GRUPO ECOENER, S.A.

BOARD OF DIRECTORS

REASONED PROPOSAL FOR AMENDMENT TO GRUPO ECOENER, S.A. DIRECTOR REMUNERATION POLICY FOR THE FINANCIAL YEARS 2021-2023

(1) Introduction and applicable legislation

Pursuant to the legislation applicable to listed companies regarding remuneration, any remuneration received by Directors for holding office and, as applicable, for fulfilling their executive duties, must be compliant with the Director Remuneration Policy in place at any given time.

In turn, the Director Remuneration Policy must be aligned with the system laid down by the Articles of Association and must be approved by the Annual General Meeting at least every three years, as a separate item on the agenda. Once approved, the Director Remuneration Policy remains in effect for the following three fiscal years, and any amendment thereto within this term will require further approval, and must be well founded and supported by a specific report by the Appointments and Remuneration Committee.

At its meeting on 9 April 2021, the Annual General Meeting of Grupo Ecoener, S.A. (hereinafter, the "**Company**" or "**Ecoener**") approved the Director Remuneration Policy for the financial years 2021-2023, which was later ratified by the Appointments and Remuneration Committee at its meeting on 10 June 2021 (the "**Remuneration Policy")**.

On 29 October 2021, the Company's Extraordinary General Shareholders' Meeting approved, as a separate item on the agenda and at the proposal of this Board of Directors, the amendment to section 8.5 of the Remuneration Policy regarding the remuneration of Executive Directors ("*One-off Remuneration*").

On 24 February 2022, the Company's Board of Directors approved, following a favourable report from the Appointments and Remuneration Committee, the amendment to the Company's long-term incentive scheme for Executive Directors and certain directors of the Company (the "**ILP**"). In view of the need to adapt the text of the Remuneration Policy to reflect the changes introduced to the ILP, the Board of Directors considers it necessary to amend the Remuneration Policy as per the terms detailed below, and has consequently prepared this report with the reasoned proposal for the amendment to the Remuneration Policy (the "**Report**" or the "**Proposal**").

(2) Basis of authority and reasoned proposal

In view of the foregoing and pursuant to Article 529 *novodecies* of the Spanish Corporate Enterprises Act (LSC), the Board of Directors is responsible for preparing the reasoned proposal for the amendment to the Remuneration Policy, as per the terms detailed below:

i. The Remuneration Policy provides for the possibility that the Company's Executive Directors may participate as beneficiaries in the long-term incentive schemes provided by the Company at any given time.

ii. In view of the foregoing, it is proposed to amend section 8.3. of the Remuneration Policy regarding the remuneration of Executive Directors ("*Long-term variable*

remuneration (long-term incentive scheme") to reflect the current wording of the ILP as a result of the amendment referred to in section (1) of this Report. The revised text of the Remuneration Policy is attached to this Report as Annex I.

iii. The proposed amendment to section 8.3. of the Remuneration Policy includes the amendments to the ILP which seek to make the ILP more flexible with a view to encouraging fulfilment of the Company's financial targets. In particular, in the new wording of the ILP: (i) three (3) different scenarios are covered to determine the amount of the incentive to be distributed among the beneficiaries of the Scheme, based on the EBITDA figure corresponding to 2023; (ii) different percentages (%) of the EBITDA to be distributed in each scenario are included; and (iii) a distinction is made between three (3) different groups of beneficiaries, who will be entitled to receive different maximum amounts based on their fixed remuneration and the EBITDA figure achieved by the Company.

As a result of the foregoing, at its meeting on 25 March 2022, the Company's Board of Directors agreed to approve the proposed amendment to the Remuneration Policy for the financial years 2021-2023, both inclusive. The modified text of the Remuneration Policy, attached as **Annex I** to this Proposal, will be submitted for approval at the Annual General Meeting as a separate item on the agenda and, if applicable, will replace in its entirety the policy approved at the General Shareholders' Meeting held on 9 April 2021 and subsequently modified by the Extraordinary General Shareholders' Meeting held on 29 October 2021, without prejudice to the effects already generated and established under its validity.

