



## **REPORT DELIVERED BY GREENERGY RENOVABLES, S.A.'S BOARD OF DIRECTORS TO SUPPORT THE MODIFICATION OF THE GENERAL MEETING OF SHAREHOLDERS' REGULATIONS PROPOSED UNDER POINT 6 OF THE AGENDA OF THE ORDINARY GENERAL MEETING TO BE HELD ON FIRST CALL ON 29 JUNE 2021**

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### **1.- Purpose of this report.**

This report has been drawn up by the Board of Directors of Greenergy Renovables, S.A. (hereinafter, the "**Company**" or "**Greenergy**") in compliance with the provisions of article 1.3 of the current General Meeting of Shareholders' Regulations approved by Greenergy Renovables S.A. (the "**General Meeting's Regulations**"), according to which the Board of Directors of the Company has to deliver a written report justifying the proposal to modify the General Meeting's Regulations, to be submitted, under item 6 of the agenda, to the approval of the Ordinary General Meeting to be held on first call on 29 June 2021.

### **2.- Justification.**

The purpose of the General Meeting's Regulations is to regulate the organisation and functioning of Greenergy's General Meeting of Shareholders, with the aim to compile and systematise in one single text, as thoroughly as possible, all the aspects concerning the notice, organisation and conduct of General Meetings of Shareholders, so that shareholders may benefit from a framework guaranteeing and facilitating the exercise of their rights within the Company's sovereign body, with particular stress being laid on shareholders' right to information and their participation in discussions and voting procedures.

This is why they are important to shareholders, and any modification of the General Meeting's Regulations has to be justified by the Board of Directors, by means of this report.

The modification proposed by the Board of Directors entails a partial modification of the General Meeting's Regulations to amend one article of the Regulations, article 15, concerning shareholders' right to information, setting forth the obligation to put further information at the disposal of shareholders when a General Meeting is convened. In addition, the Board has proposed the inclusion of a new article 17 bis with the aim of regulating remote attendance to general meetings by electronic or web-based means, in line with the proposed modification of the By-Laws aimed at establishing the possibility of holding General Meetings by web-based means only.

What follows is a justification of each modification proposed. As regards the modification of article 15, a comparison has been made with respect to the current drafting of this article.

#### **2.1. Modification of article 15 of the Regulations ("Shareholders' right to information").**

Current drafting	Proposed drafting
<b>Article 15.- Shareholders' right to information.</b>	<b>Article 15.- Shareholders' right to information.</b>
<p>15.1. Shareholders' right to information is governed by the provisions of the Joint Stock Companies Act and of the By-Laws.</p> <p>15.2. As from the date of publication of the notice of General Meeting, all shareholders may review, at the registered office and through the corporate website, any proposed resolutions, the reports and any additional documentation that must be made available in accordance with law or with the By-Laws. When legally required, shareholders may request the free-of-charge delivery or transmission of the full content of the documents put at their disposal. More particularly, as from the date of publication of the notice of meeting, the Company's website will display all the information deemed useful or expedient to facilitate shareholders' attendance to, and participation in, the General Meeting, including at least the following details:</p> <p>a) The notice of meeting.</p> <p>b) The total number of shares and voting rights as of the date of the notice, itemised by classes of shares, if any.</p> <p>c) The documents that will be submitted to the General Meeting, including the reports delivered by directors, auditors and independent experts.</p> <p>d) The full contents of all proposed resolutions concerning each of the items on the agenda or, as regards established for information purposes only, a report prepared by the relevant bodies commenting each of these items, as well as any proposed resolutions submitted by shareholders.</p> <p>e) In the event of appointment, ratification or re-election of members of the Board, the identity and resume each member and the category to which he/she belongs, as well as the proposal and any reports required by law in this respect.</p> <p>f) The forms that must be used to vote by proxy and for remote voting, unless these forms are directly sent by the Company to each shareholder. If it is not possible to display these forms on the website for technical reasons, the Company shall be required to explain on the website how to obtain them in paper format, and</p>	<p>15.1. Shareholders' right to information is governed by the provisions of the Joint Stock Companies Act and of the By-Laws.</p> <p>15.2. As from the date of publication of the notice of General Meeting, all shareholders may review, at the registered office and through the corporate website, any proposed resolutions, the reports and any additional documentation that must be made available in accordance with law or with the By-Laws. When legally required, shareholders may request the free-of-charge delivery or transmission of the full content of the documents put at their disposal. More particularly, as from the date of publication of the notice of meeting, the Company's website will display all the information deemed useful or expedient to facilitate shareholders' attendance to, and participation in, the General Meeting, including at least the following details:</p> <p>a) The notice of meeting.</p> <p>b) The total number of shares and voting rights as of the date of the notice, itemised by classes of shares, if any.</p> <p>c) The documents that will be submitted to the General Meeting, including the reports delivered by directors, auditors and independent experts.</p> <p>d) The full contents of all proposed resolutions concerning each of the items on the agenda or, as regards established for information purposes only, a report prepared by the relevant bodies commenting each of these items, as well as any proposed resolutions submitted by shareholders.</p> <p>e) In the event of appointment, ratification or re-election of members of the Board, the identity and resume each member and the category to which he/she belongs, as well as the proposal and any reports required by law in this respect.</p> <p>f) The forms that must be used to vote by proxy and for remote voting, unless these forms are directly sent by the Company to each shareholder. If it is not possible to display these forms on the website for technical reasons, the Company shall be required to explain on the website how to obtain them in paper format, and the Company</p>

