

GRUPO ECOENER, S.A.

BOARD OF DIRECTORS

**REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSED RESOLUTION RELATING TO THE EIGHTH ITEM ON THE AGENDA ("AUTHORISATION, WHERE APPLICABLE, FOR THE BOARD OF DIRECTORS, WITH EXPRESS POWERS OF DELEGATION, TO APPROVE ON ONE OR MORE OCCASIONS FIXED INCOME SECURITY ISSUANCE PROGRAMMES AND ISSUE, ON ONE OR MORE OCCASIONS, FIXED INCOME SECURITIES (INCLUDING PROMISSORY NOTES, OBLIGATIONS AND BONDS) UNDER SAID PROGRAMMES, FOR A MAXIMUM PERIOD OF FIVE YEARS AND UP TO A MAXIMUM AMOUNT OF 150 MILLION EUROS, WITH THE POWER TO ESTABLISH THE CRITERIA FOR THEIR ISSUE")**

**1. Report Purpose**

The purpose of this report is to justify the proposal that the Board of Directors of Grupo Ecoener, S.A. (the "**Company**" or "**Ecoener**") submits to the Annual General Meeting which, under item eight on the agenda, grants powers to the Board of Directors, in accordance with Article 18 of the Company's Articles of Association and in accordance with the provisions of Articles 401 to 413 of the Spanish Corporate Enterprises Act and the provisions of Article 319 of Royal Decree 1784/1996 of 19 July, approving the Commercial Registry Regulations, so that it can agree on one or more occasions the approval of fixed income security issuance programmes and the issue of fixed income securities or debt instruments of a similar nature (including, but not limited to, promissory notes, obligations and bonds) under the same, under the following terms and conditions, without prejudice to the power of the Board of Directors to determine or modify the specific terms and conditions of each programme and its respective issues.

The Company's Board of Directors states that the securities that would be issued under the proposed resolution, where applicable, would under no circumstances be convertible or exchangeable.

**2. Proposal justification**

The Board of Directors considers it highly advisable to have the delegated powers permitted under current regulations in order to at all times be in a position to raise on the primary securities markets the funds that are necessary to adequately manage the Company's interests as an alternative to bank financing.

From this perspective, the purpose of the proposed delegation is to give the Company's management body the room for manoeuvre and responsiveness required in the competitive environment in which the Company operates, in which the success of a strategic initiative or a financial operation frequently depends on the possibility of carrying it out quickly, without the delays and costs involved in calling and holding an Annual General Meeting.

In view of the foregoing, it is considered appropriate to have this authorisation in place so that the Board of Directors can have the delegated powers provided for under current regulations in relation to the issue of debt instruments. In this way, the Company's Board of Directors will have the appropriate legal mechanism that allows it, if necessary or advisable, to raise additional funds on the market under the most advantageous conditions possible, in order to implement the financing policy of the Company and its group.

To this end, it is proposed that the Annual General Meeting that is expected to be held on 29 April on first call, or on 30 April on second call, adopts the resolution formulated under the eighth item on the agenda for the issue, one or more times, of obligations, bonds, promissory notes and other fixed income securities of a similar nature.

To allow the shareholders to better evaluate the scope of the authorisation requested from the Annual General Meeting, the proposed delegation to the Board of Directors is quantitatively limited. The Board of Directors considers that the limit and term of the authorisation requested from the Annual General Meeting is reasonable and broad enough to allow for the necessary funds to be raised on the capital market, in the context of the financing needs expected for compliance with the current strategic plan.

The proposal establishes a (i) maximum aggregate amount of the issues under the delegation of 150 million euros or the equivalent in another currency and the proposed resolution, which includes the criteria for determining the bases and modalities of each issue, allows the Board of Directors to specify some of these bases and modalities for each issue, always within the limits and in accordance with the criteria set by the Meeting, and (ii) a maximum term of five years from the date the resolution is adopted by the Annual General Meeting. Consequently, it will be the Board of Directors that determines some of the different aspects such as the par value, the type of issue, the premiums or currency, as well as the redemption conditions of the securities issued as a result of this authorisation (without prejudice to the fact that the Annual General Meeting may subsequently revoke or nullify the resolution that is approved or adopted).

The proposal is completed with the request that the securities issued under this authorisation, where applicable, be admitted to trading on any secondary market or trading centre, organised or not, official or not, domestic or foreign, authorising the Board of Directors to carry out the pertinent procedures for such purpose.

Finally, in relation to the guarantee of the issues, the proposal includes the authorisation for the Board of Directors to guarantee, on behalf of the Company, the new issues of securities that may be carried out by its subsidiaries.

