

# 2021 INDIVIDUAL FINANCIAL STATEMENTS

Translation of annual report originally issued in Spain and prepared under principles detailed in note 2-a). In the event of a discrepancy, the Spanish-language version prevails.

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**SOLTEC POWER HOLDINGS, S.A.**

**BALANCE SHEET AT 31 DECEMBER 2021**

(Euros)

	Notes <sup>(1)</sup>	31.12.2021	31.12.2020		Notes <sup>(1)</sup>	31.12.2021	31.12.2020
<b>NON-CURRENT ASSETS</b>		<b>259.435.281</b>	<b>234.323.599</b>	<b>EQUITY</b>		<b>240.916.356</b>	<b>244.193.441</b>
Intangible assets	4-a	36.639	-	<b>SHAREHOLDERS' EQUITY-</b>		<b>240.916.356</b>	<b>244.193.441</b>
Property, plant and equipment		46.651	51.946	Share capital	7-a	22.846.679	22.846.679
Long-term investments in Group companies-	5-a	248.905.155	227.876.234	Share premium	7-b	230.089.554	230.089.554
Equity instruments in Group companies		245.995.340	227.876.234	Reserves		(4.978.290)	(7.960.400)
Other financial assets		2.909.815	-	Prior years' losses		(782.392)	(225.000)
Long-term financial investments		1.414	-	Own shares	7-d	(4.631.944)	-
Deferred tax assets	8-d	10.445.422	6.395.419	Loss for the year		(1.627.251)	(557.392)
				<b>NON-CURRENT LIABILITIES</b>		<b>10.048.598</b>	<b>3.556.155</b>
				Non-current payables to Group companies	9-b	10.048.598	3.556.155
<b>CURRENT ASSETS</b>		<b>1.331.884</b>	<b>15.354.513</b>	<b>CURRENT LIABILITIES</b>		<b>9.802.211</b>	<b>1.928.516</b>
Trade and other receivables-		765.788	1.629.541	<b>Current payables to Group companies</b>	9-b	7.832.574	-
Customer receivables, Group companies and associates	9-b	400.313	133.906	Trade and other payables-		1.969.637	1.928.516
Current tax assets	8-a	-	682.191	Payables		144.664	883.336
Other receivables from public administrations	8-a	365.475	813.444	Payables, Group companies	9-b	1.225.390	934.179
Short-term investments in Group companies	5-b and 9-b	-	11.542.312	Personnel		24.785	22.106
Current accrued expenses and deferred income		159.045	170.905	Other debts with public administrations	8-a	574.798	88.895
Cash and cash equivalents		407.051	2.011.755				
<b>TOTAL ASSETS</b>		<b>260.767.165</b>	<b>249.678.112</b>	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>260.767.165</b>	<b>249.678.112</b>

(1) Notes 1 to 12, together with Appendices I and II, form an integral part of the balance sheet at 31 December 2021.

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## SOLTEC POWER HOLDINGS, S.A.

### INCOME STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Euros)

	Notes <sup>(1)</sup>	2021	2020
Revenue	10-a	3.170.138	211.639
Personnel expenses	10-b	(3.061.584)	(546.278)
Other operating expenses	10-c	(2.046.865)	(405.354)
Depreciation and amortisation of fixed assets		(5.295)	(451)
Other profit/loss		(60.000)	-
<b>OPERATING LOSS</b>		<b>(2.003.606)</b>	<b>(740.444)</b>
Financial income		-	163
Financial expenses	9-a	(121.087)	(2.908)
<b>FINANCIAL LOSS</b>		<b>(121.087)</b>	<b>(2.745)</b>
<b>LOSS BEFORE TAX</b>		<b>(2.124.693)</b>	<b>(743.189)</b>
Income tax	8-c	497.442	185.797
<b>LOSS FOR THE YEAR</b>		<b>(1.627.251)</b>	<b>(557.392)</b>

(1) Notes 1 to 12, together with Appendices I and II, form an integral part of the 2021 income statement.

**SOLTEC POWER HOLDINGS, S.A.**

**STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED**

**31 DECEMBER 2021**

(Euros)

**A) STATEMENT OF RECOGNISED INCOME AND EXPENSE**

There are no differences between the "Loss per income statement" and the "Total income and expenses" for 2021.

**B) STATEMENT OF TOTAL CHANGES IN EQUITY**

	Euros						
	Share capital	Share premium	Reserves	Prior years' losses	Own shares	Loss for the year	TOTAL
<b>2020 BEGINNING BALANCE</b>	<b>15.060.000</b>	<b>87.802.052</b>	-	-	-	<b>(225.000)</b>	<b>102.637.052</b>
<b>Total recognised income and expense</b>	-	-	-	-	-	<b>(557.392)</b>	<b>(557.392)</b>
<b>Transactions with shareholders-</b>	<b>7.786.679</b>	<b>142.213.320</b>	-	-	-	-	<b>149.999.999</b>
Capital increase (Note 7-a)	7.786.679	142.213.320	-	-	-	-	149.999.999
<b>Other changes in equity-</b>	-	<b>74.182</b>	<b>(7.960.400)</b>	<b>(225.000)</b>	-	<b>225.000</b>	<b>(7.886.218)</b>
Application of loss	-	-	-	(225.000)	-	225.000	-
Other changes	-	74.182	(74.182)	-	-	-	-
Expenses from issuance of equity instruments (Note 7-a), net of taxes	-	-	(7.886.218)	-	-	-	(7.886.218)
<b>2020 ENDING BALANCE</b>	<b>22.846.679</b>	<b>230.089.554</b>	<b>(7.960.400)</b>	<b>(225.000)</b>	-	<b>(557.392)</b>	<b>244.193.441</b>
<b>Total recognised income and expense</b>	-	-	-	-	-	<b>(1.627.251)</b>	<b>(1.627.251)</b>
<b>Other changes in equity-</b>	-	-	<b>2.982.110</b>	<b>(557.392)</b>	<b>(4.631.944)</b>	<b>557.392</b>	<b>(1.649.834)</b>
Application of loss	-	-	-	(557.392)	-	557.392	-
Recognition of share-based payments (Note 11-b)	-	-	3.006.621	-	-	-	3.006.621
Acquisition of own shares (Note 7-d)	-	-	(24.511)	-	(4.631.944)	-	(4.656.455)
<b>2021 ENDING BALANCE</b>	<b>22.846.679</b>	<b>230.089.554</b>	<b>(4.978.290)</b>	<b>(782.392)</b>	<b>(4.631.944)</b>	<b>(1.627.251)</b>	<b>240.916.356</b>

(1) Notes 1 to 12, together with Appendices I and II, form an integral part of the statement of changes in equity for 2021.

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**SOLTEC POWER HOLDINGS, S.A.**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED**

**31 DECEMBER 2021**

(Euros)

	Notes <sup>(1)</sup>	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES (I)</b>		<b>405.938</b>	<b>(779.668)</b>
<b>Loss for the year before tax</b>		<b>(2.124.693)</b>	<b>(743.189)</b>
<b>Adjustments to profit/loss-</b>		<b>1.613.897</b>	<b>3.196</b>
Depreciation and amortisation of fixed assets		5.295	451
Financial income		-	(163)
Financial expenses		121.087	2.908
Other income and expenses	<b>11-b</b>	1.487.515	-
<b>Changes in working capital-</b>		<b>234.543</b>	<b>645.260</b>
Trade and other receivables		181.562	(887.350)
Trade and other payables		41.121	1.703.515
Other current assets		11.860	(170.905)
<b>Other cash flows from operating activities-</b>		<b>682.191</b>	<b>(684.935)</b>
Interest paid		-	(2.908)
Interest collected		-	163
Income tax received/(paid)	<b>8-a</b>	682.191	(682.190)
<b>CASH FLOWS FROM INVESTING ACTIVITIES (II)</b>		<b>(5.095.741)</b>	<b>(136.594.709)</b>
<b>Payments for investments-</b>		<b>(16.638.053)</b>	<b>(136.594.709)</b>
Intangible assets and property, plant and equipment		(36.639)	(52.397)
Group companies	<b>5-a</b>	(16.600.000)	(136.542.312)
Other financial assets		(1.414)	-
<b>Proceeds from disposals-</b>		<b>11.542.312</b>	<b>-</b>
Group companies		11.542.312	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES (III)</b>		<b>3.085.099</b>	<b>139.386.132</b>
<b>Proceeds from and (payments) on equity instruments-</b>		<b>(4.656.455)</b>	<b>139.386.132</b>
Issuance of equity instruments		-	139.386.132
Adquisición de instrumentos de patrimonio propio	<b>7-d</b>	(4.656.455)	-
<b>Proceeds from and (payments) on financial liability instruments-</b>		<b>7.741.554</b>	<b>-</b>
Payables to Group companies		7.741.554	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)</b>		<b>(1.604.704)</b>	<b>2.011.755</b>
<b>Cash and cash equivalents at start of period</b>		<b>2.011.755</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>		<b>407.051</b>	<b>2.011.755</b>

(1) Notes 1 to 12, together with Appendices I and II, form an integral part of the statement of cash flows for 2021.

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## **Soltec Power Holdings, S.A.**

### **Notes to the financial statements for the year ended 31 December 2021**

#### **1. General Information**

Soltec Power Holdings, S.A. (hereinafter, the "Company") was formed in Murcia (Spanish) on 2 December 2019, in accordance with the Spanish Limited Liability Companies Law. Its registered office is at Calle Gabriel Campillo, Polígono Industrial La Serreta, s/n 30500, Molina de Segura (Murcia), where its main facilities are located.

In accordance with its Articles of Association, the Company's corporate purpose is:

- a) The execution of all kinds of activities, works and services related to the business of promotion, development, construction and maintenance of electricity generating plants, including the manufacture, supply, installation and assembly of industrial equipment and other installations for such plants.
- b) Providing assistance or support services to investee companies or those within the scope of the business group, for which purpose it may provide, in their favour, the financing, guarantees and consolidations that may be appropriate.
- c) The management and administration of securities representing the equity of companies that are resident and non-resident in Spain through the appropriate organization of personal and material means, provided this activity does not fall in the scope of collective investment as defined in the appropriate legislation.

The Company's main activity in 2021 and 2020 was the holding of all the shares in Soltec Energías Renovables, S.L.U. and of the shares in Powertis, S.A.U. Consequently, it is the head of a group of companies that constitute, together with it, the Soltec Group. The consolidated financial statements of the Soltec Group for 2021 were prepared by the Company's directors on 22 March 2022. The consolidated financial statements of the Soltec Group for 2020 were prepared in line with International Financial Reporting Standards and were filed at the Murcia Mercantile Registry.

At 31 December 2021, the Soltec Group was formed by two subgroups to whose parent companies, Soltec Energías Renovables, S.L.U. and Powertis, S.A.U., various subsidiaries are answerable for corporate purposes that make up the scope of the Soltec Group. The information regarding the subsidiaries is described in Appendix I of these financial statements.

On 28 October 2021, the Company's shares were admitted to trading on the Bilbao, Madrid, Barcelona and Valencia Stock Exchanges, as explained in Note 7-a.

The 2021 consolidated financial statements of the Soltec Group prepared in accordance with the IFRS adopted by the European Union had a total volume of assets of 476,951 thousand euros and equity attributable to the Parent's shareholders of 147,032 thousand euros. Likewise, consolidated sales and the attributable consolidated loss amounted to 346,514 thousand euros and -1,125 thousand euros (assets amounting to 235,546 thousand euros and losses of 4,918 thousand euros in 2020).

In view of the Company's current activities, it does not have any environmental liabilities, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in these notes to the financial statements.

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## **2. Basis of presentation of the financial statements**

### ***a) Financial reporting regulatory framework applicable to the Company***

These financial statements have been authorised for issue in accordance with the financial reporting regulatory framework applicable to the Company, as set out in:

- The Spanish Commercial Code and other commercial legislation.
- The General Accounting Plan approved by Royal Decree 1514/2007, which was modified by Royal Decree 602/2016 and by Royal Decree 1/2021, and its sector adaptations.
- The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the PGC and its supplementary rules.
- All other applicable Spanish accounting legislation.

The figures included in the financial statements are expressed in euros.

### ***b) Fair presentation***

These financial statements have been obtained from the Company's accounting records and are presented in accordance with the financial reporting regulatory framework applicable to it and, in particular, the accounting principles and criteria contained therein, so that they present fairly the Company's equity, financial position, results and cash flows during the corresponding year.

These financial statements were prepared by the Company's directors at their meeting on 22 March 2022. Likewise, they will be submitted for approval by the General Shareholders' Meeting, and it is considered that they will be approved without any changes. For its part, the 2020 financial statements were approved by the General Shareholders' Meeting held on 24 June 2021.

These financial statements have omitted information or disclosures that, not requiring details due to their qualitative importance, have been considered immaterial or as having no relative importance in accordance with the concept of materiality or relative importance defined in the conceptual framework of the 2007 General Accounting Plan.

### ***c) Non-mandatory accounting principles applied***

No non-mandatory accounting principles have been applied. Additionally, the Company's directors have prepared these financial statements taking into account all the accounting principles, as well as the generally accepted mandatory measurement and recognition standards that have a significant effect on said financial statements, which are described in Note 4 to these financial statements. All mandatory accounting principles have been applied.

### ***d) Critical aspects of the assessment and estimation of uncertainty***

In preparing the accompanying financial statements, estimates have been made that are based on historical experience and other factors that are considered reasonable in accordance with current circumstances and that constitute the basis to establish the carrying amount of certain assets, liabilities, income, expenses and commitments whose value is not easily determinable through other sources. The Company reviews its estimates on an ongoing basis. These estimates relate basically to the following:

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- Assessment of potential losses due to the impairment of certain assets (see Note 4).
- The recovery of deferred tax assets and the tax rate applicable to temporary differences (see Note 8).
- Financial risk management and, in particular, liquidity risk (see Note 6).

Despite the fact that these estimates have been made based on the best information, it is possible that events that may take place in the future make it necessary to modify them (upwards or downwards) in the coming years, which would be done, if applicable, prospectively, recognising the effects of the change in estimate in the corresponding future income statement.

In 2021, the Company incurred losses amounting to 1,627 thousand euros. However, the Company's directors consider that in successive years it will obtain profit due to the business plan of the companies that it holds in its portfolio.

Likewise, at 2021 year-end, the Company reported negative working capital (see Note 6) for an amount of 8,470 thousand euros (positive working capital of 13,426 thousand euros at 2020 year-end), derived mainly from the credit balances at the end of the year with Group companies as a result of the application of the treasury transfer contract (see Note 9-b), of the management of balances related to the tax consolidation structure of which the Company is the head (see Note 4-c) and of the purchase of treasury shares by the Company in relation to the commitment regarding the incentive plan held by the Group with its workers.

Hence, the going concern principle has been applied in the preparation of these financial statements since, in the opinion of the Company's directors, there have been no significant doubts regarding the continuity of its activities. Likewise, the Company's directors have not taken, nor do they have in mind, any decision that could significantly alter the carrying amount of the assets and liabilities, or the term over which the assets will be realised or the liabilities will be settled.

#### ***e) Comparative information***

The information contained in these 2020 financial statements is presented exclusively for comparative purposes with the information for 2021.

#### ***f) Grouping of items***

Certain items in the balance sheet, the income statement and the statement of changes in equity are grouped together to facilitate their understanding although, to the extent that it is significant, the unbundled information has been included in the corresponding notes to the financial statements.

#### ***g) Changes in accounting criteria***

At 1 January 2021, the new classification and measurement criteria for financial instruments apply, together with the recognition and measurement of income from sales and the provision of services, provided for in Royal Decree 1/2021, which are included in Notes 4-b and 4-d respectively, and they represent a modification with respect to those applied in previous years.

Following the rules contained in section 6 of the second transitory provision, the Company decided to apply the new criteria prospectively, although the application of the new criteria has had no impact on the carrying amounts of said financial assets and liabilities. In this way, the main financial assets owned by the Company, which corresponded to the category of "Loans and receivables", were recognised as "Financial assets at amortised cost" in accordance with



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the new classification criteria. As a result of said analysis, and given the type of financial instruments of the Company, at the end of 2021 and 2020, the directors had not identified differences in carrying amount in accordance with the previous regulations and the new category valuation with its impact on the carrying amount determined in accordance with the new criteria, which is why the two values are not reconciled.

In the same way, the directors have considered the changes in the criteria for recording income from the provision of services introduced by said Royal Decree 1/2021, without any changes in the accounting criteria applied in previous years by the Company.

### **3. Application of loss**

The proposed application of 2021 loss by the Company's directors, which will be submitted for approval by the General Shareholders' Meeting, consisted of transferring the entire result to "Prior years' losses".

Since the formation of the Company in 2019, there has been no proposed distribution, nor have any dividends been distributed.

### **4. Recognition and measurement standards**

As indicated in Note 2 above, the Company has applied the accounting policies in accordance with the accounting principles and standards contained in the Code of Commerce, which are enacted in the General Accounting Plan in force, as well as the rest of the mercantile legislation in force at the closing date of these financial statements. In this regard, the main recognition and measurement standards used by the Company to prepare its 2021 financial statements were as follows:

#### ***a) Intangible assets***

As a general rule, intangible assets are initially carried at acquisition price or production cost. and subsequently at cost less any accumulated amortisation and any accumulated impairment losses. These assets are amortised over their estimated useful life. When the useful life of these assets cannot be estimated reliably, they are amortised over a period of ten years.

##### *Computer software*

The Company records in this account the costs incurred in the acquisition and development of computer programmes, including the costs of developing web pages. Computer software maintenance costs are recorded in the income statement for the year in which they are incurred. Computer software is amortised using the straight-line method over a four-year period.

In 2021, the Company acquired 37 thousand euros of intangible assets that entered into operation in December, and it did not record any amount for amortisation in 2021 or in 2020.

#### ***b) Property, plant and equipment***

Property, plant and equipment is initially valued at its acquisition price or production cost and is subsequently reduced by the corresponding accumulated depreciation and any impairment losses it may have experienced.

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Upkeep and maintenance costs relating to property, plant and equipment are taken to the income statement for the period in which they are incurred. However, the costs of improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

The Company depreciates its property, plant and equipment using the straight-line method, distributing the cost of the assets at the lower of the years of estimated useful life or the lease period. The Company estimates the useful life of its property, plant and equipment according to the following detail:

	Years of estimated useful life
Motor vehicles	10

**c) Impairment of intangible assets and property, plant and equipment**

At the end of each reporting period, the Company analyses whether there are signs of impairment of its assets or cash generating units to which goodwill or other intangible assets have been assigned, through the so-called impairment test and, should any impairment exist, it must determine whether their recoverable amount has fallen below their carrying amount.

Recoverable amount is the higher of fair value less costs to sell and value in use.

**d) Financial instruments**

Financial assets

Classification

The financial assets held by the Company are classified into the following categories:

- a. **Financial assets at amortised cost:** Includes financial assets, including those admitted to trading on an organised market, for which the Company maintains the investment to receive the cash flows derived from the execution of the contract, and the contractual conditions of the asset give rise, on specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding. In general, they are included in this category:
  - i) Trade receivables: arising from the provision of services for trading activities with deferred payment, and
  - ii) Non-trade receivables: originate from loan or credit operations granted by the Company whose collections are of a determined or determinable amount.
- b. **Financial assets at cost:** the following investments are included in this category: a) equity instruments of Group companies, jointly controlled entities and associates; b) participating loans with contingent interests; c) financial assets that should be classified in the following category but their fair value cannot be estimated reliably.

Group companies are considered to be those over which the Company has control, while associates are those in which the Company exercises a significant influence. Jointly controlled entities are those which are jointly controlled by the Company, by virtue of an agreement, and one or more shareholders.

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- c. **Financial assets at fair value through profit or loss:** includes financial assets held for trading and those financial assets that have not been classified in any of the above categories. Also included in this category are the financial assets that the Company optionally designates at the time of initial recognition, which otherwise would have been included in another category, because said designation eliminates or significantly reduces a valuation inconsistency or accounting asymmetry that would otherwise arise.

#### *Initial recognition*

Generally, financial assets are initially recognised at the fair value of the consideration given plus directly attributable transaction costs. However, the transaction costs directly attributable to the assets recorded at fair value through profit or loss will be recognised in the income statement for the year.

Likewise, in the case of equity investments in Group companies that grant control over the subsidiary, the fees paid to legal advisors or other professionals involved in the acquisition are recognised directly in the income statement.

#### *Subsequent measurement*

Financial assets at amortised cost will be recorded by applying said measurement criterion, allocating accrued interest to the income statement by applying the effective interest rate method. However, the Company records these financial assets at amortised cost at their nominal value, considering that there are no significant differences arising from said valuation.

Financial assets at fair value through profit or loss are measured at their fair value, recording the result of the variations in said fair value in the income statement.

Investments classified in category b) above are measured at cost, reduced, where appropriate, by the accumulated amount of impairment loss allowances. These allowances are calculated as the difference between their carrying amount and the recoverable amount, understood to be the higher of fair value less costs to sell and the present value of the future cash flows from the investment. The investee's equity is taken into consideration, corrected for any unrealised gains at the measurement date, net of the tax effect, unless better evidence of the recoverable amount of the investments in equity instruments is available.

#### *Impairment*

At least at each reporting date, the Company tests its financial assets not measured at fair value through profit or loss for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. When this occurs, the impairment loss is recognised in the income statement.

Impairment and, where appropriate, reversals thereof, are recognised in the statement of profit or loss as an expense or income, respectively. The reversal of impairment is limited to the original carrying amount of the investment.

In particular, with respect to valuation adjustments related to trade and other receivables, the criterion used by the Company to calculate the corresponding valuation adjustments, if any, is to provision those items, based on a detail of the age of debts and on a prior stratification of the type of debt (Group companies, public administrations, etc.), whose collection delay exceeds six months.

The Company derecognises a financial asset when the rights to cash flows from the asset expire or have been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred. However, the Company does not derecognise financial assets, and recognises a financial liability for an amount equal

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to the consideration received, in transfers of financial assets in which substantially all the risks and rewards of ownership are retained.

#### Financial liabilities

The financial liabilities assumed or incurred by the Company are classified as financial liabilities at amortised cost. Financial liabilities are accounts payable by the Company arising on the purchase of goods and services in the course of the Company's trading activities, and non-trade payables that cannot be considered to be derivative instruments arise from loan or credit operations received by the Company.

Assets and liabilities are presented separately in the balance sheet and are only reported at their net amount when the Company has the enforceable right to offset the recognised amounts and, furthermore, intends to settle the amounts net or realise the assets and cancel the liabilities simultaneously.

The Company derecognises financial liabilities when the obligations giving rise to them are extinguished.

#### Equity instruments

An equity instrument represents a residual interest in the Company's equity, after deducting all its liabilities.

The capital instruments issued by the Company are recorded in equity for the amount received, net of issue expenses.

Own shares acquired by the Company during the year are recorded at the value of the consideration given in exchange, directly as a lower value of equity. The results derived from the purchase, sale, issue or amortisation of own equity instruments are recognised directly in equity, without any result being recorded in the income statement in any case.

#### **e) Income tax**

Income tax expense (tax revenue) comprises current tax expense (current tax revenue) and deferred tax expense (deferred tax revenue).

Current tax is the amount of taxes paid by the Company as a result of income tax settlements for a period. Tax credits and other tax benefits, excluding tax withholdings and payments on account, and tax loss carryforwards effectively utilised in the current period, reduce the current income tax expense.

Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include the temporary differences, measured at the amount expected to be payable or recoverable, between the carrying amounts of assets and liabilities and their tax bases, as well as the carryforwards of unused tax losses and unused tax credits. These amounts are measured by applying the tax rate at which the asset is expected to be realised or the liability is expected to be settled to the corresponding temporary difference or tax asset.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit/(loss) nor taxable profit/(tax loss).

Deferred tax assets are recognised to the extent that it is probable that the Company will have taxable profit available in the future against which the deferred tax assets can be utilised.

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Deferred tax assets and liabilities arising from items directly charged or credited to equity accounts are also recognised with a charge or credit, respectively, to equity.

At each year end recognised deferred tax assets are reassessed and all appropriate adjustments are made to the extent that there are any doubts regarding future recovery. Unrecognised deferred tax assets are also reassessed at the end of each reporting period, and are recognised to the extent it is likely they will be recovered through future taxable profit.

The Company pays taxes under the consolidated corporate income tax return system, within the consolidated tax group of which it is the head. It is, therefore, the Company that registers, where appropriate, the Group's debt with the Tax Administration. As a balancing entry, each of the companies included in the consolidated tax return system will register the corresponding account receivable or payable with the rest of the companies included in the corporate tax group, in accordance with the tax bases contributed by each company to the consolidated tax base and the participation of each of them in the net balance in the event tax is payable.

#### **f) Revenue and expenses**

Income and expense are recorded on an accrual basis, i.e., when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Ordinary income from the provision of services is measured at the monetary amount received or, where appropriate, at the fair value of the consideration received, or expected to be received, and unless there is evidence to the contrary, it will be the agreed price minus any discount, taxes and interest included in the nominal value of the receivables. The best estimate of the variable consideration will be included in the measurement of income when its reversal is not considered to be highly probable.

The recognition of income occurs when, or as, the transfer to the customer of control over the committed goods or services takes place.

Income recognised over time, since it corresponds to goods or services whose control is not transferred at a given moment in time, is measured considering the degree of completion of the provision at the balance sheet date, as long as reliable information is available to measure the degree of completion. Otherwise, income will only be recognised in an amount equivalent to the costs incurred that are expected to be reasonably recovered in the future.

Interest received from financial assets is recognized using the nominal interest rate and must be recorded at the effective interest rate. The Company's directors estimate that the effect of applying this criterion does not differ significantly from that which would have been assumed if the effective interest rate method had been applied. Dividends received are recognised when the shareholder's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the acquisition date are recognised as income in the income statement, except for those distributed dividends that originate from results generated prior to the acquisition date of the investee that will reduce the carrying amount of the investment.

In relation to the dividends received, any distribution of available reserves will be classified as a "profit distribution" transaction and, consequently, will lead to the recognition of income at the shareholder, provided that, from the acquisition date, the investee or any Group company in which the latter has an ownership interest has generated profits for an amount greater than the shareholders' equity distributed. The opinion as to whether profits have been generated by the investee will be formed based exclusively on the profits recorded in the income statement from the acquisition date, unless the distribution charged to said profits must undoubtedly be classified as a recovery of the investment from the perspective of the entity receiving the dividend. The notes to the financial statements must include information about the opinions made in relation to the recognition of dividends in these cases.

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The Company's income corresponding to the dividends received from the investees, based on Consultation No. 2 of BOICAC No. 79/2009, on the accounting classification of the individual income and expense accounts of a holding company, are recorded as revenue, since the Company's management and administration of its investees is deemed to be an ordinary activity.

Attendance fees at the General Shareholders' Meeting and the expenses necessary to hold such meeting are recorded on the date on which they are incurred under "Other operating expenses" since their amount is purely compensatory. At 31 December 2021 and 2020, no fees were paid to attend the General Shareholders' Meeting nor were any expenses incurred to hold it.

**g) Provisions and contingencies**

In the preparation of the financial statements, the Company's directors differentiate between:

- a. Provisions: creditor balances covering present obligations arising from past events with respect to which it is probable that an outflow of resources will be required to settle the obligation, which is uncertain as to its amount and/or timing.
- b. Contingent liabilities: possible obligations arising from past events, the materialisation of which will be confirmed only by the occurrence or non-occurrence of one or more future events beyond the control of the Company.

The financial statements include all the provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Unless they are considered remote, contingent liabilities are not recognised in the financial statements, rather they are reported on in the notes thereto.

Provisions are stated at the present value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into account the information available regarding the event and its consequences, and recognising those adjustments that arise from the restatement of those provisions as a financial expense as they accrue.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided that there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable; in this situation, the compensation will be taken into account to estimate the amount of the related provision that should be recognised.

**h) Termination benefits**

Under current legislation, the Company is required to pay termination benefits to employees terminated under certain conditions. Severance payments that can be reasonably quantified are recorded as an expense in the year in which the decision to terminate the contract is taken.

No provision has been recognised in the accompanying financial statements in this regard, since situations of this nature have not been foreseen (otherwise, describe).

**i) Environmental assets**

Environmental assets are those used on a lasting basis in the Company's operations, whose main purpose is to minimise environmental impact and to protect and improve the environment, including the reduction or elimination of future pollution.

Given the nature of the Company's activity, it does not have a significant impact on the environment.

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**j) Related party transactions**

All transactions carried out between the Company and related parties are at market prices. Additionally, the Company, together with the Group companies, are taxed under a tax consolidation system for corporate income tax purposes, which significantly reduces the formal documentation requirements for transfer pricing. Hence, the Company's directors do not consider that transfer pricing poses a significant risk that could give rise to a material liabilities in the future.

**k) Current and non-current items**

Current assets are considered to be those linked to the normal operating cycle, which is generally considered to be one year, as well as those other assets whose maturity, disposal or realisation is expected to occur in the short term from the closing date of the financial year, financial assets held for trading and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current.

Similarly, current liabilities are those linked to the normal operating cycle, financial liabilities held for trading and, in general, all obligations whose maturity or extinction will occur in the short term. Otherwise, they are classified as non-current.

**l) Share-based payments**

Equity-settled share-based payments to employees and other persons providing similar services are recorded at the fair value of the equity instruments awarded on the grant date. In estimating the fair value, the conditions necessary for the irrevocability of the concession, other than those of the market, are taken into account by adjusting the number of equity instruments included in the measurement of the fair value of the equity instruments.

The details on the calculation of the fair value of the share-based payment plans used are disclosed in Note 11-b.

The fair value of the equity instruments granted, determined on the grant date of the share-based payments settled with equity instruments (equity-settled), is recorded as a personnel expense throughout the accrual period, simultaneously recognising a reserve related to incentive plans for the same amount in equity, based on the estimate of the final number of equity instruments that will be granted as a result of compliance with the necessary conditions other than those of the market.

At the end of the year, the Company reviews the estimate of the number of equity instruments that it expects to grant depending on the evolution of the necessary conditions other than market conditions. The impact of the revision of the original estimate, if it occurs, is recognised in results in such a way that the accumulated expense reflects the amount accrued at the date of the estimate review, according to the new fair value of the equity instruments granted, with the corresponding adjustment to reserves.

For cash-settled share-based payments, the Company recognises a liability for the goods or services acquired, initially measured at the fair value of the liability. At year-end, until the liability is settled and also on the settlement date, the fair value of the liability is re-estimated, recording any change against the income statement for the year.

