ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIMITED COMPANIES

ISSUER IDENTIFICATION DATA

End date of the reporting period: 31/12/2022

Tax number (CIF): A05556733

Company name:

SOLTEC POWER HOLDINGS, S.A.

Registered office:

(MOLINA DE SEGURA MURCIA)

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1.1 Explain the current director remuneration policy applicable to the current year. Insofar as it is relevant, certain information may be included by reference to the remuneration policy approved by the General Shareholders Meeting, provided that the inclusion is clear, specific and concrete.

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, at least the following aspects must be reported, as a minimum:

a) Description of the procedures and bodies of the company involved in determining, approving and applying the remuneration policy and its conditions.

b) Indicate and, where applicable, explain whether comparable companies have been taken into account to establish the company's remuneration policy.

c) Information on whether any external advisers have been involved and, if so, their identities

d) Procedures under the existing directors' remuneration policy for applying temporary exceptions to the policy, the conditions under which such exceptions may be used and the components that may be subject to exception under the policy.

For the Company, transparency and proper management of remuneration is a key element in relation to the remuneration of the members of the board of directors. This is recognised in our internal regulations, both in article 17 of the articles of association and in article 25 of the regulations of the board of directors, where the criterion of remuneration for the position of director is fixed.

The current Remunerations Policy was approved on 23 June 2022 by the General Shareholders Meeting of the Company, at the proposal of its Board of Directors, and following a report from the Appointments and Remunerations Committee. Following the amendment in financial year 2022 of the Directors' Remunerations Policy being approved by the General Shareholders Meeting in the aforementioned financial year, it will be applicable as of its approval, and in the following three financial years (2023, 2024 and 2025).

The Remuneration Policy has been prepared taking into account the significance of the Company, its economic situation, market standards for comparable companies and the dedication of the directors to the Company. The established remuneration is appropriately proportionate, contributes to the corporate strategy, to the social interests and promotes the long-term profitability and sustainability of the Company, and takes into account the conditions of remuneration and employment of the Company's employees. The Policy also incorporates the necessary precautions to avoid excessive risk-taking or rewarding unfavourable results and ensuring that the interests of the directors are aligned with those of the Company and its shareholders, without compromising the independence of the directors themselves.

In summary, the purpose of the Remunerations Policy is to define and control the remuneration practices of the Company in relation to its directors, contributing to the creation of value for its shareholders in a sustainable manner over the long term.

The Remunerations Policy, and its modification in the 2022 financial year, was drafted with the assistance of external advisors, specifically the law firm Uría Menéndez, who provided references on the usual practice of comparable companies.

In the exercise of its duties, the Appointments and Remuneration Committee may propose to the Board the application of temporary exceptions to the Remuneration Policy when this is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

A.1.2 Relative importance of variable remuneration items with respect to fixed remuneration items (remuneration mix) and what criteria and targets have been taken into account in their determination and to ensure an appropriate balance between the fixed and variable components of remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risk and align it with the company's objectives, values and long-term interests, including, where appropriate, a reference to measures in place to ensure that the remuneration policy takes into account the long-term performance of the company, measures taken in relation to those categories of staff whose professional activities have a material impact on the risk profile of the institution and measures in place to avoid conflicts of interest.

Also state whether the company has established any vesting or consolidation period for certain variable remuneration items, in cash, shares or other financial instruments, a deferral period for the payment of amounts or delivery of financial instruments already vested and consolidated, or if any clause has been agreed to reduce deferred remuneration that has not yet vested or obliges the director to repay any remuneration received, where such remuneration was based on data that is subsequently demonstrably inaccurate.

Directors' remuneration consists of two components, a fixed component and a variable component. The fixed component is determined on the basis of the responsibility, functions, and experience of each director. On the other hand, within the Board of Directors, only the Executive Director of the Company enjoys variable components in his remuneration. Their remuneration has taken into account the necessary balance between their fixed remuneration and its variable component consisting of their participation in the Long Term Incentive Plan (''LTIP'').

The organisation's senior management also participates in the ILP and, in particular, certain profiles have been excluded from the ILP because they carry out tasks related to risk management or internal audits.

With respect to said ILP, the Remuneration Policy provides for the possibility for the Company's General Shareholders Meeting to establish share-based remuneration schemes, involving the delivery of shares in the Company or remuneration schemes consisting of stock options. It also provides that the resolution of the General Meeting shall determine, where appropriate, the maximum number of shares that may be allocated in each financial year to said remuneration system, the exercise price or system for calculating the exercise price of the share options, the value of the shares that, where appropriate, is taken as a reference and the duration of the plan.

The variable component crystallised in the LTIP is based on the principles of the Remunerations Policy, which are as follows, and which have been taken into account in its design:
1.- Ensuring independence of judgement
Remuneration shall be structured in such a way as not to compromise the independent judgement of external directors. 2.- Attracting and retaining the best people
Remuneration shall be competitive so as to attract and retain talent that contributes to the creation of value for the Company and the achievement of its strategic targets.
3.- Long-term profitability and sustainability
Remuneration must promote the long-term profitability and sustainability of the Company and be consistent with the Company's long-term interests and strategy, values and targets. Care will also be taken to avoid excessive risk-taking and unfavourable outcomes. In particular, the remuneration system shall set the necessary limits and safeguards to ensure that variable remuneration is linked to the professional performance of the beneficiaries and does not derive solely from the general evolution of the markets or the sector.
4.- Transparency
The Remuneration Policy and the specific rules for determining remuneration shall be clear and known. 5.- Fairness and proportionality of remuneration
Remuneration must be set taking into account the dedication, qualifications and responsibility required for the position, as well as the experience, functions and duties performed by each director. In addition, remuneration must maintain a balance between market competitiveness and internal equity.

In the case of the executive director, 54% of the remuneration is made up of variable items (ILP) and the remaining 46% is a fixed salary. This reflects the importance given by the Company to the achievement of its long-term targets, with the remuneration linked to this achievement outweighing the fixed remuneration. The conditions of this ILP will be explained in the following sections, but it must be noted that it includes a variable remuneration consisting of the delivery of shares in the Company, provided that the targets set annually by the Board of Directors have been met. After each vesting period (of two years) there is a one-year grace period where the Company verifies that the targets have been met and proceeds to deliver the incentive in the form of shares.

In the case of the variable remuneration of the Executive Director, the Board may approve the cancellation and/or total or partial recovery of the incentive (malus clause and clawback) in the event that (i) the Company's financial statements are restated; (ii) the Final Incentive has been calculated on the basis of data that subsequently proves to be inaccurate and results in a lower variable remuneration to be paid; (iii) for serious breach by the Executive Director of internal rules and policies; and (iv) if the Company suffers significant losses due to major failures in risk management, to which wilful or grossly negligent conduct has contributed.

A.1.3 Amount and nature of the fixed components expected to accrue to directors in their capacity as such during the year.

The maximum annual remuneration to be received by the members of the board of directors in their capacity as such amounts to 339,000 euros.

Until the General Shareholders Meeting determines otherwise, the maximum amount shall remain the same.

This limit does not include: (a) any salary, compensation of any nature or other payments made to executive directors for the performance of their executive duties, in accordance with the Articles of Association and their respective contracts with the Company; (b) payments of premiums for civil liability insurance taken out by the Company for its directors; and (c) any reimbursement of current expenses incurred by directors in attending meetings of the board of directors or any of its committees. However, the Company has not yet approved the Directors' per diem policy.

Since most meetings have not required travel for directors, on those occasions when travel has been necessary, the Company has directly arranged transport and accommodation for directors rather than pocketing the expense. The Board of Directors is expected to adopt its per diems policy in 2023.

The board of directors is responsible for distributing the maximum annual amount among its members and shall thus establish the criteria for determining the amounts corresponding to each director, taking into account the following, in addition to any other target circumstances it deems relevant:

- The category of the director.
- The role played by the director on the board of directors and on any of its committees.
- The specific tasks and responsibilities undertaken during the year.
- The experience and knowledge required to perform these tasks.
- The amount of time and dedication required for fulfilment.