At that meeting, the Board of Directors confirmed that it was familiar with the mandatory report by the Appointments and Remuneration Committee, the content and justification of which are upheld by the Board and form an integral part of its Proposal. The report by the Appointments and Remuneration Committee is attached to this Proposal as **Annex II**.

Mr. Luis de Valdivia	Mr. Fernando Rodríguez Alfonso
Mr. Eduardo Serra	Ms. Ana Palacio
Mr. Carlos González-Bueno	Ms. Inés Juste
Mr. Juan Carlos Ureta	Ms. María Eugenia Girón
Mr. Fernando Lacadena	Mr. Dean Tenerelli

Annex I

Grupo Ecoener, S.A. Director Remuneration Policy for the financial years 2021-2023, which is submitted for approval at the General Shareholders' Meeting

DIRECTOR REMUNERATION POLICY FOR

"GRUPO ECOENER, S.A."

DIRECTOR REMUNERATION POLICY FOR GRUPO ECOENER, S.A. FOR THE FINANCIAL YEARS 2021-2023

1. Preamble

This document contains the remuneration policy applicable to the Board of Directors of Grupo Ecoener, S.A. ("**Ecoener**" or the "**Company**" and, together with the companies that comprise the group, the "**Group**"), which was approved by the sole shareholder on 9 April 2021 and amended by the Annual General Meeting on 29 October 2021 (the "**Remuneration Policy**").

2. Remuneration policy regulatory framework

The Remuneration Policy has been prepared in compliance with the legal requirements established by Royal Legislative Decree 1/2010 of 2 July, approving the restated text of the Spanish Corporate Enterprises Act (the **Ley de Sociedades de Capital** or "**LSC**").

Specifically, the Remuneration Policy was approved by the Company's sole shareholder, as a separate item on the agenda, on 9 April 2021 in accordance with the provisions of article 529 r, section one of the Spanish Corporate Enterprises Act (LSC), and amended by the Annual General Meeting, as a separate item on the agenda, on 29 October 2021, pursuant to the provisions of article 529 r, section 1 of the Spanish Corporate Enterprises Act (LSC).

In accordance with article 529 - r, section one of the LSC, the Ecoener Director Remuneration Policy will be adapted to the remuneration system as established in the Company's Articles of Association. For these purposes, this policy falls under Article 42 of Ecoener's Articles of Association.

3. Validity period of the Remuneration Policy

Without prejudice to the provisions of the LSC, the Remuneration Policy will come into force on the date on which the Company's shares are officially admitted to trading on the Spanish stock markets.

The Remuneration Policy will remain in force for the three (3) financial years following its approval, that is during financial years 2021, 2022 and 2023, with the exception of any amendments, adaptations, updates or substitutions that may be agreed upon occasion and which will be submitted for approval to the Ecoener General Shareholders Meeting in accordance with article 529 r, section 1 of the LSC.

This Remuneration Policy shall be made be freely available on the Company's website for the entire term of its validity, i.e., during financial years 2021, 2022 and 2023.

4. Principles of the Remuneration Policy

The Remuneration Policy is intended to establish remuneration for Ecoener's directors which appropriately reflects the time dedicated and responsibility held and is in line with the remuneration offered by the company's peers in the domestic and international markets, taking into consideration the long-term interests of the company's shareholders.

The Remuneration Policy must therefore be suitable for the prevalent circumstances at any given time, with special attention paid to any changes in applicable regulations, best practices, recommendations and trends – both domestic and international –

pertaining to the remuneration of directors of publicly listed companies, as well as the prevailing market conditions.

Therefore, the basic principles underpinning the Director Remuneration Policy are as follows:

a) To adequately compensate directors for the time dedicated and responsibility held, in line with market standards for the company's peers in terms of market capitalisation, size, ownership structure and international presence.

b) To ensure that remuneration directly contributes to the fulfilment of Ecoener's strategic objectives.

c) To promote Ecoener's long-term profitability and sustainability and to avoid excessive risk-taking and the rewarding of unfavourable results.

d) To ensure the best professionals are attracted, motivated and retained.