**5. Financial instruments**

The composition of financial assets and liabilities at 31 December 2021 and 2020 is analysed below, as follows:

- the different classes of financial instruments recognised by the Company on the basis of their nature and characteristics;

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- the carrying amount of such financial instruments;

2021

	Euros		
	Amortised cost	Cost	Final balance 31/12/2021
<b>Non-current financial assets:</b>			
Equity instruments (Notes 5-a and 9-b)	-	245,995,340	245,995,340
Loans to Group companies (Notes 5-a and 9-b)	-	2,909,815	2,909,815
Other financial assets	1,414	-	1,414
<b>Total non-current financial assets</b>	<b>1,414</b>	<b>248,905,155</b>	<b>248,906,569</b>
<b>Current financial assets:</b>			
Customer receivables for sales and services (Note 9-b)	400,313	-	400,313
<b>Total current financial assets</b>	<b>400,313</b>	<b>-</b>	<b>400,313</b>
<b>Total financial assets</b>	<b>401,727</b>	<b>248,905,155</b>	<b>249,306,882</b>

	Euros	
	Amortised cost	Final balance 31/12/2021
<b>Non-current financial liabilities:</b>		
Non-current payables to Group companies (Note 9-b)	(10,048,598)	(10,048,598)
<b>Non-current financial liabilities</b>	<b>(10,048,598)</b>	<b>(10,048,598)</b>
<b>Current financial liabilities:</b>		
Current payables to Group companies (Note 9-b)	(7,832,574)	(7,832,574)
Payables, Group companies (Note 9-b)	(1,225,390)	(1,225,390)
Trade and other payables	(144,664)	(144,664)
<b>Total current financial liabilities</b>	<b>(9,202,628)</b>	<b>(9,202,628)</b>
<b>Total financial liabilities</b>	<b>(19,251,226)</b>	<b>(19,251,226)</b>



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2020

	Euros		
	Amortised cost	Cost	Final balance 31/12/2020
<b>Non-current financial assets:</b>			
Equity instruments (Notes 5-a and 9-b)	-	227,876,234	227,876,234
<b>Total non-current financial assets</b>	-	<b>227,876,234</b>	<b>227,876,234</b>
<b>Current financial assets:</b>			
Customer receivables for sales and services (Note 9-b)	133,906	-	133,906
Loans to Group companies (Note 9-b)	-	11,542,312	11,542,312
<b>Total current financial assets</b>	<b>133,906</b>	<b>11,542,312</b>	<b>11,676,218</b>
<b>Total financial assets</b>	<b>133,906</b>	<b>239,418,546</b>	<b>239,552,452</b>

	Euros	
	Amortised cost	Final balance 31/12/2021
<b>Non-current financial liabilities:</b>		
Non-current payables to Group companies (Note 9-b)	(3,556,155)	(3,556,155)
<b>Non-current financial liabilities</b>	<b>(3,556,155)</b>	<b>(3,556,155)</b>
<b>Current financial liabilities:</b>		
Payables, Group companies (Note 9-b)	(934,179)	(934,179)
Trade and other payables	(883,336)	(883,336)
<b>Total current financial liabilities</b>	<b>(1,817,515)</b>	<b>(1,817,515)</b>
<b>Total financial liabilities</b>	<b>(5,373,670)</b>	<b>(5,373,670)</b>

**a) Long-term financial investments in Group companies**

Equity instruments in Group companies

The detail and movements of the items included in the heading "Long-term investments in Group companies - Equity instruments in Group companies" at 31 December 2021 and 2020 are shown below:

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**2021**

	Euros				
	31/12/2020	Capital increase	Other contributions	Share-based payment plan	31/12/2021
Soltec Energías Renovables, S.L.U.	148,027,483	13,000,000	3,600,000	1,519,106	166,146,589
Powertis, S.A.U.	79,848,751	-	-	-	79,848,751
	<b>227,876,234</b>	<b>13,000,000</b>	<b>3,600,000</b>	<b>1,519,106</b>	<b>245,995,340</b>

**2020**

	Euros		
	31/12/2019	Capital increases	31/12/2020
Soltec Energías Renovables S.L.U.	83,027,483	65,000,000	148,027,483
Powertis, S.A.U.	19,848,751	60,000,000	79,848,751
	<b>102,876,234</b>	<b>125,000,000</b>	<b>227,876,234</b>

In July 2021, a capital increase at Soltec Energías Renovables, S.L.U. was executed in a public deed. Said increase of 52,000 new shares with a par value of 1 euro per share and a share premium of 249 euros per share and through a monetary contribution for a total value of 13,000 thousand euros, which represented an increase in the share capital and the share premium of the subsidiary of 52 thousand euros and 12,948 thousand euros, respectively.

Also, in December 2021, a monetary contribution was made for an amount of 3,600 thousand euros recorded as "Other contributions" in the equity of said subsidiary.

Likewise, as a result of the share-based payment plan signed by some employees in 2020, which came into force on 1 January 2021 (see Note 11-b), the Company recognised an increase in the holding of Soltec Renewable Energies, S.L.U. for an amount of 1,519 thousand euros in 2021 (see Notes 4-I and 11-b).

On 15 December 2020, the capital increase of Soltec Energías Renovables, S.L.U. was executed in a public deed; said capital increase was carried out by means of a monetary contribution amounting to 65,000 thousand euros, through the creation of 406,250 equity interests with a par value of 1 euro and an individual share premium of 159 euros.

On 23 December 2020, the capital increase of Powertis, S.A.U. was executed in a public deed; said capital increase was carried out through a monetary contribution amounting to 60,000 thousand euros, through the creation of 20,000 shares with an individual par value of 100 euros and an individual share premium of 2,700 euros and the creation of 16,000 shares, with a par value of 100 euros and an individual share premium of 150 euros.

At the end of 2021 and 2020, the Company's directors carried out the corresponding "impairment tests" to calculate the recoverable value of the financial assets. In the impairment test carried out, the directors establish financial projections for each of the existing subgroups (see Note 1). In this regard, when calculating the present value of future cash flows, the Company uses the latest business plans prepared by the Group's management that contemplate significant growth in sales and EBITDA during the coming years, based on historical performance and on future perspectives of the companies managed by the Group. The cash flows foreseen in said business plans are discounted using a discount rate obtained from the expected returns of the sector in which the Company operates and its internal characteristics, which amounts to 10.80% (11.20% at year-end 2020). However, in the context of the COVID-19 crisis, a period of notable uncertainty has been unleashed, with an unprecedented sudden economic

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stoppage. Given the complexity of the situation, increasing uncertainty due to the armed conflict described in Note 12, it is difficult to establish a scenario with predictable certainty regarding the evolution of events, which is why the need arises to analyse different scenarios. In this regard, the forecasts of the 2022 business plan are supported by the Group's backlog and pipeline, which generates proof in the directors' opinion that there are no signs of impairment.

In any case, the conclusions reached are sensitive to future variations in the short term that may be affected by the current situation, so the directors continuously monitor the activities of the investees.

#### Loans to Group companies

The entire amount recorded under the heading "Long-term investments in Group companies - Loans to Group companies", 2,909 thousand euros (No amount recorded in 2020), corresponds to long-term balances with certain derivative Group companies of the tax consolidation process (see Notes 4-e and 9-b). The directors have considered classifying these amounts as long term, considering that they will be settled from 2023. These loans, due to their fiscal nature, do not accrue interest.

#### **b) Short-term financial investments in Group companies**

At 31 December 2020, the Company had temporary short-term cash transfers with the subsidiaries Soltec Energías Renovables S.L.U. and Powertis, S.A.U. for an amount of 11,077 thousand euros and 465 thousand euros, respectively, which had been settled in 2021.

Said temporary cash transfers have not accrued a specific interest rate since they were made in December 2020 and were settled in the first months of the 2021 financial year, and the directors considered that they would be refunded in the short term so they were deemed to have an insignificant effect on the financial statements for the previous year.

## **6. Information on financial risk management**

The Company centralises financial risk management in the Finance Department of the group of companies of which it is the head, which has the necessary mechanisms in place to control exposure to fluctuations in interest and exchange rates, as well as to credit and liquidity risk.

### **6.1 Main risks and uncertainties for the Soltec Group in 2021: COVID-19.**

Despite the advances in virus prevention techniques, in particular with the success demonstrated by the vaccine, due to the uncertainties regarding the potential effects of this extraordinary health emergency in the future, the consequences of COVID-19 for the Soltec Group's operations are uncertain and will depend to a large extent on the evolution of the vaccination plan established by the various governments worldwide and the evolution of the pandemic in the coming months. However, in the opinion of the directors, for the purposes of the Company, the impacts of the main risks and uncertainties must be evaluated from a consolidated point of view at the Soltec Group level, considering that said aspects may have a direct impact on the subsidiaries and consequently affect the recoverability of the assets held. Therefore, at the date of preparation of these financial statements, the potential impact on the Company in the coming months is uncertain and it is not possible to reliably assess the consequences on the Soltec Group's future operations and therefore on its ability to recover the value of its assets in the short term, recognised by the Company.

However, the Company's management has made an assessment with the best information available of the economic, social and employment impacts of the COVID-19 pandemic on the Soltec Group to date, analysing the effects and

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possible ramifications in 2022, despite the current uncertainty as to its consequences, also considering the uncertainty due to the war described in Note 12 to these financial statements.

**a. Operational risk**

Based on the evaluation of the activity performed by management in 2021, to date, the Group has been able to maintain and even increase its backlog budgeted projects portfolio (), although there has been a delay in its execution, mainly in the first half of the year, as a result, among others, of the price performance of certain materials and transport that are essential for the Group. Furthermore, no significant delays in the collection of trade receivables that could affect the Group's liquidity and its operating cycle have been detected and no significant delays have been observed in the material supply process by suppliers, and all the contracts in force continued on the basis of the previously established conditions.

Although the risk of business continuity has not been affected, the Group has suffered impacts, mainly in the industrial segment, in which certain delays have been experienced in the first half of the year in the process to begin work on projects by third-party customers to which the Soltec Group supplies or installs trackers to develop solar farms, which has led to a delay in the execution of projects and in their conversion times.

During the second half of the year, most of the projects budgeted for 2021 have commenced, although there has been an increase in transport costs that has temporarily impacted the operating margin of solar tracker supply projects.

Also, in Brazil, one of the main strategic areas for the expansion of project development, the Group's activity has not been paralyzed to the extent that the Group's activity has been considered essential on the basis of the rulings of Decree 10,282/2020 of the Brazilian Federal Government. Despite this, the closure of local administrations in Brazil led to a temporary delay in obtaining administrative licences, mainly during the first half of 2021.

The delays suffered, in the opinion of the Board of Directors, are merely transitory in nature and do not significantly alter the fulfilment of the Group's long-term business plan.

Therefore, the COVID-19 pandemic generated the following impacts on the Group at quantitative level:

- Increase in transport costs, which meant that the expense in this regard represented 14% of revenue of the industrial part in 2021.
- The delays suffered as a result of the COVID-19 pandemic prolonged the execution and completion of projects budgeted for the 2021 financial year. In addition, this has meant that the transaction price allocated to (partially) unfulfilled performance obligations (contracts in progress and which will therefore be recognised as income during the following financial year) amounted to 250,497 thousand euros (36,899 thousand euros at the end of the 2020 financial year).

**b. Credit risk**

Credit risk consists of the risk of a debtor becoming insolvent in relation to the applicable contractual obligations and of a capital loss for the Company.

In general, the Company maintains its cash and cash equivalents at financial entities with a high credit rating. Likewise, the subsidiaries have sufficient liquidity to deal with the credits and receivable balances that they maintain with the Company.

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**c. Liquidity risk**

This refers to the risk that the Company finds difficulties in divesting a financial instrument quickly enough, without incurring significant additional costs or the associated risk of not having liquidity at the time when payment obligations must be met.

In order to ensure liquidity and be able to meet all the payment commitments arising from its activity, the Company has the cash shown on its balance sheet.

This refers to the risk that the Company and the group of which it is the Parent finds difficulties to divest a financial instrument quickly enough, without incurring significant additional costs or the associated risk of not having liquidity when the payment obligations must be met. The group relies on financial institutions to finance its inventories and accounts receivable, with the management of the average collection period and deferment of payments to suppliers being significant.

The Company has negative working capital of 8,470 thousand euros, although practically all of the Company's short-term financial and commercial debts are held with Group companies, presenting financial and commercial credit balances amounting to 9,058 thousand euros. Thus, the main creditors of the Company are Group companies and, consequently, the short-term enforceability of said credit balances will depend on the decisions of the Group's financial management with the aim of optimising its cash.

Consequently, to analyse the liquidity risk, a consolidated perspective of the liquidity situation of the Group of which the Company is the Parent must be considered.

Although the Group has negative working capital, it does not have a high liquidity risk to the extent that:

- On 11 February 2021, the Group had completed the refinancing process of the syndicated loan facility, which involved an increase in the line of guarantees that had been established at a maximum amount of up to 110 million euros, financing limits of 90 million euros (10 million euros of free disposal and 80 million euros of conditional delivery) and a modification of the financial ratios considered in the financing contract (covenants), established as net financial debt as a percentage of equity.
- In the first six months of 2021, the Powertis subgroup signed a loan agreement for certain projects in Brazil with the Brazilian development bank for a joint amount of 1,290,000 thousand Brazilian reais for Araxá, Pedranópolis and Graviola (204,437 thousand euros at the exchange rate on 31 December 2021). The drawdown on these loans depends on the Group obtaining the necessary bank guarantees to counter-guarantee the operation and/or other conditioning factors, such as the capital contribution. These bank guarantees will only be received when the Group has made a disbursement of a certain percentage of the construction costs to be incurred. In this regard, given the degree of implementation of said projects, the requirements for the release of said guarantees had not been met to date at 31 December 2021 and, therefore, the Group had not drawn down said financing, although it is expected to be released during the first half of 2022.

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- The Group's management actively manages working capital through operating net working capital and current and non-current net financial debt, based on the soundness and stability of relationships with its customers and suppliers, and a thorough monitoring of its position with financial institutions. One of the Group's strategic lines is the optimisation of the financial resources dedicated to the business, which is why the Group pays special attention to the operating net working capital invested in it. As in previous years, the Group has been making significant efforts to control and reduce collection periods from customers and other debtors associated with projects in progress, to optimise accounts payable and to minimise inventories through the ongoing improvement of its logistics and industrial management. Cash forecasts are constantly monitored by Group management to ensure that it has enough cash to meet operating needs while maintaining sufficient unused credit resources at all times. Therefore, it is estimated that the generation of cash in 2022 will sufficiently cover the needs to meet short-term commitments, avoiding any situation of tension in the cash position with the measures under way.

Hence, Group management considers that it has the necessary resources to affront liquidity tensions that could affect it in this situation. The available resources, together with the new financing obtained and the implementation of specific plans to improve and efficiently manage liquidity, will allow, in the opinion of the Parent's directors, the Company to affront said tensions and to be able to continue with its business plan, scheduled for future years. As a result of the foregoing, it can be confirmed that there are no significant risks in the liquidity situation of the Company and of the group of which it is the Parent.

**d. Impairment of assets**

Taking into account all the aforementioned factors and the information currently available, Company management and the Board of Directors have not made any material changes to the business plan of their subsidiaries and, therefore, they do not expect them to have a material impact on the impairment of investments in Group companies or on the deferred tax assets recognised in the year.

Lastly, it should be noted that the Group's Board of Directors and management are constantly monitoring the evolution of the situation in order to successfully deal with any possible impacts resulting from COVID-19 and the global disruptions and impacts, both financial and non-financial, that may arise.

**6.2 Risk in climate change management**

The Company and the group of which it is the Parent are fully committed to respecting and caring for the environment and they are aware of the commitment that they make to their customers and to society in general, leading to constant and recurring work to minimise the impact of their activities thereon. In this regard, the Group has developed a series of internal mechanisms that lay the foundations for its commitment to the environment, notably the quality, environment and health and safety management system stands out as a central framework, as well as the existence of a specific department in health, safety and environmental matters that supervises compliance with all environmental measures.

Likewise, the Group is committed to the fight against climate change, proposing to be a long-term greenhouse gas (GHG) neutral company, with a progressive reduction in emissions being planned in the short and medium term. To this end, in the case of Spain, the Group only works with electricity suppliers with an electricity mix that do not generate CO<sub>2</sub> or other GHG emissions due to their electricity consumption, and it undertakes not to vary this selection criterion. In addition, from the paradigm of sustainability, the Group is committed to progressively reducing its electricity consumption, carrying out control campaigns, raising awareness, changing equipment for more efficient items, etc. Furthermore, in Spain, the Group has implemented a plan to reduce its carbon footprint, in which its emissions are continuously monitored, and it undertakes to reduce them year after year. It is worth mentioning that

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the carbon footprint generated by the Group is very small, considering the size of the organisation, but even so, the Soltec Group seeks excellence with even lower levels of emissions, and it is committed to achieving it.

Currently, the Group is identifying the relevant activities and metrics related to emissions with a scope corresponding to other indirect emissions including, among other aspects, work trips through external means, the transportation of raw materials and of products produced by third parties. For the management and coordination of all the Group's environmental actions, linked to the design, manufacture and assembly of solar trackers, the environmental management system implemented at the Group's sites in Spain, Mexico, Brazil and Chile is periodically monitored, based on the ISO-14001:2015.

In addition, to carry out the strategic planning of the environmental management system, the Group's Health and Safety and Environment Department, hereinafter HSE, is responsible for identifying those environmental aspects and determining the different areas that may have a significant impact on the environment. Within the Group's processes, not only the internal processes for the environmental management of the organisation itself should be highlighted, but also the environmental management plans designed for their implementation in the solar tracker installation projects, adapted to the specific environmental legislation in the different countries in which they are carried out.

To identify the main impacts and risks in the environmental area, the different stages of the life cycle of the Group's products and services are taken into consideration. The main environmental risks to be taken into account by the Group are the use of raw materials, the generation of waste, noise pollution and atmospheric emissions derived from energy consumption. As a result of the environmental management plan and the main risks identified, environmental monitoring plans are drawn up for the projects, the objective of which is to establish a mechanism that ensures, at the same time, compliance with the proposed protective and corrective measures and the detection of unforeseen alterations. As one more line of environmental risk control, the control of the applicable legal requirements is implemented at international, state, regional and local levels, thanks to which during the period covered by this non-financial information statement, no significant breaches occurred. Additionally, periodic internal audits are carried out by the Health and Safety and Environment Department, the scope of which covers both the central offices and subsidiaries, as well as the design, manufacturing and installation projects of solar trackers in progress.

Lastly, it is worth mentioning the awareness and training actions carried out for all Company and Group employees, whose objective is to make them aware of the importance of saving resources in their work environment and of reducing the environmental impacts derived from daily activities, to help reduce their ecological footprint. In this context, the Group's manual of good environmental practices serves as a basis for the training and awareness of its employees.

## **7. Equity**

### ***a) Share capital***

At 31 December 2021, and in accordance with the information obtained from the CNMV, in relation to the provisions of Royal Decree 1362/2007, of 19 October, and Circular 2/2007, of 19 December, shareholders holding significant holdings in the share capital of Soltec Power Holding, S.A., both directly and indirectly, greater than 3% of the share capital, are as follows according to public information:

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	Shares			% of capital
	Direct	Indirect	Total	
Morales Torres, Raul	-	19,578%	19,578%	19,578%
Moreno Riquelme, José Francisco	-	42,275%	42,275%	42,275%
Santander Asset Management, S.A., SGIC	-	3,443%	3,443%	3,443%
Schroders, PLC	-	3,383%	3,383%	3,383%
Swedbank Robur Fonder AB	3,004%	-	3,004%	3,004%

At 31 December 2021, there were no shareholders' agreements between the Company's shareholders, except for the shareholders' agreement and the long-term incentive plan with employees (see Note 11-b). On 6 October 2020, the Company's General Shareholders' Meeting approved the doubling of the number of Company shares by reducing their par value from 1 euros to 0.25 euros per share, at the rate of four new shares for each old share, without changing the share capital amount.

On 27 October 2020, the resolution adopted on 13 October 2020 by the General Shareholders' Meeting to increase share capital by 150 million euros by means of cash contributions was executed in a public deed, including the waiver of pre-emptive subscription rights, through an offer for the subscription of Company shares and the application for admission to trading on the Spanish stock exchange.

On 28 October 2020, the Company's IPO took place, prior to which the share capital was increased through the issue and flotation of 31,146,717 new ordinary shares of the Company of the same class and series with a par value of 0.25 euros per share and a share premium of 4.57 euros, applicable to the 30,881,767 newly issued ordinary shares subscribed in the qualified investor tranche and in the non-qualified investor tranche (excluding the employee and commercial sub-tranches) and a par value of 0.25 euros per share and a share premium of 4.09 euros applicable to the 264,950 newly issued ordinary shares subscribed in the employee and commercial sub-tranche. As a result, the total nominal amount of the issue amounted to 7,786,679 euros and the share premium increased by 142,213,321 euros. All the shares were fully paid up.

In addition, the reference shareholder (Grupo Corporativo Sefran, S.L.) exercised its right to sell or green shoe the shares it held by placing an additional 3,115 thousand shares in circulation on the market, equivalent to 3.41% of the total volume of Company shares.

In relation to these capital increases, in 2020, the Company recognised the incremental expenses associated with them with a credit to reserves, net of their tax effect, including the reclassification of the expenses accrued for the non-monetary contributions for 2019, in the amount of 7,960 thousand euros.

At 31 December 2021, the Company's share capital at 31 December 2021 stood at 22,847 thousand euros, represented by 91,387 thousand shares with a par value of 0.25 euros each, fully subscribed (same situation at 2020 year-end).

**b) Share premium**

As indicated in section a) above, during the previous year, due to the capital increase carried out on 28 October, there was an increase in the share premium of 142,213 thousand euros.

In relation to the share premium, it should be noted that, as a result of the Company's capital increase in 2019, which was subscribed by non-monetary contributions of the shares of the investees, Soltec Energías Renovables, S.L.U. and



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Powertis, S.A.U., respectively, contributed by the controlling shareholder on that date, Grupo Corporativo Sefrán, S.L., a negative reserve was recorded corresponding to the difference between the fair value of the contributed shares and the consolidated cost at which they were recorded in the books of the controlling shareholder.

In accordance with accounting regulations, in the event of non-monetary contributions by the controlling shareholder, these will be measured at the value at which they are included in the consolidated accounts at the time of the contribution, regardless of whether their market value may be higher, as was the case. Consequently, the increase carried out commercially collected a share premium of 281,250 thousand euros, with reference to the fair value of the assets contributed, although it was adjusted by 193,373 thousand euros to record said assets at the consolidated value at which they were recorded in the consolidated accounts of the controlling shareholder. Consequently, the share premium at 31 December 2021 and 2020 maintains the aforementioned adjustment as follows:

	Euros
<b>2019 increase commercial share premium</b>	<b>281,250,000</b>
<i>Adjustment for the valuation of Sefrán's contributions</i>	<i>(193,373,766)</i>
<b>Accounting share premium increase 2019</b>	<b>87,876,234</b>

The Spanish Limited Liability Companies Law expressly allows the use of the share premium balance to increase capital and does not establish any specific restrictions as to the availability of said balance.

#### ***c) Legal reserve***

Under the Spanish Limited Liability Companies Law, public limited companies must earmark an amount equal to 10% of their profit for the year to the legal reserve until such reserve represents at least 20% of share capital. The legal reserve may only be used to increase share capital. Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

At 31 December 2021 and 2020, the legal reserve had not been set up.

#### ***d) Own shares***

In 2021, the Company purchased 567,908 treasury shares, meaning that at 31 December 2021, it held treasury shares amounting to 4,632 thousand euros.

The movement during the 2021 financial year was as follows:

	Number of shares	% of capital	Thousands of euros
Balance at 31 December 2020	-	-	-
Additions	567,908	0.48%	4,632
<b>Balance at 31 December 2021</b>	<b>567,908</b>	<b>0.48%</b>	<b>4,632</b>

The Company maintains a liquidity contract for securities listed on the Madrid and Bilbao Stock Exchanges and incorporated into the Spanish Stock Exchange Interconnection System, having made net purchases of 69,744 shares in 2021.

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## **8. Public administrations and tax matters**

### ***a) Current balances with public administrations***

The composition of the current balances with the public administrations, except for current tax, of the assets and liabilities in the accompanying balance sheet at 2021 and 2020 year-end is as follows:

	Euros			
	31/12/2021		31/12/2020	
	Initial balance	Initial balance	Initial balance	Initial balance
Tax authorities-				
Current tax assets	-	-	682,191	-
Other receivables from public administrations -				
VAT receivable	365,475	-	813,444	-
Withholdings payable	-	(557,393)	-	(88,895)
Accrued social security taxes	-	(17,405)	-	-
	<b>365,475</b>	<b>(574,798)</b>	<b>1,495,635</b>	<b>(88,895)</b>

As a consequence of taxation under the consolidated corporate income tax return system, of which it is the head, the Company must record the account receivable of the tax group with the tax authorities. At 31 December 2021, the accompanying balance sheet did not include current assets or liabilities with the tax authorities for this reason (current tax asset amounting to 682 thousand euros at 31 December 2020).

### ***b) Reconciliation of accounting loss to the tax loss***

The reconciliation of the accounting loss of the Company to the tax loss for corporate income tax purposes for 2021 and 2020 was as follows:

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2021

	Euros		Total
	Income statement		
Balance of income and expenses for the year	(1,627,251)		(1,627,251)
	Increase	Decrease	
Corporate income tax	-	(497,442)	(497,442)
<b>Permanent differences-</b>			
Financial expenses	74,925	-	74,925
Fines, donations and others	60,000	-	60,000
<b>Temporary differences-</b>			
Management incentive plan (Note 11-b)	1,487,515	-	1,487,515
<b>Tax base</b>			<b>(502,253)</b>
Tax losses capitalised			<b>502,253</b>
<b>Tax base</b>			-
<b>Withholdings and prepayments</b>			-
<b>Amount to pay (collect)</b>			-

2020

	Euros		Total
	Income statement		
Balance of income and expenses for the year	(557,392)		(557,392)
	Increase	Decrease	
Corporate income tax	-	(185,797)	(185,797)
<b>Permanent differences-</b>			
Public offering subscription expenses recorded against equity	-	(10,613,867)	(10,613,867)
<b>Tax base</b>			<b>(11,357,056)</b>
Tax losses capitalised against equity	-	-	10,613,867
Tax losses capitalised	-	-	743,189
<b>Tax base</b>			-
<b>25% charge</b>			-
<b>Withholdings and prepayments</b>			<b>(682,191)</b>
<b>Amount to pay (collect)</b>			<b>(682,191)</b>

In 2021, the Company capitalised as temporary differences an amount of 1,488 thousand euros corresponding to the expenses derived from the management incentive plan described in Note 11-b.

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The permanent differences considered for 2020 refer to the expenses derived from the IPO operation, which have been recorded directly against equity.

Based on the tax regulations that entered into force in Spain on 1 January 2015 (Law 27/2014), the tax losses pending compensation may be offset with the profits of the following years, and there is no limit for their compensation.

**c) Reconciliation of accounting loss before tax to the corporate income tax expense**

The reconciliation between the accounting loss before tax and the corporate income tax expense for the year for 2021 was as follows (in euros):

	2021	2020
Accounting loss before tax	(2,124,693)	(743,189)
Permanent differences	134,925	-
Temporary differences	1,487,515	-
Tax losses capitalised	502,253	743,189
25% charge	-	-
Total current tax income	-	-
Total deferred tax income	497,442	185,797
<b>Total tax income recognised in the income statement</b>	<b>497,442</b>	<b>185,797</b>

The credits for losses to be offset capitalised as a result of the expenses associated with the Company's IPO were capitalised against the "Reserves" heading in 2020, so they have not had any impact on corporate income tax.

**d) Deferred tax assets recorded**

The movements in 2021 and 2020 were as follows:

	Euros		
	01/01/2021	Additions	31/12/2021
Share-based incentive plan	-	371,879	371,879
Credits for losses to be offset	6,395,419	3,678,124	10,073,543
	<b>6,395,419</b>	<b>4,050,003</b>	<b>10,445,422</b>

All deferred tax assets at 31 December 2020 were fully generated during the 2020 fiscal year as a result of credits for losses to be offset generated during the fiscal year itself.

As described in Note 4-e, the Company is the parent of the tax consolidation group to which it belongs. In 2021, this tax consolidation group generated tax losses amounting to 14,712 thousand euros (3,678 thousand euros in instalments), of which 14,210 thousand euros were generated by the subsidiaries (3,552 thousand euros in instalments), which were therefore recorded under the heading "Other financial assets" and "Non-current payables to Group companies" in the balance sheet at 31 December 2021.

Meanwhile, these amounts will be paid by the Company to its subsidiaries according to the offset of said tax losses by tax consolidation; the Company's directors considered that the time horizon is greater than 12 months and therefore it was classified in the long term.

Regarding the assessment of the recoverability of the loss carryforwards capitalised, the Company's Board of Directors have performed the related impairment test. In this regard, according to the estimates and projections

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available to them, the tax base forecasts of the consolidated tax groups allow these tax loss carryforwards to be offset in a reasonable period of time, in all cases less than ten years.

Specifically, the calculation made for the evaluation of the offset time horizon of the tax loss carryforwards to be compensated capitalised by the consolidated tax group in Spain has been made through financial projections of the legal entities included within the consolidated Spanish tax group. These projections are established for the next six years, considering a constant tax base from the last period. In this regard, their key assumptions reside in the evolution of the net amount of the future revenue (backlog and pipeline) of the industrial segment (in this regard, the income of the implementation segment for the sale of SPVs has been excluded as it is not expected to be taxable), gross margin, overhead costs and the effect of the transfer pricing tax policy of the group to which they belong, established based on the historical experience of the directors and forecasts of market growth by independent experts; are summarised as follows:

- Average annual sales growth rate of 22% according to the backlog and pipeline with high probabilities for 2021 and in the growth expectations of the sector;
- Evolution of the constant gross margin for installation and EPC services, average annual decrease of 0.5 percentage points in the supply margin for solar trackers;
- Average annualised growth of overhead costs of 2% for the projected period as a whole; and,
- Effect of the constant transfer pricing policy throughout the period, based on the estimate included in the 2021 budget.

In this context, and in the opinion of the Company's Board of Directors, any reasonable change in the key assumptions used to determine the recoverability of the tax loss carryforwards would not result in the carrying amount of the asset exceeding its recoverable amount.

In any case, in the opinion of the Company's Board of Directors, the assessments of the recoverability of taxable income were made using a prudent and conservative approach, and no indications of non-recoverability have arisen in the sensitivity tests performed on the projections.

In short, the deferred tax assets indicated above have been recognised because the Company considers that, based on the best estimate of its future results, including certain tax planning measures, it is probable that these assets will be recovered.

***e) Years pending verification and inspection proceedings***

As established by current legislation, taxes cannot be considered to have definitively been settled until the returns submitted have been inspected by the tax authorities or the four-year statute of limitations for applicable taxes has elapsed.

The Company's directors consider that the applicable taxes have been correctly paid, therefore, even in the event of discrepancies in the interpretation of the regulations in force due to the tax treatment granted to the operations, the possible resulting liabilities, if they materialise, would not significantly affect these financial statements.

