

**ENCE ENERGÍA Y CELULOSA, S.A.** (the “**Company**”), pursuant to article 228 of the Securities Market Act, proceeds under this letter to communicate the following:

### RELEVANT EVENT

The Ordinary Annual Shareholders’ Meeting of the Company held on second call at 12:30 of today’s date, has approved all the resolutions of the agenda, in the terms specified in Appendix I to this document.

Additionally, the Board of Directors of the Company, in today’s session, has resolved the re-election of the Board’s and its commissions’ positions, as specified in Appendix II to this document.

The Board’s and its commissions’ structure and positions distribution after the above mentioned Ordinary Annual Shareholders’ Meeting’ and Board of Directors’ agreements are the one specified in Appendix III to this document.

In Madrid, on 30 March 2017.

## APPENDIX I

### AGREEMENTS OF THE ORDINARY ANNUAL SHAREHOLDERS' MEETING HELD ON 30 MARCH 2017

#### Agreement on the First point of the Agenda:

To approve the individual and consolidated financial statements of ENCE ENERGÍA Y CELULOSA, S.A. and its subsidiaries, and the respective directors' reports for the financial year ending on 31 December 2016, as prepared by the Board of Directors of the Company at its meeting held on 27 February 2017.

#### Agreement on the Second point of the Agenda:

To approve the appropriation of profit for the financial year ending on 31 December 2016, in the amount of €37,957,029 as follows:

##### Basis of appropriation:

Profit for the year: €37,957,029

##### Appropriation:

To unrestricted reserves: €1,848,155

To dividend payout: €19,427,878

- Interim dividend agreed on 22 November 2016: €7,824,878
- Supplementary dividend: A complementary dividend at a rate of 0.0473 euros gross per share of ENCE ENERGÍA Y CELULOSA, S.A. with the right to receive it and which is in circulation on the date on which the corresponding payment is made (maximum total amount: € 11,603,000).

The supplementary dividend will be paid in cash on 18 April 2017. Parties appearing as shareholders of ENCE ENERGÍA Y CELULOSA, S.A. at the close of trading on 11 April 2017 in the accounting records of the member companies of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR) will be eligible to receive the dividend. Any legally required withholdings will be applied to the gross amounts.

Offsetting accumulated losses: €16,680,996

(Remaining amount of income for the year after previous distributions)

#### Agreement on the Third point of the Agenda:

To approve the Board of Directors' management of the Company and performance during the financial year ending on 31 December 2016.

#### Agreement on the Fourth point of the Agenda:

- A) To re-elect Ignacio de Colmenares Brunet to the Board of Directors of the Company, as an executive director for the statutory period of three years as of the approval of this resolution.

- B) To re-elect Pedro Barato Triguero to the Company's board of directors as an independent director for the statutory period of three years as of the approval of this resolution.
- C) To re-elect Pascual Fernández Martínez to the Company's board of directors as proprietary director for the statutory period of three years as of the approval of this resolution.
- D) To re-elect Víctor Urrutia Vallejo to the Company's board of directors as proprietary director for the statutory period of three years as of the approval of this resolution.
- E) To re-elect Mendibea 2002, S.L. as a member of the board of directors of the Company in the capacity of proprietary director for the statutory period of three years as of the approval of this resolution, and acknowledgement of the permanence of Ignacio Comenge Sánchez-Real as the natural person representing said director.

### **Agreement on the Fifth point of the Agenda:**

To re-elect PricewaterhouseCoopers Auditores, S.L., with registered business address in Madrid at Paseo de la Castellana 259B, Torre PwC; and tax identification code (CIF) B-79031290 as auditors of the Company and its Consolidated Group for a period of 1 year.

The Company's board of directors is hereby authorised to carry out the arrangement or delegate such arrangement to the executive committee or CEO, of the corresponding service agreement with PricewaterhouseCoopers Auditores, S.L. for the aforementioned term and according to the applicable terms, conditions and clauses.

### **Agreement on the Sixth point of the Agenda:**

- A) To reduce the share capital of Ence Energía y Celulosa, S.A. by €3,600,000 through the amortization of 4,000,000 treasury shares of 0.9 euro nominal value per share.