Specifically, of the amount referred to above (339,000 euros), the board of directors has decided on the following amounts to be paid as an annual fixed allocation:

a) Allowance for membership of the Board of Directors: 30,000 euros.
b) Additional allowance for the position of co-ordinating director: 10,000 euros.
c) Additional allowance for chairing the Audit Committee: 30,000 euros.
d) Allowance for membership of the Audit Committee: 5,000 euros.
e) Additional allowance for chairing the Appointments and Remuneration Committee: 30,000 euros.
f) Allowance for membership of the Appointments and Remuneration Committee: 5,000 euros.
g) Additional allocation for chairing the Sustainable Development Committee: 20,000 euros.
h) Allowance for membership of the Sustainable Development Committee: 3,000 euros.
i) Additional allowance for the secretariat of the Board of Directors: 30,000 euros.

309,000 is expected to accrue in 2023 in remuneration to Directors for their status as such, as well as for the items indicated above (membership or chair of Committees, status of coordinating director or secretary of the Board).

A.1.4 Amount and nature of the fixed components that will be accrued during the year for the performance of senior management functions by executive directors.

Without considering the possible modifications that may be approved by the Shareholders Meeting in the Remunerations Policy, the Executive Director shall earn the fixed amount of €190,038

A.1.5 Amount and nature of any component of remuneration in kind that will accrue in the year including, but not limited to, insurance premiums paid on behalf of the director.

The only member of the Board of Directors who receives remuneration in kind is the Chief Executive Officer. The following amounts are expected to accrue in 2023 for the following
items:

- Company car €20,530.44
- Life insurance 2,209.90 €
- Pension plan €7,905.46
- Health insurance €666.96

A.1.6 Amount and nature of the variable components, differentiating between short- and long-term. Financial and non-financial parameters, including social, environmental and climate change parameters, selected to determine variable remuneration in the current financial year, an explanation of the extent to which such parameters relate to the performance of the director, the entity and its risk profile, and the methodology, timeframe and techniques for determining, at the end of the financial year, the actual degree of compliance with the parameters used in the design of variable remuneration, explaining the criteria and factors applied in terms of the time required and methods

to verify that the performance or other conditions to which the accrual and vesting of each component of variable remuneration was linked have been effectively met.

Indicate the range in monetary terms of the different variable components according to the degree of compliance with the established targets and parameters, and if there is any maximum monetary amount in absolute terms.

The Long-Term Incentive Plan (LTIP) is established as a variable remuneration system based on shares and cash which includes as beneficiaries certain executives of the Company and the Executive Director. The Incentive Plan comprises a short-term cash component and a long-term share-based component. For the collection of these variable components, it is necessary to verify the fulfilment of the individual objectives of the participant, on the one hand, and the general objectives of the LTIP, established for all the participants of the Plan, on the other. Both types of targets are set on an annual basis. Specifically, the general targets of the LTIP consist of: a target linked to consolidated EBITDA (25% weight), a target linked to shareholder return (50%) and a target linked to an ESG indicator (25%). The thresholds for each target are fixed annually.

Within the Board of Directors, only the Chief Executive Officer is a beneficiary of this plan.

The short-term component was included as a new element in the modification of the Remunerations Policy in 2022. In order to include a short-term remuneration component without increasing the total wage bill, it was decided to take a part of the total annual allocation from the Long-Term Incentive Plan and allow for its payment in cash and in the short term. Thus, the Executive Director, subject to the achievement of objectives, may receive up to a maximum of €30,000 annually and in cash, while the remaining amount of his annual allocation (€198,764) accrues as part of the long-term incentive and can only be paid in shares of the Company and within the terms established by the Plan.

In order to proceed with the payment of the short-term component, the Appointments and Remunerations Committee must monitor compliance with the individual and LTIP targets and, in the event of a favourable report, may submit to the Board the proposal to proceed with the payment of the short-term variable component, all of this once the annual accounts for the financial year 2023 have been closed and the external auditor's report has been received.
The characteristics of the scheme are set out in more detail in section B.

With regard to the long-term component, the second Vesting Period of the Plan starts in 2023, which includes the 2023 and 2024 Calculation Periods. Therefore, the executive director will not be able to vest in the long-term remuneration until the end of the vesting period at the end of 2024.
This vesting period is supplemented by an additional grace period of one year before payment. Thus, the amounts accrued in 2023 for the long-term equity component cannot be paid out until January 2026, once the verification process described above for the short-term component has been completed.

A.1.7 Main features of long-term savings schemes. Among other information, it shall indicate the contingencies covered by the system, whether it is a contribution or defined benefit system, the annual contribution to be made to the defined contribution systems, the benefit to which the beneficiaries are entitled in the case of defined benefit systems, the conditions for consolidation of the economic rights in favour of the directors and their compatibility with any type of payment or compensation for early termination or severance, or derived from the termination of the contractual relationship, under the terms provided, between the company and the director.

It must indicate whether the vesting or consolidation of any of the long-term savings plans is linked to the achievement of certain targets or benchmarks related to the director's short- and long-term performance.

Savings Insurance
•Main features
o Policyholder: Soltec Power Holdings
o Insured Party: CEO
o Duration: From 00:00 hours on 24/3/2021 until the death of the Insured or until the Policyholder decides to terminate the contract

o Risk and sums insured:
- A capital sum equal to the market value of the units in which the investment is distributed if the insured party is alive at the time SPH decides to terminate the contract.
- In the event of the death of the Insured Party, and provided that this occurs before the policyholder decides to terminate the contract, Allianz Seguros shall pay the designated Beneficiaries the

market value of the investment, at the opening of the death claim in the Company, with the value date depending on the funds contracted and according to the attached table. The market value of the units
of the policy funds will be increased by €300.
o Redemption: From the second month onwards, once the premiums have been collected and valued, partial/full surrender of the premiums and outstanding contributions can be made. The redemption amount will be equal to the value of the accumulated fund according to the net asset value of the investment determined by the market value of the units in the chosen funds, without penalty.
o Modification: from the third month, the periodicity of the premium payment, the periodic amount to be paid and the suspension, inclusion or modification of the annual revaluation of the premium may be modified.
o Under the policy, the policy is not linked to the achievement of certain performance-related targets or parameters related to the
director's performance in the short or long term.
o Total capital contributed by SPH during 2022: €7,905.46
o Monthly contribution from Soltec Power Holdings: €666.66

A.1.8 Any type of payment or indemnity for early termination or termination resulting from the termination of the contractual relationship under the terms provided between the company and the director, whether the termination is at the will of the company or of the director, as well as any type of agreed covenants, such as exclusivity, non-exclusivity or
post-contractual non-competition and permanence or loyalty, which entitle the director to any type of payment.

In accordance with the remuneration policy they are as follows:

1)Minimum tenure commitment: the contract must remain in force for at least 4 years from the date on which the company's shares are admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Spanish Stock Exchange Interconnection System (SIBE). In this respect, if the Executive Director terminates his Contract with the Company without just cause before the end of the minimum term of office, the Company shall be entitled to receive from him a compensation equivalent to the gross remuneration to which the Executive Director would have been entitled to receive during the remaining time of the minimum term of office.
In the event that before the end of the minimum term of office the Executive Director is removed as Chief Executive Officer of the Company or his contract is terminated by the Company, the Executive Director shall be entitled to receive compensation equivalent to the fixed gross remuneration that he would have been entitled to receive during the remaining term of office, with a minimum of two years' remuneration calculated as twice the last total annual remuneration received (including fixed remuneration and long-term incentive plans). This amount shall reduce euro for euro the termination compensation set out for this case in paragraph (v) below. This compensation would not apply in the case of dismissal or termination on fair grounds.
2) Causes for termination and compensation: the CEO's contract may be terminated for the following reasons: (i) by mutual agreement; (ii) by unilateral decision of the Executive Director with three months' notice, under penalty of compensating the Company, in the event of non-compliance, with an amount equivalent to his fixed remuneration for the current year corresponding to the period of notice not given; (iii) at the free will of the Company for any reason, including those established in the Articles of Association, without it being related to a serious or culpable breach of the duties of the Executive Director; (iv) decision of the Company as a consequence of serious wilful and culpable conduct in the exercise of the Executive Director's duties; and (v) structural modification or change of control.