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**9. Operations and balances with Group companies and related parties**

**a) Related party transactions**

The detail of operations carried out with related parties during the years 2021 and 2020 (in addition to the capital increases and the non-monetary contributions described in Note 5), are as follows:

2021

	Euros	
	Group	
	Soltec Energías Renovables S.L.U.	Powertis, S.A.U.
Revenue (Note 10-a)	2,511,266	658,872
Other operating expenses	(148,149)	-
Financial expenses	-	(121,087)

2020

	Euros	
	Group	
	Soltec Energías Renovables S.L.U.	Powertis, S.A.U.
Revenue (Note 10-a)	198,034	13,605
Other operating expenses	(157,056)	-
Financial expenses	(2,708)	-

**b) Balances with related parties**

The detail of the balances with related parties during the years 2021 and 2020 is as follows:

2021

	Euros		
	Group		
	Soltec Energías Renovables, S.L.U.	Powertis, S.A.U.	Other subsidiaries
Equity instruments (Note 5-a)	166,146,589	79,848,751	-
Customer receivables, Group companies and associates	-	400,313	-
Balances due to tax consolidation -			
Other long-term financial assets (Notes 5-a and 8-d)	-	2,437,472	472,343
Non-current payables to Group companies (Note 8-d)	(9,296,257)	-	(752,341)
Current payables to Group companies	(3,861,890)	(3,970,684)	-
Payables, Group companies and associates	(1,102,740)	(122,650)	-

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2020

	Euros		
	Group		
	Soltec Energías Renovables, S.L.U.	Powertis, S.A.U.	Other subsidiaries
Equity instruments (Note 5-a)	148,027,483	79,848,751	-
Short-term financial investments in Group companies (Note 5-b)	11,077,457	464,855	-
Customer receivables, Group companies and associates	117,443	16,463	-
Balances due to tax consolidation - Non-current payables to Group companies (Note 8-d)	(3,276,384)	-	(279,771)
Payables, Group companies and associates	(934,179)	-	-

The Company records under the headings "Non-current payables to Group companies" and "Other long-term financial assets" the balances for tax consolidation with Group companies. The movement for the year is basically a consequence of the generation of tax losses by Group companies for a net amount of 3,552 thousand euros (see Note 8-d).

The Company and the rest of the Group companies of which it is the head, have formalised a contract for the transfer of cash and the pooling of accounts. In this regard, the items "Current payables to Group companies" include the balance originated as a result of the application of said centralised management contract and the transfer of tacitly renewed cash by the parties and an annual market interest rate. At the end of 2021, the Company maintained a balance of 7,833 thousand euros of this nature with Group companies.

Likewise, the Company has received IT advisory and maintenance services from Group companies for an amount of 148 thousand euros in 2021 (157 thousand euros at the end of the 2020 financial year).

During the years 2021 and 2020, the Company accrued financial expenses amounting to 121 thousand euros, recorded under the heading "Financial expenses" in the accompanying income statement (3 thousand euros in 2020).

**c) Remuneration of directors and senior management**

*Remuneration and other benefits to the Board of Directors*

During the 2021 and 2020 financial years, the Company's directors have accrued the following monetary income for all items:

	Thousands of euros	
	2021	2020
Fixed and variable remuneration	530	252
Share-based remuneration systems (see Note 11-b)	508	-
	<b>1,038</b>	<b>252</b>

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There were no changes to the Parent's governing body in 2021, and it was formed by seven members - three women and four men, who received remuneration of 164 thousand euros and 366 thousand euros, respectively (36 thousand euros and 216 thousand euros at 31 December 2020).

They did not earn any amounts classified as income in kind for their work as senior management or directors in addition to those indicated above in any of the periods. However, at 31 December 2021, the remuneration indicated above contains income in kind in the amount of 31 thousand euros for one of the directors for senior management work.

There were no severance payments or dismissals of directors in 2021, nor were any advances or loans granted to the Company's directors in the 2021 financial year.

The Company has not assumed any obligations on behalf of the directors. Likewise, at the end of 2021, the Company had no pension or life insurance premium commitments to its directors (same situation at the end of the 2020 financial year).

The total amount accrued as an expense for the year for the civil liability insurance premium of the current directors for damages caused by their acts or omissions amounted to 91 thousand euros in 2021 (27 thousand euros in 2020).

With regard to guarantee or golden parachute clauses for cases of dismissal or changes of control in favour of executive directors, no golden parachute clauses were stipulated that represented a commitment at 31 December 2021.

*Remuneration and other benefits to senior management*

The remuneration of the members of Senior Management, excluding those who simultaneously have the status of member of the Board of Directors (whose remuneration has been detailed above) during the years 2021 and 2020, and which has been paid by both the Company is summarised:

	Thousands of euros	
	2021	2020
Salaries	655	545
Share-based remuneration systems (see Note 11-b)	948	-
	<b>1,603</b>	<b>545</b>

They did not earn any amounts classified as income in kind for their work as senior management or directors in addition to those indicated above in any of the periods.

**d) Information on conflicts of interest involving Company directors**

In relation to article 229 of the Consolidated Spanish Limited Liability Companies Law, the directors consider that during the 2021 financial year and until the date of preparation of these financial statements, both they and the natural or legal persons linked thereto, as defined in article 231 of the aforementioned legal text, have not been immersed in situations of conflict of interest provided for in the aforementioned article 229.



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## **10. Revenue and expenses**

### **a) Revenue**

The balance recorded under the heading "Revenue" of the 2021 income statement corresponds to the re-invoicing of the management and administration services to the rest of the subsidiaries (see Note 9-a).

### **b) Personnel expenses**

The detail of the heading "Personnel expenses" in the 2021 and 2020 income statements was as follows:

	Euros	
	2021	2020
Wages and salaries	2,914,994	497,193
Social Security	146,590	49,085
<b>Total</b>	<b>3,061,584</b>	<b>546,278</b>

Accrued personnel expenses as a result of share-based payments for employees in 2021 amounted to 1,487 thousand euros (see Note 11-b).

### **c) Other operating expenses**

The breakdown of "Other operating expenses" in 2021 and 2020 was as follows:

	Euros	
	2021	2020
Repairs and maintenance	83,086	5,400
Independent professional services	1,650,321	322,956
Insurance	162,407	70,107
Banking services	550	215
Other services	150,531	6,676
<b>Total</b>	<b>2,046,895</b>	<b>405,354</b>

During the 2021 financial year, the Company has received tax, accounting and legal advice services for an amount of 1,505 thousand euros (323 thousand euros at the end of the 2020 financial year).

Likewise, the Company included travel expenses, allowances and association fees under "Other services" (same situation at the end of the 2020 financial year).

## **11. Other information**

### **a) Personnel**

The average number of people employed in 2021 and 2020, by category, was as follows:

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	Average number of people employed	
	2021	2020
Department Director	7	4
<b>Total</b>	<b>7</b>	<b>4</b>

The distribution by gender at the end of 2021, by category, is as follows:

	Number of people employed at closing					
	31/12/2021			31/12/2020		
	Male	Female	Total	Male	Female	Total
Department Director	4	3	7	4	3	7
<b>Total</b>	<b>4</b>	<b>3</b>	<b>7</b>	<b>4</b>	<b>3</b>	<b>7</b>

**b) Share-based payments**

On 14 October 2020, an agreement was signed by which Powertis, S.A.U. undertook to grant the CEO of Powertis, S.A.U., a number of shares of Powertis, S.A.U. equivalent to 1% pre-money thereof at the agreement date after the effective fulfilment of certain requirements.

This agreement amended that signed on 28 September 2018, whereby the CEO was granted the right to purchase 5% of Powertis's shares after fulfilling service obligations for two years, valued at 215 thousand euros. Given that such remuneration that would be paid in shares, it accrued in full at one of the Group companies, without affecting the Company's accounting values.

As it was a modification between two payment plans based on shares in the Equity-settled modality, its valuation is limited to the incremental fair value of the operation at the time of the agreement. To this end, at October 2020, the Company calculated the fair value of 5% of Powertis, S.A.U. and the 1% pre-money of Soltec Power Holdings, S.A., based on analyst and market valuations, measuring both at very similar amounts. Therefore, in the opinion of the Company's directors, the incremental fair value of the modification to be recorded is not significant and has not been recorded as it does not affect the fair presentation of these financial statements.

At the date of preparation of these financial statements, the Board of Directors considers that all the vesting requirements of the new share plan will be met.

Likewise, on 1 January 2021, following acceptance by the employees concerned, the long-term incentive plan came into force for a maximum of 36 individuals, including the Parent's management and certain employees of Group companies. The purpose of this plan is to motivate and reward certain employees and senior executives appointed by the Company's Board of Directors, enabling them to be included in long-term value creation for the Company and the Group of which it is the Parent.

The main features of the plan are as follows:

- Entry into force on 1 January 2021.
- Plan shares will vest at the end of the following periods:
  - o First accrual period: January 1, 2021 to January 2, 2023; and,

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- Second accrual period: 3 January 2023 to 4 January 2025.
  - The shares will vest upon fulfillment, at the expiration of each vesting period, of the following conditions:
    - Necessary condition of permanence in the participant's employment.
    - Performance conditions. The number of shares to be delivered to each of the participants will be determined on the basis of the performance of each of them, as well as the gradual achievement of certain performance ratios of the Group, associated with the total return obtained by the shareholder, EBITDA and Free Cash Flow.
- These performance ratios shall be calculated over the period from 1 January to 31 December of each of the accrual periods.
- Delivery of the shares will occur at the end of the deferral period of 365 days after the end of each vesting period.

In accordance with IFRS 2 "Share-based payments", this incentive plan is an equity-settled plan. In 2021, an expense of 1,487 thousand euros had accrued in this regard under the heading "Personnel expenses" with a balancing entry in the Company's equity. Likewise, expenses accrued in this regard amounted to 1,519 thousand euros by beneficiaries of the plan of other Group companies that have been considered to increase the Company's investment with a balancing entry in the Company's equity (see Note 5-a).

The directors, based on the work carried out by an independent expert, considered that the fair value of the plan in its initial stage amounted to 12,346 thousand euros. Said valuation was provided based on the assumptions made by the Company's directors, hence, it is expected that there will be no terminations among the employees benefiting from the plan and that all employees attain the related score and the required rate of achievement of the objectives. Likewise, the estimate of the degree of achievement of the performance of the Company and the Group to which it belongs has been taken into account in the valuation based on its financial projections and objectives set, the estimate of the price per share based on the binomial model and Brownian motion (widely used in financial practice), discount periods based on accrual periods and a risk-free rate weighted by the Group's sales in each country .

### **c) Guarantees and pledged assets**

On 28 September 2018, the subsidiary Soltec Energías Renovables, S.L.U. formalised a syndicated credit facility and a line of guarantees for a global amount of 100 million euros, to finance its specific supply and installation projects, as well as to adapt the conditions of its debt to the conditions of the market in which it operates. To obtain said financing, bank accounts, financial assets and the shares of the subgroup headed by Soltec Energías Renovables, S.L.U. were established as collateral to ensure compliance with the required coverage.

At the date of preparation of these financial statements and as a result of the capital increase in 2020 (see Note 7), the Company is a partner to the previously described syndicated credit facility.

On 11 February 2021, Soltec Energías Renovables, S.L. and subsidiaries formalised the renewal of the syndicated credit facility and initial guarantee line formalised in 2018, maturing in 2021, to finance its specific supply and installation projects, as well as to adapt the conditions of its debt to the conditions of the market in which it operates. The formalisation of this operation led to an increase in the syndicated loan to a maximum global amount of 90 million euros and an increase in the line of guarantees to a maximum of 110 million euros. Said novation has not entailed changes in the structure of guarantors of the previously described syndicated loan.

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As a result of the foregoing, the Company has pledged the shares of Soltec Energías Renovables S.L.U. and its subsidiaries. Additionally, the Company, in its capacity as a partner in the syndicated loan facility, is required to maintain its interest in the share capital of Soltec Energías Renovables S.L.U., with the total credit tranches drawn down being immediately payable in the event of default.

At 2021 year-end, the Company did not act as guarantor nor did it maintain any obligation derived from this or other loans granted to it or to any of its subsidiaries, except for the obligation mentioned above.

**d) Audit fees**

During the years 2021 and 2020, the amounts for fees charged in relation to auditing services, both individual and consolidated, and other services provided by the auditor of the Company's financial statements, Deloitte, SL, were as follows:

Description	Thousands of euros	
	2021	2020
<b>Audit services</b>	<b>352</b>	<b>232</b>
<b>Non-audit services -</b>	<b>37</b>	<b>345</b>
Services required by applicable regulations	29	35
Other verification services	-	302
Other services	8	8
<b>Total</b>	<b>389</b>	<b>577</b>

**e) Information on the average period of payment to suppliers**

The information required by the third additional provision of Law 15/2010, of 5 July (modified through the second final provision of Law 31/2014, of 3 December), prepared in accordance with the ICAC Resolution of 29 January 2016, on the information to be included in the notes to the financial statements in relation to the average period of payment to suppliers in commercial operations of companies resident in Spain.

	2021	2020
Average payment period to suppliers	42	48
Ratio of paid operations	36	37
Ratio of operations pending payment	56	56
Total payments made	2,935,515	1,212,161
Total pending payments	1,370,054	1,817,515

The maximum legal payment term applicable to the Company, in accordance with Law 11/2013, of 26 July, which establishes the measures to combat late payment in commercial operations, is 30 days unless there is an agreement between the parties with a maximum term of 60 days.

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## **12. Subsequent events**

On 24 February 2022, a war broke out between Russia and Ukraine, with uncertain geopolitical consequences worldwide in the short, medium or long term. Such event, based on preliminary analyses, could cause, among others, delays in the supply chain due to problems at factories, delays in logistics services, difficulties in accessing financing or significant fluctuations in the cost of raw materials, considerably hindering global economic and, therefore, national growth. Taking into account the complexity of the markets due to their globalisation and without information regarding the time horizon of said conflict, the consequences for the Group's operations are uncertain and will depend, to a large extent, on the evolution and extension of said conflict in the coming months, as well as on the reaction and adaptation capacity of all the affected economic players.

For all these reasons, at the date of preparation of these financial statements, the management and directors of the Company and the Group assessed the impacts of the war on the Group with the information currently available, although the ultimate impacts will depend on the future evolution of said conflict and, above all, on its consequences in the short, medium and long term.

To date, the Group has managed to maintain its supply chain for its industrial segment and has been able to continue operating relatively normally for its project implementation segment, so there has currently been no drop in activity, nor is it expected to drop in the coming months, since the Group has signed contracts that are pending execution, as well as ongoing development projects. The Group is not involved in any activities in the countries where the war is concentrated, limiting the impact of the war's consequences.

The Company's directors performed a preliminary assessment of the current situation, based on the best information available. Due to the aforementioned considerations, said information may be incomplete or inaccurate. From the results of this evaluation, the following aspects stand out:

- **Liquidity risk:**

The general market situation could cause a general increase in liquidity tensions in the economy, as well as a contraction of the credit market. In this regard, the Group has the resources described in Note 6 above. In addition, at the date of preparation of these financial statements, the implementation segment had not yet drawn down certain loans arranged with Brazilian financial entities, pending the fulfilment of different milestones.

The available resources, together with the new financing obtained and the implementation of specific plans to improve and efficiently manage liquidity, will allow, in the opinion of the Parent's directors, the Company to affront said tensions and to be able to continue with its business plan, scheduled for future years.

- **Operational risk:**

The changing and unpredictable situation of events could lead to the appearance of a risk of temporary interruption in production/sales or, where appropriate, a specific break in the supply chain. For this reason, the Group has established working groups and specific procedures aimed at monitoring and managing the evolution of its operations at all times, to minimise its impact on its operations. Hence, protocols have been adopted and implemented to guarantee the monitoring of the conflict and the possible impacts on the Group's activity. At the date of these financial statements, the Group has continued with almost total normality to perform its operations, by maintaining export contracts with international customers and providing services for the essential electricity sector.

In the opinion of the Parent's directors, it is not expected that its activities will be significantly affected by said conflict in the whole of the year. According to the assessment of Group activity by management in the first

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months of 2022 after the outbreak of the war, to date, the Group has been able to maintain the budgeted projects or backlog without significant delays in the collection of commercial accounts that could affect the Group's liquidity and its operating cycle. Likewise, no significant delays have been observed in the supply of trackers by suppliers, following through with all contracts in force based on previously established conditions.

- Revenue recognition and credit risk:

Group management also monitors the impact of this situation on the contracts already signed and its customers, in terms of the potential changes that may be caused in relation to these contracts (cancellations or changes in the estimates for revenue recognition), as well as the assessment of the recoverability of collection rights. In this regard, the Company's directors consider that the fact of keeping a significant part of its accounts receivable insured, as well as the fact that most of its customers belong to the electricity sector outside the conflict zone, sufficiently mitigates said risk. Likewise, it should be noted that the photovoltaic energy sector can gain significance as an alternative energy source, since the armed conflict can lead to complicated situations regarding other energy sources due to their dependence on Russia. Hence, despite the impact of the armed conflict, the war is not expected to have a significant impact on the Group's credit risk or on its revenue recognition.

- Impairment of assets:

Taking into account all the aforementioned factors, and emphasising that the Group does not carry out any activities in the warring countries, and the information currently available, the Parent's management and directors have not made any material changes to the Group's future business plan and, therefore, they do not expect any material impact on the impairment of intangible assets, property, plant and equipment or on the recoverability of inventories.

- Risk of business continuity in the medium term:

Taking into account all the aforementioned factors, the Parent's directors consider that it continues to be appropriate to apply the going concern principle.

Lastly, it should be noted that the Group's Board of Directors and management are constantly monitoring the evolution of the situation, to successfully deal with any possible impacts, both financial and non-financial, that may arise.

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**Appendix I - Subsidiaries that form part of the scope of consolidation (information in thousands of euros)**

**31 December 2021<sup>1,2</sup>**

Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
Soltec Energías Renovables, S.L.U.	C/ Gabriel Campillo S/n P.I. La Serreta 30500 - (Molina De Segura) - Murcia	Sale of solar trackers and their installation and maintenance in those cases required by the customer.	Soltec Power Holdings, S.A.	Audit in process	100%	-	1,152	81,545	(10,529)	72,168	Euro
Powertis, S.A.U.	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	The promotion and execution of projects for electrical energy production facilities that use photovoltaic solar energy. The sale, transmission and/or acquisition for their own account of shares and/or holdings in entities of all kinds, whether or not they have legal personality	Soltec Power Holdings, S.A.	Audit in process	100%	-	5,600	57,689	16,874	80,163	Euro

<sup>1</sup>In the case of subsidiaries with a functional currency other than the euro, the information has been converted into euros using the accounting principles for the translation of financial statements into foreign currency.

<sup>2</sup>The information included has been prepared based on generally accepted accounting principles applicable at the registered office of each subsidiary.

<sup>3</sup>The section "Retained earnings" includes the aggregate impact of the items "Other shareholder contributions", "Prior years' losses", "Loss for the year" and "Adjustments due to changes in value".

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Soltec Energie Rinnovabili S.r.L.	Viale A. Gramsci, 20. Florence (Italy)	Marketing and management of renewable energy equipment based on supply and installation work.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	10	392	8	410	Euro
Soltec America L.L.C.	3050 Osgood Court. Fremont (California – United States)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	3	-	(2,170)	(2,167)	US dollar
Soltec Chile S.p.A.	Av. Bosque Norte 0134 Piso 7. Comuna de las Condes (Santiago de Chile - Chile)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audit in process	100%	-	3,881	992	(11,735)	(6,862)	Chilean peso
Soltec Brasil Industria, Comercio e Serviços de Energías Renováveis LTDA (Soltec Brazil)	Rua Dr. Barreto, 483, Lauro de Freitas, Estado de Bahía (Brazil)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audit in process	100%	-	20,220	4,298	(8,419)	16,099	Brazilian real
Soltec Energías Renovables, S.A.C.	Avenida República de Panamá Nº 3576, Lima (Peru)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audit in process	100%	-	250	-	9	259	Sol
Seguidores Solares Soltec SA de CV	Oxford 30. Juárez (Mexico)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audit in process	100%	-	3	1,459	(1,840)	(378)	Mexican peso
Soltec Australia, PTY LTD.	300 Barangaroo Avenue, Level 24, Three International Towers, Barangaroo NSW 2000 (Australia)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Audit in process	100%	-	1	81	139	221	Australian dollar



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Soltec Argentina, S.R.L.	Avenida del Libertador 498, Piso 3º, 1001. Ciudad Autónoma Buenos Aires (Argentina)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	95%	5%	2	22	(496)	(472)	Argentine peso
Soltec Innovations, S.L.U.	C/ Gabriel Campillo, s/n Polígono Industrial La Serreta, Molina de Segura (Spain)	Technical engineering services and activities related to technical advice.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	3	1,517	5,290	6,810	Euro
Soltec Trackers PVT LTD.	303, 3rd Floor, Tower 1, DLF Corporate Park, DLF Phase - 3, Gurgaon, Haryana 122002 (India)	Marketing and management of renewable energy equipment based on supply and installation work.	Soltec Energías Renovables, S.L.U.	Audit in process	100%	-	479	40	(61)	458	Indian rupee
Soltec France, S.L.	6, Place de la Madeleine, 75008, Paris	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	3	100	111	214	Euro
Soltec Trackers Colombia SAS	Calle 93 B, NO 19-35 Office 201, Bogota	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	1	16	14	31	Colombian peso
Soltec Commercial Consulting (Shanghai) Co. Ltd	Room 606, No. 118 Pudong South Road, Shanghai (China)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	122	-	-	122	Yuan
Soltec Trackers Middle East DMCC	DMCC Business Centre. Level No. 1. Jewellery & Gemplex 3. Dubai. (United Arab Emirates)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	100%	-	-	-	-	-	Dirham

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	61	(169)	(105)	Euro
LUMINORA SOLAR UNO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	340	(429)	(86)	Euro
LUMINORA SOLAR SEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	50%	50%	3	(1)	(53)	(51)	Euro
LUMINORA SOLAR SIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	23	(15)	11	Euro
LUMINORA SOLAR OCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(57)	(54)	Euro
LUMINORA SOLAR NUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(147)	(145)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR DIEZ SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(147)	(144)	Euro
LUMINORA SOLAR ONCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(37)	(35)	Euro
LUMINORA SOLAR DOCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	331	(11)	323	Euro
LUMINORA SOLAR TRECE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	38	(20)	21	Euro
LUMINORA SOLAR CATORCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	38	(20)	21	Euro
LUMINORA SOLAR QUINCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	38	(20)	21	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR DIECISEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	38	(20)	21	Euro
LUMINORA SOLAR DIECISIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	-	2	Euro
LUMINORA SOLAR DIECIOHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(16)	(14)	Euro
LUMINORA SOLAR DIECINUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(155)	(153)	Euro
LUMINORA SOLAR VEINTE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(31)	(29)	Euro
AMBER SOLAR POWER SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	12	(15)	-	Euro

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AMBER SOLAR POWER DOS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	159	(110)	52	Euro
AMBER SOLAR POWER SEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	17	(20)	-	Euro
AMBER SOLAR POWER SIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	5	(10)	(2)	Euro
AMBER SOLAR POWER OCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	13	(16)	-	Euro
AMBER SOLAR POWER ONCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	79	(57)	25	Euro
AMBER SOLAR POWER DOCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	31	(31)	3	Euro

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AMBER SOLAR POWER TRECE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	72	(52)	23	Euro
AMBER SOLAR POWER CATORCE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	34	(34)	3	Euro
AMBER SOLAR POWER DIECISIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	73	(91)	(15)	Euro
AMBER SOLAR POWER DIECIOCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	23	(29)	(3)	Euro
AMBER SOLAR POWER DIECINUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	20	(14)	9	Euro
AMBER SOLAR POWER VEINTE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	39	(77)	(35)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER VEINTIUNO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	51%	49%	3	-	(9)	(6)	Euro
AMBER SOLAR POWER VEINTIDOS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	1	(32)	(28)	Euro
AMBER SOLAR POWER VEINTITRES SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	13	(1)	15	Euro
AMBER SOLAR POWER VEINTICUATRO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	1	(60)	(56)	Euro
AMBER SOLAR POWER VEINTICINCO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	24	(9)	18	Euro
AMBER SOLAR POWER VEINTISEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	36	(38)	1	Euro

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AMBER SOLAR POWER VEINTISIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	1	(363)	(359)	Euro
AMBER SOLAR POWER VEINTIOCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER VEINTINUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	76	(37)	42	Euro
AMBER SOLAR POWER TREINTA SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	23	(13)	13	Euro
AMBER SOLAR POWER TREINTA Y UNA SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(10)	(8)	Euro
AMBER SOLAR POWER TREINTA Y DOS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	11	(35)	(21)	Euro



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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER TREINTA Y TRES SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	16	(53)	(34)	Euro
AMBER SOLAR POWER TREINTA Y CUATRO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	-	2	Euro
AMBER SOLAR POWER TREINTA Y CINCO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(9)	(7)	Euro
AMBER SOLAR POWER TREINTA Y SEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(4)	(2)	Euro
AMBER SOLAR POWER TREINTA Y SIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(88)	(86)	Euro
AMBER SOLAR POWER TREINTA Y OCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(27)	(25)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER TREINTA Y NUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	-	2	Euro
AMBER SOLAR POWER CUARENTA SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	(1)	(422)	(420)	Euro
AMBER SOLAR POWER CUARENTA Y UNO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(101)	(98)	Euro
AMBER SOLAR POWER CUARENTA Y DOS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(4)	(1)	Euro
AMBER SOLAR POWER CUARENTA Y TRES SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(23)	(20)	Euro
AMBER SOLAR POWER CUARENTA Y CUATRO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(23)	(20)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER CUARENTA Y CINCO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CUARENTA Y SEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(45)	(42)	Euro
AMBER SOLAR POWER CUARENTA Y SIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CUARENTA Y OCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CUARENTA Y NUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CINCUENTA SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR VEINTIUNO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
LUMINORA SOLAR VEINTIDOS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(416)	(413)	Euro
LUMINORA SOLAR VEINTITRES SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(24)	(21)	Euro
LUMINORA SOLAR VEINTICUATRO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
LUMINORA SOLAR VEINTICINCO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CINCUENTA Y UNO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(4)	(1)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER CINCUENTA Y DOS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(4)	(1)	Euro
AMBER SOLAR POWER CINCUENTA Y TRES SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CINCUENTA Y CUATRO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBER SOLAR POWER CINCUENTA Y CINCO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
LUMINORA SOLAR VEINTISEIS SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(3)	-	Euro
LUMINORA SOLAR VEINTISIETE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(4)	(1)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR VEINTIOCHO SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
LUMINORA SOLAR VEINTINUEVE SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
LUMINORA SOLAR TREINTA SOCIEDAD LIMITADA	Calle Núñez De Balboa, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	-	3	Euro
AMBRA SOLARE 1, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 2, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 3, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 4, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 7, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 8, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 16, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 17, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 18, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 20, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
LUMINORA MARANGIOSA, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 21, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 22, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 25, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 28, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro



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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 29, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 30, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 31, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 32, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 33, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 34, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 35, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 36, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 37, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 39, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 40, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 41, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 42, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 43, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 44, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 45, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 47, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
AMBRA SOLARE 48, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 49, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	(1)	9	Euro
AMBRA SOLARE 5, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 1, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 2, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 3, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 4, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
MARMARIA SOLARE 5, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 6, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 7, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 8, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 9, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 10, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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MARMARIA SOLARE 11, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 12, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 13, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 14, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 15, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 16, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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MARMARIA SOLARE 17, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 18, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 19, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 20, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 21, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 22, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro

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MARMARIA SOLARE 23, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 24, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 25, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 26, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 27, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 28, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro



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MARMARIA SOLARE 29, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
MARMARIA SOLARE 30, SRL	VIA TEVERE 41 CAP 00198 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	10	-	-	10	Euro
POWERIS SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Office of development services, management of solar and photovoltaic projects, supervision of electrical contract works, among other activities	Powertis, S.A.U.	Unaudited	100%	-	100	42	(84)	58	Euro
POWERIS AMERICA LLC	3050 Osgood Court. Fremont, CALIFORNIA (United States)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	-	-	US dollar
USINA DE ENERGIA FOTOVOLTAICA DE PEDRANÓPOLIS LTDA	ROD CHAFFI MARAO KM 9, ZONA RURAL. PEDRANÓPOLIS- SP. 15630-000. (Brazil)	Office of development services, management of solar and photovoltaic projects, supervision of electrical contract works, among other activities	Powertis, S.A.U.	Audit in process	100%	-	19,878	-	(875)	19,003	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA DE ARAXÁ LTDA	ROD MG-428 (ARAXÁ-FRANCA); DONA BEJA. ARAXÁ- MG. 38183-666. (Brazil)	Office of development services, management of solar and photovoltaic projects, supervision of electrical contract works, among other activities	Powertis, S.A.U.	Audit in process	100%	-	16,521	-	(1,125)	15,396	Brazilian real

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USINA DE ENERGIA FOTOVOLTAICA SOLATIO VARZEA LTDA	EST MUNICIPAL VARZEA DA PALMA AO DISTRITO PEDRA DE. VARZEA DE PALMAS-MG. 39260-000. (Brazil)	Exploitation and implementation of solar energy	Powertis, S.A.U.	Unaudited	100%	-	78	-	(495)	(417)	Brazilian real
POWERTIS BRASIL DESENVOLVIMIENTO DE PROJETOS DE ENERGIA Y PARTICIPACOES LTDA.	DOUTOR BARRETO 423. 42,701-310 PITANGUEIRAS . LAURO DE FREITAS (Brazil)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Powertis, S.A.U.	Audit in process	100%	-	540	-	(320)	220	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA GRAVIOLA I S.A.	PC HERCULANO CARVALHO 86. 64,760-000. SAO JOAO DO PIAUI (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	46	-	(294)	(248)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA GRAVIOLA II S.A.	PC HERCULANO CARVALHO 86. 64,760-000. SAO JOAO DO PIAUI (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	46	-	(280)	(234)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA GRAVIOLA III S.A.	PC HERCULANO CARVALHO 86. 64,760-000. SAO JOAO DO PIAUI (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	46	-	(286)	(240)	Brazilian real

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USINA DE ENERGIA FOTOVOLTAICA GRAVIOLA IV S.A.	PC HERCULANO CARVALHO 86. 64,760-000. SAO JOAO DO PIAUI (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	94	-	(287)	(193)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA BELVEDERE SPE LTDA	A AREA RURAL RODOVIA BR 496 KM 9. S/N. RODOVIA BR-496 KM 9 FAZENDA BELVEDERE. 39,277-899. AREA RURAL DE PIRAPORA. PIRAPORA. Mina Gerais (Brazil)	Exploitation and implementation of solar energy	Powertis, S.A.U.	Unaudited	99.99%	0.01%	-	-	(447)	(447)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA SAO MIGUEL BRL	FAZ SAO MIGUEL S/N RODOVIA MG-161 KM20 39,280-00 ZONA RURAL BURITIZEIRO (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	46	-	(141)	(95)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA SERIEMAS SPE LTDA	ROD PARANAIBA A, INOCENCIA. S/N. 10KM A ESQ 21KM FAZENDA DIVISA. 79,500-000. ZONA RURAL. PARANAIBA (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(196)	(196)	Brazilian real
Powertis Solar Holding SPE 1	ROD MG-428 (ARAXÁ-FRANCA); DONA BEJA. ARAXÁ- MG. 38183-666. (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	-	-	Brazilian real

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Powertis Solar Holding SPE 2	ROD MG-428 (ARAXÁ-FRANCA); DONA BEJA. ARAXÁ- MG. 38183-666. (Brazil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	-	-	Brazilian real
POWERTIS DENMARK APS (LUMINORA SOLAR APS)	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 2 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 3 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 4 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 5 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown

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LUMINORA SOLAR 6 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 7 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 8 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 9 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
LUMINORA SOLAR 10 APS	Walgerholm 7, 3500 Vaerlose, (Denmark)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	6	-	-	6	Danish crown
AMBER SOLAR POWER COLOMBIA UNO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso

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AMBER SOLAR POWER COLOMBIA DOS, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA TRES, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA CUATRO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA CINCO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA SEIS, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA SIETE, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso

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AMBER SOLAR POWER COLOMBIA OCHO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA NUEVE, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
AMBER SOLAR POWER COLOMBIA DIEZ, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA UNO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA DOS, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA TRES, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso

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LUMINORA SOLAR POWER COLOMBIA CUATRO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA CINCO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA SEIS, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA SIETE, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA OCHO, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(25)	(25)	Colombian peso
LUMINORA SOLAR POWER COLOMBIA NUEVE, S.A.S	Cr 11 A # 97 A 19 Of 508, Bogota (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(34)	(34)	Colombian peso



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FOTOVOLTAICO ARRAYANES S.A.S.	CRA 6 N 53-29 OF 901 ED TORREON DE SANTA MONICA. URB RINCON DE PIEDRA PINTADA.73001 – Ibague (Colombia)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	65%	35%	-	-	202	202	Colombian peso
Amber Solar Power México Uno, S.A. de C.V.	C/ PRESA FALCON, 243, Mexico City (Mexico)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(46)	(43)	Mexican peso
Amber Solar Power Desarrollos México Dos, S.A. de C.V.	C/ PRESA FALCON, 243, Mexico City (Mexico)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	-	-	(45)	(45)	Mexican peso
Amber Solar Power México Tres, S.A. de C.V.	C/ PRESA FALCON, 243, Mexico City (Mexico)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(46)	(43)	Mexican peso
Luminora Solar Power Desarrollos México Uno, S.A de C.V.	C/ PRESA FALCON, 243, Mexico City (Mexico)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(46)	(43)	Mexican peso
Luminora Solar Power Desarrollos México Dos, S.A de C.V.	C/ PRESA FALCON, 243, Mexico City (Mexico)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	3	-	(46)	(43)	Mexican peso

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
Powertis Desarrollos México, S.A. de C.V.	C/ PRESA FALCON, 243, Mexico City (Mexico)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	100%	-	33	-	70	103	Mexican peso

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**31 December 2020** <sup>1,2</sup>

Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
Soltec Energías Renovables, S.L.U.	C/ Gabriel Campillo S/n P.i. La Serreta 30500 - Molina De Segura - Murcia (Spain)	Sale of solar trackers and their installation and maintenance in those cases required by the customer.	Soltec Power Holdings,S.A.	Audited	100%	-	1,101	81,460	(17,104)	65,457	Euros
Powertis, S.A.U.	C/ Príncipe De Vergara 43 - 6ª Planta - Madrid (Spain)	The promotion and execution of projects for electrical energy production facilities that use photovoltaic solar energy. The sale, transmission and/or acquisition for their own account of shares and/or holdings in entities of all kinds, whether or not they have legal personality	Soltec Power Holdings,S.A.	Audited	100%	-	5,600	56,400	10,162	72,162	Euros
Soltec Energie Rinnovabili S.r.L.	Viale A. Gramsci, 20. Florence (Italy)	Marketing and management of renewable energy equipment based on supply and installation work.	Soltec Energías Renovables, S.L.U.	Unaudited	-	100.00%	10	81	(65)	26	Euros

<sup>1</sup>In the case of subsidiaries with a functional currency other than the euro, the information has been converted into euros using the accounting principles for the translation of financial statements into foreign currency.