To this end, **director remuneration** must be sufficient to compensate the director's time, level of responsibility and qualifications, without compromising their independence.

Furthermore, the remuneration policy for **executive directors** is underpinned by the following principles:

a) To provide a comprehensive monetary-based package that recognises and respects the diversity of their needs and expectations as relates to the professional environment.

b) To systematically evaluate, based on standardised criteria, executive directors' professional development, performance and the degree to which the requisite competencies are demonstrated at any given time.

c) To recognise the professional's ability to create value through his or her impact on the Group's results, in addition to his or her skills and personal profile.

d) To foster a culture of commitment to the Group's objectives, where both individual and team contributions are fundamental.

5. Role of the Appointments and Remuneration Committee and measures to prevent conflicts of interest

The Appointments and Remuneration Committee, whose functions are defined in Article 47 of the Articles of Association and Article 17 of the Regulations of the Board of Directors, plays a fundamental role in the application of this Remuneration Policy, reviewing and overseeing the application of the principles set out above to enable the Company to attract and retain highly qualified, outstanding professionals. To this end, the Appointments and Remuneration Committee will meet periodically, duly convened by its chairperson.

Regarding measures to prevent conflicts of interest, Article 33 of the Regulations of the Board of Directors establishes that directors must avoid engaging in situations where there is a conflict between the Company's interests and their personal interests. Should they find themselves in a conflict of interest, they must undertake the measures and follow the actions established by law and those detailed in the Company's regulations, including the obligation to notify the Board of Directors and the Audit Committee of said conflict, and the obligation to abstain from deliberations to determine their remuneration.

6. The Remuneration Policy's contribution to the Company's objectives

The measures to ensure that this Remuneration Policy addresses the Company's long-term performance and sustainability objectives are as follows:

a) Total remuneration for executive directors may consist of both fixed remuneration and short- and long-term variable remuneration (i.e., the long-term incentive plan), linked to the Company's strategic, operational and growth targets. Short-term variable remuneration is based on the achievement of annual objectives and on the executive directors' personal performance appraisal, whilst long-term variable remuneration (i.e., the long-term incentive plan) is based on the Company's multi-year objectives. This ensures a balance between competitive remuneration (fixed remuneration and annual variable remuneration) and the achievement of the Company's objectives as well as promoting sustainable growth (multi-year variable remuneration), whilst avoiding excessive risk-taking.

b) Executive director participation in the long-term incentive plan established by the Company, together with the participation of selected key executives and employees, contributes to the achievement of financial targets and alignment of interests.

c) In each case, the Appointments and Remuneration Committee analyses to what degree the short- and long-term objectives established for the executive directors have been achieved, reporting the results to the Board of Directors.

d) In addition, as part of director remuneration, it is specifically envisaged that the contribution to the development of projects and activities for the benefit of the Company will be compensated. This is how directors are incentivised and encouraged to participate in achieving the Company's strategic objectives.

7. Remuneration policy for the role of director

In accordance with article 42 of the Company's Articles of Association, the role of Company directors is a paid role. The Remuneration Policy aims to compensate members of the Board of Directors – for their role as directors, meaning for performing their duties and undertaking unified decision-making on the Board of Directors and in the Board Committees to which they belong – appropriately and sufficiently for the time dedicated, responsibilities held and their qualifications, without compromising their independence of judgement.

A fixed annual allowance of €50,000 per director is established as fixed remuneration for all directors for their role as such, including executive directors. This maximum amount will remain in force until the Annual General Meeting resolves to modify it. In any case, the Board of Directors may reduce this amount in any financial year it deems appropriate, either due to the Company's financial situation at any given time or due to market standards for the Company's peers, or for any other reason the Board of Directors may deem pertinent.

In addition, every member of the Board of Directors (regardless of status and therefore including executive directors) will receive, as a per diem for attending meetings of the Board of Directors, the amount of €1,500 for each meeting they attend personally, up to a maximum of eight meetings per year.