Termination of the CEO's employment for the reasons set out in (iii) or (v) above shall entitle the CEO to receive a severance payment equal to twice the last total annual remuneration received (including fixed remuneration, annual variable remuneration and long-term incentive plans).

A.1.9 Indicate the conditions to be fulfilled in the contracts of those who exercise senior management functions as executive directors. Among others, information shall be provided on the duration, limits on the amounts of compensation, permanence clauses, notice periods, as well as payment in lieu of notice periods, and any other clauses relating to contract premiums, as well as compensation or golden parachutes in the event of early rescission or termination of the contractual relationship between the company and the executive director. Include, among others, non-competition, exclusivity, permanence or loyalty and post-contractual non-competition covenants or agreements, unless they have been explained in the previous section.

The contract of each director shall have the following specifications:
(i) Duration: open-ended, being extinguished in accordance with the provisions of commercial legislation, the Articles of Association and section (v) below.
(ii) Remuneration:
•Fixed remuneration: the CEO shall be entitled to receive the amount of 190,828 euros as fixed annual remuneration.
•Multi-year remuneration: the CEO shall be entitled to participate in the LTIP and in the medium and long-term incentive plans that may be established from time to time by the board of directors of the Company for the Company's management team.
•Remuneration in kind: The Chief Executive Officer shall be entitled to receive the following items as remuneration in kind: company car, pension plan, life insurance policy and a private medical insurance policy.
(iii) Commitment to minimum period of tenure: the contract must remain in force for at least 4 years from the date on which the company's shares are admitted to trading on the Madrid, Barcelona, Bilbao and Valencia stock exchanges. In this respect,

If an Executive Director terminates his or her Executive Director's employment with the Company without just cause before the end of the minimum term of office, the Company shall be entitled to receive from the Executive Director compensation equal to the gross fixed remuneration to which the Executive Director would have been entitled to receive for the remainder of the minimum term of office.
In the event that before the end of the minimum term of office the Executive Director is removed as Chief Executive Officer of the Company or his contract is terminated by the Company, the Executive Director shall be entitled to receive compensation equivalent to the
fixed gross remuneration that he would have been entitled to receive during the remaining term of office, with a minimum of two years' remuneration calculated as twice the last total annual remuneration received (including fixed remuneration and long-term incentive plans). This amount shall reduce euro for euro the termination compensation set out for this case in paragraph (v) below. This compensation would not apply in the case of dismissal or termination on fair grounds.
(iv) Exclusivity pact: the CEO must provide his/her services exclusively for the Company, such that he/she may not provide any kind of services, directly or indirectly, under any kind of legal relationship, for third parties, nor on their own account, even when the activities they perform are not concurrent with those of the Company. Exceptions to this rule are the activities of holding management positions in companies controlled or participated by the CEO that do not require significant dedication or concur with the Company's business.
However, this exclusivity commitment shall not prevent the Chief Executive Officer from (a) continuing to serve as a non-executive director of Soltec Development, S.A.U., (b) continuing to serve as a non-executive director of other companies (up to a maximum of ten) provided that the Chief Executive Officer obtains the express consent of the Board of Directors of the Company, and (c) continuing to serve as an executive director of its holding companies and to perform the relevant functions in those companies, provided that none of the foregoing (i) interferes with the Chief Executive Officer's responsibilities to the Company, nor (ii) involves a breach of the Chief Executive Officer's commitment not to compete with the Company.
(v) Grounds for termination and indemnities: the CEO's contract may be terminated for the following reasons: (i) by mutual agreement; (ii) by unilateral decision of the Executive Director with three months' notice, under penalty of compensating the Company, in the event of non-compliance, with an amount equivalent to his fixed remuneration for the current year corresponding to the period of notice not given; (iii) at the free will of the Company for any reason, including those established in the Articles of Association, without it being related to a serious or culpable breach of the duties of the Executive Director; (iv) decision of the Company as a consequence of a serious wilful and culpable conduct in the exercise of the Executive Director's duties; and (v) structural modification or change of control.
Termination of the CEO's employment for the reasons set out in (iii) or (v) above shall entitle the CEO to receive a severance payment equal to twice the last total annual remuneration received (including fixed remuneration, annual variable remuneration and long-term incentive plans).
(vi) Covenant not to solicit clients and employees: during the term of the CEO's contract and for a period of two years after the termination of the contract, the CEO may not, without the prior written consent of the Company, directly or indirectly, indirectly (i) solicit, induce or otherwise attempt to persuade any customer or potential customer of the Company or of the group of companies of which the Company is the parent to terminate its relationship or potential relationship with the Company, or (ii) hire or solicit, recruit, induce, persuade, influence or encourage any employee of the Company or of the group of companies of which the Company is the parent to resign from the Company.
(vii) Post-contractual non-competition agreement: during the term of his/her contract, the CEO, and for a period of one year after the termination of his/her contract, the CEO, may not directly or indirectly compete with the business or activities carried on or to be carried on by the Company.

A.1.10 The nature and estimated amount of any other supplementary remuneration that will accrue to directors in the current financial year in consideration for services rendered other than those inherent to their office.

Not anticipated.

A.1.11 Other items of remuneration such as those derived, where applicable, from the company granting the director advances, loans and guarantees and other remuneration.

Not anticipated.

A.1.12 The nature and estimated amount of any other expected additional remuneration not included in the preceding paragraphs, whether paid by the entity or another group entity, that will accrue to directors in the current financial year.

Not anticipated.

A.2. Explain any relevant changes to the remuneration policy applicable in the current financial year arising from:

a) A new policy or a modification of the policy already approved by the Board.

b) Significant changes in the specific determinations established by the board for the current year in the current remuneration policy compared to those applied in the previous year.

c) Proposals that the board of directors would have resolved to submit to the General Shareholders Meeting to which this annual report will be submitted and which are proposed to be applicable to the current financial year.

The Ordinary Shareholders Meeting held in 2022 approved a modification to the Remunerations Policy which included the following changes:

-The objectives applicable to the Long-Term Remuneration Plan, of which the Chief Executive Officer is a beneficiary, were modified in order to include in his variable remuneration a non-financial criterion linked to the sustainability of the company. Specifically, the "Free Cash Flow" criterion was replaced by the "ESG Indicator" criterion, with a weight of 25%.
-Meanwhile, a short-term component was included, with a maximum amount equal to €30,000, payable annually in cash upon verification of the fulfilment of the Plan's individual and general objectives. This amount is deducted from the total annual amount allocated under the plan to each participant, so it is not an increase in the total remuneration, but a partial shift from the long term to the short term.
All these modifications were adopted in 2022 and have been applicable since then.

At the date of writing this report, the Board of Directors is considering a number of proposals for modification of the remuneration policy, but these have not yet been approved by the Board of Directors.

A.3. Identify the direct link to the document that contains the company's current remuneration policy, which should be available on the company's website.

https://soltecpowerholdings.com/wp-content/uploads/2022/05/14.-Politica-de-Remuneraciones-de-los-Consejeros-2022-2025.pdf

A.4. Taking into account the data provided in section B.4, explain how the vote of the shareholders at the general meeting at which the annual remuneration report for the previous year was put to a consultative vote was taken into account.

The Annual Remuneration Report for the previous year was approved, almost in its entirety, by 99.1795% of the votes cast by the shareholders.

B. OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE YEAR ENDED

B.1.1 Explain the process followed to implement the remuneration policy and determine individual remuneration as reflected in section C of this report. This information shall include the role played by the remuneration committee, the decisions taken by the board of directors and, where applicable, the identity and role of external advisers whose services have been used in the process of implementing the remuneration policy in the financial year for which the financial year ended.

The annual remuneration reflected in section C of the IARC has been determined by application of sections 5 and 6 of the Remunerations Policy, which was approved by resolution of the Shareholders Meeting of 23 June 2022. In these articles, the amounts corresponding to the following remuneration items are established: board membership, committee membership, committee chairmanship, coordinating director and secretary of the Board, in addition to the fixed and variable components of the Executive Director. The fixed amounts in section C have been determined by direct application of sections 5 and 6 of the remuneration policy, with each Director being paid the amounts set out therein. In the case of fixed amounts, it has not been necessary for the NRC, the board or external advisors to be involved in their determination.
With regard to the variable amounts, and given that in 2022 the First Vesting Period of the Incentive Plan of which the Executive Director is the sole beneficiary director ended, it is necessary to proceed to the settlement and payment of the amounts due.
To this end, the first step is to monitor the achievement of the CEO's individual objectives and to evaluate his performance. Subsequently, the degree to which the LTIP's performance targets are met is monitored. This results in the amount to be paid: the short-term cash component has a grace period of 120 days, so it can be paid from the second day of

May 2023. With regard to the long-term amounts in shares, they may be paid out after a grace period of one year, on 2 January 2024.
As of the date of this report, it has been determined that the amount accrued by the Executive Director, based on the achievement of objectives, corresponds to 31.25% of his maximum allowance for the first vesting period, resulting in an aggregate amount of €142,977.50. Of this amount, the short-term component of €30,000 is to be paid in cash, after the 120-day grace period and following receipt of an unqualified external auditor's report.
The remaining amount of €112,977.50 is to be paid in shares at a price per share of €4.82, resulting in 24,439 shares, to be delivered after the vesting period on 2 January 2024.
All this control of compliance with objectives and settlement has been carried out in accordance with the provisions of the remuneration policy, firstly through a report prepared by the Chief Financial Officer, Director of Organisation and Director of Strategy, which is submitted to the Appointments and Remunerations Committee. Following a favourable report from the ARC, the control of compliance with objectives and the liquidation proposal is submitted to the Board of Directors for approval.

B.1.2 Explain any deviations from the established procedure for the application of the remuneration policy that occurred during the financial year.

As the Company is in the process of implementing the procedure, at the date of writing this report, there have been no deviations in the application of the Remunerations Policy.

B.1.3 Indicate whether any temporary exceptions to the remuneration policy have been applied and, if applied, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity considers that these exceptions have been necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Also quantify the impact that the application of these exceptions has had on the remuneration of each director during the year.

No temporary exception to the remunerations policy has been applied.

B.2. Explain the various actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and aligning it with the company's objectives, values and long-term interests, including a reference to the measures that have been taken to ensure that accrued remuneration has addressed the long-term performance of the company and achieved an appropriate balance between the fixed and variable components of remuneration, what measures have been taken in relation to those categories of staff whose professional activities have a material impact on the risk profile of the entity, and what measures have been taken to avoid conflicts of interest, if any.

The main measures taken by the Company in 2022 consisted basically of the direct application of the Remuneration Policy to determine the concepts and amounts of remuneration for Directors. With respect to the Long-Term Incentive Plan, the plan came into effect in 2021 with a number of targets set by the Board for the 2021 calculation period, with the CEO being the only Board member to benefit from the plan. In 2022, the Board of Directors set the annual targets for 2022. In the spirit of the provisions of the Remuneration Policy, we consider that the remuneration of the directors adequately responds to the company's targets, maintaining a competitive level of remuneration that does not compromise the economic interests of the company or its results, nor is it susceptible to generate conflicts of interest. On the other hand, we consider that in the case of the CEO, an adequate balance is maintained between fixed and variable remuneration, the latter being able to reach 54% of the total remuneration of the CEO if the targets set are fully met.

It should be noted that in 2022 the Remunerations Policy was modified to include a non-financial criterion in the variable remuneration of the Executive Director, replacing the previous criterion of "Free Cash Flow". With this modification, the company aims to value not only its financial performance, but also its contribution to sustainability, in full compliance with its mission, vision and values.
A short-term remuneration component was also included as explained in previous sections, with the aim of contributing to a more balanced remuneration between short- and long-term components, as prior to the modification the Executive Director had no short-term variable remuneration components.

This reflects the Company's willingness to link the CEO's remuneration (in which the long-term incentive constitutes 54% of total remuneration as indicated above) to the Company's performance in both the long and short term.

In addition, the rule is maintained whereby the only Director beneficiary of the Incentive Plan is the Executive Director, and the rest of the Directors do not include variable items in their remuneration.

B.3. Explain how the remuneration accrued and consolidated in the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the long-term and sustainable performance of the company.

Also report on the relationship between the remuneration obtained by the directors and the results or other short- and long-term performance measures of the company, explaining, where applicable, how variations in the company's performance have had an impact on the variation of the directors' remuneration, including accruals for which payment has been deferred, and how they contribute to the company's short and long-term results**.**

Pursuant to article 5 of the Remunerations Policy, the Board of Directors has decided on the following amounts to be paid to its members as a fixed annual allowance:
a) Allowance for membership of the Board of Directors: 30,000 euros.
b) Additional allowance for the position of co-ordinating director: 10,000 euros.
c) Additional allowance for chairing the Audit Committee: 30,000 euros.
d) Allowance for membership of the Audit Committee: 5,000 euros.
e) Additional allowance for chairing the Appointments and Remuneration Committee: 30,000 euros.
f) Allowance for membership of the Appointments and Remuneration Committee: 5,000 euros.
g) Additional allocation for chairing the Sustainable Development Committee: 20,000 euros.
h) Allowance for membership of the Sustainable Development Committee: 3,000 euros.
i) Additional allowance for the secretariat of the Board of Directors: 30,000 euros.

Thus, in application of the above, the remuneration accrued by the Company's directors amounted to 309,000 euros.
The indicated remuneration is obtained by direct application of Art. 5 of the Remuneration Policy, which sets out the annual remuneration amounts. This remuneration is fixed and has therefore not been affected by the company's results and performance.

The variable remuneration of the CEO consists of the implementation of the long-term incentive plan (LTIP). As explained in the previous section, only the executive director receives variable remuneration, based on the requirements explained in previous sections, and taking into account the ESG rating amendment that replaces the free cash flow requirement for 2021. On 2 January 2023, the first vesting period of the plan ended and the plan was wound up for all participants, including the executive director.
In 2021, the degree of compliance with the Total Shareholder Return, Adjusted Ebitda and Free Cash Flow targets was 0% for all of them.
In 2022, the following level of achievement has been reached:
-Objective profitability for shareholders: 0%
-EBITDA target: 192%
-ESG target indicator: 190%
Subsequently, the arithmetic average between the achievement rates of each objective in each year must be calculated, and the results obtained must be applied to an allocation rate defined in the Incentive Plan.
These operations must then be applied to the following formula:
Overall Allocation Rate = (50% x "Total Shareholder Return Allocation Rate") + (25% x "Adjusted EBITDA Allocation Rate") + (25% x "ESG Rating Allocation Rate")
After the corresponding calculations, the following result is obtained:
(50% x 0% +25% x 75% + 25% x 50%)= 0 + 18.75% + 12.5% = 31.25% = Overall Allocation Rate
The flat-rate allocation rate should be applied to the maximum amount to be received by each participant during the two-year vesting period.

In the case of the Executive Director, this calculation gives the result as explained in section B1.1 above.
As can be seen, the non-achievement of targets in 2021 has considerably reduced the remuneration to be received by the Executive Director and other company personnel beneficiary of the plan. This reduction has been partially offset by the good results in 2022, as well as by meeting ESG targets.