This reduction is in execution of the Share Buyback Program approved by the Board of Directors on 23 June 2016 and based on the figure authorised by the General Shareholders' Meeting at its moment.

The reduction in capital will be made against the unrestricted reserves through the provision of a reserve in amortized capital of €3,600,000 (amount equal to the nominal value of the amortized shares), which will only be available under the same requirements applicable for share capital reduction, pursuant to article 335 c) of the Corporate Enterprises Act.

Consequently, and in keeping with the provisions therein, the creditors of the Company will not be entitled to challenge insofar as the agreed capital reduction as stipulated in article 334 of the Corporate Enterprises Act. Given that the purpose of the reduction is to amortize treasury shares of which the Company is proprietor, the reduction will entail no return of contributions to partners.

Execution of the reduction resolution will amend articles 5 and 6 of the bylaws insofar as the figure pertaining to share capital, which will be worded as follows:

“Article 5.- Share Capital.

The Company's share capital is €221,645,250 fully subscribed and paid up.”

“Article 6.- Shares.

The share capital comprises 246,272,500 shares, each pertaining to a single class with a nominal value of €0.90 and represented by book entries.

The 246,272,500 shares constituting the share capital, represented by book entries, are considered to be marketable securities and are governed by securities market regulations.”

- B)** To vest the board of directors with sufficient powers so that the present resolution can be executed within a term of 30 days, in addition to determining any steps not been expressly contemplated in the present resolution or that may be a consequence hereof, and adopting the agreements, taking the pertinent actions and publicly or privately rendering the documents that may be necessary or appropriate for the most comprehensive execution of the present resolution, including yet not restricted to the publication of announcements that might be required by law and the undertaking of requests and notifications that may be necessary to exclude the amortized shares from the stock listing. In this regard, these powers may be delegated by the board of directors to the executive committee, chairman of the board, CEO or secretary of the board of directors, or to any other person to whom the board of directors wishes to grant powers.

**Agreement on the Seventh point of the Agenda:**

- A)** To authorise the acquisition of treasury shares through purchase-sale or other legal onerous title by the Company, either directly or through any of its subsidiaries of which the Company is the parent entity, as provided for under articles 146 and subsequent articles, and article 509 of the Corporate Enterprises Act, at any moment and for as many instances as deemed appropriate.

The minimum price or consideration for acquisition will be the equivalent of the nominal value of the acquired treasury shares and the maximum price or consideration will be equivalent of the listed value of the acquired treasury shares on an official secondary market at the time of acquisition.

This authorisation is granted for a term of five years as of the date of the present Meeting and is expressly subject to the limitation that the sum of the nominal value of the treasury shares acquired through the discharge of this authorisation and of the shares already held by Ence Energía y Celulosa, S.A. and any of its subsidiaries (for which the company is the parent entity) may at no time whatsoever exceed the maximum figure permitted by law at any given time.

- B)** To authorise the board of directors to execute the derivative acquisition of the treasury shares of Ence Energía y Celulosa, S.A. in the contemplated terms, and to allocate, whether fully or partially, the already acquired and to-be-acquired treasury shares to disposal or amortization by virtue of the previous authorisation, or the execution of the remuneration systems that consist and exist for the purpose of delivering shares or stock options on the shares of Ence Energía y Celulosa, S.A. to workers and directors in accordance with section 1.a) under article 146 of the Corporate Enterprises Act; and dividend reinvestment plans or similar shareholder remuneration instruments.

- C) To nullify the unused portion of the motion adopted in this regard by the general shareholders' meeting of the Company held on 24 July 2012, regarding the Third item in the Agenda thereof.