In addition to the above, due to their extraordinary dedication, directors who perform

special functions (the coordinating director, the chairpersons and members of the Audit Committee, the Appointments and Remuneration Committee and the Sustainability Committee) are entitled to additional fixed remuneration, as follows:

a) The coordinating director will receive an additional €10,000 in fixed remuneration per year for the extraordinary dedication to the work of the Board.

b) The Directors who chair the Audit Committee, the Appointments and Remuneration Committee and the Sustainability Committee will receive an additional fixed amount of €20,000 per year.

c) Members of the Audit Committee, the Appointments and Remuneration Committee and the Sustainability Committee (including their respective Chairpersons in their capacity as members of these committees) will receive an additional fixed amount of €5,000/year.

d) Members of the Audit Committee, the Appointments and Remuneration Committee and the Sustainability Committee will receive as a per diem for attending the meetings of their respective committees an additional €1,000 for each meeting they attend with a maximum of four meetings per year.

Likewise, members of the Board of Directors (with the exception, in this case only, of executive directors) may receive other remuneration for undertaking projects or activities entrusted to them by the Board of Directors for the benefit of the Company. The total amount allocated for this purpose, for all members of the Board (excluding executive directors) is €500,000 per year.

In accordance with the provisions of article 42 of the Articles of Association, it is established that the maximum amount of annual remuneration to be paid to all the directors for discharging their duties as directors (excluding the amounts received by executive directors detailed in point 8 below) is €1,256,000.

The Board of Directors is responsible for setting the individual remuneration of each director for their role as Director in accordance with the Articles of Association and the provisions of this Remuneration Policy.

Without prejudice to the foregoing, the Board of Directors may at any time modify and adapt the annual remuneration in accordance with circumstances that may arise, taking into account the criteria included in this section, and always in accordance with the principles indicated in this Remuneration Policy.

8. Executive director remuneration policy

When determining and designing the remuneration policy for executive directors, the salary and working conditions of the Company's employees as a whole were taken into account; specifically, the main conditions and factors of the remuneration system applicable to the employees of the different groups, as well as to the Company's executives.

Taking into account the foregoing, and without prejudice to the remuneration they may receive as members of the Board of Directors, as detailed in section 7 above, the remuneration policy for executive directors for performing their full-time or primary executive duties, including the executive chair and vice-chair, shall be as follows.

The line items for compensation determined by the Board of Directors for each executive director must conform to the framework provided in this Remuneration Policy and will be set out in a contract to be signed between the Company and each executive director.

8.1. Fixed remuneration

This is a fixed allowance contractually determined for each executive director for undertaking his or her executive duties.

This remuneration will be a maximum of €750,000/year per executive director.

The specific remuneration to be paid to each executive director will be determined by the Board of Directors and will be set out in a contract signed between the Company and the executive director.

8.2. Short-term variable remuneration

Executive director variable remuneration must represent a significant part of total remuneration and will be linked to the achievement of pre-defined, specific and quantifiable targets, directly aligned with the creation of value for shareholders over different time horizons, and also includes the measurement of individual and personal objectives.

The annual variable remuneration for each executive director appraises, on an annual basis, the contribution made to achieving pre-defined, specific and quantifiable targets, related to economic and financial, efficiency and growth variables, as well as quality and safety issues, and is directly linked to the achievement of the targets associated with creating value for the Company.

The targets set for each executive director will take into account the key performance indicators and weightings established by the Board of Directors at the beginning of each year, as proposed by the Appointments and Remuneration Committee based on the Company and group budget, as well as profit targets and other individual and corporate considerations, as approved by the Board of Directors. This approach effectively incentivises the attainment of annual objectives (financial, non-financial and personal) in line with the Company's strategy.

Annual variable remuneration for each executive director may consist of an amount up to 50% of the total remuneration of the executive director in question.

In each case, the Appointments and Remuneration Committee will assess and judge the performance of executive directors in relation to the targets set to determine the degree to which they have been achieved, reporting its findings to the Board of Directors. Payment of the corresponding amount of short-term variable remuneration will therefore be subject to the Board of Directors' adequate validation of the previously defined conditions for pay-out.