<sup>2</sup>The information included has been prepared based on generally accepted accounting principles applicable at the registered office of each subsidiary.

<sup>3</sup> The section "Retained earnings" includes the aggregate impact of the items "Other shareholder contributions", "Prior years' losses", "Loss for the year" and "Adjustments due to changes in value".

## 2021 INDIVIDUAL FINANCIAL STATEMENTS

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Soltec America L.L.C.	3050 Osgood Court. Fremont (California – United States)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Unaudited	-	100.00%	3	-	(2,666)	(2,663)	US dollar
Soltec Chile S.p.A.	Av. Bosque Norte 0134 Piso 7. Comuna de las Condes (Santiago de Chile - Chile)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audited	-	100.00%	3,881	992	(2,661)	2,212	Chilean peso
Soltec Brasil Industria, Comercio e Servicios de Energías Renováveis LTDA (Soltec Brazil)	Rua Dr. Barreto, 483, Lauro de Freitas, Estado de Bahía (Brazil)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audited	-	100.00%	20,220	4,299	(9,441)	15,078	Brazilian real
Soltec Energías Renovables, S.A.C.	Avenida República de Panamá Nº 3576, Lima (Peru)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audited	-	99.67%	250	-	(160)	90	Sol
Seguidores Solares Soltec SA de CV	Oxford 30. Juárez (Mexico)	Marketing and management of renewable energy equipment based on supply, installation and maintenance work.	Soltec Energías Renovables, S.L.U.	Audited	-	100.00%	3	1,459	(1,942)	(480)	Mexican peso
Soltec Australia, PTY LTD.	300 Barangaroo Avenue, Level 24, Three International Towers, Barangaroo NSW 2000 (Australia)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Audited	-	100.00%	1	17	152	170	Australian dollar

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Soltec Argentina, S.R.L.	Avenida del Libertador 498, Piso 3º, 1001. Ciudad Autónoma Buenos Aires (Argentina)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	-	95.00%	2	22	(195)	(171)	Argentine peso
Soltec Innovations, S.L.U.	C/ Gabriel Campillo, s/n Polígono Industrial La Serreta, Molina de Segura (Spain)	Technical engineering services and activities related to technical advice.	Soltec Energías Renovables, S.L.U.	Unaudited	-	100.00%	3	(109)	1,487	1,381	Euro
Soltec Trackers PVT LTD.	303, 3rd Floor, Tower 1, DLF Corporate Park, DLF Phase - 3, Gurgaon, Haryana 122002 (India)	Marketing and management of renewable energy equipment based on supply and installation work.	Soltec Energías Renovables, S.L.U.	Audited	-	100.00%	479	30	(86)	423	Indian rupee
Soltec France, S.L.	6, Place de la Madeleine, 75008, Paris (France)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	-	100.00%	3	2,172	372	2,547	Euro
Soltec Trackers Colombia SAS	Calle 93 B, NO 19-35 Office 201, Bogota (Colombia)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Audited	-	100.00%	1	16	(54)	(37)	Colombian peso
Soltec Commercial Consulting (Shanghai) Co. Ltd	Room 606, No. 118 Pudong South Road, Shanghai (China)	Marketing and management of equipment for renewable energies.	Soltec Energías Renovables, S.L.U.	Unaudited	-	100.00%	122	-	-	122	Yuan

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	2	5	Euro
AMBER SOLAR POWER DOS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	49	52	Euro
AMBER SOLAR POWER SEIS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	2	5	Euro
AMBER SOLAR POWER SIETE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	-	3	Euro
AMBER SOLAR POWER OCHO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	2	5	Euro
AMBER SOLAR POWER ONCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	22	24	Euro
AMBER SOLAR POWER DOCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	5	7	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER TRECE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	21	23	Euro
AMBER SOLAR POWER CATORCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	9	11	Euro
AMBER SOLAR POWER DIECISIETE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	28	31	Euro
AMBER SOLAR POWER DIECIOCHO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	6	9	Euro
AMBER SOLAR POWER DIECINUEVE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	3	6	Euro
AMBER SOLAR POWER VEINTE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	8	11	Euro
AMBER SOLAR POWER VEINTIUNO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	51.00%	3	-	(2)	1	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER VEINTIDOS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	-	3	Euro
AMBER SOLAR POWER VEINTITRES SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	4	6	Euro
AMBER SOLAR POWER VEINTICUATRO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER VEINTICINCO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	9	11	Euro
AMBER SOLAR POWER VEINTISEIS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	12	14	Euro
AMBER SOLAR POWER VEINTISIETE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	1	4	Euro
AMBER SOLAR POWER VEINTIOCHO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	1	4	Euro



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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER VEINTINUEVE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	35	38	Euro
AMBER SOLAR POWER TREINTA SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	6	8	Euro
AMBER SOLAR POWER TREINTA Y UNO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER TREINTA Y DOS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	3	5	Euro
AMBER SOLAR POWER TREINTA Y TRES SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	3	5	Euro
AMBER SOLAR POWER TREINTA Y CUATRO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER TREINTA Y CINCO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro

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AMBER SOLAR POWER TREINTA Y SEIS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER TREINTA Y SIETE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER TREINTA Y OCHO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER TREINTA Y NUEVE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
AMBER SOLAR POWER CUARENTA SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
LUMINORA SOLAR SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	25	28	Euro
LUMINORA SOLAR UNO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	39	42	Euro

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LUMINORA SOLAR CINCO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	58	60	Euro
LUMINORA SOLAR SEIS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	51.00%	3	(1)	(2)	-	Euro
LUMINORA SOLAR SIETE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	4	6	Euro
LUMINORA SOLAR OCHO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	-	-	3	Euro
LUMINORA SOLAR NUEVE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
LUMINORA SOLAR DIEZ SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited		100.00%	3	-	-	3	Euro
LUMINORA SOLAR ONCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR DOCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	304	306	Euro
LUMINORA SOLAR TRECE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	12	14	Euro
LUMINORA SOLAR CATORCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	12	14	Euro
LUMINORA SOLAR QUINCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	12	14	Euro
LUMINORA SOLAR DIECISEIS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	12	14	Euro
LUMINORA SOLAR DIECISIETE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
LUMINORA SOLAR DIECIOCHO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro

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LUMINORA SOLAR DIECINUEVE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
LUMINORA SOLAR VEINTE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	3	(1)	-	2	Euro
Usina de energia fotovoltaica Leo Silveira 1, Ltda	Entrada Várzea de Palma Jequitai KM 30, S/N - Varzea da Palma, Minas Gerais (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	315	-	(317)	(2)	Brazilian real
Usina de energia fotovoltaica Leo Silveira 2, Ltda	Entrada Várzea de Palma Jequitai KM 30, S/N - Varzea da Palma, Minas Gerais (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	112	-	(114)	(2)	Brazilian real
Usina de energia fotovoltaica Leo Silveira 3, Ltda	Entrada Várzea de Palma Jequitai KM 30, S/N - Varzea da Palma, Minas Gerais (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	112	-	(113)	(1)	Brazilian real
Usina de energia fotovoltaica Leo Silveira 4, Ltda	Entrada Várzea de Palma Jequitai KM 30, S/N - Varzea da Palma, Minas Gerais (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	188	-	(190)	(2)	Brazilian real

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
Usina de energia fotovoltaica Leo Silveira 5, Ltda	Entrada Várzea de Palma Jequitai KM 30, S/N - Varzea da Palma, Minas Gerais (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	188	-	(190)	(2)	Brazilian real
Usina de energia fotovoltaica Leo Silveira 6, Ltda	Entrada Várzea de Palma Jequitai KM 30, S/N - Varzea da Palma, Minas Gerais (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	188	-	(190)	(2)	Brazilian real
Usina de Energia Fotovoltaica Graviola I, S.A.	PC Hercuilano Carvalho, 86, 64760-00 Centro São João do Piauí (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(67)	(67)	Euro
Usina de Energia Fotovoltaica Graviola II, S.A.	PC Hercuilano Carvalho, 86, 64760-00 Centro São João do Piauí (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(62)	(62)	Euro
Usina de Energia Fotovoltaica Graviola III, S.A.	PC Hercuilano Carvalho, 86, 64760-00 Centro São João do Piauí (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(66)	(66)	Euro
Usina de Energia Fotovoltaica Graviola IV, S.A.	PC Hercuilano Carvalho, 86, 64760-00 Centro São João do Piauí (Brasil)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(66)	(66)	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
USINA DE ENERGIA FOTOVOLTAICA PEDRANÓPOLIS, LTDA	Rod Chaffi Marao km 9; S/N Pedranópolis (Brazil)	Office of development services, management of solar and photovoltaic projects, supervision of electrical contract works, among other activities	Powertis, S.A.U.	Audited	-	100.00%	-	-	(215)	(215)	Euro
USINA DE ENERGIA FOTOVOLTAICA DE ARAXÁ LTDA	ROD MG-428 (ARAXÁ-FRANCA); DONA BEJA. ARAXÁ-MG. 38183-666. (Brazil)	Office of development services, management of solar and photovoltaic projects, supervision of electrical contract works, among other activities	Powertis, S.A.U.	Audited	-	100.00%	-	-	(298)	(298)	Euro
POWERTIS BRASIL DESENVOLVIMENTO DE PROJETOS DE ENERGIA E PARTICIPAÇÕES LTDA	Rua Doutor Barreto, nº 423, Quadra 1000, Lote 00008, Loteamento 40, Jardim Aeroporto, Bairro Pitangueiras, Lauro de Freitas, BA, CEP 42,701-310 (Brazil)	Search for and development of greenfield projects	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(241)	(241)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA SOLATIO VARZEA LTDA	Est. Municipal Várzea da Palma ao Distrito Pedra de Santana KM 22, S/N, zona Rural, Várzea de Palma, CEP 29,260-000 (Brazil)	Exploitation and implementation of solar energy	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(52)	(52)	Brazilian real
USINA DE ENERGIA FOTOVOLTAICA BELVEDERE SPE LTDA	AREA RURAL RODOVIA BR 496 KM 9 S/N FAZENDA BELVEDERE (Brazil)	Exploitation and implementation of solar energy	Powertis, S.A.U.	Unaudited	-	100.00%	-	-	(4)	(4)	Brazilian real

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
POWERTIS, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Office of development services, management of solar and photovoltaic projects, supervision of electrical contract works, among other activities	Powertis, S.A.U.	Unaudited	-	100.00%	100	-	162	262	Euro
AMBRA SOLARE UNO SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DOS SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE TRES SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE CUATRO SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE CINCO SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE SEIS SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro



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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE SIETE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE OCHO SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE NUEVE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DIEZ SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE ONCE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DOCE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE TRECE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE CATORCE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE QUINCE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DIECISEIS SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DIECISIETE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DIECIOCHO SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE DIECINUEVE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro
AMBRA SOLARE VEINTE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	100.00%	10	-	-	10	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA CATANIA SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA TUPPETO 1 SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA TUPPETO 2 SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA TUPPETO 3 SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA RIPIZZATA SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA SPARPAGLIATA SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA SANTELIA 1 SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro

## 2021 INDIVIDUAL FINANCIAL STATEMENTS

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SANTELIA 2 SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA CAVALIERE SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro
LUMINORA BARBA SRL	ROMA (RM) VIA VENTI SETTEMBRE 1 CAP 00187 (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	-	49.00%	10	-	-	10	Euro

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**Appendix II - Companies over which significant influence is maintained (information in thousands of euros)**

**31 December 2021**<sup>1,2</sup>

Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR CINCO, SL	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	168	(111)	60	Euro
LUMINORA SOLAR DOS SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	705	(414)	294	Euro
LUMINORA SOLAR TRES SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	321	(223)	101	Euro

<sup>1</sup>In the case of subsidiaries with a functional currency other than the euro, the information has been converted into euros using the accounting principles for the translation of financial statements into foreign currency.

<sup>2</sup>The information included has been prepared based on generally accepted accounting principles applicable at the registered office of each subsidiary.

<sup>3</sup> The section "Retained earnings" includes the aggregate impact of the items "Other shareholder contributions", "Prior years' losses", "Loss for the year" and "Adjustments due to changes in value".

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR CUATRO SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	63	(110)	(44)	Euro
AMBER SOLAR POWER UNO SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	160	(40)	123	Euro
AMBER SOLAR POWER TRES SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	87	(41)	49	Euro
AMBER SOLAR POWER CUATRO SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	88	(35)	56	Euro
AMBER SOLAR POWER CINCO SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	114	(49)	68	Euro
AMBER SOLAR POWER NUEVE SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	65	(27)	41	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER DIEZ SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	54	(25)	32	Euro
AMBER SOLAR POWER QUINCE SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	47	(43)	7	Euro
AMBER SOLAR POWER DIECISEIS SOCIEDAD LIMITADA	NÚÑEZ DE BALBOA, 33 1º A - 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35%	-	3	57	(46)	14	Euro
AMBRA SOLARE 6, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	259	-	269	Euro
AMBRA SOLARE 9, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	267	-	277	Euro
AMBRA SOLARE 10, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	204	-	214	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 11, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	272	-	282	Euro
AMBRA SOLARE 12, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	172	-	182	Euro
AMBRA SOLARE 13, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	150	-	160	Euro
AMBRA SOLARE 14, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	104	-	114	Euro
AMBRA SOLARE 15, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	101	-	111	Euro
AMBRA SOLARE 19, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	85	-	95	Euro



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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA CATANIA, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	949	-	959	Euro
LUMINORA TUPPETO 1, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	259	-	269	Euro
LUMINORA TUPPETO 2, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	93	-	103	Euro
LUMINORA TUPPETO 3, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	101	-	111	Euro
LUMINORA RIPIZZATA, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	262	-	272	Euro
LUMINORA SPARPAGLIATA, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	278	-	288	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SANTELIA 1, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	166	-	176	Euro
LUMINORA SANTELIA 2, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	115	-	125	Euro
LUMINORA CAVALIERE, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	165	-	175	Euro
LUMINORA BARBA, SRL	VIA VENTI SETTEMBRE, 1. 00187 ROME (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	298	-	308	Euro
LUMINORA ASCOLI, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	372	-	382	Euro
LUMINORA CANDELA, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	200	-	210	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA LOCCONE, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	190	-	200	Euro
LUMINORA LOPEZ, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	242	-	252	Euro
LUMINORA SQUINZANO, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	104	-	114	Euro
LUMINORA ALTOGIANNI 1, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	247	-	257	Euro
LUMINORA ALTOGIANNI 2, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	191	-	201	Euro
LUMINORA DERRICO, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	94	-	104	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA LA FEUDALE, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	210	-	220	Euro
LUMINORA LASALA, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	186	-	196	Euro
LUMINORA MEDAGLIA, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	166	-	176	Euro
LUMINORA RAMACCA, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	747	(1)	756	Euro
LUMINORA SAN MARTINO, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	-	-	10	Euro
LUMINORA SAN PERCOPIO, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	256	-	266	Euro

## 2021 INDIVIDUAL FINANCIAL STATEMENTS

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SERRAVALLE, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	178	-	188	Euro
LUMINORA SPECCHIONE, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	464	-	474	Euro
AMBRA SOLARE 23, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	81	-	91	Euro
AMBRA SOLARE 24, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	63	-	73	Euro
AMBRA SOLARE 26, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	88	-	98	Euro
AMBRA SOLARE 27, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	54	-	64	Euro

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBRA SOLARE 38, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	75	-	85	Euro
AMBRA SOLARE 5, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	466	-	476	Euro
AMBRA SOLARE 50, SRL	VIA TEVERE 41 CAP 00198, Rome (Italy)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	49%	-	10	143	(1)	152	Euro

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**31 December 2020** <sup>1,2</sup>

Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER UNO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	120	123	Euro
AMBER SOLAR POWER TRES SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	47	50	Euro
AMBER SOLAR POWER CUATRO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	54	57	Euro

<sup>1</sup>In the case of subsidiaries with a functional currency other than the euro, the information has been converted into euros using the accounting principles for the translation of financial statements into foreign currency.

<sup>2</sup>The information included has been prepared based on generally accepted accounting principles applicable at the registered office of each subsidiary.

<sup>3</sup> The section "Retained earnings" includes the aggregate impact of the items "Other shareholder contributions", "Prior years' losses", "Loss for the year" and "Adjustments due to changes in value".

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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
AMBER SOLAR POWER CINCO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	66	69	Euro
AMBER SOLAR POWER NUEVE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	39	42	Euro
AMBER SOLAR POWER DIEZ SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	(1)	29	31	Euro
AMBER SOLAR POWER QUINCE SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	(1)	4	6	Euro
AMBER SOLAR POWER DIECISEIS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	12	15	Euro
LUMINORA SOLAR DOS SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	291	294	Euro



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Corporate name	Address	Activity	Owner company	Entity subject to audit	Direct	Indirect	Share capital	Reserves and share premium	Retained earnings <sup>3</sup>	Total equity	Functional currency
LUMINORA SOLAR TRES SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	98	101	Euro
LUMINORA SOLAR CUATRO SL.	Calle Príncipe de Vergara, n 43. 28001 Madrid (Spain)	Production and sale of renewable energies. Construction, installation, repair and maintenance of facilities related to renewable energies.	Powertis, S.A.U.	Unaudited	35.00%	-	3	-	45	48	Euro

# 2021 INDIVIDUAL MANAGEMENT REPORT

# INDIVIDUAL MANAGEMENT REPORT for the period from 1 December to 31 December 2021

## SOLTEC POWER HOLDINGS, S.A.

Soltec Power Holdings, S.A. (hereinafter, "Soltec" or the "Company") is the head of a group of companies that carry out their operations in the renewable energy sector, particularly in the photovoltaic sector.

Today, Soltec is one of the world's leading manufacturers, specialising in the development of integrated solutions for photovoltaic energy projects. Our portfolio of services ranges from the design and manufacture of solar trackers, also known as "trackers", to the development of photovoltaic plants.

In the 21st century, humanity finds itself in an unprecedented situation. Industrial development and population growth have put the planet at risk. Humanity is consuming natural resources at a rapid rate and energy needs have so far been met primarily by fossil fuels. Over the last 150 years, the carbon dioxide resulting from burning these fuels for transport, buildings and industry has accumulated in the planet's atmosphere. As a result, our atmosphere is retaining more heat from the sun than ever before (greenhouse effect) and for the first time in the planet's history, one species (humans) is changing the climate (global warming). The planet is facing previously unknown risks. Experts predict rising sea levels, a more extreme climate (droughts and floods, episodes of extreme cold and heat, the disappearance of species, mass migrations, famine, ...).

Fortunately, the human being is both the cause of the problem and the only one who can reverse this serious situation. For the first time, man has the technology to decarbonize the planet. Technology developed by companies like Soltec, which specializes in photovoltaic solar energy. Soltec was born with the mission to create a clean and sustainable world based on efficient photovoltaic energy production. To achieve this, since its inception Soltec is determined to lead the global market for photovoltaic energy, offering reliable solutions through the latest technology. Soltec encourages its suppliers, customers and employees to share this vision and is committed to developing environmental and sustainability actions that spread these values.

The Company was formed in Murcia (Spain) on 2 December 2019. Our main activity consists of holding all the shares of Soltec Energías Renovables, S.L.U. and Powertis, S.A.U. and, indirectly, the companies that depend of these shares.

On 23 December 2019, under an agreement between the Company shareholders, Soltec Energías Renovables, S.L.U. (the Sefrán Group and Valueteam) and the shareholders of Powertis, SAU (Sefrán Group, Valueteam and an individual) a non-monetary contribution was made to the company Soltec Power Holdings, SA corresponding to 100% of the shares of Soltec Energías Renovables, S.L.U. and 100% of the shares of Powertis, S.A.U. These contributions were filed in the Mercantile Registry on 31 December 2019.

The non-monetary contribution entailed a capital increase of 296 million euros. The detail of the shares issued by both companies, the amount for which they were issued and their distribution, in line with the ownership percentage of each shareholder is as follows:

Shareholder	No. of shares issued for contribution Soltec Energías Renovables, S.L.U.	No. of shares issued for contribution Powertis, S.A.U.	Amount at which the shares are issued (Euros)	Soltec Energías Renovables, S.L.U. (Euros)	Powertis, S.A.U. (Euros)	Total (Euros)
Valueteam	3,600,000	855,000	19.75	71,100,000	16,886,250	87,986,250
Sefrán	8,400,000	1,995,000	19.75	165,900,000	39,401,250	205,301,250
Natural person	-	150,000	19.75	-	2,962,500	2,962,500
<b>Total</b>	<b>12,000,000</b>	<b>3,000,000</b>	<b>19.75</b>	<b>237,000,000</b>	<b>59,250,000</b>	<b>296,250,000</b>

The formation of the Group's Parent, Soltec Power Holdings, S.A. in 2019 entailed the reorganisation of these businesses into a single parent company, considering that the aforementioned businesses were majority-owned by the Sefrán Group. Both subsidiaries had been carrying out their operating activities prior to the date of integration.

The objective of this reorganisation was to provide the Soltec Group with an optimum corporate structure, which would allow it to initiate various corporate operations, including the launch of a public offering of shares.

During 2020 and as a result of the IPO process, the following significant events occurred:

On 6 October 2020, the Company's General Shareholders' Meeting approved the split of the number of Company shares by reducing their par value from 1 euro to 0.25 euros per share, at a ratio of four new shares for each old share, with no change in the amount of share capital.

On 27 October 2020, the resolution adopted on 13 October 2020 by the General Shareholders' Meeting to increase share capital by 150 million euros by means of cash contributions was executed in a public deed, including the waiver of pre-emptive subscription rights, through an offer for the subscription of Company shares and the application for admission to trading on the Spanish stock exchange.

On 28 October, the Company went public, prior to which it increased its share capital by issuing and placing into circulation 31,146,717 new ordinary shares of the Company of the same class and series, with a par value of 0.25 euros per share and a share premium of 4.57 euros applicable to the 30,881,767 newly issued ordinary shares subscribed in the qualified investor tranche and in the non-qualified investor tranche (excluding the employee and commercial sub-tranches) and a par value of 0.25 euros per share and an additional share premium of 4.09 eur applicable to the 264,950 newly issued ordinary shares subscribed in the employee and commercial sub-tranche. As a result, the total nominal amount of the issue amounted to 7,786,679 euros and the share premium increased by 142,213,321 euros. All the shares were fully paid up.

Likewise, the majority shareholder (Sefrán) exercised its right to sell or green shoe the shares it held by placing an additional 3,115 thousand shares in circulation on the market, equivalent to 3.41% of the total volume of company shares. In relation to these capital increases, in 2020, the Company recognised the incremental expenses associated therewith with a credit to reserves, net of the related tax effect, amounting to 7,960 thousand euros.

At 31 December 2021, the Company's share capital amounted to 22,847 thousand euros, represented by 91,387 thousand shares of 0.25 euros par value each, which were fully subscribed (same situation at 2020 year-end).

All of the Parent's shares are admitted to public trading and are officially listed on the Barcelona, Bilbao, Madrid and Valencia stock exchanges. The share price at 31 December 2021 and the average share price in the last quarter were 6.19 euros and 6.84 euros per share, respectively.

At 31 December 2021, and in accordance with the information obtained from the CNMV, in relation to the provisions of Royal Decree 1362/2007 of 19 October and Circular 2/2007 of 19 December, shareholders holding significant holdings in the share capital of Soltec Power Holding, S.A., both directly and indirectly, greater than 3% of the share capital, are as follows according to public information:

	Shares			% of capital
	Direct	Indirect	Total	
Morales Torres, Raul	0%	19,578%	19,578%	19,578%
Moreno Riquelme, José Francisco	0%	42,275%	42,275%	42,275%
Santander Asset Management, S.A., SGIIC	0%	3,443%	3,443%	3,443%
Schroders, PLC	0%	3,383%	3,383%	3,383%
Swedbank Robur Fonder AB	3,004%	0%	3,004%	3,004%

## 1. BUSINESS PERFORMANCE AND RESULTS

An understanding of key financial and non-financial indicators is set out below.

### KEY FINANCIAL INDICATORS

- At the end of the 2021 financial year, total assets amounted to 260,767 thousand euros (249,678 thousand euros at the end of the 2020 financial year). At 31 December 2021, this figure is basically represented by the value of the shares, which is included under the heading "Long-term investments in Group companies and associates", the total amount of which is 248,905 thousand euros. The remaining amount corresponds mainly to the heading "Deferred tax assets", totalling 10,445 thousand euros.

- At 31 December 2021, net worth amounts to 240,916 thousand euros. This amount is made up of share capital, totalling 22,847 thousand euros, represented by 91,387 thousand shares with a par value of 0.25 euros, fully subscribed and paid up before the preparation of these financial statements. The issue premium is also included, which accumulates a value of 230,090 thousand euros, which arises from the capital increase performed on 28 October 2020 and from the difference between the price of the 2019 transaction and the amount at which the net assets provided by Soltec Energías Renovables, S.L.U. and Powertis, S.A.U. contributed by the Sefrán Group, majority shareholder of the Company, are recognised. Similarly, the amount of equity also includes, under the heading "Reserves", the expenses incurred in providing the monetary and non-monetary contributions for the 2020 financial year, amounting to 74 thousand euros, as

well as the expenses of issuing equity instruments, net of taxes, amounting to 7,960 thousand euros and for the 2021 financial year, the share-based payment amounting to 3,007 thousand euros, generating a value that reduces equity by 4,978 thousand euros. In 2021, the Company purchased its own shares for an amount of 4,632 thousand euros. Lastly, equity was reduced by the result for the year, which in 2020 was a loss of 1,627 thousand euros, and by prior years' losses amounting to 782 thousand euros.

At 31 December 2020, equity amounted to 244,193 thousand euros. This amount had the same composition as the share capital at 31 December 2021, 22,847 thousand euros, represented by 91,387 thousand shares with a par value of 0.25 euros each, fully subscribed and paid up before the preparation of these financial statements. The share premium was also included, which accumulated a value of 230,090 thousand euros, which arises from the capital increase performed on 28 October 2020 and from the difference between the price of the 2019 transaction and the amount at which the net assets provided by Soltec Energías Renovables, S.L.U. and Powertis, S.A.U. contributed by the Sefrán Group, majority shareholder of the Company, are recognised. Similarly, the amount of equity also included, under the heading "Reserves", the expenses incurred in providing the monetary and non-monetary contributions for the 2019 financial year, amounting to 74 thousand euros, as well as the expenses of issuing equity instruments, net of taxes, amounting to 7,960 thousand euros, both of which reduce reserves. Lastly, equity was reduced by the result for the year, which in 2020 was a loss of 557 thousand euros, and by prior years' losses amounting to 225 thousand euros.

- At the end of the 2021 financial year, the Company's liabilities classified as long-term have a balance of 10,049 thousand euros corresponding to debts with Group companies (3,556 thousand euros at the end of the 2020 financial year). Regarding short-term liabilities, a balance of 9,802 thousand euros was recognised, which corresponded mainly to trade payables to third-parties and Group companies (1,929 thousand euros at the end of the 2020 financial year).

- At the close of the 2021 financial year, the tax consolidation group of which the Company is the Parent had generated tax losses of 14,712 thousand euros (3,678 thousand euros in instalments), of which 14,210 thousand euros had been generated by the subsidiaries (3,552 thousand euros in instalments), which were therefore recognised under "Other financial assets" and "Non-current payables to Group companies" in the balance sheet at 31 December 2021. In 2020, tax losses of 25,582 thousand euros were generated (6,395 thousand euros in instalments).