**Agreement on the Eighth point of the Agenda:**

The Board of Directors is hereby authorised, pursuant to the general framework governing bond issues, to issue marketable fixed-income securities or debt securities of a similar nature, including preference shares, as well as swappable or share-convertible fixed-income securities with, in the latter case, the power to withdraw preferential subscription rights. This includes the authorisation for the Company to furnish guarantees on issues of the aforementioned securities by Group companies under the following conditions:

1. Securities issued. The marketable securities covered by this authorisation may be debentures, bonds and other similar fixed income securities, both simple and exchangeable for outstanding shares of the Company or convertible into newly issued shares of the Company as well as warrants (options to subscribe or to acquire new or old shares of the Company). This authorisation may also be used to issue promissory notes and preference shares.
2. Term for delegation of authority. The securities may be issued in one or several stages, at any time, within the maximum period of five years starting on the date on which this resolution is adopted.
3. Maximum amount. The maximum total amount of the issue or issues of securities agreed upon pursuant to this authorisation will be €500 million or the equivalent thereof in another currency.

For the purpose of calculating the aforementioned limit, in the case of the promissory notes, the outstanding balance of those issued under the authorisation will be used; in the case of the warrants, the sum of the premiums and exercise prices of the warrants for the issues agreed upon under this authorisation will be used.

4. Scope of delegation of authority. By way of example and not limitation, the Board of Directors will be responsible for determining, for each issue, the amount (at all times within the applicable quantitative limits), the location of the issue (whether in Spain or abroad), and the currency, and in the event that the issue is in a foreign currency, its equivalence in euros; the format, whether bonds or debentures, including subordinated, warrants (which may in turn be settled by physical delivery of shares, or, where appropriate, by differences), or any other legally recognised security; the date or dates of the issue; the number of securities and their nominal value, which, in the case of convertible/exchangeable debentures or bonds, will not be lower than the nominal value of the shares. In the case of warrants and similar securities, it will be responsible for determining the price of the issue and/or premium, the strike price (which may be fixed or variable) and the procedure, timeline and other conditions applicable to subscription rights related to the underlying shares, or, where appropriate, the exclusion of said rights. It will also determine the interest rate (whether fixed or variable), dates and procedures for coupon payment; the perpetual or redeemable nature of the issue, and, in the case of the latter, the redemption period and date of maturity; the guarantees, the type of repayment, the batches and the premiums; the form of representation (whether by certificates or book-entry ledger); and, if applicable, the preferential subscription right and subscription regime; and laws applicable to the issue. In addition, it may request, where needed, admission to trading in official or unofficial secondary markets, whether organised or not, Spanish or foreign, for securities issued with the legal requirements stipulated in each

case, and, in general, any other condition of an issue (including its subsequent modification). Where appropriate, it may appoint a Trustee and approve the basic rules governing legal relations between the Company and the syndicate of holders or the securities issued.

Likewise, the Board of Directors is empowered, when deemed appropriate, and subject to obtaining the applicable approvals and agreement from the assemblies of the relevant syndicates of asset holders, to modify the conditions of the redemption of the issued fixed income securities and their respective terms and interest rates which, where appropriate, result from each of the issues carried out under this authorisation.

5. Conversion and/or exchange methods and rules. With regard to the issue of the debentures or bonds convertible into new shares of the Company or exchangeable for outstanding shares of the Company, and for the purpose of determining the methods and rules of the conversion and/or exchange, the following criteria are hereby established:

- (i) The Securities will be convertible to the shares of the Company or exchangeable for outstanding shares pursuant to a determined or determinable, fixed or variable, conversion and/or exchange ratio. The Board of Directors is empowered to determine if the securities are convertible or exchangeable, as well as if they are voluntarily or mandatorily convertible or exchangeable. If they are voluntarily convertible or exchangeable, the Board may determine if this is an option of the holder or the issuer, as well as the periodicity and length of time, which will be established in the share agreement and may not exceed 15 years as of the date of issue.
- (ii) If the issue is convertible and exchangeable, the Board may also resolve that the issuer reserves the right to choose at any time between a conversion to new shares or their exchange for outstanding shares, specifying the nature of the shares to be delivered when the conversion or exchange takes place. It may also elect to deliver a combination of newly issued shares and pre-existing shares, or even to settle the differences in cash. In all events, the issuer must respect the principle of equal treatment among all fixed income securities holders who convert and/or exchange their securities on a given date.
- (iii) For the purposes of the conversion or exchange, fixed-income securities will be valued at their nominal value and shares at the fixed ratio determined by the Board in the resolutions in which it avails itself of this authorisation, or at a ratio to be determined on the date or dates indicated in said resolution, and depending on the stock market price of the Company's shares on the date or dates or in the period or periods used as a reference in the same resolution, with or without a discount, and subject invariably to a minimum of whichever is highest between the two following: (i) the average exchange/conversion value of the shares on the Continuous Market of Spanish stock exchanges, based on the closing price, for a period to be determined by the Board of Directors, and not more than three months or less than fifteen days prior to the date on which the Board of Directors adopts the share agreement relative to the fixed income securities, and (ii) the exchange/conversion value of the shares on the Continuous Market based on the closing price on the day preceding the adoption of the aforementioned share agreement.
- (iv) At the time of the conversion or exchange, the fractions of shares payable to the holders of fixed-income securities will by default be rounded down to the nearest whole number, and each holder will receive any resulting difference in cash.

