REPORT DELIVERED BY GRENERGY RENOVABLES, S.A.'S APPOINTMENTS AND REMUNERATION COMMITTEE IN CONNECTION WITH THE PROPOSAL TO MODIFY THE DIRECTORS'S COMPENSATION POLICY FOR FINANCIAL YEAR 2022, AS REFERRED TO IN ITEM SEVEN ON THE AGENDA FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON FIRST CALL ON 11 MAY 2022

1.- Purpose of this report.

This report (the **"Report"**) contains the information, the justification and the opinion of the Appointments and Remuneration Committee (**"ARC"**) of Grenergy Renovables S.A. (hereinafter referred to as **"Grenergy"** or the **"Company"**), as submitted to the Board of Directors for subsequent submission, where appropriate, to the General Meeting of Shareholders, regarding the proposal to modify the directors' compensation policy for financial year 2022, which is referred to in item number seven of the agenda for the General Meeting of Shareholders to be held on first call on 11 May 2022 (the **"Modification"**).

Delivery of this report is a requirement set forth by subsection 4, section 529.19, of Royal Legislative Decree 1/2010, of 2 July, approving Spain's Joint Stock Companies (Consolidated) Act ("LSC"), pursuant to which any proposal concerning the compensation policy (and, accordingly, any proposal to modify the same) must be supported by a specific report of the ARC. Both the Modification proposal and this report must be made available to shareholders on the Company's website as from the date of the notice of General Meeting. Shareholders may also request the delivery or free shipping thereof.

2.- The Modification proposal.

The Board of Directors proposes the following to the General Meeting of Shareholders:

To modify the directors' compensation policy for financial 2022 with the sole purpose of updating, by increasing them, the amounts of the compensation items payable to non-executive directors. Accordingly, it is agreed that each non-executive director:

- In his/her capacity as director, should receive an annual compensation of EUR 34,000.

- In his/her capacity as member of the committees, should receive an annual compensation of EUR 6,500.

- In his/her capacity as chairperson of any committees, should receive an additional annual compensation of EUR 3,000.

- In his/her capacity as independent coordinator director, should receive an additional annual compensation of EUR 3,000.

Any director who also acts as secretary of the Board should receive an annual amount of EUR 40,000 payable to the director him/herself or to the professional company of which he/she is part, in consideration of the secretarial services provided. This annual amount will absorb the compensation he/she may receive as director up to a maximum sum of EUR 22,000.

Accordingly, the modification concerns sections 5.3. and 5.4. of the current compensation policy, which shall henceforth be drawn up as follows:

"5.3. Compensation payable to external or non-executive directors.

The compensation payable to non-executive directors shall consist of an annual fixed amount made up of the following items:

5.3.1. Cash amount.

An annual cash amount to be fixed by the Board of Directors having regard to the duties and responsibilities given to each director as member of one of the board's committees, as chairperson thereof or as coordinator director. The following compensation items are considered:

a) A maximum fixed gross annual cash amount of EUR 34,000 to each member of the Board of Directors who is a non-executive director.

b) An additional fixed annual amount is established for members of any Board of Directors' committees. A yearly amount of EUR 6,500 is payable to each member of a committee, with an additional amount of EUR 3,000 being payable to the chairpersons.

c) If a coordinator director is appointed, he/she shall be entitled to an additional compensation amounting to EUR 3,000.

5.3.2. Compensation in kind.

This compensation takes the form of shares in the Company, by the delivery of the number of paid-up shares that may be purchased with an amount equal to 15% of the fixed cash compensation to be received by each director in respect of that financial year. The delivery shall take place in the month following financial year-end, and the price of the shares to be taken into account shall be the average price of the shares in the last 90 trading sessions of the financial year.

In any event, directors are required to retain the shares until they cease to act as such, unless they need to dispose thereof to pay the costs relating to their acquisition.

5.4. Compensation payable for secretarial functions within the Board of Directors.

Any director who also acts as secretary of the Board (or the professional company of which he/she is part) shall be entitled to receive an annual amount of EUR 40,000 in consideration of said secretarial services. This annual amount will absorb the compensation he/she may receive as director up to a maximum sum of EUR 22,000. Both the compensation received by directors in their capacity as such and the sum received for their secretarial services are included in the maximum amount provided for in section 5.1 of this policy."

3.-Justification of the Modification.

The Modification proposal solely aims at adjusting the amount of the different items that make up the compensation payable to directors in their capacity as such, i.e., regardless of their non-executive functions, basically to increase the remuneration they receive. On average, the compensation paid to each director shall go up from EUR 32,500 to EUR 45,000, which accounts for a 38% increase in their compensation.

Pursuant to subsection 4 of section 217 of the Joint Stock Companies Act, "the remuneration payable to directors must always be in reasonable proportion to the importance of the company, its financial condition at any given time and the market standards of comparable companies".

The objective of the proposed modification is to comply with this principle. The compensation payable to directors in their capacity as such was established in 2019, just before Grenergy´s shares were admitted to trading on an official secondary market. At that time, the company had a capitalisation (on the alternative stock market – MAB, the current segment called BME Growth of BME MTF Equity) of about EUR 300 million, revenues of EUR 55 million and an EBITDA of EUR 22 million. This situation is now totally different: the Company has a market capitalisation exceeding EUR 800 million, with revenues of EUR 240 million and an EBITDA of EUR 41 million. It was therefore necessary to adjust their compensation so that it is in reasonable proportion to the importance of the company, its financial condition at any given time and the market standards of comparable companies. This is an important thing to do if the Company wishes to continue attracting or retaining the talent required within the Board of Directors.

To fix these new compensation packages payable to directors in their capacity as such, the remuneration received by directors in companies with a similar market capitalisation and, additionally, in other companies in the same sector, has been taken into account. It may therefore be considered that the market standards of comparable companies have been taken into account at all times. In any event, the compensation packages proposed have been taken from the lower part of the bracket determined by market standards.

4.- Considerations regarding this Modification.

The ARC finds that the Modification proposed, for which approval of the Meeting is sought, complies with all requirements established by law and the By-laws, and with the Regulations of the Company's Board of Directors.

This Compensation Policy is in line with the long-term business strategy and with the interests and sustainability approach of the Company. Even though this principle is mainly encouraged through the compensation received by the executive director, the moderate remunerations paid to directors in their capacity as such, in the lower part of the bracket of compensations paid to directors by comparable companies, both in terms of market capitalisation and of the sector in which the Company operates, contribute to the continuity, the sustainability and the profitability of the Company.

In addition, when it came to fixing these compensation packages and the compensation policy, the remuneration and employment conditions of the Company´s workers were taken into account, as it was decided that the remuneration payable to directors in their capacity as such should not exceed more than 1.5 times the average remuneration of the personnel as a whole.

As the compensation referred to above has no variable items, no consideration is made in respect of this type of compensation.

All things considered, the ARC deems that this modification serves the purposes and objectives set forth in the compensation policy currently in force.

5 April 2022