8.3. Long-term variable compensation (long-term incentive plan)

For the purposes of incentivising the achievement of financial targets and the alignment of interests of the Company's executive directors, executives and key employees, executive directors are permitted to participate as beneficiaries in the long-term incentive plans as established by the Company at any given moment.

The Board of Directors has established a three-year remuneration plan for 2021, 2022 and 2023, based on the creation of value for the Company (the long-term incentive plan, or **ILP**). The ILP~~or **ILP**). The ILP~~ factors in 2023 EBITDA, as defined in the ILP at any given time, and accounts for three different scenarios. The three scenarios covered in the ILP provide that~~as defined in the ILP at any given time, and accounts for three different scenarios. The three scenarios covered in the ILP provide that~~ as at 31 December 2023, the Company records EBITDA:~~the Company records EBITDA:~~

a) of €80,000,000 or more in the Company's consolidated annual accounts ("**Scenario 1**");
b) of €70,000,000 or more, and less the €80,000,000 in the Company's consolidated annual accounts ("**Scenario 2**"); and
c) of more than €60,000,000 and less than €70,000,000 in the Company's consolidated annual accounts ("**Scenario 3**").

The total amount to be distributed among all beneficiaries of the ILP in each of the scenarios provided for is as follows:

a) Scenario 1: an amount equal to 1.1% of 2023 EBITDA
b) Scenario 2: an amount equal to 0.65% of 2023 EBITDA
c) Scenario 3: an amount equal to 0.4% of 2023 EBITDA

This total amount will be paid out to the beneficiaries in accordance with the provisions of their incentive plan participation letter. In line with the provisions of the ILP, there are three beneficiary categories (Group 1, Group 2 and Group 3), based on the maximum limit applicable to the total amounts to be received under the ILP:

a) Group 1: Up to a maximum amount equivalent to 135% of the beneficiary's fixed remuneration in 2023
b) Group 2: Up to a maximum amount equivalent to 60% of the beneficiary's fixed remuneration in 2023
c) Group 3: The same maximum amount in absolute value as the amount received by the Group 1 beneficiary receiving the highest amount.

In addition, the maximum limits stipulated in the incentive plan participation letters for each of the scenarios provided under the ILP shall also apply. ~~of €80,000,000 or more in the Company's consolidated annual accounts ("**Scenario 1**");~~
~~of €70,000,000 or more, and less the €80,000,000 in the Company's consolidated annual accounts ("**Scenario 2**"); and~~
~~of more than €60,000,000 and less than €70,000,000 in the Company's consolidated annual accounts ("**Scenario 3**").~~

~~The total amount to be distributed among all beneficiaries of the ILP in each of the scenarios provided for is as follows:~~

~~Scenario 1: an amount equal to 1.1% of 2023 EBITDA~~
~~Scenario 2: an amount equal to 0.65% of 2023 EBITDA~~
~~Scenario 3: an amount equal to 0.4% of 2023 EBITDA~~

~~This total amount will be paid out to the beneficiaries in accordance with the provisions of their incentive plan participation letter. In line with the provisions of the ILP, there are three beneficiary categories (Group 1, Group 2 and Group 3), based on the maximum limit applicable to the total amounts to be received under the ILP:~~

~~Group 1: Up to a maximum amount equivalent to 135% of the beneficiary's fixed remuneration in 2023~~

- ~~Group 2: Up to a maximum amount equivalent to 60% of the beneficiary's fixed remuneration in 2023~~
- ~~Group 3: The same maximum amount in absolute value as the amount received by the Group 1 beneficiary receiving the highest amount.~~

~~In addition, the maximum limits stipulated in the incentive plan participation letters for each of the scenarios provided under the ILP shall also apply.~~ The amount will be paid in cash; no provision has been made for payment in Company shares. The Board of Directors will determine which Group (1, 2 or 3) executive directors belong to, and will establish the maximum amount said directors will be entitled to receive under the ILP.~~The Board of Directors will determine which Group (1, 2 or 3) executive directors belong to, and will establish the maximum amount said directors will be entitled to receive under the ILP.~~

8.4. Malus and Clawback Clauses

The Board of Directors, in accordance with any proposal made by the Appointments and Remuneration Committee, has the power to cancel, reduce or defer the payment of variable remuneration (*malus*) or to demand the return of remuneration which has already been paid (*clawback*) in special circumstances. These special circumstances include fraud and serious legal violations, as well as in the event of a material restatement of the financial statements upon which the Board of Directors based the performance appraisal, provided that said financial restatement is confirmed by external auditors and is not due to a change in accounting regulations.