- (v) Article 415 of the Spanish Corporate Enterprises Act stipulates that the share price for the purpose of the conversion ratio of bonds for shares may not, in any event, be less than their nominal value.

When resolving to carry out an issue of convertible bonds pursuant to the authorisation conferred by the Meeting, the Board of Directors shall issue a report developing and establishing, in light of the criteria detailed above, the methods and rules of the conversion specifically applicable to said issue. This report shall be submitted along with the audit report set forth in Articles 414 and 511 of the Spanish Corporate Enterprises Act.

6. Rights of holders of convertible securities. As long as it is possible to convert or exchange the convertible securities to shares, the holders thereof will enjoy all the rights recognised in current regulations.

7. Capital increase and withdrawal of the preferential subscription rights in convertible securities. The delegation of authorisation in the Board of Directors also comprises, by way of example and not limitation, the following powers:

- (i) The power of the Board of Directors to withdraw, in whole or in part, shareholders' preferential subscription rights when so required because of the raising of financing on domestic or international markets in order to employ demand-projection techniques or when in any other manner so justified by the Company's interests. The maximum limit of this power will be the amount equal to 20% of the Company's share capital. In this case, the Board will issue, at the time of the adoption of the share agreement, a report explaining the specific corporate interests that justify this measure, which will be covered by the required audit report, in accordance with Articles 414 and 511 of the Spanish Corporate Enterprises Act. Both reports shall be made available to the shareholders and submitted at the first General Meeting held after the adoption of the share agreement.
- (ii) The power to increase capital by the amount necessary to meet requests for conversion relative to newly issued shares. This power may be exercised only if the sum of the capital increase carried out by the Board for the issue of convertible bonds or debentures, warrants and other similar securities plus any other capital increases agreed pursuant to the authorisations granted by the Meeting does not exceed the limit of one half of the share capital set forth in article 297.1.b) of the Spanish Corporate Enterprises Act. This authorisation to increase share capital includes an approval to issue and put into circulation, in one or more stages, the number of shares necessary to execute the conversion as well as approval to amend the article of the bylaws relative to total share capital, and, if applicable, to cancel the portion of said increase not necessary to carry out the conversion.
- (iii) In accordance with the criteria set forth in item 5 above, the power to develop and establish the rules for the conversion or exchange and, in general, the power to determine how many cases and conditions are necessary or appropriate for the issue.
- (iv) The delegation of powers in the Board of Directors encompasses the broadest powers which under Law may be necessary for the interpretation, application, execution and development of the agreements on the issuance of securities convertible or exchangeable into shares of the Company, on one or more occasions, and the accompanying capital increase. Similarly, the Board is granted powers to correct or supplement those agreements in any matters necessary, as well as to effect compliance with any legal requirements expedient to complete them, including the authority to correct omissions or defects within said agreements, indicated by any authorities, public servants or entities, whether Spanish or foreign. The Board is also authorised to enact any agreements and

provide any public or private documents deemed necessary or pertinent to adapt the foregoing agreements on the issuance of convertible or exchangeable securities and the corresponding capital increase to the verbal or written assessment of the Companies Registry, and, in general, of any other relevant authorities, public servants or institutions, whether Spanish or foreign.

The Board of Directors will inform the General Meetings held by the Company on the use of the authorisations delegated in this agreement until that moment.