The modifications made to the remuneration policy in 2022 allow for a better balance between short- and long-term variable remuneration of the Executive Director, favouring positive results in the short term but also contributing to value creation in the long term, all of this derived from the varied remuneration mix of the Executive Director. The inclusion of a non-financial criterion also contributes to the company's sustainable growth and long-term value creation.

B.4. Report on the result of the consultative vote of the general meeting on the annual report on remuneration for the previous year, indicating the number of abstentions, blank votes and votes cast for or against:

	Number	% of total
Votes cast	67,577,004	73.95

	Number	% of issued
Votes against	554,473	0.82
Votes for	67,022,531	99.18
Blank votes		0.00
Abstentions		0.00

Observations

B.5. Explain how the fixed components accrued and consolidated during the year by the directors in their capacity as such have been determined, their relative proportion for each director and how they have varied with respect to the previous year.

As indicated in the preceding sections, the fixed components of directors' remuneration for their status as directors are obtained by direct application of article 5 of the remuneration policy, which establishes the annual amounts for these items.

The remuneration of directors in their capacity as such only includes these fixed items.

B.6. Explain how the salaries accrued and consolidated during the year ended for each of the executive directors for the performance of management duties have been determined, and how they have varied with respect to the previous year.

In accordance with the provisions of the Remuneration Policy, as annual fixed remuneration, the CEO shall be entitled to receive the amount of €190,038. In addition, as a multi-year remuneration, the CEO participates in the LTIP.

In addition, as remuneration in kind, he/she will receive: a company car (including the cost of leasing, etc., insurance, repairs and vehicle maintenance), a pension plan, a life insurance policy and a private medical insurance policy.

Thus, in application of the above, the salaries accrued and consolidated by the executive director during the 2022 financial year amounted to 190,828 euros in concept of fixed salary, 7,905.46 euros in concept of pension plan contribution, 2,209.90 euros in concept of life insurance premium, 666.96 euros for health insurance and 20,530.44 euros for the company car.

With regard to the variable amounts, and given that in 2022 the First Vesting Period of the Incentive Plan of which the Executive Director is the sole beneficiary director ended, it is necessary to proceed to the settlement and payment of the amounts due.
To this end, the first step is to monitor the achievement of the CEO's individual objectives and to evaluate his performance. Subsequently, the degree to which the LTIP's performance targets are met is monitored. This results in the amount to be paid: the short-term cash component has a grace period of 120 days and can therefore be paid from 2 May 2023. With regard to the long-term amounts in shares, they may be paid out after a grace period of one year, on 2 January 2024.
As of the date of this report, it has been determined that the amount accrued by the Executive Director, based on the achievement of objectives, corresponds to 31.25% of his maximum allowance for the first vesting period, resulting in an aggregate amount of €142,977.50. Of this amount, the short-term component of €30,000 is to be paid in cash, after the 120-day grace period and following receipt of an unqualified external auditor's report.
The remaining amount of €112,977.50 is to be paid in shares at a price per share of €4.82, resulting in 24,439 shares, to be delivered after the vesting period on 2 January 2024.
All this control of compliance with objectives and settlement has been carried out in accordance with the provisions of the remuneration policy, firstly through a report prepared by the Chief Financial Officer, Director of Organisation and Director of Strategy, which is submitted to the Board of Directors

Appointments and Remunerations Committee. Following a favourable report from the NRC, the control of compliance with objectives and the liquidation proposal is submitted to the Board of Directors for approval.

B.7. Explain the nature and main features of the variable components of the remuneration systems vested and consolidated in the financial year ended.

In particular:

a) Identify each of the remuneration plans that have determined the different variable remuneration accrued by each of the directors during the year ended, including information on their scope, date of approval, date of implementation, vesting conditions, if any, vesting periods and term, criteria used to assess performance and how this has impacted on setting the variable amount accrued, as well as the measurement criteria used and the time required to be able to adequately measure all the conditions and criteria stipulated, explaining in detail the criteria and factors applied in terms of the time required and methods to verify that the performance conditions or any other type of conditions to which the accrual and consolidation of each component of the variable remuneration was linked have been effectively fulfilled.

b) In the case of stock option plans or other financial instruments, the general features of each plan shall include information on the conditions both for unconditional vesting and for the exercise of such options or financial instruments, including the exercise price and the exercise period.

c) Each of the directors, and their category (executive directors, external proprietary directors, external independent directors or other external directors), who are beneficiaries of remuneration systems or plans that incorporate variable remuneration.

d) Where applicable, information shall be given on the accrual or deferral periods that have been applied and/or the periods of withholding/non-disposal of shares or other financial instruments, if any.

Explain the short-term variable components of remuneration systems:

New in 2022, the remuneration policy introduced a short-term incentive for the Executive Director under the LTIP.
Only the CEO receives variable components in his/her remuneration. The short-term variable remuneration of the Executive Director will be paid in cash, based on professional performance and the achievement of pre-determined objectives in a manner that assesses the creation of value for the Company.
In order to incentivise the achievement of the financial objectives and the alignment of long-term interests of the Executive Director, senior management and key employees of the Company, the Executive Director is allowed to participate as a beneficiary in the long-term incentive plans implemented by the Company. Variable remuneration is based on the principles of the Remunerations Policy and will take into account the elements described below.

In particular, the Executive Director may participate in the Company's Long-Term Incentive Plan (hereinafter the "Incentive Plan"), the purpose of which is to retain, compensate and motivate participants and enable them to be part of the Company's value creation through the possibility of receiving, where applicable, a cash amount and a number of Soltec Power shares (the "Plan Shares"), subject to the achievement of certain objectives and to the beneficiary remaining with the Company.
The Board of Directors approved the allocation of a maximum total financial amount of the Incentive for the entire Incentive Plan (the "Incentive"), which takes the form of an annual allocation for each year of validity. In this respect, the CEO is entitled to receive a cash amount and a number of shares in the Company under the Incentive Plan. The number of shares will be calculated on the basis of converting the reference cash amount into ordinary shares of the Company at the price of the subscription offer prior to the admission to trading of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges in October 2020. This price was 4.82 euros per share.

The maximum incentive that could accrue to the Executive Director during the entire Incentive Plan will amount to 915,056 euros (four annuities of 228,764 euros), of which up to a maximum of 30% of this amount (with a ceiling of 30,000 euros per year) could be received in cash annually, constituting the short-term variable.

The Incentive Scheme came into force on 1 January 2021 and will run for four years. Three Vesting Periods are established:
•The first Vesting Period will begin on 1 January 2021 and finalise on 2 January 2023. The Incentive that may be granted to the Executive Director at the end of this Vesting Period shall not exceed 42.5% of the Incentive to which he is entitled (with the proportion of the Short-Term Incentive settled in cash not exceeding 7.5% of the Incentive and not exceeding €30,000).
•The second Vesting Period shall begin on 3 January 2023 and end on 4 January 2024. The Incentive that may be granted to the CEO at the end of this Vesting Period, which shall be settled entirely in cash, shall not exceed 7.5% of the Incentive to which he/she is entitled, and with a cap of 30,000 euros.
•The third Vesting Period shall begin on 3 January 2023 and will end on 4 January 2025. The Incentive that may be granted to the CEO at the end of this Vesting Period shall not exceed 42.5% of the Incentive to which he/she is entitled (with the proportion of the Incentive settled in cash not exceeding 7.5% of the Incentive and not exceeding EUR 30,000).
The Incentive shall only vest when the vesting conditions and criteria are met at the expiration of each Vesting Period, which shall be (i) the participant's condition of continued employment, and (ii)
performance conditions: (a) the Executive Director achieves a minimum rating of 3.5 in the performance appraisal conducted in each Performance Period (the "Performance Appraisal"); (b)
the Executive Director achieves 75% of the annual individual and area targets set for each Vesting Period under the "Target-Based Appraisal"; and (c)
the annual achievement of three performance criteria: "Total Shareholder Return", "Adjusted EBITDA" and the "ESG Indicator".
The final Incentive to be paid to the Executive Director at the end of each Vesting Period shall be:
•Zero if he/she does not pass the Performance Appraisal or the Target-Based Appraisal;
•Equal to the maximum allocation that may be granted during such Vesting Period, multiplied by an Overall Allocation Rate, equal to the weighted average of the "Total Shareholder Return Allocation Rate" (50%), the "Adjusted EBITDA Allocation Rate" (25%) and the "ESG Allocation Rate" (25%), the definition of which is drawn up in the Incentive Plan, and calculated annually on the basis of Total Shareholder Return, Adjusted EBITDA, and the ESG Indicator fixed by the Board of Directors, respectively. The Incentive Plan establishes for each indicator, a minimum threshold of 85% below which the Incentive Plan will not vest in respect of that criterion, a level corresponding to a performance of 85 to 95% (not included), 95 to 100% (not included), 100 to 110% (not included), and a level corresponding to a maximum performance equal to or greater than 110%. For the ESG Indicator, performance is consolidated at a level of 85 to 100% (not included).