## **NON-FINANCIAL INDICATORS**

In relation to the non-financial indicators, the Company's activity, due to its nature, does not have a significant environmental impact that influences its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in this Management Report.

## **2. FORECASTS FOR 2022**

The Company's directors consider that there are no reasonable doubts about its normal operations and that profit will be obtained in successive years, taking into account the design of the business plans of the companies

in the portfolio. The business plans have a growth perspective based on five fundamental pillars: investment in innovation, lasting agreements, geographical expansion, commitment to sustainability, financing and integration.

### 3. RESEARCH AND DEVELOPMENT ACTIVITIES

The Company, at individual level, does not carry out research and development activities. Such activities are carried out by the Soltec Group companies, of which we are the Parent.

### 4. ACQUISITIONS OF OWN SHARES – FINANCIAL INSTRUMENTS

In 2021, Soltec Power Holding S.A. purchased 567,908 treasury shares, meaning that at 31 December 2021, it held treasury shares amounting to 4,632 thousand euros.

The movement during the 2021 financial year was as follows:

	Number of shares	% of capital	Thousands of euros
Balance at 31 December 2020	-	-	-
Additions	567,908	0.48%	4,632
<b>Balance at 31 December 2021</b>	<b>567,908</b>	<b>0.48%</b>	<b>4,632</b>

### 5. RISKS AND UNCERTAINTIES

At Soltec Power Holdings, S.A., there is a commitment to managing the financial risks that affect us. This management is centralised in the financial management of the Group of which the Company is the parent, which has established the necessary mechanisms to control exposure to these risks.

Main risks and uncertainties for the Soltec Group in the fiscal year 2021: COVID-19.

Despite the advances in virus prevention techniques, in particular with the success demonstrated by the vaccine, due to the uncertainties regarding the potential effects of this extraordinary health emergency in the future, the consequences of COVID-19 for the Soltec Group's operations are uncertain and will depend to a large extent on the evolution of the vaccination plan established by the various governments worldwide and the evolution of the pandemic in the coming months. Therefore, at the date of preparation of these financial statements, the potential impact on the Company in the coming months is uncertain and it is not possible to reliably assess the consequences on the Soltec Group's future operations and on its ability to recover the value of its assets in the short term.

However, Company management has made an assessment with the best information available on the economic, social and employment impacts of the COVID-19 pandemic on the Soltec Group to date, analysing the effects and possible consequences in 2021, despite the current uncertainty as to its consequences.

**a. Operational risk**

According to the assessment of the activities carried out by management in 2021 after the emergence of COVID-19, to date, the Soltec Group of which the Company is the Parent, has been able to maintain the development of the projects committed with customers without significant delays in the collection of account receivables that could affect the liquidity of the Soltec Group, its operating cycle and, therefore, the Company's ability to recover its receivable balances and the investment in its subsidiaries. Likewise, no significant delays have been observed in the supply of materials by suppliers, following through with all contracts in force based on previously established conditions.

Although the risk of continuity of operations has not been affected, the Group has suffered impacts, mainly in the industrial segment, in which certain delays have been experienced in the process to begin work on projects by third-party customers for which the Soltec Group carries out the supply or installation of trackers to develop solar farms, which has led to a delay in the execution of projects and in their conversion deadlines.

During the second half of the year, most of the projects budgeted for 2021 commenced, although there has been an increase in maritime, air and land transport expenses that led to a rise in transport costs that temporarily affected the operating margin of solar tracker supply projects.

Also, in Brazil, one of the main strategic areas for the expansion of project development, the Group's activity has not been paralyzed to the extent that the Group's activity has been considered essential on the basis of the rulings of Decree 10,282/2020 of the Brazilian Federal Government. Despite this, the closure of local administrations in Brazil led to a temporary delay in obtaining administrative licences, mainly during the first half of 2021.

The delays suffered, in the opinion of the Board of Directors, are merely transitory in nature and do not significantly alter the fulfilment of the Group's long-term business plan.

Therefore, the COVID-19 pandemic generated the following impacts on the Group at quantitative level:

- Increase in transport costs, which meant that the expense in this regard represented 14% of revenue of the industrial part in the 2021 financial year.
- The delays suffered as a result of the COVID-19 pandemic delay the execution and completion of projects budgeted for the 2021 financial year. In addition, this has meant that the transaction price allocated to (partially) unfulfilled performance obligations (contracts in progress and which will therefore be recognised



as income during the following financial year) amounted to 250,497 thousand euros (36,899 thousand euros at the end of the 2020 financial year).

**b. Credit risk**

Credit risk consists of the risk of a debtor becoming insolvent in relation to the applicable contractual obligations and of a capital loss for the Company.

In general, the Company maintains its cash and cash equivalents at financial entities with a high credit rating. Likewise, the subsidiaries have sufficient liquidity to deal with the credits and receivable balances that they maintain with the Company.

**c. Liquidity risk**

This refers to the risk that the Company finds difficulties in divesting a financial instrument quickly enough, without incurring significant additional costs or the associated risk of not having liquidity at the time when payment obligations must be met.

In order to ensure liquidity and be able to meet all the payment commitments arising from its activity, the Company has the cash shown on its balance sheet. During 2021, the Company carried out a capital increase (see Note 7) which led to a significant increase in available short-term resources and a cash inflow net of issue costs of 139 million euros.

**d. Impairment of assets**

Taking into account all the aforementioned factors and the information currently available, Company management and the Board of Directors have not made any material changes to the business plan of their subsidiaries and, therefore, they do not expect them to have a material impact on the impairment of investments in Group companies or on the deferred tax assets recognised in the year.

Lastly, it should be noted that the Group's Board of Directors and management are constantly monitoring the evolution of the situation in order to successfully deal with any possible impacts resulting from COVID-19 and the global disruptions and impacts, both financial and non-financial, that may arise.

In addition to these risks, which the Company works to mitigate, there are other variables, of a macroeconomic, legal, political and social nature, whose evolution is uncertain and which may affect Company performance.

## 6. ENVIRONMENTAL AND PERSONNEL ISSUES

In view of the Company's business activities, it does not have any environmental liabilities, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. Additionally, there are no circumstances related to greenhouse gas emission rights.

At 31 December 2021, the average number of people employed during the year, by category, was as follows:

	Average number of people employed	
	2021	2020
Department Director	7	4
Total	7	4

The distribution by gender at the end of 2021, by category, is as follows:

	Number of people employed at closing					
	31/12/2021			31/12/2020		
	Male	Female	Total	Male	Female	Total
Department Director	4	3	7	4	3	7
Total	4	3	7	4	3	7

## 7. AVERAGE PAYMENT PERIOD

In 2021, the Company's average payment period stood at 42 days. The maximum legal payment term applicable to the Company, in accordance with Law 11/2013, of 26 July, which establishes the measures to combat late payment in commercial operations, is 30 days unless there is an agreement between the parties with a maximum term of 60 days.

## 8. SUBSEQUENT EVENTS

On 24 February 2022, a war broke out between Russia and Ukraine, with uncertain geopolitical consequences worldwide in the short, medium or long term. Such event, based on preliminary analyses, could cause, among others, delays in the supply chain due to problems at factories, delays in logistics services, difficulties in accessing financing or significant fluctuations in the cost of raw materials, considerably hindering global economic and, therefore, national growth. Taking into account the complexity of the markets due to their globalisation and without information regarding the time horizon of said conflict, the consequences for the Group's operations are uncertain and will depend, to a large extent, on the evolution and extension of said conflict in the coming months, as well as on the reaction and adaptation capacity of all the affected economic players.

For all these reasons, at the date of preparation of these financial statements and management report, the management and directors of the Company and the Group have made an assessment of the impacts of the war on the Group with the information currently available, although the impacts that finally occur will depend on the future evolution of said conflict and, above all, on its consequences.

Lastly, it should be noted that the Group's Board of Directors and management are constantly monitoring the evolution of the situation, to successfully deal with any possible impacts, both financial and non-financial, that may arise.

The Board of Directors of Soltec Power Holdings, S.A. (hereinafter, the Company), in compliance with current commercial regulations, has prepared on March 22, 2022 the annual accounts and the management report of the Company for the year 2021 following the format requirements established in the EU Delegated Regulation 2019/815 of the European Commission.

The members that make up the Company's board of directors hereby declare signed the aforementioned annual accounts and the management report for the year 2021 formulated unanimously, with a view to their verification by the auditors and subsequent approval by the General Shareholders' Meeting.

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Mr Raúl Morales Torres  
Chairman

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Mr Fernando Caballero de la Sen  
Director

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Ms Nuria Alino Perez  
Director

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Ms María Sicilia Salvadores  
Director

---

Mr José Francisco Morales Torres  
Director

---

Ms Marina Moreno Dolera  
Director

---

Mr Marcos Saez Nicolas  
Director

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Ms Silvia Díaz de Laspra Morales  
Non-Director Secretary



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED  
PUBLIC LIMITED COMPANIES**

*Translation of consolidated financial statements  
originally issued in Spanish and prepared in accordance  
with IFRS-EU standards (see Note 2.1). In the event of a  
discrepancy, the Spanish-language version prevails.*

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**ISSUER IDENTIFICATION DATA**

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End date of the reporting period:

[ 31/12/2021 ]

Tax number (CIF):

[ A05556733 ]

Company name:

[ **SOLTEC POWER HOLDINGS, S.A.** ]

Registered office:

[ (MOLINA DE SEGURA MURCIA) ]

**A. OWNERSHIP STRUCTURE**

- A.1.** Complete the table below on the share capital and voting rights attributed, including, where applicable, those corresponding to shares with loyalty voting rights, as at the financial year-end:

Indicate whether the company's articles of association contain a provision for double loyalty voting:

Yes

No

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
27/10/2020	22,846,679.25	91,386,717	91,386,717

Indicate whether there are different classes of shares with different associated rights:

Yes

No

- A.2.** List the direct and indirect holders of significant shareholdings at the financial year-end, including directors with significant shareholdings:

Name or company name of shareholder	% voting rights associated with shares		% voting rights through financial instruments		total % of voting rights
	Direct	Indirect	Direct	Indirect	
Mr JOSÉ FRANCISCO MORENO RIQUELME	0.00	42.27	0.00	0.00	42.27
Mr RAÚL MORALES TORRES	0.01	19.58	0.00	0.00	19.59
SCHROEDERS PLC	0.00	3.38	0.00	0.01	3.39
SWEDBANK ROBUR FONDER AB	3.00	0.00	0.00	0.00	3.00
SANTANDER ASSET MANAGEMENT, S.A., SGIIC	0.00	3.44	0.00	0.00	3.44
INVESCO LTD.	0.00	1.76	0.93	0.00	2.69

Details of the indirect shareholding:

Name or company name of the indirect shareholder	Name or company name of the direct shareholder	% voting rights associated with the shares	% voting rights through financial instruments	total % of voting rights
Mr JOSÉ FRANCISCO MORENO RIQUELME	GRUPO CORPORATIVO SEFRAN S.L.	42.27	0.00	42.27
Mr RAÚL MORALES TORRES	VALUETEAM S.L.	19.58	0.00	19.58
INVESCO LTD.	INVESCO CAPITAL MANAGEMENT LLC	2.69	0.00	2.69

Indicate the most significant changes in the shareholding structure over the year:

**Most significant changes**

- SWEDBANK ROBUR FONDER AB Purchase of shares above the company's "significant shareholding" threshold 24/03/2021 Total 3.004%
- INVESCO LTD. Purchase of shares above the company's "significant shareholding" threshold 23/03/2021 Total 2.463%
- INVESCO LTD. Changes its "significant stake" in the company on 28/10/2021 (3.018%), 24/11/2021 (3.082%), 08/12/2021 (2.993%) and 23/12/2021 (2.691%)
- SCHROEDERS PLC Changes its "significant shareholding" in the company on 05/01/2021 (2.859%), 27/01/2021 (3.036%) and 28/01/2021 (3.388%)

**A.3.** Breakdown of shareholdings, irrespective of percentage, at year-end for directors holding voting rights associated with company shares or through financial instruments, excluding the directors identified in section A.2 above:

Name or company name of director	% voting rights attributed to shares		% voting rights through financial instruments		total % of voting rights	% voting rights which may be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr JOSÉ FRANCISCO MORALES TORRES	0.01	0.00	0.00	0.00	0.01	0.00	0.00

total % of voting rights held by members of the board of directors

19.60

Details of the indirect shareholding:

Name or company name of director	Name or company name of the direct shareholder	% voting rights attributed to shares	% voting rights through financial instruments	total % of voting rights	% voting rights which <u>may be transferred</u> through financial instruments
No data					

Breakdown of the total percentage of voting rights represented on the board:

total % of voting rights represented on the board of directors	61.87
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The following significant shareholders are represented on the Board of Directors:

Mr Raúl Morales Torres Total 19.59%  
Mr José Francisco Moreno Riquelme Total 42.27%

**A.4.** Indicate, where applicable, any family, commercial, contractual or corporate relationships between the significant shareholders, insofar as they are known to the company, unless they are of little relevance or derive from the ordinary course of business, except for those reported in section A.6:

Related name or company name	Type of relationship	Brief description
No data		

**A.5.** Indicate, where applicable, any relationships of a commercial, contractual or corporate nature that exist between the significant shareholders and the company and/or its group, unless they are of little relevance or derive from the ordinary course of business:

Related name or company name	Type of relationship	Brief description
Mr RAÚL MORALES TORRES	Corporate	Raúl Morales Torres is a significant shareholder and Chief Executive Officer and Chairman of the Board of Directors



- A.6.** Describe the relationships, unless of little relevance to both parties, that exist between the significant shareholders or shareholders represented on the board and the directors, or their proxies in the case of directors that are legal entities.

Explain, if applicable, how significant shareholders are represented. Specifically, those directors who have been appointed on behalf of significant shareholders, those whose appointment has been promoted by significant shareholders, or who are related to significant shareholders and/or entities of their group, with details provided as to the nature of such relationships, must be indicated. In particular, mention shall be made, where appropriate, of the existence, identity and position of board members, or representatives of directors, of the listed company who are also members of the board of directors, or their representatives, in companies that hold significant shareholdings in the listed company or in entities in the group of those significant shareholders:

Name or company name of director or representative related	Name or company name of the significant shareholder related	Company name of the company in the group of the significant shareholder	Relationship/position description
Mr RAÚL MORALES TORRES	Mr RAÚL MORALES TORRES	VALUETEAM S.L.	Mr Raúl Morales Torres holds 19.58% of the shares through his company Valueteam S.L. and 0.01% of the shares directly. Mr Morales Torres is also CEO and Chairman of the Board of Directors.
Mr JOSÉ FRANCISCO MORALES TORRES	Mr RAÚL MORALES TORRES	VALUETEAM S.L.	Mr José Francisco Morales Torres is a proprietary director representing the significant shareholder Mr Raúl Morales Torres. Raúl and José are brothers.
Ms MARINA MORENO DÓLERA	Mr JOSÉ FRANCISCO MORENO RIQUELME	GRUPO CORPORATIVO SEFRAN S.L.	Ms Marina Moreno Dólera is a proprietary director representing the significant shareholder Mr José Francisco Moreno Riquelme. Ms Moreno Dólera is the daughter of Mr José Francisco Moreno.
Mr MARCOS SÁEZ NICOLÁS	Mr JOSÉ FRANCISCO MORENO RIQUELME	GRUPO CORPORATIVO SEFRAN S.L.	Mr Marcos Sáez Nicolás is a proprietary director representing a significant shareholder, Mr José Fco. Moreno

Name or company name of director or representative related	Name or company name of the significant shareholder related	Company name of the company in the group of the significant shareholder	Relationship/position description
			Riquelme. Mr Marcos Sáez Nicolás has an extensive, long-standing working relationship with Mr José Fco. Moreno, being Executive Director of Zukán S.L.U., a company belonging to the group of the significant shareholder.

**A.7.** Indicate whether the company has been notified of any shareholders' agreements affecting it in accordance with the provisions of Articles 530 and 531 of the Capital Companies Act. If applicable, briefly describe them and list the shareholders bound by the covenant:

Yes  
 No

Indicate whether the company is aware of the existence of coordinated actions among its shareholders. If so, please describe them briefly:

Yes  
 No

In the event of any modification or termination of such covenants, agreements or concerted actions during the financial year, please indicate this expressly:

[ N/A ]

**A.8.** Indicate whether there is any individual or legal entity that exercises or may exercise control over the company under the terms of Article 5 of the Securities Market Act. If applicable, identify them:

Yes  
 No

**A.9.** Complete the following tables on the company's treasury stock:

As at the financial year-end:

Number of direct shares	Number of shares indirect shares(*)	total % of share capital
508,708		0.56

(\*) Through:

Name or company name of the direct holder of the stake	Number of direct shares
No data	

Explain the significant changes over the financial year:

Explain the significant changes
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Soltec Power Holdings SA purchased treasury shares during the 2021 financial year, after 24/03/2021. As at 31/12/2021 its shareholding amounted to 0.557% of the share capital.

**A.10.** Give details of the conditions and tenure from the shareholders' meeting to the board of directors for issuing, buy-back or transfer of own shares:

"The General Shareholders Meeting, in its resolution of 6 October 2020, decided to empower the Board of Directors of the Company so that, to the fullest extent required by law and with express powers of substitution in favour of the Chief Executive Officer or any other director or proxy of the Company, to develop, formalise, execute and settle, where appropriate, the Executive Incentive Plan, which was approved by the General Shareholders Meeting in the same act; adopting such resolutions and signing such documents, public or private, as may be necessary or appropriate for its full effect, including powers to remedy, rectify, amend or supplement this resolution, and in general, to adopt such resolutions and take such actions as may be necessary or merely appropriate for the proper fulfilment of this resolution and the implementation, execution and settlement of the Incentive Plan, including, by way of example but not limited to, the following powers:

[...]

(G) Draw up, sign and present any communications and supplementary documentation that may be necessary or appropriate before any authority or body for the purposes of the implementation, execution or settlement of the Incentive Plan.

(H) Adopt any action, declaration or management before any body or authority to obtain any authorisation or verification necessary for the implementation, execution or settlement of the Incentive Plan.

(I) Draw up, sign, grant and, where appropriate, certify any type of document relating to the Incentive Plan, including, but not limited to, signing and modifying any contracts with companies providing services that are required or suitable for the fulfilment of the Incentive Plan.

(J) Draw up and publish notices as necessary or appropriate.

(K) And, in general, to carry out as many actions and sign as many documents as may be necessary or appropriate for the validity, effectiveness, implementation, development, execution, settlement and performance of the Incentive Plan and of the previously adopted agreements.

This agreement is made for an indefinite period aside from time limitations under the term of the Incentive Plan.

As the Incentive Plan consists of a remuneration for executives in the form of the Company's own shares, under section (K) the Board of Directors is granted a power to implement a plan to repurchase the Company's own shares in order to execute and settle the Incentive Plan. "

In addition, by resolution of the Universal Shareholders' Meeting of 13 October 2020, the AGM resolved to authorise the Board of Directors to derivatively acquire treasury shares and to dispose of them after the date of admission to trading on the stock exchange. Acquisition may take the form of purchase, exchange, gift, donation, allocation or dation in payment and, in general, by any other form of acquisition for value of outstanding and fully paid-up shares as permitted by law. Shares may be acquired by any of the methods described above, once or several times, provided that the shares acquired, when added to those owned by the Company, do not exceed 10% of the share capital. The price or consideration shall range from a minimum of 0.01 euro to a maximum of 105% of the quoted price of the Company's shares on the Continuous Market at the time of acquisition or the closing price of the last trading session prior to the acquisition, where it is made outside the trading hours of the Continuous Market. The period of validity of the authorisation will be five years from the day after the agreement date. It is expressly stated for the record that the shares acquired as a result of this authorisation may be used for their disposal or redemption, for potential corporate or business transactions, or for their delivery directly to the employees or directors of the Company, or as a result of the exercise of option rights held by them, in accordance with the provisions of the third paragraph of section 1.a) of article 146 of the Capital Companies Act.

**A.11. Estimated floating capital:**

	%
Estimated floating capital	25.61

**A.12.** Indicate whether there are any restrictions (statutory, legislative or otherwise) on the transferability of securities and/or any restrictions on voting rights. In particular, where there exist any type of restrictions that may hinder the taking of control of the company through the acquisition of its shares on the market, they are to be stipulated, along with any prior authorisation or notification regimes that may be applicable to acquisitions or transfers of the company's financial instruments under sectoral regulations.

Yes  
 No

**A.13.** Indicate whether the general meeting has resolved to adopt neutralisation measures against a takeover bid pursuant to the provisions of Law 6/2007.

Yes  
 No

If applicable, explain the measures adopted and the terms under which the restrictions will be ineffective:

**A.14.** Indicate whether the company has issued securities not traded on a regulated market in the European Union.

Yes  
 No

If applicable, indicate the different classes of shares and, for each class of shares, associated rights and obligations:

**B. GENERAL SHAREHOLDERS MEETING**

**B.1.** Indicate and, if applicable, detail whether there are any differences with the rules of minimum requirements provided for in the Capital Companies Act (LSC) with regard to the quorum needed to constitute the general shareholders meeting:

Yes  
 No

**B.2.** Indicate and, if applicable, detail whether there are any differences with the rules provided for under the Capital Companies Act (LSC) on adopting corporate resolutions:

Yes  
 No

**B.3.** Indicate the rules applicable to amendments to the company's articles of association. In particular, the majorities established for amending the articles of association shall be communicated, as well as, where appropriate, the rules set out on the protection of members' rights in the amendment of the articles of association.

The rules for amending the articles of association and the majorities required to do so do not differ from those laid down in the LSC

**B.4.** Indicate the attendance figures for the general meetings held in the financial year to which this report refers and those of the two previous financial years:

Date of the general shareholders meeting	Attendance information				Total
	% physical presence	% in representation	% remote voting		
			E-voting	Other	
28/07/2020	100.00	0.00	0.00	0.00	100.00
Of which floating capital	0.00	0.00	0.00	0.00	0.00
24/06/2021	0.00	0.00	84.73	0.12	84.85
Of which floating capital	0.00	0.00	0.00	0.00	0.00

The General Shareholders Meeting was held exclusively by telematic means in 2021 due to the public health crisis. Of the 84.85% of the definitive quorum, 63.38% was "present" at the Meeting, that is, "connected by electronic means to the telematic attendance platform for the Meeting", while 21.47% was represented by one of the shareholders "present". Virtually all shareholders present or represented cast their votes by electronic means.

**B.5.** Indicate whether at the general meetings held during the financial year there have been any items on the agenda that, for whatever reason, were not approved by the shareholders:

Yes  
 No

**B.6.** Indicate whether there is any restriction contained in the articles of association establishing a minimum number of shares required to attend the general meeting, or for remote voting:

Yes  
 No

**B.7.** Indicate whether it has been established that certain decisions, other than those established by law, involving an acquisition, disposal, transfer of essential assets to another company or other similar corporate operations, must be submitted to the general shareholders meeting for approval:

Yes  
 No

**B.8.** Indicate the address and mode of access on the company website to information on corporate governance and other information on general meetings which must be made available to shareholders through the company website:

<https://soltecpowerholdings.com/corporate-governance/board-of-directors/>

<https://soltecpowerholdings.com/stakeholders-investors/>

## C. COMPANY MANAGEMENT STRUCTURE

### C.1. Board of Directors

C.1.1 Maximum and minimum number of directors stipulated in the articles of association and the number set by the general shareholders meeting:

Maximum number of directors	15
Minimum number of directors	5
Number of directors set by the AGM	7

C.1.2 Complete the following table of board members:

Name or company name of director	Representative	Category of director	Board position	Date of first appointment	Date of latest appointment	Election procedure
Ms NURIA ALIÑO PÉREZ		Independent	COMPANY DIRECTOR	06/10/2020	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING
Ms MARÍA SICILIA SALVADORES		Independent	COMPANY DIRECTOR	06/10/2020	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING
MR FERNANDO CABALLERO DE LA SEN		Independent	INDEPENDENT LEAD DIRECTOR	06/10/2020	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING
Mr JOSÉ FRANCISCO MORALES TORRES		Proprietary director	COMPANY DIRECTOR	06/10/2020	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING
Mr RAÚL MORALES TORRES		Executive	CHAIRMAN AND CHIEF EXECUTIVE OFFICER	02/12/2019	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING
Mr MARCOS SÁEZ NICOLÁS		Proprietary director	COMPANY DIRECTOR	06/10/2020	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING

Name or company name of director	Representative	Category of director	Board position	Date of first appointment	Date of latest appointment	Election procedure
Ms MARINA MORENO DÓLERA		Proprietary director	COMPANY DIRECTOR	06/10/2020	06/10/2020	RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING

Total number of directors	7
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Indicate any resignations from the board of directors during the reporting period, whether due to resignation or by resolution of the general shareholders meeting:

Name or company name of director	Category of director at the time of termination	Date of latest appointment	Termination date	Special Committees of which a member	Indicate whether the termination took place before the end of the term
No data					

Cause of termination, if occurring before the end of the term of office and other remarks; information on whether the director has sent a letter to the other members of the board and, in the case of termination of a non-executive director, explanation or opinion of the director who has been removed by the general shareholders meeting

There have been no resignations or dismissals during the period under review.

C.1.3 Complete the following tables on board members and their different categories:

EXECUTIVE DIRECTORS		
Name or company name of director	Position in the company's organisation chart	Profile
Mr RAÚL MORALES TORRES	Chief Executive Officer	Raúl Morales is the founder and CEO of Soltec. For more than a decade, he has led Soltec in becoming one of the largest manufacturers and suppliers of single-axis solar trackers. Having extensive experience in the solar PV industry, Morales combines his passion for renewable energy with a commitment to driving productivity through innovation and by attracting talent.

Total number of executive directors	1
% of total board	14.29



EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of director	Name or corporate name of the significant shareholder he/she represents or who has proposed their appointment	Profile
Mr JOSÉ FRANCISCO MORALES TORRES	VALUETEAM S.L.	José Francisco M. Torres is the founder of Seguidores Solares Planta 50 S.L., dedicated to photovoltaic energy production and specialising in consultancy for companies in the renewable sector. He is an economist with 42 years of experience in the fiscal and accounting consultancy sector. His extensive experience makes him a fine candidate to serve as advisor to Soltec Power Holdings.
Mr MARCOS SÁEZ NICOLÁS	GRUPO CORPORATIVO SEFRAN S.L.	Marcos Sáez is the managing director of Zukán S.L.U. Throughout his more than 20 years of experience, Sáez has been CFO at Soltec for the past 14 years, and he has grown the company's sales greatly. He has also worked as a consultant or financial director for the companies of Grupo Corporativo Sefran S.L.
Ms MARINA MORENO DÓLERA	GRUPO CORPORATIVO SEFRAN S.L.	Marina Moreno has more than 5 years of experience in roles of responsibility in finance departments. Moreno has worked at Soltec as a collaborator in financial analysis and continues to advise Zukán S.L.U. on organisation and sustainability. At Zukán he has also worked in the operations, logistics, production and finance departments.

Total number of proprietary directors	3
% of total board	42.86

EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of director	Profile
Ms NURIA ALIÑO PÉREZ	Nuria Aliño has extensive experience in investment banking, having worked for more than 20 years in developed and developing markets. She was Managing Director at BBVA Corporate and Investment Banking and in 2016 she joined the World Bank Group. She currently works as a Global Digital Finance Services Specialist at IFC World Bank and is focused on digital transformation.
Ms MARÍA SICILIA SALVADORES	María Sicilia is Strategy Director with Enagás, a world leader in gas infrastructures, which is part of the IBEX35. She has worked at Iberdrola Renovables as head of regulatory affairs and market analysis and renewable energies foresight in 23 countries and as assistant director-general for Energy Planning with the Ministry of Industry, Energy and Tourism of the Spanish Government.
Mr FERNANDO CABALLERO DE LA SEN	Fernando Caballero is Managing Director with responsibility for AON's Risk Consulting Services and Solutions in Spain. He is also in charge of coordinating the AGCR initiatives in LATAM and Portugal and has over 8 years' experience with the big four in accounting and consultancy. Caballero is also a proactive member of the Institute of Internal Auditors in Spain

Total number of independent directors	3
% of total board	42.86

Indicate whether any director classified as independent receives from the company, or from the same group, any amount or benefit for an item other than director's remuneration, or maintains or has maintained, during the past financial year, a business relationship with the company or with any company in its group, either in his own name or as a significant shareholder, director or senior manager of a company that maintains or has maintained such a relationship.

Where appropriate, include a reasoned statement from the board as to why it considers that such director is able to perform his duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
No data		

**OTHER EXTERNAL DIRECTORS**

Identify other external directors and the reasons why they cannot be considered proprietary or independent, providing details of their links, whether with the company, its management or its shareholders:

Name or company name of director	Reasons	Related company, officer or shareholder	Profile
No data			

Total number of other external directors	N/A
% of total board	N/A

Indicate the changes, if any, that have occurred during the period in the category of each director:

Name or company name of director	Date of change	Previous category	Current category
No data			

C.1.4 Complete the following table with information on the number of female directors at the end of the last 4 financial years, as well as the category of such directors:

	Number of female company directors				% of the total number of directors in each category			
	2021 financial year	2020 financial year	2019 financial year	2018 financial year	2021 financial year	2020 financial year	2019 financial year	2018 financial year
Executive			N/A	N/A	0.00	0.00	N/A	N/A
Proprietary	1	1	N/A	N/A	33.33	33.33	N/A	N/A
Independent	2	2	N/A	N/A	66.67	66.67	N/A	N/A
Other External			N/A	N/A	0.00	0.00	N/A	N/A
Total	3	3	N/A	N/A	42.86	42.86	N/A	N/A

C.1.5 Indicate whether the company has diversity policies in place in relation to the company's board of directors with regard to issues such as, for example, age, gender, disability, professional background and experience. Small and medium-sized companies, in accordance with the definition contained in the Audit Act, will report, as a minimum, on the policy they have put in place in relation to gender diversity.

- Yes  
 No  
 Partial policies

Where they exist, describe these diversity policies, their objectives, measures and how they have been implemented, and their results for the year. Specific measures taken by the board of directors and the Appointments and Remunerations Committee to achieve a balanced and diverse participation of directors should also be indicated.

If the company does not implement a diversity policy, explain the reasons why it does not do so.

#### Description of policies, objectives, measures and how they have been implemented, as well as the results obtained

In the 2021 financial year, the Board of Directors approved a Diversity Policy for the Members of the Board of Directors with the aim of ensuring that the Board of Directors presents diversity in their skills, knowledge, experience, backgrounds, nationalities, age and gender. It will be ensured that candidate selection is geared towards achieving a diverse and balanced Governing Board as a whole, a make-up to enhance decision-making by bringing a plurality of views into the debate on matters within its competence.

In this regard, the Board of Directors makes a commitment to promoting diversity in its composition and, to this end, in the selection of candidates for directors, candidates whose appointment favours directors with different skills, knowledge, experience, origins, nationalities, age and gender will be valued.

