 March 2022
Ms Carmen Aquerreta Ferraz	Member	Independent	From 03 April 2025
Mr Oscar Arregui Abendívar	Member	Proprietary Director	From 03 April 2025
Mr Ángel Agudo Valenciano	Member	Proprietary Director	Since 31 March 2022
Mr José Antonio Escalona de Molina	Secretary	Non-member	Since 20 June 2018

The Committee's members were appointed at the proposal of the Appointments and Remuneration Committee, in accordance with Article 17.2 (g) of the Board of Directors Regulations.

The composition of the Sustainability Committee and the CVs of its members are published on the Company's web page and can be accessed through the following links:

<https://ence.es/inversores/gobierno-corporativo/comisiones/>

<https://ence.es/inversores/gobierno-corporativo/consejo-de-administracion/>

4. Functions of the Sustainability Committee

The functions of the Sustainability Committee are governed by Article 17 bis of the Board of Directors Regulations.

The sustainability committee is entrusted with the following responsibilities:

- a) Periodically reviewing the sustainability policy and proposing to the Board of Directors that it be updated so that it is oriented towards the creation of value and the promotion of social interest, taking into account, as appropriate, the legitimate interests of other stakeholders.
- b) Identifying and proposing to the Board of Directors the specific sustainability policies to be included in the Company's internal regulations.
- c) Defining and updating when appropriate the company's sustainability strategy, monitoring that it is aligned with the corporate strategy and addresses the material aspects for the company's stakeholders, and monitoring and assessing its degree of compliance, reporting to the Board of Directors as appropriate.
- d) Reporting, prior to review by the Audit Committee and approval by the Board of Directors, the annual non-financial information statement (Annual Sustainability Report).
- e) Coordinating non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.
- f) Proposing the appointment of the independent third party to verify the non-financial information statement.
- g) Ensuring that the company's culture is aligned with its purpose and values.
- h) Being aware of significant legal modifications in the field of sustainability with a possible significant influence for the Company, as well as emerging trends, such as circular economy or natural capital, in order to analyse them and, where appropriate, promote action plans.
- i) Supervising and evaluating the strategy of dialogue with the different stakeholders, as well as the procedures and channels of communication with them, within the scope of its competencies, ensuring that it responds to the main interests, expectations and demands of the Company's stakeholders.
- j) Being familiar with and promoting the Company's social action strategy and its community relations plans.

5. Meetings held and tasks performed during the 2025 financial year

During the 2025 financial year, the sustainability committee held 5 meetings, with a personal attendance rate of 88% including the committee secretary.

At the invitation of the chairwoman of the committee, the secretary general and director general of sustainability, the director and manager of the corporate sustainability area, and the group's health and safety officer attended the sessions and agenda items that required their participation in order to present matters within their competence.

6. Significant activities carried out in the 2025 financial year

The most significant tasks carried out by the Sustainability Committee throughout 2025 are described below:

(i) The consolidated statement of non-financial information (annual Sustainability Report)

Prior to its review by the audit committee and its drafting by the Board of Directors, the sustainability committee reviewed and reported favourably on the sustainability report for 2024 and the verification report for the same.

At the end of the 2025 financial year, the committee reviewed the proposed structure and table of contents of the annual sustainability report for 2025 and the planning of the work for its preparation.

Moreover, with regard to the annual sustainability report, the committee discussed the recommendations made by the external verifier.

(ii) Sustainability targets

Every quarter during the 2025 financial year, the Committee monitored compliance with the sustainability targets corresponding to the last quarter of 2024 and those for 2025 approved at the meeting held in November 2024, which were defined in line with the strategic lines of action established in the 2024-2028 sustainability master plan. These included monitoring, among others, of the company's decarbonisation plans and the objectives associated with the biodiversity plan.

The committee approved the proposed sustainability targets for the 2026 financial year at its meeting on 25 November 2025.

(iii) Sustainability information included in the regular financial disclosures

The sustainability committee reviewed and reported favourably on the sustainability information included in the various regular financial disclosures.

(iv) New developments in the regulatory framework and business implications

The committee analysed the main regulatory developments, their impact on the Company's business and the actions taken in respect thereof.

In particular, regulatory developments and legislative advances among which the following are noteworthy:

- The process of transposition of the RED III Directive.
- The launch by the European Commission of the Omnibus package, which involves the

simplification of the ESRS (European Sustainability Reporting Standards) and the reduction of the scope of the CSRD (Corporate Sustainability Reporting Directive) and the CS3D (Corporate Sustainability Due Diligence Directive), with the aim of simplifying Green Pact regulations.

- The publication and entry into force of Royal Decree 214/2025 on the publication of the carbon footprint by companies.
- The European Union Regulation against Deforestation (EUDR) whose date of entry into force has been postponed to 31 December 2026.

(v) Information on activities sponsored by the Company

The committee reviewed the quarterly update on the donation and sponsorship activities carried out by the Company and approved in advance by the donations and sponsorship committee.

The V and VI editions of the Pontevedra Social Plan for 2024 and 2025 were monitored.

The update of the procedure for donations, collaboration agreements and sponsorships was reviewed and reported favourably.

(vi) Health and Safety Information

The Group's Health and Safety Manager attended the meetings of the Sustainability Committee to report on the most important aspects of health and safety management within the ENCE Group in the current month.

(vii) FSC and PEFC sustainable forest management.

The General Manager of Pulp appeared before the sustainability committee at its meeting on 21 July 2025 to report on the results of the FSC and PEFC sustainable forest management audit.

(viii) Climate change and ESG risks

The committee reviewed the annual analysis of climate change risks, as well as the analysis conducted on financial impacts of ESG risks.

(ix) Annual Work Plan

At its meeting on 25 November 2025, the committee approved the annual work plan for the 2026 financial year.

7. Evaluation of the Sustainability Committee

In compliance with Article 529 nonies section 1 of the LSC and Article 19 bis of the Board of Directors Regulations, at its meeting held on 23 February 2026, the annual evaluation of the Committee corresponding to the 2025 financial year was carried out.

The evaluation was carried out through the internal procedure consisting of taking as a reference the individual and anonymous completion by each Director of the self-evaluation questionnaire on various aspects relating to the Board and its Committees, prepared by the Appointments and Remuneration Committee and sent to the Directors.

The evaluation showed that the Committee has satisfactorily performed the functions assigned

to it by law and regulations, both generally and individually by the Chair and each of its members.

8. Date the sustainability committee report was prepared and date it was submitted to the Board of Directors

The Sustainability Committee prepared this Report on 23 February 2026 and made it available to the Board of Directors for consideration in the annual self-assessment of the functioning of the Board of Directors and its Committees. If appropriate, the Board of Directors must approve it.

Madrid, 23 February 2026