Rules concerning variable cash remuneration
In each Vesting Period, a maximum of 7.5% of the Incentive may be accrued with a cap of 30,000 euros as annual variable remuneration to be paid in cash (the "Cash Incentive"). For the purpose of
clarification, the amount of the Incentive which, where applicable, exceeds said ceiling of 30,000 up to 7.5% of the Incentive will form part of the Incentive to be delivered in Plan Shares at the end of the corresponding Vesting Period. The Cash Incentive Grace Period shall be 120 days from the end of each Vesting Period.

Explain the long-term variable components of remuneration systems:

Only the CEO receives variable components in his remuneration. The variable remuneration of the CEO will be paid partly in cash (annual variable) or through the delivery of shares (multi-year variable), depending on professional performance and the achievement of pre-set targets in order to assess the creation of value for the Company.
In order to incentivise the achievement of the financial objectives and the alignment of long-term interests of the Executive Director, senior management and key employees of the Company, the Executive Director is allowed to participate as a beneficiary in the long-term incentive plans implemented by the Company. Variable remuneration is based on the principles of the Remuneration Policy described above and will take into account the elements described below.
In particular, the Executive Director may participate in the Company's Long-Term Incentive Plan (hereinafter the "Incentive Plan"), the purpose of which is to retain, compensate and motivate participants and enable them to be part of the Company's value creation through the possibility of receiving, where applicable, a cash amount and a number of Soltec Power shares (the "Plan Shares"), subject to the achievement of certain objectives and to the beneficiary remaining with the Company.
The Board of Directors approved the allocation of a maximum total financial amount of the Incentive for the entire Incentive Plan (the "Incentive"), which takes the form of an annual allocation for each year of validity. In this respect, the CEO is entitled to receive a cash amount and a number of shares in the Company under the Incentive Plan. The number of shares will be calculated on the basis of converting the reference cash amount into ordinary shares of the Company at the price of the subscription offer prior to the admission to trading of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges in October 2020. This price was 4.82 euros per share.
The maximum Incentive that may accrue to the CEO during the entire Incentive Plan will amount to 915,056 euros (four annual payments of 228,764 euros), of which up to a maximum of 30% of said amount (with a ceiling of 30,000 per annum) may be received in cash and up to a maximum of not less than 70% of such amount (which may be increased by the portion of the cash amount in any of the three annual vesting periods in excess of such limit of 30,000 euros per annum) may be received in Soltec Power shares. In view of the foregoing, the Executive Director may receive a maximum of 120.35% of his total fixed remuneration during the term of the Incentive Plan as annual variable remuneration (in cash) and multi-year variable remuneration (in shares), assuming a market value for the Soltec Power shares delivered to the Executive Director equivalent to the price set in the public offer for subscription and sale prior to the IPO.

The Incentive Scheme came into force on 1 January 2021 and will run for four years. Three Vesting Periods are established:
•The first Vesting Period shall begin on 1 January 2021 and end on 2 January 2023. The Incentive that may be granted to the CEO at the end of this Vesting Period shall not exceed 42.5% of the Incentive to which he/she is entitled (with the proportion of the Incentive settled in cash not exceeding 7.5% of the Incentive and not exceeding EUR 30,000).
•The second Vesting Period shall begin on 3 January 2023 and end on 4 January 2024. The Incentive that may be granted to the CEO at the end of this Vesting Period, which shall be settled entirely in cash, shall not exceed 7.5% of the Incentive to which he/she is entitled, and with a cap of 30,000 euros.
•The third Vesting Period shall begin on 3 January 2023 and will end on 4 January 2025. The Incentive that may be granted to the CEO at the end of this Vesting Period shall not exceed 42.5% of the Incentive to which he/she is entitled (with the proportion of the Incentive settled in cash not exceeding 7.5% of the Incentive and not exceeding EUR 30,000).
The Incentive shall only vest when the vesting conditions and criteria are met at the expiry of each Vesting Period, which shall be (i) the participant's employment tenure status, and (ii) the performance conditions: (a) the Executive Director achieves a minimum rating of 3.5 in the performance appraisal conducted in each Performance Period (the "Performance Appraisal"); (b) the Executive Director achieves 75% of the annual individual and area targets set in each Performance Period under the "Target-Based Appraisal"; and (c) the annual achievement of three performance criteria: "Total Shareholder Return", "Adjusted EBITDA" and "ESG Indicator".

The final Incentive to be paid to the Executive Director at the end of each Vesting Period shall be:
•Zero if he/she does not pass the Performance Appraisal or the Target-Based Appraisal;
•Equal to the maximum allocation that may be granted during such Vesting Period, multiplied by an Overall Allocation Rate, equal to the weighted average of the "Total Shareholder Return Allocation Rate" (50%), the "Adjusted EBITDA Allocation Rate" (25%) and the "ESG Allocation Rate" (25%), the definition of which is drawn up in the Incentive Plan, and calculated annually on the basis of Total Shareholder Return, Adjusted EBITDA, and the ESG Indicator fixed by the Board of Directors, respectively. The Incentive Plan establishes for each indicator, a minimum threshold of 85% below which the Incentive Plan will not vest in respect of that criterion, a level corresponding to a performance of 85 to 95% (not included), 95 to 100% (not included), 100 to 110% (not included), and a level corresponding to a maximum performance equal to or greater than 110%. For the ESG Indicator, performance is consolidated at a level of 85 to 100% (not included).
At the proposal of the Appointments and Remunerations Committee, the Board may also approve the total or partial cancellation (malus) and/or recovery (clawback) of the Incentive, in the event that (i) the Company's financial statements are restated; (ii) the final Incentive has been calculated on the basis of data that has subsequently proved to be inaccurate and the result is a lower variable remuneration due; (iii) for serious breach of internal rules and policies by the Executive Director; and (iv) if the Company suffers significant losses that are due to material failures in risk management, to which wilful or grossly negligent conduct has contributed. Cancellation (malus) may be applied by the Board of Directors during the Deferral Period and clawback may be applied by the Board of Directors during the 12 months following the payment of the Scheme Shares.

Rules on variable share-based remuneration
The maximum number of Incentive Shares that may be allocated to the CEO under the Incentive Plan will be 138,292 shares, of which 69,146 shares will vest in the First Vesting Period and 69,146 shares will vest in the Third Vesting Period. Such numbers of shares may be higher if they are to be converted into shares at the price of the offer for subscription and sale of shares prior to the IPO of Soltec Power and to settle in shares the excess of one or more annuities of the Cash Incentive over the limit of EUR 30,000 per annum eligible for cash settlement.
Delivery of the Final Incentive will generally occur at the end of a 365-day vesting period commencing on the day after the expiry of each applicable Vesting Period (the "Vesting Period").
The CEO undertakes to maintain ownership (directly or indirectly through subsidiaries) of a number of shares, options or other financial instruments corresponding to the remuneration systems such that he maintains an economic exposure to changes in the price of the Company's shares equivalent to at least twice his annual fixed remuneration.