<p>the Company shall send the paper forms to any shareholder that requests them.</p> <p>15.3. As from the date of publication of the notice of meeting and until the fifth day preceding the meeting, shareholders may request such information or explanations as they deem fit in connection with the items on the agenda or submit any questions in writing. Directors are required to provide this information in writing until the date of the General Meeting.</p> <p>In addition, while the General Meeting is being held, the Company's shareholders may verbally request such information or explanations as they may deem fit in connection with the items on the agenda. If this shareholder's request may not be completed when made, the Directors shall be required to provide the information requested in writing, within seven days after closing of the Meeting.</p> <p>Furthermore, shareholders may request to Directors, in writing and during the same timeline, or verbally while the Meeting is being held, such explanations as they may deem fit regarding the public access information that the Company has disclosed to the <i>Comisión Nacional del Mercado de Valores</i> (Spain's Securities Exchange Commission) since the date of the latest General Meeting in connection with the audit report.</p> <p>15.4. Directors are required to provide the information referred to above, unless such information is not necessary in protecting shareholders' rights, or if objective reasons exist to consider that it could be used for non-company related purposes, or that the public disclosure thereof could cause prejudice to the Company or its related companies.</p> <p>However, the request for information may not be denied if it is supported by a number of shareholders representing, at least, twenty-five percent of the share capital. In the event of inappropriate or harmful use of the information</p>	<p>shall send the paper forms to any shareholder that requests them.</p> <p>g) Where the Company's auditors have included reservations in their audit report, a summary of the opinion of the Chairperson of the Audit Committee and of the Company's auditors regarding the content and scope thereof. In any event, these opinions will be explained by them at the Meeting, when discussing the item concerning approval of annual accounts.</p> <p>15.3. As from the date of publication of the notice of meeting and until the fifth day preceding the meeting, shareholders may request such information or explanations as they deem fit in connection with the items on the agenda or submit any questions in writing. Directors are required to provide this information in writing until the date of the General Meeting.</p> <p>In addition, while the General Meeting is being held, the Company's shareholders may verbally request such information or explanations as they may deem fit in connection with the items on the agenda. If this shareholder's request may not be completed when made, the Directors shall be required to provide the information requested in writing, within seven days after closing of the Meeting.</p> <p>Furthermore, shareholders may request to Directors, in writing and during the same timeline, or verbally while the Meeting is being held, such explanations as they may deem fit regarding the public access information that the Company has disclosed to the <i>Comisión Nacional del Mercado de Valores</i> (Spain's Securities Exchange Commission) since the date of the latest General Meeting in connection with the audit report.</p> <p>15.4. Directors are required to provide the information referred to above, unless such information is not necessary in protecting shareholders' rights, or if objective reasons exist to consider that it could be used for non-company related purposes, or that the public disclosure thereof could cause prejudice to the Company or its related companies.</p> <p>However, the request for information may not be denied if it is supported by a number of shareholders representing, at least, twenty-five percent of the share capital. In the event of inappropriate or harmful use of the information</p>
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<p>requested, the shareholder shall be liable for any damage caused to the Company.</p> <p>All valid requests for information or explanations, the questions made in writing and the replies thereto submitted in writing by Directors shall be displayed on the Company's website. However, if the information requested through a specific question had already been made available, in a clear, express and direct manner, to all shareholders on the Company's website in question-answer form, Directors may limit themselves to making a reference to the information provided in such form.</p>	<p>requested, the shareholder shall be liable for any damage caused to the Company.</p> <p>All valid requests for information or explanations, the questions made in writing and the replies thereto submitted in writing by Directors shall be displayed on the Company's website. However, if the information requested through a specific question had already been made available, in a clear, express and direct manner, to all shareholders on the Company's website in question-answer form, Directors may limit themselves to making a reference to the information provided in such form.</p>
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h) The proposed modification merely entails the inclusion of new letter g) in paragraph 15.2 of the General Meeting's Regulations, which sets forth the obligation of making available to shareholders, for review purposes and as from the date of publication of the notice of General Meeting, at the registered office and through the corporate website, or sending or delivering to them, free of charge, in addition to any documents or reports that were already provided for by the Regulations, also "where the Company's auditors have included reservations in their audit report, a summary of the opinion of the Chairperson of the Audit Committee and of the Company's auditors regarding the content and scope thereof. In any event, these opinions will be explained by them at the Meeting, when discussing the item concerning approval of annual accounts."