### **3. Proposed resolution submitted to the Annual General Meeting**

The full text of the proposed resolution on the approval of fixed income security issuance programmes and the issue of fixed income securities or debt instruments of a similar nature (including, but not limited to, promissory notes, obligations and bonds) under the same is provided below:

***“Authorization, where applicable, for the Board of Directors, with express powers of delegation, to approve on one or more occasions fixed income security issuance programmes and to issue, on one or more occasions, fixed income securities (including promissory notes, obligations and bonds) under said programmes, for a maximum period of five years and up to a maximum amount of 150 million euros, with the power to establish the criteria for their issue.*”**

*Proposed resolution:*

*To authorise the Board of Directors, in accordance with Article 18 of the Articles of Association of Grupo Ecoener, S.A. (the "Issuer") and in accordance with the provisions of Articles 401 to 413 and 510 of Royal Legislative Decree 1/2010 of 2 July, approving the restated text of the Spanish Corporate Enterprises Act (the "LSC") and the provisions of*

Article 319 of Royal Decree 1784/1996 of 19 July, approving the Commercial Registry Regulations, so that it can agree on one or more occasions the approval of fixed income security issuance programmes and the issue of fixed income securities or debt instruments of a similar nature (including, but not limited to, promissory notes, obligations and bonds ) under the same, under the following indicative terms and conditions, without prejudice to the power of the Board of Directors to determine or modify the specific terms and conditions of each programme and its respective issues:

1. Securities that fall within the scope of the issue: the securities covered by this authorisation are fixed income securities (including, but not limited to, promissory notes, debentures and bonds). The delegation includes the power to establish and/or renew programmes for the continuous or open issuance of promissory notes, debentures, bonds and other fixed income securities of a similar nature, under these or other designations.
2. Maximum amount of the delegation: the maximum total amount of the issue or issues of securities to be agreed under this delegation resolution will be one hundred and fifty million euros (€150,000,000.00) in circulation at any given time or its equivalent in any other currency.
3. Scope of the authorisation: this authorisation extends, as broadly as may be required by law, to the setting of the various aspects and conditions of each issue, including, but not limited to, the nominal value, the type of issue, the premiums and exercise price, the redemption price, the currency of each issue, the form of representation, the interest rate, redemption, anti-dilution clauses, subordination clauses, issue guarantees, the place of issue, the placement and underwriting system, admission to trading, applicable law, etc., and, in general, any other terms and conditions of the issues, as well as, where appropriate, appointing the commissioner and approving the fundamental rules governing the legal relations between the Issuer and the syndicate of holders of the securities to be issued, in the event that it is necessary or the decision is taken to form such syndicate, and the performance of such acts and formalities as may be necessary, including those provided for by legislation governing the securities market or capital companies, for the execution of the specific issues that may be agreed under this delegation of powers.

The delegation also includes the attribution to the Board of Directors of the Issuer of the power, in each case, to decide on the conditions for the redemption of the fixed income securities issued under this authorisation, being able to use, to the extent applicable, the redemption procedures referred to in Article 430 of the LSC or any others that may be applicable. The Board of Directors is authorised, when it deems appropriate, and subject to obtaining the necessary official authorisations and, where appropriate, the approval of the assemblies of the corresponding syndicates or bodies representing the holders of the securities, to modify the conditions for the redemption of the fixed income securities issued and their respective term and the interest rate, if any, accrued by the securities included in each of the issues made under this authorisation.

Furthermore, the delegation to the Board of Directors includes the broadest powers required by law for the interpretation, application, execution and implementation of the aforementioned resolutions to issue securities, on one or more occasions, also granting it powers to correct and supplement them as necessary, as well as to

*comply with any requirements that may be legally mandated to bring them to a successful conclusion, and to correct any omissions or defects in such resolutions, as indicated by any national or foreign authorities, public officials or bodies, also being empowered to adopt such resolutions and execute such public or private documents as it may deem necessary or advisable in order, where appropriate, to adapt the aforementioned resolutions for the issue of securities to the oral or written classification of the commercial registrar or, in general, of any other competent national or foreign authorities, officials or institutions.*

4. *Admission to trading: the Issuer will request, where applicable, that the securities issued by the Issuer under this delegation, be admitted to trading on official or unofficial, organised or not, national or foreign, secondary markets.*

*The Board of Directors is authorised, with powers of delegation to any of its members, the legal representatives of the Issuer or such persons as the Board of Directors deems appropriate, as broadly as legally necessary, to carry out the formalities and actions necessary for the admission to trading of the securities issued by the Issuer by virtue of this delegation before the competent bodies of the various national or foreign securities markets, subject to the rules on admission, continued listing and, as the case may be, delisting.*

5. *Guarantee of securities issues by subsidiaries: the Board of Directors is also authorised to guarantee on behalf of the Issuer, within the aforementioned limits, the new securities issues that are carried out by its subsidiaries during the term of this resolution.*
6. *Term of the delegation: the issue of the securities covered by this authorisation may be carried out on one or more occasions within a maximum period of five (5) years as from the date that this resolution is approved, at the end of which time it shall be cancelled due to forfeiture in the part that has not been exercised.*
7. *Delegation of powers: empower the Board of Directors to delegate the powers granted to it by the General Meeting in relation to this resolution, in favour of any of its members, the legal representatives of the Issuer or such persons as the Board of Directors deems appropriate, with express powers of delegation, pursuant to the provisions of Article 249.2 of the LSC, expressly avoiding any potential conflicts of interest, multi-representation or self-contracting in which they may incur.*

*This authorisation for the Board of Directors also includes, without limitation, the delegation to the Board of Directors of the broadest powers required by law to interpret, apply, implement and develop the resolutions relating to the issues of fixed income securities, as well as the power to correct and supplement the resolutions in all aspects as required and to comply with all legal provisions necessary for their execution. To this end, the Board of Directors may remedy any omissions or defects in the resolutions relating to issues of fixed income securities and may also adopt such resolutions and execute such public or private documents as it deems necessary or advisable.”*