B.8. Indicate whether certain accrued variable components have been reduced or claimed back when, in the first case, the payment of unconsolidated amounts has been deferred or, in the second case, consolidated and paid, on the basis of data whose inaccuracy has subsequently been manifestly demonstrated. Describe the amounts reduced or refunded by the application of malus or clawback clauses, why they have been applied and the financial years to which they relate.

Not applicable.

B.9. Explain the main characteristics of the long-term savings schemes whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survivor's benefits, which are partly or wholly funded by the company, whether funded internally or externally, indicating the type of plan, whether it is a contribution or defined benefit plan, the contingencies it covers, the conditions of consolidation of the economic rights in favour of the directors and their compatibility with any kind of compensation for early termination or expiry of the contractual relationship between the company and the director.

•Main features
o Policyholder: Soltec Power Holdings
o Insured Party: CEO
o Duration: From 00:00 hours on 24/3/2021 until the death of the Insured or until the Policyholder decides to terminate the contract

o Risk and sums insured:
- A capital sum equal to the market value of the units in which the investment is distributed if the insured party is alive at the time SPH decides to terminate the contract.
- In the event of the death of the Insured Party, and provided that this occurs before the policyholder decides to terminate the contract, Allianz Seguros will pay to the designated Beneficiaries the
market value of the investment, at the opening of the death claim in the Company, with the value date depending on the funds contracted and according to the attached table. The market value of the
shares in the policy funds will be increased by €300.
o Redemption: From the second month onwards, once the premiums have been collected and valued, partial/full surrender of the premiums and outstanding contributions can be made. The redemption amount will coincide with the value
of the accumulated fund according to the net asset value of the investment determined by the market value of the units in the selected funds, without penalties.
o Modification: from the third month, the periodicity of the premium payment, the periodic amount to be paid and the suspension, inclusion or modification of the annual revaluation of the premium may be modified.
o Under the policy, the policy is not linked to the achievement of certain performance-related targets or parameters related to the
director's performance in the short or long term.
o Total capital contributed by SPH during 2022: €7,905.46
o Monthly contribution from Soltec Power Holdings: €666.66

B.10. Explain, where applicable, the indemnities or any other type of payment derived from early termination, whether the termination is at the will of the company or of the director, or from the termination of the contract, in the terms provided therein, accrued and/or received by the directors during the financial year ended.

Not applicable.

B.11. Indicate whether there have been any significant changes in the contracts of those exercising senior management functions as executive directors and, if so, explain them. Also explain the main terms of any new contracts signed with executive directors during the year, unless explained in section A.1.

Not anticipated.

B.12. Explain any additional remuneration accrued to directors in consideration for services rendered other than those inherent to their position.

Not anticipated.

B.13. Explain any remuneration derived from the granting of advances, loans and guarantees, indicating the interest rate, their essential characteristics and any amounts repaid, as well as the obligations assumed on their behalf by way of security.

Not anticipated.

B.14. Give details of the remuneration in kind earned by directors during the year, explaining briefly the nature of the different salary components.

Only the Chief Executive Officer receives remuneration in kind. The following amounts have been accrued and paid in 2022 for the following items:

- Company car €20,530.44
- Life insurance €2,209.90
- Pension plan €7,905.46
- Health insurance €666.96

B.15. Explain the remuneration accrued by the director by virtue of payments made by the listed company to a third-party entity in which the director provides services, when such payments are intended to remunerate the director's services in the company.

Not anticipated.

B.16. Explain and detail the amounts accrued during the year in relation to any other remuneration item other than those listed above, whatever its nature or the group entity paying it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true and fair view of the total remuneration accrued by the director, explaining the amount granted or pending payment, the nature of the consideration received and the reasons why it would have been considered, where appropriate, that it does not constitute remuneration to the director in his/her capacity as such or in consideration for the performance of his/her executive duties, and whether or not it has been considered appropriate to include it among the amounts accrued in the "other items" heading of section C.

Not anticipated.

C. DETAILS OF THE INDIVIDUAL REMUNERATION CORRESPONDING TO EACH DIRECTOR

Name	Type	Vesting period 2022
Mr FERNANDO CABALLERO DE LA SEN	Coordinating Director	From 01/01/2022 to 31/12/2022
Mr JOSÉ FRANCISCO MORALES TORRES	Proprietary Director	From 01/01/2022 to 31/12/2022
Mr MARCOS SÁEZ NICOLÁS	Proprietary Director	From 01/01/2022 to 31/12/2022
Ms MARÍA SICILIA SALVADORES	Independent Director	From 01/01/2022 to 31/12/2022
Ms MARINA MORENO DÓLERA	Proprietary Director	From 01/01/2022 to 31/12/2022
Ms NURIA ALIÑO PÉREZ	Independent Director	From 01/01/2022 to 31/12/2022
Mr RAÚL MORALES TORRES	Executive Director	From 01/01/2022 to 31/12/2022

C.1. Complete the following tables regarding the individual remuneration of each of the directors (including remuneration for the exercise of executive functions) accrued during the financial year.

a) Remuneration of the company that is the subject of this report:

i) Remuneration accrued in cash (thousands of €)

Name	Fixed remuneration	Per diems	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other concepts	Total financial year 2022	Total financial year 2021
Mr FERNANDO CABALLERO DE LA SEN	40		40						80	80
Mr JOSÉ FRANCISCO MORALES TORRES	30		5						35	35
Mr MARCOS SÁEZ NICOLÁS	30								30	30
Ms MARÍA SICILIA SALVADORES	30		38						68	68
Ms MARINA MORENO DÓLERA	30		3						33	33

Name	Fixed remuneration	Per diems	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other concepts	Total financial year 2022	Total financial year 2021
Ms NURIA ALIÑO PÉREZ	30		33						63	63
Mr RAÚL MORALES TORRES				191	30				221	190

Observations

The amounts indicated in the short and long-term variable remuneration of the Executive Director are estimates and have not yet been paid and have not yet been subject to the relevant checks and approvals at the date of preparation of this report.

ii) Table of movements of share-based remuneration schemes and gross benefits from consolidated shares or financial instruments.

Name	Name of Plan	Financial instruments at start of year 2022		Financial instruments granted during year 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year 2022	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. Equivalent shares
Mr FERNANDO CABALLERO DE LA SEN	Plan							0.00				
Mr JOSÉ FRANCISCO MORALES TORRES	Plan	8,298						0.00			21,948	
Mr MARCOS SÁEZ NICOLÁS	Plan	4,149						0.00			4,149	
Ms MARÍA SICILIA SALVADORES	Plan							0.00				
Ms MARINA MORENO DÓLERA	Plan							0.00				

Name	Name of Plan	Financial instruments at start of year 2022		Financial instruments granted during year 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year 2022	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. Equivalent shares
Ms NURIA ALIÑO PÉREZ	Plan							0.00				
Mr RAÚL MORALES TORRES	LTIP	17,903,520				23,439	23,439	4.27	100		18,054,959	23,439

Observations

In the case of the Executive Director's share-based remuneration, the data we provide includes the shares vested during the 2022 financial year. However, as the delivery of the shares is subject to a one-year grace period, the actual delivery will not take place until January 2024. The price per share shown in this section corresponds to the market price on the vesting date; however, the actual delivery of the shares is based on the IPO price of €4.82/share.

iii) Long-term savings schemes.