8. Admittance for trading. By virtue of the delegation of authority, the Board of Directors is empowered, when the case may arise, to admit to trading—in official or unofficial secondary markets, organised or not, Spanish or foreign—the debentures, bonds, warrants, preference shares, promissory notes and any other securities issued by the Company by virtue of the authority delegated, and in such an event it will carry out the procedures and actions with the pertinent bodies in Spanish and foreign securities markets as required to permit their admission to trading.

9. Guarantee of issuances by Group companies. The Board of Directors is also authorised to guarantee, on behalf of the Company, and within the limits set forth above, the issuance of the securities indicated in item 1 above by companies belonging to its Group.

10. Substitution in the Executive Committee. The Board of Directors is authorised to delegate to the Executive Committee the delegated powers referred to in this resolution.

This resolution nullifies the unused portion of the authorisation to issue debentures or bonds and other similar fixed income securities granted for said purpose to the Board of Directors by the General Shareholders' Meeting held on 28 April 2015, in item ten of the agenda.

### **Agreement on the Ninth point of the Agenda:**

Notwithstanding the authorisations delegated in the preceding resolutions, a resolution is hereby adopted to:

A) Expressly delegate authorisation to the Board of Directors, with the full legally required scope, to:

1.- To interpret, clarify, specify, complete or correct the resolutions adopted by this General Shareholders' Meeting or those resolutions set forth in any deeds or documents granted for executing said resolutions, and in particular all omissions, defects or errors of form or substance that may impede the access of these resolutions and of the consequences thereof to the Companies Registry.

2.- To answer all questions that may arise with regard to the resolutions adopted by this General Shareholders' Meeting.

3.- To carry out all legal transactions necessary or advisable to execute the resolutions adopted by this General Shareholders' Meeting, executing as many notarially or non-notarially recorded documents of these resolutions as they deem necessary or advisable.

4.- To delegate to one or more of its members, jointly or jointly and severally, or to the Executive Committee, with powers of substitution, all or some of the powers that it deems appropriate of those corresponding to the Board of Directors and all of those powers conferred on it by this General Shareholders' Meeting.

B) To empower expressly, and as broadly as required under the law, the Chairman of the Board of Directors, the Chief Executive Officer and the Secretary of the Board of Directors, so that,



indistinctly and solely with their signature and in due observance of the resolutions adopted by this General Shareholders' Meeting, they may have said resolutions put in the form a notarial instrument, with special authorisation for all arrangements necessary to carry out and comply with said resolutions; to execute all notarially or non-notarially recorded documents necessary and to take any action deemed necessary or appropriate for the achievement of said purpose, including the publication of legal announcements, vis-à-vis any public or private bodies or agencies for the purposes of registering the documents in the Companies Register and other public registers, as applicable, and with the power to draw up documents for the purpose of ratification, rectification, correction and clarification, following verbal suggestions or written appraisals by the Companies Register - and also with the power to apply for partial entry of the documents for registration - and by the National Securities Market Commission and any other official body whether public or private; to make any relevant arrangements with the bodies in order to implement and achieve the approved resolutions and to process files and documentation of any type required by the National Securities Market Commission and other public or private bodies; and in general to carry out any action required in relation to the resolutions adopted by this General Meeting.

**Agreement on the Tenth point of the Agenda:**

To approve the 2016 annual report on remuneration, approved by the Board of Directors and made available to shareholders along with the remaining documentation of the General Meeting since the date of the meeting notice.

### APPENDIX II

#### AGREEMENTS OF THE BOARD OF DIRECTORS HELD ON 30 MARCH 2017

- Approval of the re-election of Mr. Ignacio de Colmenares Brunet as Vice-chairman of the Board of Directors, Chief Executive Officer (with the delegation of all the powers of the Board of Directors, except those that cannot be delegated by law, bylaws, or pursuant to the provisions of the Regulations of the Board of Directors), member of the Executive Commission and member of the Forestry and Regulatory Policy Advisory Commission.
- Approval of the re-election of Mr. Pedro Barato Triguero as member of the Executive Commission and member of the Appoint and Remuneration Commission and his appointment as President of the Forestry and Regulatory Policy Advisory Commission.
- Approval of the re-election of Mr. Pascual Fernández Martínez as member and Secretary of the Appoint and Remuneration Commission and member of Forestry and Regulatory Policy Advisory Commission.
- Approval of the re-election of Mr. Víctor Urrutia Vallejo as member of the Executive Commission.
- Approval of the re-election of Mendibea 2002, S.L. (represented by Mr. Ignacio Comenge Sánchez-Real) as member of the Audit Committee.
- Approval of the appointment of Mr. José Carlos del Álamo Jiménez as President of the Appoint and Remuneration Commission.