Diversity criteria will be chosen with regard to the nature and complexity of the Group's businesses, as well as the social and environmental context in which it operates.

In addition, depending on the needs of the Board of Directors, other criteria may be taken into consideration.

The candidate-selection process will eschew any kind of bias that may imply any discrimination, inter alia, on grounds of sex, ethnic origin, age or disability.

The Board of Directors will periodically assess the degree of compliance with and the effectiveness of its diversity policy and, in particular, the percentage of female directors, in the review of which it will always prioritise their merit and ability as an essential criterion that must prevail in the selection process, in order to assess the degree of compliance with the corporate governance recommendations about the integration of female directors.

During the 2021 financial year, this diversity policy was clearly implemented in full, as the Board of Directors presents a clear balance between the number of executive, proprietary and independent directors, a satisfactory percentage of female directors representing 42.86%, a wide range of ages and a great diversity of training and professional backgrounds. In the opinion of the Appointments and Remuneration Committee and the Board of Directors, the current composition of the Board fully complies with the Diversity Policy.

C.1.6 Explain any measures agreed by the Appointments committee for ensuring that the selection procedures are free from implicit biases that would impede the selection of female directors, and that the company conscientiously seeks out and includes among potential candidates women who meet the professional profile sought and facilitates a balanced presence of women and men. Also indicate whether these measures include encouraging the company to have a significant number of senior managers:

**Explanation of measures**

In the 2021 financial year, the Board of Directors approved the Diversity Policy for Board members. This expressly includes the need to avoid any type of bias in the candidate selection process that would suggest any discrimination, among others, for reasons of gender, ethnic origin, age or disability.

It also states that the Board of Directors will periodically assess the degree of compliance and effectiveness of its diversity policy and, in particular, the percentage of female directors, in the review of which it will always prioritise their merit and ability as an essential criterion that must prevail in the selection of directors to assess the degree of compliance with the corporate governance recommendations regarding the presence of female directors.

At present, and since it was first formed, the Board has been made up of 42.83% of female directors, while women account for 37.5% of senior management at the company. There is no implicit bias against including women in these positions.

When, despite the measures taken, if any, there are few or no female directors or senior managers, explain the reasons for this:

**Explanation of reasons**

There are a large number of female board members and senior managers.

C.1.7 Explain the findings of the Appointments committee on verifying compliance with the policy for promoting an appropriate composition of the board of directors.

As indicated in section C.1.5., in 2021 the Board of Directors, following a favourable report from the Appointments and Remuneration Committee, approved the Diversity Policy for Members of the Board of Directors.

The Policy sets down that the Board of Directors makes a commitment to promoting diversity in how it is formed and, to this end, in selecting candidates as directors, with due consideration given to candidates whose appointment would mean a board that shows a breadth of skills, knowledge, experience, origins, nationalities, age and gender.

In the opinion of the Appointments and Remunerations Committee, the current composition of the Board is diverse and balanced in terms of the kinds of director, as well as their age, gender, skills and knowledge. The Board of Directors is currently made up of 7 members, of which 1 is an Executive Director, 3 are Independent Directors and 3 are Proprietary Directors. There are three female company directors and four male directors. The professional profiles are varied, ranging from people with backgrounds and expertise in the photovoltaic energy sector, as well as in other energy sources, and those with experience in banking, auditing and risk. The age range is broad.

For all these reasons, the Appointments and Remunerations Committee has concluded that in 2021 the guidelines of the Diversity Policy have been fulfilled.

The Committee also remarked on the following in their report:

No deficiencies in gender diversity were found and therefore the provisions of article 529 quidecies.3.b) of the Capital Companies Act, ("establish a target for the representation of the under-represented sex on the Board of Directors and develop guidelines on how to achieve it") are met.

As regards the distribution of directors by category (executive, proprietary, independent and other directors), the current composition complies with the recommended number of independent directors (one third), so that the board is fully counterbalanced between the number of proprietary and independent directors.

In the same vein, the composition of the Board has been designed to favour diversity of knowledge, experience and gender, with the Board being made up of people of different backgrounds, experience, age and knowledge.

C.1.8 Explain, if applicable, the reasons why proprietary directors have been appointed at the request of shareholders whose shareholding is less than 3% of the share capital:

Name or company name of the significant	Reasons
No data	

State whether any formal requests for inclusion on the board have been ignored from shareholders whose shareholding is equal to or greater than that of others at whose request proprietary directors would have been appointed. If so, please explain the reasons why they have been ignored:

- [ ] Yes  
[ v ] No

C.1.9 State the powers and authorities, if any, delegated by the board of directors, including those relating to the possibility of issuing or repurchasing shares, to directors or board committees:

Name or company name of director or committee	Brief description
RAÚL MORALES TORRES	As Chief Executive Officer, Mr Raúl Morales has been delegated all the powers attributed to the company's governing body which are not non-delegable and which have not been reserved to the full Board by law, the Articles of Association or the Rules governing the Board of Directors.

C.1.10 Identify, if applicable, the members of the board who are directors, representatives of directors or executives in other companies forming part of the listed company's group:

Name or company name of director	Company name of the group entity	Position	Does it carry executive duties?
Mr RAÚL MORALES TORRES	Powertis S.A.U.	Member of the Board of Directors	NO
Mr RAÚL MORALES TORRES	Soltec Innovations S.L.U.	Sole Administrator	YES
Mr RAÚL MORALES TORRES	Soltec Energías Renovables S.L.U.	Sole Administrator	YES
Mr RAÚL MORALES TORRES	Seguidores Solares S.L.	Sole Administrator	YES

C.1.11 List any roles as executive director, administrator or company director, or as representatives thereof, held by members of the company's board of directors in other entities, whether or not they are listed companies:

Named director or representative	Company name of the entity, whether listed or not	Position
Ms MARÍA SICILIA SALVADORES	Tubos Reunidos S.A.	COMPANY DIRECTOR
Ms MARÍA SICILIA SALVADORES	Dualmetha	COMPANY DIRECTOR

Named director or representative	Company name of the entity, whether listed or not	Position
Mr RAÚL MORALES TORRES	VALUETEAM S.L.	SOLE ADMINISTRATOR
Mr RAÚL MORALES TORRES	Valuehome S.L.	SOLE ADMINISTRATOR
Mr RAÚL MORALES TORRES	Murciana de Energía Solar S.L.	SOLE ADMINISTRATOR
Mr JOSÉ FRANCISCO MORALES TORRES	Solar Trackers Planta 50, S.L.U.	SOLE ADMINISTRATOR

Indicate, if applicable, any other remunerated activities of the directors or representatives of the directors, whatever their nature, other than those indicated in the above table.

Named director or representative	Other paid activities
Ms MARÍA SICILIA SALVADORES	Director of Strategy with executive duties at Enagás S.A.
Mr FERNANDO CABALLERO DE LA SEN	Managing Director AON
Mr MARCOS SÁEZ NICOLÁS	Executive Director Zukán S.L.U.
Ms NURIA ALIÑO PÉREZ	• Open Banking and Digital Transformation Specialist at World Bank Group – Adjunct Professor at IE University
Mr JOSÉ FRANCISCO MORALES TORRES	Freelance economist and Head of Internal Audit Department, as an employee.

C.1.12 Indicate and, if applicable, explain whether the company has established rules on the maximum number of company boards its directors may form part of, identifying, if applicable, any related rules:

Yes  
 No

#### Explanation of the rules and identification of the regulatory document

Directors may not sit on more than four Boards outside of the company.

This restriction is contained in Article 21.2 (viii) of the Rules governing the Board of Directors.

2. Directors must tender their resignation to the board of directors and, should the board deem it appropriate, formalise their resignation in the following cases:

(viii) When they sit on more than four boards of directors of other companies (outside of the Company).

C.1.13 Indicate the amounts of the following items relating to the overall remuneration of the board of directors:

Remuneration accrued during the year to the Board of Directors (thousands of euros)	499
Amount of accumulated funds by current directors through long-term savings schemes with vested economic rights (thousands of euros)	
Amount of accumulated funds by current directors for long-term savings schemes with non-consolidated economic rights (thousands of euros)	7
Amount of accumulated funds by former directors through long-term savings schemes (thousands of euros)	

The amount of Board remuneration includes the Chief Executive Officer's allowance for his executive duties

C.1.14 Identify the members of senior management who are not personally executive directors, and indicate the total remuneration accrued by them during the financial year:

Name or company name	Position(s)
Mr PABLO OTÍN PINTADO	Business Unit General Manager Powertis
Mr JOSÉ FRANCISCO NÚÑEZ JIMÉNEZ	Chief Financial Officer
Mr SERGIO LÓPEZ OÑA	Business Unit General Manager Soltec Industrial
Mr EDUARDO DE SAN NICOLÁS JUÁREZ	Chief Strategy Officer
Ms ADA DE PAULA LAX RUIZ	Chief Marketing Officer
Ms SILVIA AMATERATSU DÍAZ DE LASPRA MORALES	Chief Legal Officer
Ms MERITXELL PÉREZ DE CASTRO ACUÑA	Investor Relations Director
Mr GABRIEL SEOANE SÁNCHEZ	Chief Organization Officer

Number of women in senior management	3
Percentage of total members of senior management	37.50
Total remuneration of senior management (thousands of euros)	939

C.1.15 Indicate whether there have been any changes made to the Rules governing the Board of Directors during the year:

- Yes  
 No

C.1.16 Indicate the procedures for selection, appointment, re-election and removal of directors.

Detail the relevant bodies, procedures to be followed and criteria to be used in each of the procedures.

Directors will be appointed by the general shareholders meeting or by the board of directors by co-option, following a report from the appointments and remuneration committee or, in the case of independent directors, where proposed by the latter, in accordance with the provisions contained in the applicable regulations, the Articles of Association and the Rules governing the Board of Directors. The board of directors will endeavour to ensure that candidates are chosen from among persons of recognised solvency, competence and experience, and will exercise the utmost rigour with regard to those persons offered the role of independent director. Before proposing the re-election of directors to the general shareholders meeting, the board of directors will assess, with the parties concerned abstaining, the quality of the work and dedication to the post of the directors proposed during the previous term of office. Directors will cease to hold office at the end of their appointed term and when so decided by the general shareholders meeting in exercising its legal or statutory powers

In the 2021 financial year, the Board of Directors approved a Diversity Policy for the members of the Board of Directors, as mentioned above.

**C.1.17 Explain to what extent the Board's yearly performance appraisal has led to significant changes in its internal organisation and in the procedures applicable to its activities:**

**Description of changes**

In its performance appraisal carried out in 2021, the Board of Directors found no major deficiencies, and the points contained in the Action Plan do not envisage any major changes to either the internal organisation or the applicable procedures. However, we will elaborate below on the main points included in the Action Plan resulting from the Board's yearly performance appraisal for 2021 as follows:

- a). A commitment has been made to ensure that directors have to hand documentation relating to the matters included on the agenda, as set prior to each meeting, and made available to them at the earliest opportunity so that they can study it and cast a vote based on prior knowledge of the matter.
- b). Given that the information usually provided is very extensive, a commitment has been made to circulate drafts prior to the final document, so that the information can be reviewed by the directors well in advance, regardless of the edits made in the final document.
- c). With regard to financial information, during 2021, and at the request of the directors, a format for presenting information has been agreed with the financial management that contains a structure for reviewing the group's economic data through a more concise dashboard design, without diminishing the extent or availability of the information provided, so that directors have an in-depth awareness of the situation and outlook of the Company and its group, presented in a more streamlined and intuitive way, as well as a progress report.
- d). Continue to make progress in ensuring that the information on the most significant transactions for the Company and the Group is presented in a way that the directors can analyse more easily and in greater detail.
- e). Continue the positive improvement in the sensitivity analysis of the strategy and strategic projects, so as to enable the Directors to become more involved in risk assessment if certain forecasts are not met.
- f). Likewise, it is also considered advisable to continue working on improving the integration of information on the different strategic projects and those of greater relevance, in order to be able to assess, from a global perspective, both Company and group risk, as well as its integration within the framework of the Strategic Plan and its updates.
- g). Directors have been advised to explore training in knowledge of the sector and the group and in their own functions as directors.

Describe the appraisal process and the areas evaluated by the board of directors assisted, where necessary, by an external consultant, with respect to how the board is run and formed, together with its committees and any other area or aspect subject to appraisal.

**Description of the performance appraisal process and areas evaluated**

The Board carried out its yearly performance appraisal at the close of the 2021 financial year, led by the Secretary of the Board and the Lead Director, in accordance with art. 529 septies of the Capital Companies Act. The performance appraisal was carried out in two formats, written and face-to-face. In the written format, directors answered anonymously the standard questions contained in a survey sent to them by letter and, subsequently, a face-to-face session was held, without a structured format, with each director, involving dialogue and suggestions. On completion of the performance appraisal, a report was drawn up, which was commented on and approved by the Board of Directors, as well as an Action Plan with the aim of correcting the detected deficiencies.

**C.1.18 Details, for years where an external consultant assisted with the performance appraisal, of the business relationships between the consultant or any company in its group with the Company or any of its group companies.**

The company has not yet carried out a Board performance appraisal with the assistance of an external consultant in any financial year, given that it only began trading in 2020.

**C.1.19 Indicate the cases in which directors are obliged to resign.**

- (i) When they leave the executive positions with which their appointment as director was associated.
- (ii) When they are involved in any of the cases of incompatibility or proscription provided for by law or the Articles of Association.
- (iii) When they are seriously reprimanded by the board of directors for having been found in breach of their obligations as directors.
- (iv) When their continued membership on the board of directors may jeopardise or harm the interests, prestige or reputation of the Company or when the reasons for which they were appointed cease to exist, including, without limitation, when their professional situation or in the conditions under which they were appointed as directors are significantly affected.



(v) When they are charged or prosecuted as part of criminal proceedings or are the subject of disciplinary proceedings for serious or very serious misconduct by the supervisory authorities.

(vi) In the case of proprietary directors (i) when the shareholder they represent sells their entire shareholding or reduces it significantly and, (ii) in the appropriate number, when such shareholder reduces their shareholding to a level that requires a reduction in the number of proprietary directors.

(vii) When, due to acts attributable to the director, in the opinion of the board, his or her continued membership on the board of directors seriously impairs the company's assets or reputation.

(viii) When they sit on more than four boards of directors of other companies (outside of the Company).

C.1.20 Are enhanced majorities, other than legally-stipulated majorities, required for any kind of decision?

Yes

No

Where applicable, please describe the differences.

C.1.21 Explain whether there are specific requirements, other than those relating to directors, to be appointed chairman of the board of directors:

Yes

No

C.1.22 Indicate whether the articles of association or Rules governing the Board of Directors establish any age limit for directors:

Yes

No

C.1.23 Indicate whether the articles of association or the Rules governing the Board of Directors establish a limited term of office or other more stringent requirements additional to those legally established for independent directors, other than those established in the regulations:

Yes

No

C.1.24 Indicate whether the articles of association or the Rules governing the Board of Directors establish specific rules for proxy voting on the board of directors for other directors, how proxy voting is done and, in particular, the maximum number of proxies that a director may hold, as well as whether any limitations are set as to the categories for which proxies may be granted, beyond the limitations imposed by law. If so, please give brief details of these rules.

In accordance with the Rules governing the Board of Directors, the directors will make every effort to attend the meetings of the Board of Directors and, when they are unable to do so in person, will grant their proxy in writing and on an ad hoc basis for each meeting to another member of the Board of Directors, including appropriate instructions, and will inform the Chairman of the Board of Directors thereof. In the case of non-executive directors, they may only be represented by another member of the board of directors with the same status. Directors' absences from board meetings will be quantified in the annual corporate governance report.

C.1.25 Indicate the number of Board of Directors meetings held during the financial year. Also indicate the number of times, if any, the board has met in the absence of the Chairman. For the purposes of calculating attendance, representations made with specific instructions will be considered as attendance.

Number of board meetings	12
Number of board meetings in the Chairman's absence	0

Indicate the number of meetings held by the lead director with the other directors, without any executive director being either present or represented:

Number of meetings	0
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Indicate the number of meetings held by the various board committees during the year:

Number of Audit Committee meetings	11
Number of meetings of the Sustainable Development Committee	4
Number of Appointments and Remuneration Committee meetings	5

C.1.26 Indicate the number of meetings held by the board of directors during the financial year and its' members attendance figures:

Number of meetings attended in person by at least 80% of the Board Members	12
Attendance in person as a % of total votes during the financial year	100.00
Number of meetings attended in person, or representations made with specific instructions, by all directors	12
% of votes cast with physical attendance and proxies made with specific instructions, out of the total number of votes cast during the year	100.00

C.1.27 Indicate whether the individual and consolidated annual accounts submitted to the board for formulation are previously certified:

- Yes  
 No

Identify, if applicable, the person(s) who has/have certified the individual and consolidated annual accounts of the company, for their preparation by the board:

C.1.28 Explain any mechanisms set in place by the board of directors to ensure that the annual accounts submitted by the board of directors to the general shareholders meeting are drawn up in accordance with accounting regulations.

The Board of Directors has delegated to the Audit Committee the supervision of the company's financial and non-financial information and mechanisms for internal control over financial reporting (ICFR) are in place, given that all financial and non-financial information proposed for approval by the Board of Directors is informed favourably and in advance by the Audit Committee. In addition, the company's internal audit function performs periodic audits of the financial statements of the subsidiaries in accordance with its annual audit plan. In addition, our external auditors review and validate all information published.

C.1.29 Is the Secretary of the Board a Director?

- Yes  
 No

If the Secretary is not a Director, fill in the following table:

Name or company name of the Secretary	Representative
Ms SILVIA AMATERATSU DÍAZ DE LASPRA MORALES	

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, as well as, if any, the mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented in practice.

**Independence of the Auditor**

Sections 14v and 14 vi of the Rules governing the Board of Directors establish the relations with the auditors in order to receive information on matters that may jeopardise their independence, for examination by the audit committee, and any other matters related to the process of auditing the accounts and, where appropriate, the authorisation of services other than those prohibited, under the terms provided in the applicable regulations, as well as those other communications covered in the legislation on auditing the accounts and in other auditing standards. In any case, the audit committee must receive from the auditors on a yearly basis written confirmation of their independence from the Company and entities directly or indirectly related to it, together with detailed and itemised information on additional services provided of any kind and the corresponding fees received from these entities by the external auditor or by the persons or entities related to it, in accordance with the provisions of legislation on auditing of accounts.

In this regard, a report will be issued annually, prior to the audit report, expressing an opinion on whether the independence of the auditors or audit firms has been compromised. This report will, in any case, give an opinion on the provision of the additional services referred to in the preceding paragraph, individually and as a whole, other than the statutory audit and in relation to the rules on independence or to the audit regulations.

The Audit Committee's activity report includes an assessment of the independence of the external auditor, verifying that there are no grounds for incompatibility or abstention, as well as prohibitions, and that any threats to its independence have been correctly identified and assessed.

**– Independence of financial analysts, investment banks and rating agencies**

The principles underlying the company's relationship with financial analysts and investment banks are based on transparency, simultaneity and non-discrimination, and always in strict compliance with securities market regulations. The company also takes special care not to compromise or interfere with the independence of financial analysts in respect of the services provided by investment banks, in accordance with the internal codes of conduct established by the banks themselves and aimed at separating their analytical and advisory services.

C.1.31 Indicate whether the Company has changed external auditors during the financial year. Where applicable, identify the incoming and outgoing auditor:

- Yes  
 No

Where differences arose with the outgoing auditor, explain the substance of those differences:

- Yes  
 No

C.1.32 Indicate whether the audit firm performs other non-audit work for the Company and/or its group and if so, state the amount of fees received for such work and the percentage that the above amount represents of the fees invoiced for audit work to the Company and/or its group:

- Yes  
 No

	Company	Group companies	Total
Amount of other non-audit work (thousands of euros)	42	9	51
Amount of non-audit work / Amount of audit work (%)	7.97	5.00	7.22

C.1.33 Indicate whether a qualified audit report was given on the previous year's annual accounts. If applicable, state the reasons offered by the audit committee chair to shareholders at the General Shareholders Meeting to explain the content and scope of such qualifications.

Yes  
 No

C.1.34 Indicate the number of consecutive years that the current audit firm has been auditing the Company's individual and/or consolidated annual accounts. Also indicate the number of years audited by the current audit firm as a percentage of the total number of years for which the annual accounts have been audited:

	Individual	Consolidated
Number of uninterrupted financial years	2	2
No. of years audited by the current audit firm / No. of years the Company or its group has been audited (%)	100.00	100.00

C.1.35 Indicate whether there is a procedure for ensuring that directors have the necessary information to prepare for meetings of the governing bodies in good time and, if so, provide details:

Yes  
 No

#### Details of procedure

The company issues notices to the board of directors as far in advance as possible and in any case above the minimum limit of three days established in the Rules governing the Board of Directors. Once the notices have been issued to the board or the committees, the Company or the chairs organise working meetings to identify all those aspects that require a higher level of information than that sent, or so that the directors can raise queries or request additional information to that provided. At all times, the Company encourages contact between the directors and company senior management, so that the directors may directly contrast the information subject to approval and the internal management.

The Rules governing the Board of Directors provide the option for all directors to seek the advice necessary for the performance of their duties. Moreover, the secretary and the legal counsel offer continuous advice within the Board of Directors. In addition, the Action Plan drawn up following the Board's evaluation process in 2021 includes the need to continue to improve in this area, as well as the commitment to ensure that information is provided to Directors as far in advance as possible for their consideration prior to Board or Board Committee meetings.

C.1.36 Indicate whether the company has established rules obliging directors to inform and, where appropriate, to resign when situations arise that affect them, whether or not related to their actions in the company itself, which could damage the prestige and reputation of the company:

Yes  
 No

Explain the rules

Directors must tender their resignation to the board of directors and, should the board deem it appropriate, formalise the corresponding resignation in the following cases:

- (i) When they leave the executive positions with which their appointment as director was associated.
- (ii) When they are involved in any of the cases of incompatibility or proscription provided for by law or the Articles of Association.
- (iii) When they are seriously reprimanded by the board of directors for having been found in breach of their obligations as directors.
- (iv) When their continued membership on the board of directors may jeopardise or harm the interests, prestige or reputation of the Company or when the reasons for which they were appointed cease to exist, including, without limitation, when their professional situation or in the conditions under which they were appointed as directors are significantly affected.
- (v) When they are charged or prosecuted in criminal proceedings or are the subject of disciplinary proceedings for serious or very serious misconduct by the supervisory authorities.
- (vi) In the case of proprietary directors (i) when the shareholder they represent sells their entire shareholding or reduces it significantly and, (ii) in the appropriate number, when such shareholder reduces their shareholding to a level that requires a reduction in the number of proprietary directors.

C.1.37 Indicate, unless special circumstances have arisen which have been recorded in the minutes, whether the board has been informed or has otherwise become aware of any situation affecting a director, whether or not related to his or her performance in the company itself, which could damage the prestige and reputation of the company:

Yes  
 No

C.1.38 List any significant agreements entered into by the company which come into force, are amended or are terminated in the event of a change of control of the company following a takeover bid, and their effects.

Nothing to highlight

C.1.39 Identify individually, in the case of directors, and on an aggregate basis in all other cases, and indicate, in detail, the agreements between the company and its directors and management or employees which provide for indemnities, guarantee or golden parachute clauses, where they resign or are unfairly dismissed or if the contractual relationship is terminated by a takeover bid or other transaction.

Number of beneficiaries	1
Type of beneficiary	Description of the agreement
Chief Executive Officer	In the event of structural change to the company or change of ownership involving a change of control, regardless of its form, the chief executive officer, if he/she chooses to leave his/her post, will be entitled to receive a severance payment equal to twice the amount of the last total yearly remuneration received, which will include fixed remuneration, variable remuneration, long-term incentive plans and all rights and benefits that may have been established.

Indicate whether, apart from the cases provided for in the regulations, these contracts must be reported to and/or approved by the bodies of the company or its group. If so, specify the procedures, the cases envisaged and the nature of the bodies responsible for approval or communication:

	Board of Directors	General Shareholders Meeting
Body authorising clauses	√	
	Yes	No
Is the general shareholders meeting informed about the clauses?	√	

## C.2. Board committees

C.2.1 List all the committees of the board of directors, their members and the proportion of executive, proprietary, independent and other external directors sitting:

Audit Committee		
Name	Position	Category
Ms NURIA ALIÑO PÉREZ	MEMBER	Independent
Mr FERNANDO CABALLERO DE LA SEN	CHAIR	Independent
Mr JOSÉ FRANCISCO MORALES TORRES	MEMBER	Proprietary director

% of executive directors	0.00
% of proprietary directors	33.33
% of independent directors	66.67
% of other directors external	0.00

Explain the functions, including, if applicable, those additional to those provided for by law, attributed to this committee, and describe the procedures and rules of organisation and operation of the same. For each of these functions, indicate its most important actions during the financial year and how it has exercised in practice each of the functions attributed to it, either in law or in the Articles of Association or in other corporate resolutions.

- To report to the general shareholders meeting on matters within its competence and, in particular, on the outcome of the audit.
- Monitor the effectiveness of the internal controls of the Company and its group, the internal audit and risk management systems, both financial and non-financial, and discuss with the auditor any significant weaknesses in the internal control system found during the course of the audit, without compromising the auditor's independence.
- Supervise the process for preparing and presenting regulated financial and non-financial information and submit recommendations or proposals to the board of directors.
- Propose to the board of directors, for submission to the general shareholders meeting, the selection, appointment, re-election or substitution of the auditors, in accordance with the applicable regulations, as well as the terms and conditions of their engagement, and regularly obtain information from them on the audit plan and its execution, and safeguard their independence in the performance of their duties.
- Establish appropriate relations with the auditors for receiving information on those issues that may jeopardise their independence, for examination by the audit committee, and any other issues related to the accounts auditing process.

- Issue, prior to the audit report, a yearly report expressing an opinion on whether the independence of the auditors or audit firms has been compromised. This report will, in any case, give an opinion on the provision of the additional services referred to in the preceding paragraph, individually and as a whole, other than the statutory audit and in relation to the independence regime or to the audit regulations.
- Report to the board of directors in advance on all matters provided for by law, in the articles of association and in the Rules governing the Board of Directors and, in particular, on: (i) the financial information that the Company is obliged to disclose periodically; (ii) the creation or acquisition of interests in special purpose vehicles or entities domiciled in countries or territories considered as tax havens; and (iii) related party transactions.
- Oversee the Company's internal audit activity, supervising the internal audit plan and verifying that the plan has considered the main risk areas, both financial and non-financial, of the business.
- In relation to internal control and information systems: (a) supervise the preparation process and the integrity of the financial information relating to the Company and, where appropriate, the group; (b) ensure the independence of the unit responsible for internal auditing, propose the selection, appointment, re-election and dismissal of the head of internal auditing; receive regular information on the implementation of the annual work plan; and (c) establish and supervise a mechanism that allows employees or other persons connected with the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report, either confidentially or anonymously, any potentially significant irregularities, including financial and accounting irregularities, or any other type of irregularity related to the company that they notice within the Company or its group. This mechanism must guarantee confidentiality and, in any case, provide for cases where communications can be made anonymously, respecting the rights of the whistle-blower and the party subject of complaint.
- In relation to the external auditor: (a) in the event of resignation, examine the circumstances giving rise to it; (b) ensure that their remuneration does not compromise their quality or independence; (c) ensure the Company notifies the CNMV of any change of auditor and support this, where appropriate, with a statement on any potential differences with the outgoing auditor and the substance thereof; (d) ensure that the external auditor meets annually with the full board of directors to deliver a report on the work performed and developments in the Company's situation; (e) ensure that the Company and the external auditor respect the rules in force on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, any other rules on auditor independence.
- Ensure that the annual accounts submitted by the board of directors to the general shareholders meeting are drawn up in accordance with accounting regulations and that, in cases where the auditor has included a qualification in their audit report, the chairman of the audit committee clearly explains the audit committee's opinion on its content and scope at the annual meeting.
- Call on any employee or officer of the Company, including arranging for them to appear without the presence of any other officer.
- Check that the financial and non-financial information published on the Company website is continuously up to date.
- Regularly assess the need for a separate department for risk control and management.
- Define the procedure for selecting the statutory auditor.

For further information, please refer to the annual report of the audit committee, which will be published on the Company website.

Identify directors who are members of the audit committee that have been appointed on the basis of their accounting and/or auditing knowledge and experience and state the date when the chair of the audit committee was appointed.

Names of company directors with experience	Ms NURIA ALIÑO PÉREZ / Mr JOSÉ FRANCISCO MORALES TORRES
Date when chair was appointed	06/10/2021

Sustainable Development Committee		
Name	Position	Category
Ms NURIA ALIÑO PÉREZ	CHAIR	Independent
Ms MARÍA SICILIA SALVADORES	MEMBER	Independent
Ms MARINA MORENO DÓLERA	MEMBER	Proprietary director

% of executive directors	0.00
% of proprietary directors	33.33
% of independent directors	66.67
% of other directors external	0.00

Explain the functions delegated or assigned to this committee other than those already described in section C.1.9, and describe the procedures and rules of organisation and operation of the committee. For each of these functions, indicate its most important actions during the financial year and how it has exercised in practice each of the functions attributed to it, whether by law, in the Articles of Association or in other corporate agreements.

- Monitoring compliance with the Company's corporate governance rules and internal codes of conduct, and ensuring that corporate culture aligns with its purpose and values.
- Overseeing the implementation of the general policy on financial, non-financial and corporate reporting as well as communication with shareholders and investors, proxy advisors and other stakeholders. It will also be monitored how the Company communicates and interacts with small and medium-sized shareholders.
- Evaluation and periodic review of the corporate governance system and of the company's environmental and social policy, so that they fulfil their mission of promoting the social interest and take into account, as appropriate, the legitimate interests of other stakeholders.
- Monitoring that the company's environmental and social practices are in line with the strategy and policy established.
- Monitoring and evaluation of stakeholder engagement processes.
- Monitor the Company's performance in matters of corporate reputation and report to the Board of Directors accordingly.
- Advise, prior to its approval, on the annual corporate governance report and the statement of non-financial information of the Company, obtaining for this purpose the necessary reports from the audit committee and the Appointments and Remunerations Committee in relation to the sections of said report that are encompassed within the scope of their competencies.
- Inform on proposals for amending the Rules governing the Board of Directors and the code of ethics.
- Issue reports and implement actions that, within its sphere of competence, may additionally correspond to it, in accordance with the corporate governance system, or which may be requested by the board of directors or its chairman.
- Assume the functions attributed to it in the code of ethics.

Appointments and Remuneration Committee		
Name	Position	Category
Ms NURIA ALIÑO PÉREZ	MEMBER	Independent
Ms MARÍA SICILIA SALVADORES	CHAIR	Independent
Mr FERNANDO CABALLERO DE LA SEN	MEMBER	Independent

% of executive directors	0.00
% of proprietary directors	0.00
% of independent directors	100.00
% of other directors external	0.00

Explain the functions, including, if applicable, those additional to those provided for by law, attributed to this committee, and describe the procedures and rules of organisation and operation of the latter. For each of these functions, indicate its most important actions during the financial year and how it has exercised in practice each of the functions attributed to it, either in law or in the Articles of Association or in other corporate resolutions.