This modification is in line with the Code of Good Governance for Listed Companies, as amended in June 2020 by the *Comisión Nacional del Mercado de Valores*, and more specifically with its Recommendation 8, according to which:

**"The audit committee should strive to ensure that the financial statements that the board of directors presents to the general shareholders' meeting are drawn up in accordance to accounting legislation. And in those cases where the auditor includes any reservation in its report, the chairman of the audit committee should give a clear explanation at the general meeting of their opinion regarding the scope and content, making a summary of that opinion available to the shareholders at the time of the publication of the notice of the meeting, along with the rest of proposals and reports of the board."**

As the purpose of these Regulations, as explained above, is to regulate and systematise in one single text, as thoroughly as possible, all the aspects concerning the notice, organisation and conduct of General Meetings of Shareholders, so that shareholders may benefit from a framework guaranteeing and facilitating the exercise of their rights within the Company's sovereign body, it has been deemed advisable to include this new provision.

2.2. Inclusion of a new article 17 bis in the General Meeting's Regulations aimed at regulating remote attendance by electronic or web-based means and the possibility of holding General Meetings by web-based means exclusively.

The proposal entails the inclusion of a new article 17 bis, which shall henceforth be drafted as follows:

**Article 17 bis. Remote attendance by electronic or web-based means. Holding of General Meetings by web-based means exclusively.**

1. In accordance with the provisions of article 20 bis of the By-Laws, and regardless of shareholders' distance voting rights, as set forth in these Regulations, shareholders with the right to attend the General Meeting of Shareholders to be held at the place specified in the notice of meeting may exercise this right by using electronic or web-based means for remote communication, if so agreed by the Board of Directors, having regard to the state of the art and upon implementation of all security and simplicity conditions required. The Board of Directors is required to specify in the notice of meeting all the means that may be used for these purposes, i.e., means that meet all security conditions required and make it possible to identify shareholders, allowing them to properly exercise their rights and ensuring the proper conduct of the meeting.

2. In the event that the Board of Directors agrees to remote attendance to the General Meeting of Shareholders, the notice of meeting shall specify such timelines, such forms and such manner of exercising shareholders' rights as are admitted by the Board of Directors to ensure the proper conduct of the General Meeting of Shareholders.

3. Remote attendance by shareholders to the General Meeting of Shareholders by electronic or web-based means shall be subject to the following provisions, which may be developed or completed by the Board of Directors:

- a) Connection to the system used for attendance to the General Meeting of Shareholders must be made reasonably in advance, as indicated in the notice of meeting with respect to the expected start time of the General Meeting. If connection is not established by the time set forth in this respect, the relevant shareholder who connects to the system at a later time shall not be deemed to be attending the Meeting.
- b) Any shareholder wishing to attend the General Meeting and exercise his/her rights thereat must have his/her identity verified by means of a recognised electronic signature or any other means of identification, as established by the Board of Directors in the resolution passed for this particular purpose, while providing all due authenticity guarantees in terms of identification of the relevant shareholder. All voting rights and the right to information must be exercised by any remote communication electronic means that are considered appropriate under the provisions of these Regulations.
- c) Voting on the proposals concerning the items on the agenda of the Meeting may commence once valid constitution of the Meeting is declared by the Chairperson of the General Meeting of Shareholders, who must make an indication in this respect, and shall end at the time specified by the Chairperson in this regard. In addition, voting on proposals concerning items not included on the agenda must take place during the timeline specified by the Chairperson for this purpose, once the proposal has been submitted and it has been agreed to hold a vote thereon.