8.5. One-off remuneration

In certain special circumstances, the Board of Directors may establish remuneration linked to specific, previously established targets which encourage the achievement of objectives linked to said special operations. Likewise, and as an exception, the Board of Directors may establish remuneration both in consideration of exceptional achievements that have contributed decisively to the Company's results and in consideration of any drop in remuneration suffered by individuals taking on an executive director role and leaving any executive or management positions they previously held in other companies outside the Group up to the time of assuming said executive director role the Company.

Likewise, executive directors may, in addition to the amounts and items provided for in this Remuneration Policy, receive other amounts from other Group companies or their shareholders, provided that this does not entail a conflict of interest for the Company or for the performance of their duties as executive director. In said cases and specifically when executive directors receive indirect remuneration from the Company by virtue of service contracts between the Company and companies in which the executive directors have an interest, the limits stipulated herein shall also apply, specifically those provided in section 8.1. Said contracts agreed with companies in which executive directors have an interest must be approved by the Board of Directors subject to a report from the Appointments and Remuneration Committee, without prejudice to its approval as a transaction with a related party, where applicable.

8.6. Pension and other benefits

The Board of Directors may also remunerate executive directors with benefits that supplement the protection provided by the social security system: group savings insurance, pension plan, and/or life insurance.

8.7. Compensation in individual cases

Executive director contracts approved by the Board of Directors may contain provisions for severance payments related to post-contractual non-compete clauses, in accordance with standard market practice.

In each case, payments made for the termination or conclusion of the executive director's relationship with the Company, whatever their nature and justification (including amounts derived from long-term savings plans and post-contractual non-compete agreements) will not exceed the equivalent of two (2) years of annual remuneration. These amounts will not be paid until the Company has been able to sufficiently verify that the director has fulfilled the criteria or conditions established for their receipt.

8.8. Main terms and conditions of executive director contracts

Executive director remuneration, rights and financial compensation are determined in the individuals' respective contracts, always respecting the provisions of the Articles of Association and the Remuneration Policy.

Contracts signed with executive directors are permanent contracts: They require no notice period from the Company in the event of severely fraudulent and culpable conduct on the part of the executive director, or three (3) months in other cases, and include clauses on confidentiality, use of Company resources and ethical duties.

9. Other considerations

The Company has taken out, and pays the full premium for, a civil liability insurance policy for Directors and Officers at Ecoener and most of the companies belonging to the group which also covers all directors for any potential liabilities deriving from their performance of the activities inherent to their duties.

10. Remuneration policy applicable to new directors

The remuneration system described above shall apply to any director who joins the Board of Directors while this Remuneration Policy remains in place.

Approval: approved by the sole shareholder, Ecoener, SLU on 9 April 2021.

Amendment 1: amendment of section 5, article 8 (*One-off remuneration*), approved by the Annual General Meeting on 29 October 2021.

Amendment 2: amendment of section 8, article 8 (*Long-term variable compensation (long-term incentive plan)*), approved by the Annual General Meeting on [29 April 2022].

~~**Amendment 2**: amendment of section 8, article 8 (*Long-term variable compensation (long-term incentive plan)*), approved by the Annual General Meeting on [29 April 2022].~~

Annex II

Report by the Appointments and Remuneration Committee on the Grupo Ecoener, S.A. Director Remuneration Policy for the financial years 2021-2023

GRUPO ECOENER, S.A.

APPOINTMENTS AND REMUNERATION COMMITTEE

SPECIFIC REPORT ON THE PROPOSAL TO AMEND THE GRUPO ECOENER, S.A. DIRECTOR REMUNERATION POLICY FOR THE 2021-2023 FINANCIAL YEARS

(1) Introduction

In accordance with current legal provisions, listed companies are required to prepare and submit for the approval of the Annual General Meeting any proposals to approve, amend or replace the Director Remuneration Policy.