- Assess the skills, knowledge and experience required of the board of directors. For this purpose, it will define the functions and skills required of the candidates to fill each vacancy and assess the time and dedication necessary for them to carry out their duties effectively, taking into account a competency matrix drawn up in advance, defining the most suitable functions, competencies, knowledge and experience required for the job.
- Analysing the other occupations of each Company director, ensuring that the directors devote sufficient time in practice and, if this is not the case, proposing the appropriate measures to be taken.
- Set a representation target for the under-represented gender on the board and develop guidance on how to achieve this target.
- Submit proposals to the board of directors for the appointment of independent directors, to be appointed by co-option or for submission to the decision of the general shareholders meeting, as well as proposals for the re-election or removal of such directors by the general shareholders meeting.
- Report on proposals for the appointment of the remaining directors for appointment by co-option or for submission to the decision of the general shareholders meeting, as well as proposals for their re-election or removal by the general shareholders meeting.



- To report on proposals for the appointment, reappointment and dismissal of senior management and the basic conditions of their contracts.
- Examine and organise the succession of the chairman of the board of directors and the chief executive of the Company and, if appropriate, make proposals to the board of directors for the succession to take place in an orderly and pre-planned manner, in consultation with the chairman of the Company, and involving the coordinating director, if any, and provided that he is not a member of the appointments and remuneration committee.
- Propose to the board of directors the remuneration policy for directors and general managers or those who perform their duties as senior management reporting directly to the board of directors, executive committees or managing directors, as well as the individual remuneration and other contractual conditions of executive directors, while verifying and ensuring compliance therewith.
- Verify compliance with the Company's remuneration policy.
- Periodically review the remuneration policy applied to directors and senior management, including share-based remuneration schemes and their implementation, and ensure that their individual remuneration is proportionate to that paid to other directors and senior management.
- Propose to the board of directors a policy for selecting directors and, where appropriate, senior management, which should contain measures to encourage the company to have a significant number of senior managers.
- Ensure that any conflicts of interest do not prejudice the independence of the external advice provided to the Commission.
- Verify information about remunerations for directors and senior management contained in the various corporate documents, including the annual remuneration report.

For further information, please refer to the annual report of the Appointments and Remunerations Committee, which will be published on the Company website

**C.2.2** Complete the following table with information on the number of female directors on the board committees at the close of the past four financial years:

	Number of female company directors							
	2021 financial year		2020 financial year		2019 financial year		2018 financial year	
	Number	%	Number	%	Number	%	Number	%
Audit Committee	1	33.33	1	33.33	N/A	N/A	N/A	N/A
Sustainable Development Committee	3	100.00	3	100.00	N/A	N/A	N/A	N/A
Appointments and Remuneration Committee	2	66.67	2	66.67	N/A	N/A	N/A	N/A

**C.2.3** Indicate, where they exist, regulations on board committees, where they may be consulted, and any amendments made during the financial year. Likewise, indicate whether an annual report on the activities of each committee has been prepared on a voluntary basis.

The committees, how they are formed, their functions and organisation are regulated in the Rules governing the Board of Directors. The three committees have produced annual activity reports for the 2021 financial year.

**D. RELATED-PARTY AND INTRA-GROUP TRANSACTIONS**

**D.1.** Explain, if applicable, the procedure and competent bodies for the approval of related-party and intra-group transactions, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the directors or shareholders affected and detailing the internal procedures for reporting and periodic control systems established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

It is the responsibility of the General Shareholders Meeting to approve:

- Related-party transactions whose amount or value (of the set of transactions provided for in a framework agreement or contract, where applicable) is equal to or exceeds 10% of the total asset items according to the latest annual balance sheet approved by the Company.
- When the business or transaction which the Related-Party Transaction consists of is, by its very nature, legally reserved to the competence of this body.

The Board of Directors will be responsible for approving:

- All other Related-Party Transactions.

During the 2021 financial year, the Related-Party Transactions Policy was approved and is available on the Company website, where the approval process for related-party transactions is elaborated.

**D.2.** Individually list any transactions significant due to their amount or relevant due to their subject matter taking place between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or represented on the company's board of directors, indicating which body had competence for approving them and whether any shareholder or director affected abstained. In the case where the board has competence, indicate whether the proposed resolution has been approved by the board without a majority of the independent directors voting against it:

	Name or company name of the shareholder or of any of its subsidiaries	% shareholding	Name or company name of the subsidiary company or dependent entity	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director would have abstained	The proposal to the board, if any, has been approved by the board without the majority of independents voting against
No data							

	Name or company name of the shareholder or of any of its subsidiary companies	Nature of the relationship	Type of transaction and other information necessary for assessing the transaction
No data			

There have been no significant related-party transactions during the year in terms of amount or subject matter. A number of warehouse lease and loan agreements entered into with Grupo Corporativo Sefran, S.L. prior to the IPO remain outstanding in 2021. A more detailed breakdown of the amount and nature of these transactions is provided in section 15.1 of the Notes to the Financial Statements.

- D.3.** List individually the transactions that are significant due to their amount or relevant due to their subject matter between the Company or its subsidiaries with the directors or executives of the Company, including those transactions carried out with entities that the director or executive controls or jointly controls, and indicating which body had competence for approving them and whether any affected shareholder or director abstained. In the case of board competence, indicate whether the proposed resolution has been approved by the board without a majority of the independent directors voting against it:

Name(s) or company name(s) of the director(s) or executive(s) or entities under their control or joint control	Name or company name of the company or dependent entity	Link	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director would have abstained	The proposal to the board, if any, has been approved by the board without the majority of independents voting against
No data						

Name(s) or company name(s) of the director(s) or executive(s) or entities under their control or joint control	Nature of the transaction and other information necessary for assessment of the transaction
No data	

Nothing to highlight

- D.4.** Report on an individual basis on the intra-group transactions that are significant due to their amount or relevant due to their subject matter between the company and its parent company or other entities belonging to the parent company's group, including the listed company's own subsidiaries, unless no other related party of the listed company has an interest in such subsidiaries or such subsidiaries are wholly owned, directly or indirectly, by the listed company.

In any case, any intra-group transactions with entities established in countries or territories considered as tax havens will be notified:

Company name of its group entity	Brief description of the operation and other information necessary for assessing the transaction	Amount (thousands of euros)
No data		

- D.5. Individually list any transactions that are significant due to their amount or relevant due to their subject matter between the company or its subsidiaries and other related parties in accordance with International Accounting Standards as adopted by the EU, which have not been reported under the previous headings.

Company name of related party	Brief description of the operation and other information necessary for assessing the transaction	Amount (thousands of euros)
No data		

- D.6. List the mechanisms in place to detect, determine and resolve possible conflicts of interest between the company and/or its group, and its directors, executives, significant shareholders or other related parties.

The Rules governing the Board of Directors expressly establish a mechanism for identifying and resolving conflicts as detailed in Article 29. In 2021, the Company approved a Policy on Conflicts of Interest and Related-Party Transactions, available on the Company website, where this point is elaborated on in further detail.

- D.7. Indicate whether the company is controlled by another entity under the terms of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relationships with that entity or any of its subsidiaries (other than those of the listed company) or engages in activities related to those of any of them.

Yes  
 No

## **E. RISK MANAGEMENT AND CONTROL SYSTEMS**

### **E.1. Explain the scope of the company's financial and non-financial Risk Control and Management System, including those of a fiscal nature.**

The Soltec Group's risk management is an activity linked to the responsible development and growth of the Group's companies with the aim of maintaining its key position and leadership in the global photovoltaic energy market.  
The main objective of risk management is to identify, define and quantify all business risks in order to apply the optimal mitigating measures for eliminating, offset or reduce the probability and/or severity of the threats identified, and to take advantage of the opportunities, allowing the Soltec Group to develop its activity and grow in a sustainable manner, making informed, consistent decisions.

Risk management is an activity integral to each and every process of the Soltec Group, where all departments of the Group companies collaborate in the daily control of risks. In addition, in a second line of control, there is a risk management department, with regular committees, which effectively monitors and systematises the activity. As a third line of control, there is an internal audit department to ensure that the Group's companies operate correctly.  
In the fiscal area, in 2021 the company obtained renewal of its certification by Aenor for compliance with the UNE 19602 standard, so that risk control in fiscal matters is optimal.  
In addition, the company has also renewed its certification in 2021 for compliance with the UNE 19601 standard on the prevention of criminal risks.

### **E.2. Identify the company bodies responsible for the development and implementation of the financial and non-financial Risk Management and Control System, fiscal included.**

Board of Directors: In accordance with the provisions of the LSC, risk management is a non-delegable matter attributed to the full board.  
Audit Committee: Pursuant to article 14.4 (ii) of the Rules governing the Board of Directors, risk management is a responsibility of the audit committee.  
Risk Management Committee: The Risk Management Committee is a permanent internal body of an informative and executive nature that will discuss and reach agreements concerning risk management and insurance at corporate, bidding and project levels, as well as other strategic issues in relation to risk management with the objective of ensuring the sustainability of Soltec. In addition, it will ensure the creation of mechanisms to promote risk management in all company processes in order to guarantee Soltec's sustainability and solvency.  
Investment Committee: The Investment Committee is a permanent internal body of an informative and executive nature that will discuss and reach agreements in relation to investment initiatives at corporate level, with the objective of achieving profitable growth for the company. In addition, it will ensure that mechanisms are put in place to ensure that investment decision-making processes are backed by policies and procedures geared towards achieving Soltec's strategic objectives.  
Security Committee: Among others, risk management for security issues.  
Business Development Committee: Among others, risk management related to business development issues. Operations  
Committee: Among others, risk management related to ongoing project issues.  
Talent Committee: Among others, HR-related risk management.  
Created within the framework of the tax compliance programme, it is formed of three members from the fiscal and financial departments of the company, and its objective is to ensure and monitor compliance with the company's fiscal obligations.

### **E.3. Indicate the main risks, financial and non-financial, including those fiscal and, insofar as significant, those arising from corruption (the latter understood within the scope of Royal Decree Law 18/2017), which may affect the achievement of the business objectives.**

During 2021, the main operational, strategic and regulatory risks affecting the Group were identified and analysed. Specifically, an inventory of 200 risks has been identified (446 risks to be assessed and replicated by affiliates), and which were assessed through a series of interviews and surveys with each of the "owners" of each risk.  
Upon identification and assessment, the main risks affecting the Group are linked to the uncertainty in the demand for products and services in a changing environment, affected by the Covid-19 global pandemic, the difficulty of adapting to the different regulatory environments together with political and social uncertainties, as well as potential regulatory changes, an increasingly competitive PV industry, particularly in respect of solar trackers, all of which impact on the falling price of solar trackers, potential regulatory breaches at the operational level, information security linked to product R&D, potential problems arising from system failures and/or supply interruptions (e.g. price increases on raw materials and transport), as well as potential problems arising from natural disasters, system failures and/or supply disruptions.

In relation to financial risks, the main risks identified during 2021 would be linked to market risks (exchange rate and interest rate), liquidity, customer credit and obtaining the necessary guarantees to be able to contract for and execute projects  
The risks arising from corruption are properly controlled through a legal and fiscal compliance risk management system.

**E.4. Identify whether the entity has risk tolerance levels, including for fiscal risk.**

Yes, risk management quantifies all business risks by defining tolerance levels, including fiscal risk as well as operational, strategic, regulatory, ESG and environmental risks affecting the Group  
During the financial year 2021, the company updated its risk map, which will define this point more precisely once it has been approved by the Group in early 2022.

In addition, SOLTEC is defining the following actions:

- Definition of the acceptable tolerance level for SOLTEC;
- Analysis of the insurance market to produce risk transfer to the insurance market where possible;
- Definition and implementation of controls for the identified risks in order to mitigate them and thus reduce their likelihood and impact;
- Definition of treatment plans, in addition to controls, to reduce the likelihood of the various risks manifesting and their impact in the event of materialising.

The Group's risk management is based on a system of continuous improvement implemented during 2021 based on the following pillars:

- o Systematic activity for identifying, assessing and addressing risks
- o Redefinition of risks
- o Introduction of new risks on the inventory
- o Adaptation to changes that may affect the organisation.
- o Reallocation of risks
- o Review at least once every six months.
- o Risk Management Committee (RMC).
- o Ongoing support from SOLTEC's top management.
- o Review of contracts before signing
- o Follow-up during project implementation (lessons learned)

**E.5. Indicate which risks, financial and non-financial (fiscal included), have materialised during the year.**

During 2021, the following risks have materialised:

1. Uncertainty associated with demand for products and services in a changing and pandemic-affected environment
2. Potential problems resulting from system failures and/or supply disruptions
3. An increasingly competitive industry
4. Drop in solar tracker prices
5. Security of information linked to product R&D
6. Potential for non-compliance at the operational level and/or increased costs.
7. Liquidity
8. Customer credit
9. Obtaining guarantees necessary for contracting/implementing projects
10. Market (exchange rate/interest rate)

**E.6. Explain the response and monitoring plans for the entity's main risks, including fiscal risks, as well as the procedures followed by the company to ensure that the board of directors responds to new challenges as they arise.**

Operation of the control systems for each of the risks listed in the previous paragraph:

1. Appropriate. These include, among others, the following control systems: commercial follow-up of major customers; prospecting for new customers; follow-up of opportunities for regulatory changes and budget allocation; and local presence in key countries.
2. Appropriate. These include, inter alia, the following control systems: diversification of suppliers both in terms of companies and geographically; local presence in key countries.
3. Appropriate. These include, inter alia, the following control systems investment in R&D&I; diversification with new products; study of synergies and new business lines; continuous improvement systems; local presence in key countries; agreements with key players within the industry, establishment of internal treatment plans for market price volatility analysis, establishment of internal treatment plan for logistic analysis.

4. Appropriate. These include, inter alia, the following control systems: local presence in key countries; optimisation of supplier prices; optimisation of design through investment in R&D&I; establishment of framework agreements with suppliers; monitoring of fluctuating raw material prices; negotiation with the customer to introduce contractual mechanisms to be able to revise prices once offers have been fulfilled and the customer has not issued the order to proceed, establishment of internal processing plans for market price volatility analysis, establishment of internal processing plan for logistic analysis
5. Appropriate. These include, inter alia, the following control systems: ISO 27001 certification; appointment of a security officer; implementation of access control at headquarters; conducting a security audit; non-competition agreements for key personnel.
6. Appropriate. These include, inter alia, the following control systems: local presence in key countries; local legal and local fiscal advice; monitoring of local design regulation updates; transfer to client with regulation of law change clauses and variations; requirement of clear project specifications from clients, legal security analysis in the countries where we conduct business.
7. Appropriate. These include, inter alia, the following control systems: framework agreements with financing entities; review of new financing formulas; framework agreements with suppliers/customers; review of the cash flow of projects prior to contract signature, in accordance with the payment conditions of the client and suppliers; analysis of the maximum risk of non-payment; monitoring of the cash flow of projects in execution.
8. Appropriate. These include, inter alia, the following control systems: transfer to the insurance/financial market; transfer to clients requesting the issuance of letters of credit/other types of guarantees; review of the cash flow of projects prior to contract signature, according to the payment conditions of the client and suppliers; analysis of the maximum risk of non-payment; monitoring of cash flow of ongoing projects.
9. Appropriate. These include, inter alia, the following control systems: framework agreements with institutions; financial/insurance companies; active monitoring of the status of guarantees issued and of the overall position; negotiation with customers; strengthening of the balance sheet.
10. Appropriate. These include, inter alia, the following control systems: hedging contracts; monitoring of rate fluctuations; agreements with suppliers in the same currency as the main contract; framework agreements with financing entities.

## **F. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS (ICFR)**

Describe the mechanisms forming part of the control and risk management systems in relation to the financial reporting process (ICFR) of the entity.

### **F.1. Entity's control environment.**

Report, indicating at least the main characteristics of:

**F.1.1** Which bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective ICFR; (ii) its implementation; and (iii) its oversight.

The Internal Control over Financial Reporting (ICFR) system forms part of Soltec Power Holdings' internal control system and is defined as a system designed to provide reasonable assurance regarding the reliability of financial information.

The group's ICFR was designed during the 2020 financial year and the December 2020 accounting close was the first to be performed under the quality standards required for the design of Soltec's ICFR. During 2021 the ICFR has been deployed in the different affiliates of the group and its level of implementation and efficiency has been reviewed in the affiliates included in the 2021 internal audit plan.

The ICFR responsibility model of Soltec Power Holding is articulated through the following bodies and/or functions that develop, maintain and supervise the process of preparing the Group's financial information:

- The Board of Directors is responsible for determining the risk control and management policy, including fiscal risks, and the supervision of internal information and control systems, as set out in article 5.4 (xii) of the Rules governing the Board of Directors. Being ultimately responsible for ensuring an internal control environment conducive to producing reliable, complete and timely financial information. These functions have been delegated to the Audit Committee under article 14.5(ii) of the Rules governing the Board of Directors.

- The Audit Committee's responsibilities include supervising the effectiveness of the internal control of the Company and its group, the internal audit and risk management systems, both financial and non-financial (including operational, technological, legal, social, environmental, political, reputational and corruption-related risks), ensuring that established internal control policies and systems are effectively implemented in practice, and discussing with the statutory auditor any significant weaknesses in the internal control system identified in the course of the audit, without compromising the auditor's independence.

Likewise, to supervise the process for preparing and the integrity of the financial information about the Company and, where appropriate, the group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria as established in Article 14.5(ix) of the Board of Directors' Regulations

In order to carry out these functions, the Audit Committee has an Internal Audit Department.

- The Finance Department is responsible for the design, implementation, execution and monitoring of the ICFR.

- Internal Audit, which reports to the Audit Committee, is responsible for evaluating and improving the efficiency of processes and monitoring internal control within the organisation. As one of the main functions of Internal Audit is to ensure the proper functioning of the ICFR, it will:

- o Carry out periodic reviews to ensure that documentation is kept up to date in accordance with the Annual Audit Plan
- o Design and execute, based on the scope of review agreed in the audit planning phase, tests on general controls, technological controls and process controls.
- o Issue reports on the reviews carried out on the ICFR, in accordance with the Annual Audit Plan.
- o Verify the correct implementation of the identified corrective actions on the ICFR in accordance with the Annual Audit Plan

The objectives, management, review and other particularities of the ICFR are covered by three internal policies:

- o Soltec Group ICFR Policy
- o ICFR monitoring procedure
- o ICFR risk management procedure

**F.1.2** Whether the following elements exist, especially with regard to the financial reporting process:

- Responsible departments and/or mechanisms: (i) the design and review of the organisational structure; (ii) clear lines of responsibility and authority, with an appropriate distribution of tasks and functions; and (iii) the existence of sufficient procedures for their correct dissemination within the entity:

The design and review of the organisational structure, as well as the definition of the lines of responsibility of the Group's Organisation Management, which defines the distribution lines for tasks and organisational functions of the Group.



Likewise, the board of directors, through the Appointments and Remuneration Committee, as established in the various sections of article 15 of the Rules governing the Board of Directors, is responsible for assessing the skills, knowledge, availability and experience required on the board of directors, submitting to the board of directors proposals for the appointment of independent directors and proposing to the board of directors the remuneration policy for directors and general managers or those who perform their duties as executive personnel reporting directly to the board of directors, executive committees or managing directors, as well as the individual remuneration and other contractual conditions of executive directors, verifying and monitoring compliance therewith.

- Code of conduct, approving body, level of dissemination and instruction, principles and values included (indicating whether there are specific mentions of the recording of transactions and preparation of financial information), body responsible for analysing breaches and proposing corrective actions and sanctions:

The purpose of the Code of Conduct of SOLTEC POWER HOLDINGS S.A. is to establish the directives and guidelines for all its administrators, managers and workers in their daily performance, with regard to the relations it maintains with all its stakeholders, with a transparent, efficient and effective management of resources, being honest with customers, suppliers, institutions, and being socially and environmentally responsible.

This Code of Conduct forms part of and is the basis for the Corporate Compliance Programme implemented in the Group to prevent, avoid and detect the criminal offences being committed in the corporate sphere in line with the provisions of the Criminal Code and the Tax Compliance programme. The Group's Code of Conduct is based on the definition of the Group's Mission, Vision, Values and Principles, and stands as a guide for action to ensure that its employees act appropriately in their professional conduct, adapting and adhering to the legislation in force in the country where the Group pursues its activities, as well as to the Internal Policies and Protocols.

In 2021 Soltec renewed the UNE 19601 certifications for the Criminal Compliance Management System, which includes Soltec's code of conduct

- Whistle-blowing channel, which allows for the communication to the audit committee of irregularities of a financial and accounting nature, in addition to possible breaches of the code of conduct and irregular activities in the organisation, informing, where appropriate, whether it is of a confidential nature and whether it allows for anonymous communications, respecting the rights of the whistle-blower and the reported party.

There is a whistle-blowing channel open to all employees, or anyone who has dealings with the company, which allows them, in a confidential manner, to bring any irregularity or breach of the code of conduct to the attention of the Compliance Body. Communication is by e-mail. In the event of an irregularity being found of an accounting or financial nature, the compliance body would bring this to the attention of the audit committee.

- Regular training and refresher programmes for staff involved in the preparation and review of financial information, and in ICFR assessment, covering at least accounting standards, auditing, internal control and risk management:

The HR department, which reports to the Organisation Management, is in charge of managing and planning all matters concerning training programmes and other support elements to cover the training needs of employees. In coordination with the departments reporting to the Finance Department, Human Resources identifies and analyses the specific training needs of staff involved in preparing and reviewing financial information, considering as the main subjects those related to accounting, internal control and risk management. The Finance Directorate has a budget to allocate for training depending on the needs, regulatory changes and accounting updates that arise.

In addition, Soltec is a member of the Institute of Internal Auditors, where members of the Internal Audit team take part in courses, sector meetings and conferences aimed at the continuous training of the team.

## **F.2. Risk evaluation of financial information.**

Reporting, at least, on:

### **F.2.1 Main characteristics of the risk identification process, including those of error or fraud, in terms of:**

- Whether the process exists and is documented:

The risk identification process is documented in the Global Risk Management Policy whose main function is to identify, determine and quantify all business risks for the purpose of applying the optimal mitigating measures to eliminate or reduce the probability and/or severity of the identified threats, as well as to take advantage of the opportunities, allowing the Soltec Group to develop its activity and grow in a sustainable manner, making informed, consistent decisions.

There is also a Risk Committee which is a permanent internal body of an informative and executive nature that will discuss and reach agreements in relation to risk management and insurance at corporate, bidding and project levels, as well as other strategic issues in relation to risk management with the objective of ensuring the sustainability of Soltec. In addition, it will ensure that mechanisms are created for promoting risk management across all company processes in order to guarantee Soltec's sustainability and solvency. This committee is formed of members of Company senior management.

Soltec has implemented a risk procedure in the analysis of bids which establishes the obligation to carry out a risk analysis of the potential contracts of Soltec Power Holdings SA and its subsidiaries in the bidding and/or negotiation phase.

Soltec is in the process of obtaining a standardised and functional risk map that will be regularly updated and will include all financial and operational risks.

The management of ICFR risks is documented in the ICFR Risk Management Procedure

Internal Audit works closely with the risk area incorporating a continuous exchange of information and accommodating the requirements of the risk area in the annual audit plan.

- Whether the process covers the full range of financial reporting objectives (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations), whether it is updated and how often:

The risk management process is reviewed annually while the bid risk management process identifies, monitors and ultimately mitigates risks that are identified in each of the bids submitted by Soltec to its customers.

All risks related to financial reporting processes have controls in place to ensure that financial information adequately meets the existence, occurrence, completeness, valuation, presentation, disclosure and comparability requirements for which the ICFR was designed. These controls are regularly updated to keep pace with evolving and changing risks.

- The existence of a process for identifying the scope of consolidation, taking into account, among other aspects, the possible existence of complex corporate structures, special purpose vehicles or entities:

The consolidation perimeter of the Soltec Group is reviewed at each monthly closing. The Administration Department is responsible for analysing the companies that join and those that leave the scope of this perimeter. The incorporation, acquisition, sale and dissolution of companies are all subject to internal authorisation processes that clearly identify all entries and exits from the consolidation perimeter.

- Should the process take into account the effects of other types of risks (operational, technological, financial, legal, fiscal, reputational, environmental, etc.) insofar as they affect the financial statements:

The objective is to obtain a comprehensive overview of them, designing an efficient response system aligned with the company's business objectives, which is fulfilled by reviewing the risks on offer that involve the most significant risks for the company.

The risk map drawn up in 2021, due for approval in early 2022, will increase the control, scope, monitoring and visibility of corporate risks at group level, always based on the continuous improvement process as indicated in section E4.

- Which governing body of the entity oversees the process:

The Board of Directors has ultimate responsibility for the process of preparing financial information. In addition, the Risk Department reports directly to the Audit Committee.

### **F.3. Control activities.**

Report, indicating its main characteristics, whether it has at least the following:

**F.3.1** Procedures for the review and authorisation of the financial information and the description of the ICFR, to be published in the securities markets, indicating those responsible, as well as documentation describing the flows of activities and controls (including those relating to fraud risk) of different types of transactions which may materially affect the financial statements, including the procedure for closing the accounts and the specific review of relevant judgements, estimates, assessments and projections.

In accordance with the Rules governing the Board of Directors, the Audit Committee is responsible, among others, for reviewing the annual accounts and the periodic information to be supplied by the Board of Directors to the markets and their supervisory bodies, ensuring at all times compliance with legal requirements and the correct application of generally accepted accounting principles in their preparation.

The Regulations also state that the Audit Committee shall meet quarterly to review the periodic financial information to be submitted to the stock exchange authorities along with information for approval by the Board of Directors and to be included in its public documentation.

The Group also maintains various accounting policies and procedures to ensure the reliability of financial information. Such policies include:

- o Accounts Payable Procedures
  - o Accounts Receivable Procedure
  - o Accounting Manual on Capital Assets
  - o Accounting Manual on Fixed Assets
  - o Leasing Manual
  - o Asset Impairment Manual
  - o On-Site Administrative Control Procedure
  - o Closing of accounting periods procedure
  - o Treasury Policy
  - o Guarantee Management policy
  - o Project Cash-flow Policy
  - o Supplier Financial Management Procedure.
  - o Exchange Rate Risk Management Procedure
- All ICFR-related matters are covered by various policies and procedures:
- o Soltec Group ICFR Policy
  - o ICFR monitoring procedure
  - o ICFR risk management procedure

**F.3.2** Internal control policies and procedures on information systems (including access security, change control, system operation, business continuity and segregation of duties) that support the relevant processes of the entity for preparing and publishing financial information.

Information systems play a relevant role and are a supporting element in the processes of preparing the financial information to be reported externally, which is why they are included within the scope of action and configuration of the ICFR, thus defining a specific matrix of controls for IT processes.

The Group has an IT department whose aim is to protect the security of all IT processes through daily user support, system maintenance, development of improvements and independent system testing. Soltec also has an Information Security Policy applicable to the entire group.

In 2020, Soltec's IT department was granted the ISO 27001:2013 Information Security Standard certification, valid for three years.

The Group in place contingency mechanisms and procedures, both technical and operational, to be able to guarantee the recovery of the information systems in the event of failure or unavailability both in the central offices and in any of the Group's regional offices.

**F.3.3 Internal control policies and procedures to monitor the management of outsourced activities, together with aspects of evaluation, calculation or valuation entrusted to independent experts, which may have a material effect on the financial statements.**

Special attention is given to activities outsourced to third parties that could have a significant impact on the financial statements in order to ensure that, in key processes that could be outsourced, there is the maximum guarantee of control in relation to the security standards and preparation of financial information required at Group level. For this reason, there are different policies and procedures for governing and safeguarding the contracting process and quality control of third party suppliers:

- Soltec General Terms and Conditions of Purchase
- Supplier Approval Procedure
- Sourcing Procedure
- On-site Purchasing Procedure
- Product Validation Procedure

Likewise, the Purchasing department has in place a series of model documents agreed with its suppliers, such as the NDAs that define the confidential relationship for the handling of sensitive technical information by our suppliers.

When the services of independent experts are contracted for work that supports valuations, judgements or accounting calculations, it is ensured that they are firms of recognised prestige in the aspects consulted

**F.4. Information and communication**

Report, indicating its main characteristics, whether it has at least the following:

**F.4.1 A specific function in charge of defining, keeping accounting policies up to date (accounting policy area or department) and resolving doubts or disputes arising in their interpretation, maintaining fluid communication with those responsible for operations within the organisation, as well as an accounting policy manual that is updated and provided to units that the entity operates through.**

The Finance Department, with its Administration, FP&A and Tax departments, is responsible for keeping the accounting policies up to date and transmitting them to the staff involved in the preparation of financial information.

For this purpose, there is a set of accounting policies, procedures and manuals (see point F.3.1) available to all employees on the group's intranet, which serve as reference guidelines for accounting records, financial statements and annual accounts.

**F.4.2 Mechanisms for collecting and preparing financial information using standard formats, applicable and adopted by all units of the entity or group, which support the main financial statements and the notes, as well as the information detailed on the ICFR.**

All of the entities forming part of the Soltec Power Holding Group use the same financial information reporting tools and applications, regardless of the information systems used for the maintenance of accounting records. These tools are continuously reviewed by the IT department.

**F.5. Operational monitoring of the system.**

Report, as a minimum, and indicating its main characteristics, on:

F.5.1 The ICFR monitoring activities performed by the audit committee and whether the entity has an internal audit function whose responsibilities include supporting the committee in its oversight of the internal control system, including ICFR. Also advises on the scope of the ICFR assessment performed in the year and the procedure by which the assessor reports the results of the assessment, if the entity has in place an action plan listing any corrective measures, and whether their impact on financial reporting has been considered.

The Soltec Group maintains a proactive attitude in order to guarantee an updated model that is aligned with the actual circumstances of the business and the best regulatory practices. This analysis and constant monitoring of the ICFR, detecting possible improvements and making the corresponding changes, is conducted by means of the following actions:

- Regular evaluation of the design and effectiveness of controls
- Verification and auditing, in accordance with the Audit Plan agreed for the year, where the review of the implementation of ICFR controls is a significant point within its scope.
- Supervision by the Audit Committee, in relation to the ultimate control over the ICFR model, delegated by the Board of Directors and implemented through the Internal Audit functions.
- Reporting of the weaknesses identified, creating action plans to resolve them, establishing the mechanisms for follow-up and assigning the necessary resources for their fulfilment.

To ensure appropriate coverage of the ICFR review, an Annual Internal Audit Plan is drawn up, which is approved and supervised by the Audit Committee and includes the review thereof.

F.5.2 Whether it has a discussion procedure whereby the auditor (in accordance with the provisions of the AAS), the internal audit function and other experts can communicate to senior management and the audit committee or directors of the entity significant weaknesses in internal control identified during the review of the annual accounts or others entrusted to them. It will also report on whether it has an action plan that seeks to correct or mitigate the weaknesses observed.