- d) *Any shareholders remotely attending the Meeting in accordance with this article may exercise their right to information by asking questions or requesting such explanations as they may deem fit, provided that they refer to items on the agenda. The Board of Directors may specify in the notice of meeting that any inputs or proposed resolutions that, in accordance with law, may be submitted by shareholders attending the Meeting by web-based means shall be sent to the Company before the time of constitution of the General Meeting of Shareholders. Any replies to questions by shareholders remotely attending the General Meeting and exercising their right to information while the meeting is being held shall be made in writing, if deemed appropriate, and sent to shareholders within a period of seven days following completion of the General Meeting of Shareholders.*
- e) *The inclusion of shareholders remotely attending the Meeting in the attendees list shall conform to the provisions of these Regulations.*
- f) *The bureau of the General Meeting of Shareholders and, as the case may be, the Notary, must have direct access to the log-on system allowing shareholders to attend the General Meeting of Shareholders, so that they may be immediately informed of any communications made by shareholders remotely attending and of the statements they may make.*
- g) *Any disruption in communication, for technical or security reasons resulting from unexpected events, may not be relied on by a shareholder as an unlawful deprivation of his/her rights or as a reason to challenge the resolutions passed by the General Meeting of Shareholders.*

*4. The Board of Directors may establish and update adequate means and procedures so that they are in line with the state of the art to guarantee remote attendance and remote voting by electronic means while the General Meeting of Shareholders is being held, and shall comply at all times with all legal provisions that develop this system and to the provisions of the By-Laws and of these Regulations. These means and procedures shall be published on the Company's corporate website.*

*5. The provisions of this article shall apply to any Meetings to be held by web-based means exclusively. However, in accordance with the provisions of section 521 bis of the Joint Stock Companies Act:*

- a) *shareholders may also appoint a proxy or vote in advance of the Meeting in respect of the proposals concerning items on the agenda, using any of the means set forth in subsection 1 of article 521.bis of the Joint Stock Companies Act, and*
- b) *the minutes of the meeting shall also be formally executed by a notary."*

The inclusion of this article has been proposed in line with the proposal to modify the By-Laws, as submitted by the Board of Directors to the General Meeting under item 5.3. of the agenda. This proposal entails the inclusion in the By-Laws of article 20.bis, in order to address two issues:

- 1.- Its paragraph 1 sets forth the possibility, if provided for in the General Meeting's Regulations and agreed by the Board of Directors for each Meeting, of remotely attending a Meeting through electronic or web-based means.

- 2.- Its paragraph 2 contemplates the possibility, if agreed by the Board of Directors, of holding Meetings by web-based means only.

These are two different possibilities set forth by sections 182 and 182 bis of the Joint Stock Companies Act, the latter as a result of the recent amendment brought by Act 5/2021, of 12 April, to the Joint Stock Companies (Consolidated) Act, as approved by Royal Legislative Decree 1/2010, of 2 July, and other financial rules, encouraging the long-term involvement of shareholders in listed companies.

The crisis caused by the Covid-19 pandemic has shown not only the usefulness of these mechanisms, but also their ability to replace actual physical presence at General Meetings. In addition, even if their use is not yet widely spread, in the near future they are expected to be used much more efficiently, which will bring advantages not only to the Company, but also to shareholders. This is why the inclusion of this provision is considered of great interest.

In accordance with the articles of the By-Laws proposed, the regulation concerning this type of attendance to the Meetings results in a thorough set of rules in the General Meeting's Regulations.

Points 1 to 4 of the article whose inclusion is proposed regulate remote attendance to Meetings through electronic or web-based means. It specifies that this is an option granted to the Board of Directors, which may determine whether or not this type of attendance is permitted. This possibility has nothing to do with the distance voting option, an issue that has already been addressed in Grenergy's current General Meeting's Regulations. If agreed by the Board of Directors, this possibility must be stated in the notice of meeting, together with a description of the timelines, modes and methods for exercising the shareholders' rights set forth by the Board of Directors to guarantee the proper conduct of the General Meeting of Shareholders. Paragraph 3 sets forth specific details regarding remote attendance, while empowering the Board of Directors to further develop and complete these rules. More specifically, the obligation is established to log on to the meeting in advance of the time scheduled for the meeting, the obligation to identify shareholders by means of their recognised electronic signature or any other means of identification under the terms stated by Board of Directors in the resolution to be adopted in this respect, the provisions on voting procedures, the possibility of exercising shareholders' right to information and how it should be exercised, as well as any other aspects concerning the attendees list, the bureau of the Meeting and the fact that disruptions in communication may not be relied on by shareholders as an unlawful deprivation of their rights or as a reason to challenge the resolutions passed by the General Meeting of Shareholders. Paragraph 4 of the proposed article allows the Board of Directors to adapt the means and procedures implemented to the state of the art.

Paragraph 5 merely provides that the provisions of preceding paragraphs shall also apply to Meetings held by web-based means only, while establishing, in accordance with the provisions of section 521 bis of the Joint Stock Companies Act:

- a) that shareholders may also appoint a proxy or vote in advance of the Meeting in respect of the proposals concerning items on the agenda, using any of the means set forth in subsection 1 of article 521.bis of the Joint Stock Companies Act, and
- b) that the minutes of the meeting shall also be formally executed by a notary.

26 de mayo de 2021