**APPENDIX III**  
**STRUCTURE AND POSITIONS DISTRIBUTION OF THE BOARD AND ITS REGULATORY COMMISSIONS**

**BOARD OF DIRECTORS**

Nombre	Cargo	Tipo de Consejero
Mr. Juan Luis Arregui Ciarsolo	Chairman	Proprietary
Mr. Ignacio de Colmenares Brunet	Vice-chairman and Managing Director	Executive
Mr. Javier Echenique Landiribar	Director	Other external
Mendibea 2002, S.L. (represented by Mr. José Ignacio Comenge Sánchez-Real)	Director	Proprietary
Mr. Pascual Fernández Martínez	Director	Proprietary
Retos Operativos XXI, S.L.(represented by D. Óscar Arregui Abendivar)	Director	Proprietary
Mr. Víctor Urrutia Vallejo	Director	Proprietary
Mr. Luis Lada Díaz	Director	Independent
Mrs. Isabel Tocino Biscarolasaga	Director	Independent
Mr. José Carlos del Álamo Jiménez	Director	Independent
Mr. José Guillermo Zubia Guinea	Director	Independent
Mr. Pedro Barato Triguero	Director	Independent
Mr. Fernando Abril-Martorell Hernández	Director	Other external
Mr. José Antonio Escalona de Molina	Secretary	Non-member

## EXECUTIVE COMMISSION

Nombre	Cargo	Tipo de Consejero
Mr. Juan Luis Arregui Ciarsolo	Chairman	Proprietary
Mr. Ignacio de Colmenares Brunet	Chair	Executive
Mr. Javier Echenique Landiribar	Chair	Other external
Mr. José Guillermo Zubia Guinea	Chair	Independent
Mr. Pedro Barato Triguero	Chair	Independent
Mr. Fernando Abril-Martorell Hernández	Chair	Other external
Mr. Víctor Urrutia Vallejo	Chair	Proprietary
D. José Antonio Escalona de Molina	Secretary	Non-member

## AUDIT COMMITTEE

Nombre	Cargo	Tipo de Consejero
Mr. José Guillermo Zubia Guinea	Chairman	Independent
Mr. Javier Echenique Landiribar	Chair	Other external
Mendibea 2002, S.L. (represented by Mr. José Ignacio Comenge Sánchez-Real)	Chair	Proprietary
Mr. Luis Lada Díaz	Chair	Independent
Mrs. Isabel Tocino Biscarolasaga	Secretary	Independent

## APPOINTMENTS AND REMUNERATION COMMISSION

Nombre	Cargo	Tipo de Consejero
Mr. José Carlos del Álamo Jiménez	Chairman	Independent
Mr. Pedro Barato Triguero	Chair	Independent
Mr. Fernando Abril-Martorell Hernández	Chair	Other external
Mr. José Guillermo Zubia Guinea	Chair	Independent
Mr. Pascual Fernández Martínez	Secretary	Proprietary

## FORESTRY AND REGULATORY POLICY ADVISORY COMMISSION

Nombre	Cargo	Tipo de Consejero
Mr. Pedro Barato Triguero	Chairman	Independent
Mr. Juan Luis Arregui Ciarsolo	Chair	Proprietary
Mr. José Carlos del Álamo Jiménez	Chair	Independent
Mr. Ignacio de Colmenares Brunet	Chair	Executive
Mr. Pascual Fernández Martínez	Chair	Proprietary
Mrs. Isabel Tocino Biscarolasaga	Chair	Independent
Retos Operativos XXI, S.L.(represented by D. Óscar Arregui Abendivar)	Chair	Proprietary