At its meeting held on 9 April 2021, the Annual General Meeting of Grupo Ecoener, S.A. (hereinafter, the "**Company**" or "**Ecoener**") approved the Director Remuneration Policy for the 2021-2023 financial years (the "**Remuneration Policy**"). At that time, the Company did not yet have an Appointments and Remuneration Committee. For this reason, subsequently, and in order to duly comply with the regulations applicable to the Company, the Appointments and Remuneration Committee ratified – by way of the applicable resolutions and issuance of the corresponding report – the entire contents of the Remuneration Policy at its meeting held on 10 June 2021.

On 29 October 2021, the Company's Extraordinary General Shareholders' Meeting approved, as a separate item on the agenda and at the proposal of the Board of Directors, the amendment to section 8.5 of the Remuneration Policy regarding the remuneration of Executive Directors ("*Extraordinary Remuneration*").

On 24 February 2022, the Company's Board of Directors approved, following a favourable report from this Committee, the amendment to the Company's long-term incentive scheme for Executive Directors and certain directors of the Company (the "**Long-Term Incentive Scheme**" **or the** "**Scheme**"). In view of the need to adapt the text of the Remuneration Policy to reflect the changes made to the Long-Term Incentive Scheme, an amendment to the Remuneration Policy is going to be proposed to the Board of Directors in the terms detailed below, with the subsequent preparation of this report.

(2) Basis of authority

In accordance with Article 529 *novodecies* 4 of the Corporate Enterprises Act, the Appointments and Remuneration Committee is responsible for issuing this report regarding the amendment of the Remuneration Policy by the Board of Directors in order to propose it to the Annual General Meeting, which is legally responsible for its approval (the "**Report**").

(3) Report

The Remuneration Policy currently in force establishes that, in order to encourage the achievement of financial targets and the alignment of the long-term interests of the Executive Directors, their participation as beneficiaries in the long-term incentive schemes implemented by the Company at any given time is permitted.

It is proposed to amend section 8.3. of the Remuneration Policy regarding the remuneration of Executive Directors ("*Long-term variable remuneration (long-term incentive scheme)*") to reflect the current wording of the Long-Term Incentive Scheme as a result of the amendment referred to in section (1) of this Report.

The purpose of amending the Long-Term Incentive Scheme is to make the Scheme more flexible to encourage fulfilment of the Company's financial targets. In particular, in the new wording of the Scheme: (i) three (3) different scenarios are covered to determine the amount of the incentive to be distributed among the beneficiaries of the Scheme, based on the EBITDA figure corresponding to 2023; (ii) different percentages (%) of the EBITDA to be distributed in each scenario are included; and (iii) a distinction is made between three (3) different groups of beneficiaries, who will be entitled to receive different maximum amounts based on their fixed remuneration and the EBITDA figure achieved by the Company.

In consideration of the foregoing and after analysing the need to adapt the content of the Remuneration Policy, the Appointments and Remuneration Committee considers that the content of the Remuneration Policy should be amended.

(4) Conclusion

In accordance with what is stated in this Report, the Company's Appointments and Remuneration Committee considers the proposal to amend the current Remuneration Policy to be appropriate given the need to adjust its wording to the provisions of the Company's Long-Term Incentive Scheme, as modified by resolution of the Company's Board of Directors at its meeting on 24 February 2022.

In view of the foregoing, the Appointments and Remuneration Committee agrees to submit to the Board of Directors this specific favourable report on the amendment to the Director Remuneration Policy for the 2021-2023 financial years, which is attached in its new wording as an **Annex**, and issues this Report for the appropriate purposes.

In witness whereof and for the applicable purposes, this Report and its annex are hereby unanimously approved at the meeting of the Appointments and Remuneration Committee held on 17 March 2022 by all its members.

Ms. María Eugenia Girón

Mr. Fernando Lacadena Azpeitia

Ms. Inés Juste Bellosillo