Name	Remuneration from vesting of rights to savings schemes
Mr FERNANDO CABALLERO DE LA SEN	
Mr JOSÉ FRANCISCO MORALES TORRES	
Mr MARCOS SÁEZ NICOLÁS	
Ms MARÍA SICILIA SALVADORES	
Ms MARINA MORENO DÓLERA	
Ms NURIA ALIÑO PÉREZ	

Name	Remuneration from vesting of rights to savings schemes
Mr RAÚL MORALES TORRES	8

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	Financial year 2022	2021	Financial year 2022	2021	Financial year 2022	2021	Financial year 2022	2021
Mr FERNANDO CABALLERO DE LA SEN								
Mr JOSÉ FRANCISCO MORALES TORRES								
Mr MARCOS SÁEZ NICOLÁS								
Ms MARÍA SICILIA SALVADORES								
Ms MARINA MORENO DÓLERA								
Ms NURIA ALIÑO PÉREZ								
Mr RAÚL MORALES TORRES			8	7			15	7

Observations

iv) Details of other items

Name	Concept	Amount of remuneration
Mr FERNANDO CABALLERO DE LA SEN	Concept	
Mr JOSÉ FRANCISCO MORALES TORRES	Concept	
Mr MARCOS SÁEZ NICOLÁS	Concept	
Ms MARÍA SICILIA SALVADORES	Concept	
Ms MARINA MORENO DÓLERA	Concept	
Ms NURIA ALIÑO PÉREZ	Concept	
Mr RAÚL MORALES TORRES	Company car, life insurance and medical insurance	23

Observations

b) Remuneration of directors of the listed company for their membership of the administrative bodies of its subsidiaries:

i) Remuneration accrued in cash (thousands of €)

Name	Fixed remuneration	Per diems	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other concepts	Total financial year 2022	Total financial year 2021
Mr FERNANDO CABALLERO DE LA SEN										
Mr JOSÉ FRANCISCO MORALES TORRES										
Mr MARCOS SÁEZ NICOLÁS										

Name	Fixed remuneration	Per diems	Remuneration for membership of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other concepts	Total financial year 2022	Total financial year 2021
Ms MARÍA SICILIA SALVADORES										
Ms MARINA MORENO DÓLERA										
Ms NURIA ALIÑO PÉREZ										
Mr RAÚL MORALES TORRES										

Observations

ii) Table of movements of share-based remuneration schemes and gross benefits from consolidated shares or financial instruments.

Name	Name of Plan	Financial instruments at start of year 2022		Financial instruments granted during year 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year 2022	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. Equivalent shares
Mr FERNANDO CABALLERO DE LA SEN	Plan							0.00				

Name	Name of Plan	Financial instruments at start of year 2022		Financial instruments granted during year 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year 2022	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. Equivalent shares
Mr JOSÉ FRANCISCO MORALES TORRES	Plan							0.00				
Mr MARCOS SÁEZ NICOLÁS	Plan							0.00				
Ms MARÍA SICILIA SALVADORES	Plan							0.00				
Ms MARINA MORENO DÓLERA	Plan							0.00				
Ms NURIA ALIÑO PÉREZ	Plan							0.00				
Mr RAÚL MORALES TORRES	Plan							0.00				

Observations

iii) Long-term savings schemes.

Name	Remuneration from vesting of rights to savings schemes
Mr FERNANDO CABALLERO DE LA SEN	
Mr JOSÉ FRANCISCO MORALES TORRES	
Mr MARCOS SÁEZ NICOLÁS	
Ms MARÍA SICILIA SALVADORES	
Ms MARINA MORENO DÓLERA	
Ms NURIA ALIÑO PÉREZ	
Mr RAÚL MORALES TORRES	

	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
Name	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	Financial year 2022	2021	Financial year 2022	2021	Financial year 2022	2021	Financial year 2022	2021
Mr FERNANDO CABALLERO DE LA SEN								
Mr JOSÉ FRANCISCO MORALES TORRES								
Mr MARCOS SÁEZ NICOLÁS								
Ms MARÍA SICILIA SALVADORES								
Ms MARINA MORENO DÓLERA								

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	Financial year 2022	2021	Financial year 2022	2021	Financial year 2022	2021	Financial year 2022	2021
Ms NURIA ALIÑO PÉREZ								
Mr RAÚL MORALES TORRES								

Observations

iv) Details of other items

Name	Concept	Amount of remuneration
Mr FERNANDO CABALLERO DE LA SEN	Concept	
Mr JOSÉ FRANCISCO MORALES TORRES	Concept	
Mr MARCOS SÁEZ NICOLÁS	Concept	
Ms MARÍA SICILIA SALVADORES	Concept	
Ms MARINA MORENO DÓLERA	Concept	
Ms NURIA ALIÑO PÉREZ	Concept	
Mr RAÚL MORALES TORRES	Concept	

Observations

c) Summary of remuneration (thousands of euros):
This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

	Remuneration accruing in the Company					Remuneration accruing in group companies					
Name	Total Cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2022, company	Total Cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2022, group	Total in year 2022, company+group
Mr FERNANDO CABALLERO DE LA SEN	80				80						80
Mr JOSÉ FRANCISCO MORALES TORRES	35				35						35
Mr MARCOS SÁEZ NICOLÁS	30				30						30
Ms MARÍA SICILIA SALVADORES	68				68						68
Ms MARINA MORENO DÓLERA	33				33						33
Ms NURIA ALIÑO PÉREZ	63				63						63

	Remuneration accruing in the Company					Remuneration accruing in group companies					
Name	Total Cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2022, company	Total Cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2022, group	Total in year 2022, company+group
Mr RAÚL MORALES TORRES	221	100	8	23	352						352
TOTAL	530	100	8	23	661						661

Observations

The amounts indicated for the Executive Director include the estimated variable remuneration accrued in the financial year 2022. This is only an estimate subject to possible changes, as at the date of writing of the report, the checks and authorisations to be issued by the Appointments and Remunerations Committee and the Board of Directors have not yet been carried out.

C.2. Indicate the changes over the last five years in the amount and percentage change in the remuneration earned by each of the listed company's directors during the year, in the consolidated results of the company and in the average remuneration on a full-time equivalent basis of the employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	Financial year 2022	% Variation 2022/2021	2021	% Change 2021/2020	2020	% Change 2020/2019	Financial year 2019	% Change 2019/2018	Financial year 2018
Executive directors									
Mr RAÚL MORALES TORRES	365	67.43	218	19.13	183	0.00	183	-	0
External directors									

	Total amounts accrued and % annual variation								
	Financial year 2022	% Variation 2022/2021	2021	% Change 2021/2020	2020	% Change 2020/2019	Financial year 2019	% Change 2019/2018	Financial year 2018
Mr FERNANDO CABALLERO DE LA SEN	80,000	0.00	80,000	344.44	18,000	-	0	-	0
Mr JOSÉ FRANCISCO MORALES TORRES	35,000	0.00	35,000	337.50	8,000	-	0	-	0
Mr MARCOS SÁEZ NICOLÁS	30,000	0.00	30,000	328.57	7,000	-	0	-	0
Ms MARÍA SICILIA SALVADORES	68,000	0.00	68,000	353.33	15,000	-	0	-	0
Ms MARINA MORENO DÓLERA	33,000	0.00	33,000	371.43	7,000	-	0	-	0
Ms NURIA ALIÑO PÉREZ	63,000	0.00	63,000	350.00	14,000	-	0	-	0
Average remuneration of employees									
	16,495	-18.54	20,250	-	0	-	0	-	0

Observations

The company was incorporated in 2019 and listed at the end of October 2020. The Board of Directors was appointed on 6 October 2020 so that their remuneration in 2020 will only be paid for three months. Average employee remuneration data includes the consolidated average remuneration at the global level, including all foreign subsidiaries.

D. OTHER INFORMATION OF INTEREST

If there is any relevant aspect regarding directors' remuneration that has not been included in the other sections of this report, but which it is necessary to include in order to provide more complete and reasoned information on the company's remuneration structure and practices in relation to its directors, briefly describe them.

This annual remuneration report was approved by the board of directors of the company at its meeting held on this date:

27/03/2023

Indicate whether any directors voted against or abstained from voting on the approval of this report.

[ ] Yes
[√] No