The Internal Audit function regularly communicates to senior management and the Audit Committee the internal control weaknesses identified in the process reviews carried out by means of reports issued at the end of each audit. These reports include action plans established for mitigating each weakness identified. The Group's auditor has direct access to the Board of Directors through the Group's Audit Committee and holds regular meetings to report any control weaknesses found in the course of its work. On a yearly basis, the external auditors present a report to management and the Audit Committee detailing the internal control weaknesses identified in the course of their work.

**F.6. Other relevant information.**

The 2021 financial year saw the first deployment and implementation of the Internal Control over Financial Reporting System for Soltec and its affiliates

**F.7. External auditor's report.**

It reports on:

F.7.1 Whether the ICFR information disclosed to the markets has been reviewed by the external auditor, in which case the entity should include the relevant report as an annex. Otherwise, reasons ought to be provided.

The 2021 financial year saw the first deployment and implementation of the Internal Control over Financial Reporting System for Soltec and its subsidiaries and has therefore not been subject to a specific review by the external auditor.

**G. DEGREE TO WHICH CORPORATE GOVERNANCE RECOMMENDATIONS ARE FOLLOWED**

Indicate the company's degree of compliance with the recommendations of the Good Governance Code of Listed Companies.

Where a recommendation is not followed or only partially followed, a detailed explanation of the reasons should be included so that shareholders, investors and the market in general have sufficient information to assess the company's actions. General explanations will not be acceptable.

1. The articles of association of listed companies should not limit the maximum number of votes that may be cast by a single shareholder, nor contain other restrictions that make it difficult to take control of the company by acquiring its shares on the market.

Complies [ X ]                      Explain [ ]

2. When the listed company is controlled, under the terms of Article 42 of the Commercial Code, by another entity, whether listed or not, and has, directly or through its subsidiaries, business relations with that entity or any of its subsidiaries (other than those of the listed company) or carries out activities related to those of any of them, it should publicly disclose specifically the following:

- a) The respective areas of activity and any business relationships between, on the one hand, the listed company or its subsidiaries and, on the other hand, the parent company or its subsidiaries.
- b) The mechanisms in place for resolving potential conflicts of interest that may arise.

Complies [ ]                      Partially complies [ ]                      Explain [ ]                      Not applicable [ X ]

3. During the ordinary general meeting, to supplement the written release of the annual corporate governance report, the chairman of the board of directors should verbally inform shareholders, in appropriate detail, of the most significant aspects of the company's corporate governance and, in particular:

- a) Changes occurring since the previous AGM.
- b) Specific reasons why the company does not follow any of the recommendations of the Corporate Governance Code and, where they exist, the alternative rules it applies in this area.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]

4. The company should define and promote a policy on communication and contact with shareholders and institutional investors in the context of their involvement with the company, as well as with proxy advisors; a policy that fully complies with the rules against market abuse and treats shareholders in the same position on an equal footing. The company should also make this policy public through its website, including information on how it has been put into practice and identifying the interlocutors or those responsible for implementing it.

And that, without prejudice to the legal obligations to disclose inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate (media, social networks or other channels), enabling it to maximise the dissemination and quality of the information available to the market, investors and other stakeholders.

Complies [ X ]      Partially complies [ ]      Explain [ ]

5. The board of directors should not submit to the general meeting a proposal to delegate powers to issue shares or convertible securities, excluding pre-emptive subscription rights, for an amount exceeding 20% of the capital at the time of delegation.

And when the board of directors approves any issue of shares or convertible securities with exclusion of pre-emptive subscription rights, the company should immediately publish on its website the reports on such exclusion referred to in commercial legislation.

Complies [ X ]      Partially complies [ ]      Explain [ ]

6. Listed companies that produce the reports listed below, whether on a mandatory or voluntary basis, should publish them on their website in good time ahead of the ordinary general meeting, even where dissemination is not mandatory:

- a) Report on the independence of the auditor.
- b) Reports on the functioning of the audit, appointments and remuneration committees.
- c) Audit committee report on related-party transactions.

Complies [ X ]      Partially complies [ ]      Explain [ ]

7. The company should broadcast the general shareholders meetings live on its website.

And that the company should have mechanisms that enable proxy voting and voting by telematic means and even, in the case of large cap companies and to the extent proportionate, attendance and active participation in the General Meeting.

Complies [ X ]      Partially complies [ ]      Explain [ ]



8. The audit committee should ensure that the annual accounts submitted by the board of directors to the general shareholders meeting are drawn up in accordance with accounting regulations. And in cases where the auditor has included a qualification in its audit report, the chairman of the audit committee should clearly explain to the general meeting the audit committee's opinion on its content and scope, and make available to shareholders, at the time of publication of the notice convening the meeting, a summary of the board's opinion, together with the rest of the board's proposals and reports.

Complies [ X ]      Partially complies [ ]      Explain [ ]

9. The company should publish on its website, on a permanent basis, the requirements and procedures it will accept for accrediting ownership of shares, the right to attend the general shareholders meeting and the exercise or delegation of voting rights.

And that such requirements and procedures are conducive to the attendance and exercising of shareholders' rights and are applied in a non-discriminatory manner.

Complies [ X ]      Partially complies [ ]      Explain [ ]

10. That when any shareholder entitled to do so has exercised, prior to the holding of the general shareholders meeting, the right to add to the agenda or to submit new proposals for resolutions, the company should:

- a) Immediately circulate such additional points and new proposals for agreement.
- b) Make public a sample attendance card or proxy or remote voting form with the necessary modifications so that new items on the agenda and alternative proposals for resolutions may be voted on subject to the same terms as those proposed by the board of directors.
- c) Put all such alternative items or proposals to the vote and apply the same voting rules to them as to those made by the board of directors, including, in particular, presumptions or deductions as to the direction of the vote.
- d) After the general shareholders meeting, communicate the breakdown of the vote on such supplementary items or alternative proposals.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

Articles 9.5, 9.6 in conjunction with Article 30. 5 paragraphs (i) and (ii) of the Regulations of the General Shareholders Meeting. The presumptions or deductions as to how the vote was taken vary only according to whether or not the item put to the vote had been published before the General Shareholders Meeting was held. In any case, the supplements to the Notice of Meeting requested in due time and form by the shareholders entitled to do so must be published in accordance with arts. 9.5 and 9.6 of the Rules governing the General Shareholders Meeting.

11. If the company intends to pay attendance fees for the general shareholders meeting, it should establish, in advance, a general policy on such fees and that this policy should be consistent.

Complies [ ]      Partially complies [ ]      Explain [ ]      Not applicable [ X ]

12. The board of directors should perform its duties with unity of purpose and independence of judgement, treat all shareholders in the same position equally, and be guided by the corporate interest, understood as the achievement of a profitable and sustainable business in the long term, which promotes its continued existence and growth of the economic value of the company.

And that in the pursuit of the public interest, in addition to respect for laws and regulations and behaviour based on good faith, ethics and respect for commonly accepted customs and good practices, it should seek to reconcile its own corporate interest with, as appropriate, the legitimate interests of its employees, its suppliers, its customers and other stakeholders that may be affected, as well as the impact of the company's activities on the community as a whole and on the environment.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]

13. The board of directors should be of a suitable size to ensure that is run effectively and inclusively, which means that it is advisable for it to have between five and fifteen members.

Complies [ X ]                      Explain [ ]

14. The board of directors should adopt a policy aimed at encouraging an appropriate composition of the board of directors and which should:

- a) Be concrete and verifiable.
- b) Ensures that proposals for appointment or reappointment are based on a prior analysis of the competencies required by the board; and
- c) Encourage diversity of knowledge, experience, age and gender. For these purposes, measures that encourage the company to have a significant number of female senior managers are considered to be conducive to gender diversity.

The result of the prior analysis of the competencies required by the board of directors should be included in the appointments committee's report published when convening the general shareholders meeting to which the ratification, appointment or re-election of each director is submitted.

Compliance with this policy will be verified annually by the appointments committee and reported in the annual corporate governance report.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]

15. Proprietary and independent directors should constitute an ample majority of the board of directors and the number of executive directors should be the minimum necessary, taking into account the complexity of the corporate group and the percentage interest held by executive directors in the company's share capital.

And that the number of female directors should account for at least 40% of the members of the board of directors by the end of 2022 and thereafter, but no less than 30% beforehand.

Complies [  ]      Partially complies [  ]      Explain [  ]

16. The percentage of proprietary directors out of the total number of non-executive directors should not be greater than the proportion between the capital of the company represented by such directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies in which there are few shareholdings that are legally considered to be significant.
- b) In the case of companies with a plurality of shareholders represented on the board of directors and they are not related to each other.

Complies [  ]      Explain [  ]

17. The number of independent directors should represent at least half of the total number of directors.

However, when the company is not a large-cap company or when, even if it is a large-cap company, it has one or more shareholders acting in concert who control more than 30% of the share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies [  ]      Explain [  ]

18. Companies should publish the following information about their directors on their website and keep it up to date:

- a) Professional and biographical profile.
- b) Other boards of directors to which they belong, whether or not they are listed companies, as well as other remunerated activities of any kind.
- c) Indication of the category of director to which they belong, stating, in the case of proprietary directors, the shareholder they represent or with whom they are linked.
- d) Date of his first appointment as a director of the company, as well as subsequent re-elections.
- e) Company shares, and options thereon, held by them.

Complies [  ]      Partially complies [  ]      Explain [  ]

19. The annual corporate governance report, after verification by the appointments committee, should explain the reasons why proprietary directors have been appointed at the request of shareholders whose shareholding is less than 3% of the share capital; and explain the reasons why, where applicable, formal requests for a presence on the board from shareholders whose shareholding is equal to or greater than that of others at whose request proprietary directors would have been appointed have been ignored.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

20. Proprietary directors should tender their resignation when the shareholder they represent transfers their entire shareholding. They should also do so, to the relevant number, when such shareholder reduces its shareholding to a level that requires a reduction in the number of its proprietary directors.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

21. The board of directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the articles of association, except where the board finds just cause, based on a report from the appointments committee. In particular, just cause shall be deemed to exist when the director takes up new posts or acquires new obligations that prevent him from devoting the necessary time to the performance of the duties inherent to the post of director, fails to fulfil the duties inherent to his post or incurs in any of the circumstances that diminish his independent status, in line with the provisions of the applicable legislation.

The removal of independent directors may also be proposed as a result of takeover bids, mergers or other similar corporate operations resulting in a change to the capital structure of the company, when such changes in the structure of the board of directors are prompted by the proportionality criterion set out in Recommendation 16.

Complies [  ]      Explain [  ]

22. Companies should establish rules obliging directors to report and, where appropriate, resign when situations arise that affect them, whether or not related to their actions in the company itself, and which could damage the prestige and reputation of the company; and, in particular, oblige them to inform the board of any criminal proceedings in which they are under investigation, as well as any procedural developments.

And, having been informed or having otherwise become aware of any of the situations mentioned in the preceding paragraph, the board should examine the case as soon as possible and, in view of the specific circumstances, decide, after a report from the Appointments and Remunerations Committee, whether or not to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing his or her removal. And to report thereon in the annual corporate governance report, unless there are special circumstances that justify otherwise, and which must be recorded in the minutes. This without prejudice to the information to be disclosed by the company, where appropriate, at such a time when the corresponding measures are adopted.

Complies [ X ]      Partially complies [ ]      Explain [ ]

23. All directors should clearly express their opposition when they consider that any proposed decision submitted to the board may be contrary to the company's interests. In particular, independent and other directors who are not affected by the potential conflict of interest should do the same in the case of decisions that may be detrimental to shareholders not represented on the board.

And that when the board of directors adopts significant or reiterated decisions about which the director has expressed serious reservations, the director draws the appropriate conclusions and, if he/she chooses to resign, explains the reasons in the letter referred to in the following recommendation.

This recommendation also applies to the secretary of the board of directors, even if he/she is not a director.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

24. When, either by resignation or by resolution of the general meeting, a director leaves office before the end of his or her term of office, he or she should offer a full explanation of the reasons for his or her resignation or, in the case of non-executive directors, their views on the reasons for the removal by the board, in a letter that will be sent to all board members.

And, without prejudice to the disclosure of all of the above in the annual corporate governance report, insofar as it is relevant for investors, the company should publish the resignation as soon as possible, making proper reference to the reasons or circumstances provided by the director.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

25. The appointments committee should ensure that non-executive directors have sufficient time at their disposal for the proper performance of their duties.

And that the Rules governing the Board of Directors should establish the maximum number of company boards on which its directors may sit.

Complies [ X ]      Partially complies [ ]      Explain [ ]

26. The board of directors should meet with the necessary frequency to perform its duties effectively and at least eight times a year, following the schedule of dates and matters established at the beginning of the year, with each director being able to propose other items on the agenda that were not initially foreseen.

Complies [ X ]      Partially complies [ ]      Explain [ ]

27. Director absences should be kept to an absolute minimum and quantified in the annual corporate governance report. And that, when they are to be produced, representation is granted with instructions.

Complies [ X ]      Partially complies [ ]      Explain [ ]

28. When directors or the secretary express concerns about a proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the board meeting, a record should be made of them in the minutes, at the request of the person expressing them.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, including, if circumstances so require, external advice at the company's expense.

Complies [ X ]      Partially complies [ ]      Explain [ ]

30. Regardless of the expertise required of directors for the performance of their duties, companies should also offer directors refresher programmes as the situation requires.

Complies [ X ]      Explain [ ]      Not applicable [ ]

31. The agenda for board meetings should clearly indicate the points on which the board is to adopt a decision or resolution, so that directors can study or obtain the information necessary for its adoption beforehand.

When, exceptionally, for reasons of urgency, the chairman wishes to submit to the board of directors for approval decisions or resolutions not included on the agenda, prior express consent will be required from a majority of directors present, to be duly recorded in the minutes.

Complies [ X ]      Partially complies [ ]      Explain [ ]

32. Directors should be kept regularly informed of movements in shareholdings and of the views of significant shareholders, investors and rating agencies on the company and its group.

Complies [ X ]      Partially complies [ ]      Explain [ ]

33. The chairman, as the person responsible for the proper steering of the board of directors, in addition to the duties assigned by law and the company's articles of association, should prepare and submit to the board of directors a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive; be responsible for managing the board of directors and its effective functioning; ensure that sufficient discussion time is devoted to strategic issues; and agree on and review refresher programmes for each director, as circumstances dictate.

Complies [ X ]      Partially complies [ ]      Explain [ ]

34. When there is a coordinating director, the articles of association or Rules governing the Board of Directors should grant him or her the following powers in addition to those conferred by law to: chair the board of directors in the absence of the chairman and vice-chairmen, if any; reflect the concerns of non-executive directors; liaise with investors and shareholders to ascertain their views in order to form an opinion on their concerns, in particular in relation to the corporate governance of the company; and coordinate the chairman's succession plan.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

35. The secretary of the board of directors should take special care to ensure that in its actions and decisions the board of directors takes into account the recommendations on good governance contained in this Code of Good Governance which are applicable to the company.

Complies [ X ]      Explain [ ]

36. The full board of directors should assess once a year and adopt, where appropriate, an action plan to correct any deficiencies identified with respect to:
- The quality and efficiency in how the board of directors functions.
  - The functioning and composition of its committees.
  - Diversity of composition and competence within the board of directors.
  - The performance of the chairman of the board of directors and the chief executive of the company.
  - The performance and contribution of each director, paying special attention to the heads of the various board committees.

The evaluation of the various committees will be based on the report they submit to the board of directors, and for the evaluation of the board of directors, on the report submitted by the appointments committee.

Every three years, the board of directors will be assisted in its evaluation by an external consultant, whose independence shall be verified by the appointments committee.

Business relationships existing between the consultant or any company in their group and the company or any company in its group should be disclosed in the annual corporate governance report.

The process and areas assessed will be described in the annual corporate governance report.

Complies  Partially complies  Explain

37. When there is an executive committee, at least two non-executive directors should sit on it, at least one of whom should be independent; its secretary should be the secretary of the board of directors.

Complies  Partially complies  Explain  Not applicable

38. The board of directors should always be informed of the business transacted and decisions taken by the executive committee and all members of the board of directors should receive a copy of the minutes of the meetings of the executive committee.

Complies  Partially complies  Explain  Not applicable

39. The members of the audit committee as a whole, and in particular its chairman, should be appointed with regard to their knowledge and experience in accounting, auditing and risk management, both financial and non-financial.

Complies  Partially complies  Explain



40. Under the supervision of the audit committee, there should be an internal audit unit to ensure the effective functioning of internal control and information systems, reporting functionally to the non-executive chairman of the board or the chairman of the audit committee.

Complies [ X ]

Partially complies [ ]

Explain [ ]

41. The head of the unit that takes on the internal auditing duties should present its annual work plan to the audit committee for approval by the latter or by the board, report directly to it on its implementation, including any incidents and limitations on scope that may arise in its development, the results and follow-up of its recommendations, and submit an activities report to it at the end of each year.

Complies [ X ]

Partially complies [ ]

Explain [ ]

Not applicable [ ]

42. That, in addition to those provided for by law, the following functions correspond to the audit committee:

1. In relation to internal control and information systems:
  - a) Supervising and assessing the preparation process and the integrity of financial and non-financial information, as well as the control and management systems for financial and non-financial risks relating to the company and, where appropriate, the group, including operational, technological, legal, social, environmental, political, reputational and corruption-related risks, reviewing compliance with regulatory requirements, properly defining the perimeter of consolidation and the correct application of accounting criteria.
  - b) Ensuring the independence of the unit that takes on the internal auditing duties; proposing the selection, appointment and dismissal of the head of the internal audit service; proposing the budget of the internal audit service; approving or proposing approval to the board of the annual internal audit orientation and work plan, ensuring that its activity is primarily focused on relevant risks (including reputational risks); receiving regular information on its activities; and verifying that senior management takes into account the findings and recommendations of its reports.
  - c) Establishing and overseeing a mechanism to enable employees and other persons connected with the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report potentially significant irregularities, including financial and accounting irregularities, or those of any other nature relating to the company which come to their attention within the company or its group. This mechanism must guarantee confidentiality and, in any case, provide for cases where communications can be made anonymously, respecting the rights of the whistle-blower and the party subject of complaint.
  - d) Ensuring overall that the established internal control policies and systems are effectively implemented in practice.
2. In relation to the external auditor:
  - a) In the event of resignation of the external auditor, looking at the circumstances leading to the resignation.
  - b) Ensuring that the external auditor's remuneration does not compromise the quality or independence of his or her work.
  - c) Monitoring that the company notifies the CNMV of the change of auditor and supports this with a statement on the possible existence of any disagreements with the outgoing auditor and their substance.
  - d) Ensuring that the external auditor holds an annual meeting with the full board of directors to report to it on the work performed and on developments in the company's accounting and risk situation.
  - e) Ensuring that the company and the external auditor comply with existing rules on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, other rules on auditor independence.

Complies [ X ]

Partially complies [ ]

Explain [ ]

43. The audit committee should be able to call on any employee or manager of the company, and even arrange for them to appear without the presence of any other senior management.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]

44. The audit committee should be informed of the structural and corporate modifications that the company plans to implement for its analysis and prior report to the board of directors on their economic conditions and accounting impact and, in particular, where appropriate, on the proposed exchange ratio.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]                      Not applicable [ ]

45. The risk control and management policy should identify or determine at least the following:

- a) The different types of financial and non-financial risks (including operational, technological, legal, social, environmental, environmental, political and reputational risks, including those related to corruption) faced by the company, including financial or economic risks, contingent liabilities and other off-balance sheet risks.
- b) A tiered risk management and control model, including a specialised risk committee where sectoral rules so provide or where the company deems it appropriate.
- c) The level of risk deemed acceptable by society.
- d) The measures in place for mitigating the impact of the risks identified, should they materialise.
- e) The internal control and information systems to be used to monitor and manage such risks, including contingent liabilities or off-balance sheet risks.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]

46. Under the direct supervision of the audit committee or, as the case may be, a specialised committee of the board of directors, there should be an internal risk control and management function exercised by an internal unit or department of the company with the following duties expressly assigned to it:

- a) Ensuring the proper functioning of risk management and control systems and, in particular, that all significant risks affecting the company are adequately identified, managed and quantified.
- b) Actively participating in the development of risk strategy and major risk management decisions.
- c) Ensuring that risk management and control systems adequately mitigate risks within the framework of the policy defined by the board of directors.

Complies [ X ]                      Partially complies [ ]                      Explain [ ]

47. The members of the appointments and remuneration committee – or of the appointments committee and the remuneration committee, if they are separate – should be appointed as having the proper knowledge, skills and experience for the duties they are called upon to perform, and the majority of such members should be independent directors.

Complies  Partially complies  Explain

48. Large-cap companies should have a separate appointments committee and a separate remuneration committee.

Complies  Explain  Not applicable

49. The appointments committee should consult with the chairman of the board of directors and the chief executive of the company, especially on matters relating to executive directors.

And that any director may request the appointments committee to consider potential candidates to fill vacancies on the board, should they consider them suitable.

Complies  Partially complies  Explain

50. The remuneration committee should exercise its functions independently and, in addition to the functions attributed to it by law, it should have the following functions:

- a) Proposing to the Board of Directors the basic terms and conditions of senior management contracts.
- b) Verifying compliance with the remuneration policy established by the company.
- c) Periodically reviewing the remuneration policy applied to directors and senior management, including share-based remuneration schemes and their implementation, and ensuring that their individual remuneration is proportionate to that paid to other directors and senior management of the company.
- d) Ensuring that any conflicts of interest do not impair the independence of the external advice given to the committee.
- e) Verifying the information on directors' and senior management remuneration contained in the various corporate documents, including the annual report on directors' remuneration.

Complies  Partially complies  Explain

51. The remuneration committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior management.

Complies  Partially complies  Explain

52. The rules for the formation and functioning of the supervisory and control committees should feature in the Rules governing the Board of Directors and be consistent with those applicable to legally mandatory committees under the above recommendations, stipulating that:

- a) They are composed exclusively of non-executive directors, with a majority of independent directors.
- b) Their chairs should be independent directors.
- c) The board of directors should appoint the members of these committees, taking into account the knowledge, skills and experience of the directors and the duties of each committee, deliberate on their proposals and reports, and report on their activities at the first board plenary following their meetings, and be accountable for the work carried out.
- d) The committees may seek external advice when they deem it necessary for performing their duties.
- e) Minutes of its meetings should be taken and made available to all directors.

Complies [ X ]

Partially complies [ ]

Explain [ ]

Not applicable [ ]

53. The supervision of compliance with the company's environmental, social and corporate governance policies and rules, as well as internal codes of conduct, should be attributed to one or more committees of the board of directors, which may be the audit committee, the Appointments committee, a committee specialising in sustainability or corporate social responsibility, or another special committee that the board of directors, in the exercise of its powers of self-organisation, has decided to create. And such a committee should be composed solely of non-executive directors, with the majority being independent and given specific minimum functions as set out in the following recommendation.

Complies [ X ]

Partially complies [ ]

Explain [ ]

54. The minimum functions referred to in the above recommendation are as follows:

- a) Overseeing compliance with the company's corporate governance rules and internal codes of conduct, and ensuring that the corporate culture is aligned with its purpose and core values.
- b) Overseeing the implementation of the general policy on financial, non-financial and corporate reporting as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the institution communicates and relates to small and medium-sized shareholders will also be monitored.
- c) The evaluation and periodic review of the corporate governance system and of the company's environmental and social policy, in order that they fulfil their mission of promoting the social interest and take into account, as appropriate, the legitimate interests of other stakeholders.
- d) Monitoring that the company's environmental and social practices are in line with the strategy and policy set.
- e) Monitoring and evaluation of stakeholder engagement processes.

Complies [ X ]

Partially complies [ ]

Explain [ ]

55. Sustainability policies on environmental and social issues should at least identify and include:

- a) The principles, commitments, objectives and strategy with regard to shareholders, employees, customers, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal practices.
- b) Methods or systems for monitoring compliance with policies, associated risks and their management.
- c) The mechanisms for monitoring non-financial risk, including those related to ethical and business conduct issues.
- d) The channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that prevent manipulation of information and protect integrity and honour.

Complies [ X ]

Partially complies [ ]

Explain [ ]

56. Directors' remuneration should be sufficient to attract and retain directors of the desired profile and to reward the dedication, qualification and responsibility that the post requires, but not so high as to influence the independent judgement of non-executive directors.

Complies [ X ]

Explain [ ]

57. Variable remuneration linked to the company's performance and personal performance, as well as remuneration in the form of shares, options or rights over company stock or instruments indexed to the value of the share and long-term savings schemes such as pension plans, retirement schemes or other social welfare systems, should be reserved for executive directors.

The provision of shares as remuneration to non-executive directors may be considered on the condition of holding them until they cease to be directors. The foregoing will not apply to shares which the director needs to dispose of, where applicable, in order to meet the costs related to their acquisition.

Complies [ X ]      Partially complies [ ]      Explain [ ]

58. In the case of variable remuneration, remuneration policies should include limits and technical safeguards to ensure that such remuneration reflects the professional performance of the beneficiaries and not merely general changes in the market or the company's sector of activity or other similar circumstances.

And, in particular, that the variable components of remuneration:

- a) Are linked to predetermined, measurable performance criteria, which take into account the risk assumed in order to achieve an outcome.
- b) Promote the sustainability of the company and include non-financial criteria that are appropriate for long-term value creation, such as compliance with the company's internal rules and procedures and its policies for risk control and management.
- c) Are configured on the basis of a balance between meeting short-, medium- and long-term objectives, allowing performance to be rewarded for sustained performance over a period of time long enough to appreciate their contribution to sustainable value creation, so that the performance measures are not solely based on one-off, occasional or extraordinary events.

Complies [ ]      Partially complies [ X ]      Explain [ ]      Not applicable [ ]

In 2021, the Long-Term Incentive Plan included pre-determined and measurable performance criteria such as EBITDA, total shareholder return and Free Cash Flow. The Long-Term Incentive Plan did not include non-financial or sustainability criteria in 2021, but there are plans to include them in 2022. Although the vesting period of the Incentive Plan is set to be long-term, the calculation periods are annual and include short-term targets.

59. The payment of variable components of remuneration is subject to proper verification that the performance or other conditions set out above have actually been met. Entities will include in the annual directors' remuneration report the criteria for the time required and methods for such verification depending on the nature and characteristics of each variable component.

In addition, institutions should consider the establishment of a malus clause based on the deferral for a sufficient period of time of the payment of a part of the variable components that implies their total or partial loss in the event that, prior to the time of payment, some event occurs that makes it advisable to do so.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

No bonus malus is foreseen in the configuration of the Long-Term Incentive, but a grace period of one year is established at the end of each Vesting Period and prior to the payment of the incentive, in which compliance with the established objectives is checked. Since the objectives set in 2021 are financial in nature, their fulfilment must be verified during the Exclusion Period by the Audit Committee, the External Auditor and the Appointments and Remuneration Committee.

60. Remuneration linked to the company's results should take into account any qualifications stated in the external auditor's report and reduce those results accordingly.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

This point is not foreseen in the Long-Term Incentive Plan in force in 2021 but it is the Company's intention to include specific clauses to cover this eventuality.

61. A relevant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments referenced to their value.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

The Incentive Plan rules stipulate that incentives are paid through the delivery of shares in the Company, and include some cases in which it is possible to deliver the incentive in cash, but such cases are isolated and duly justified:

- where the Company does not have sufficient treasury shares to deliver Scheme Shares to Participants under the Plan;
- in the event of the winding up of the Company
- if the Company determines (acting reasonably) that delivering some or all of the Scheme Shares to any Participant on any relevant date is materially prejudicial to the Company for any reason, including as a result of any applicable law preventing the delivery of Ordinary Shares on that date or if the delivery of Ordinary Shares to such Participant would result in (i) such Participant being required to make a tender offer for all of the Company's securities in accordance with applicable Spanish securities tender offer regulations, or (ii) a breach of the applicable Spanish regulations on takeover bids, or (iii) a breach of the circulars, operating instructions and other internal regulations of the Spanish Stock Exchanges, in which case the Company will pay in cash some or all of the undelivered Scheme Shares due to such Participant under the Plan.



62. Once the shares, options or financial instruments corresponding to the remuneration systems have been allocated, executive directors may not transfer ownership or exercise them until a period of at least three years has elapsed.

An exception is made where the director maintains, at the time of the transfer or exercise, a net economic exposure to changes in the share price of a market value equivalent to an amount of at least twice his annual fixed remuneration through the ownership of shares, options or other financial instruments.

The foregoing will not apply to shares that the director needs to dispose of in order to meet the costs related to their acquisition or, subject to the favourable opinion of the appointments and remuneration committee, in order to deal with extraordinary circumstances that so require.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

No provision is made for this. The Executive Director's variable remuneration system, which is based on shares, has an extended vesting period of two years for each of the two tranches of which it is composed, plus a vesting period of one year prior to the delivery of shares, and is therefore configured as a long-term remuneration, and hence it was not considered necessary to include an additional lock-up period.

63. Contractual arrangements should include a clause allowing the company to claim reimbursement of variable components of remuneration where payment has not been in line with performance conditions or where they have been paid on the basis of data subsequently found to be inaccurate.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

Clauses to cover these scenarios are expected to be implemented during the 2022 financial year.

64. Payments for termination or expiry of the contract should not exceed an amount equivalent to two years of the total annual remuneration and should not be paid until the company has been able to verify that the director has complied with the criteria or conditions established for receiving them.

For the purposes of this recommendation, termination or contractual termination payments include any payments whose accrual or payment obligation arises as a result of or in connection with the termination of the director's contractual relationship with the company, including amounts not previously vested in long-term savings schemes and amounts paid under post-contractual non-competition agreements.

Complies [  ]      Partially complies [  ]      Explain [  ]      Not applicable [  ]

Article 6.4.v of the remuneration policy:  
"Termination of the Executive Director's contract for the reasons set out in (iii) or (v) above shall entitle the Executive Director 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)."

#### H. OTHER INFORMATION OF INTEREST

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1. If there are any relevant aspects of corporate governance in the company or in the entities of the group that have not been included in the other sections of this report, but which it is necessary to include in order to provide fuller and reasoned information on the structure and practices of governance in the company or its group, briefly describe them.
2. This section may also include any other information, clarification or specification related to the previous sections of the report to the extent that they are relevant and not reiterative.

Specifically, indicate whether the company is subject to corporate governance legislation other than Spanish law and, if so, include the information that it is obliged to provide and which differs from that required in this report.

3. The company may also indicate whether it has voluntarily adhered to other international, sectoral or other codes of ethical principles or best practices. Where applicable, identify the code in question and the date of accession. In particular, it will be noted whether it has adhered to the Code of Good Tax Practices of 20 July 2010:

The company has an interest in augmenting its internal voluntary compliance. In 2021, there was an opportunity to enhance and improve the degree of compliance with the recommendations and the development of corporate governance through the approval of various policies outlined in this report and the enhanced activity and powers of the governing bodies, especially in comparison to 2020, when the time for compliance with the recommendations and guidelines was limited to the short listing period of two months. It is the Company's wish to continue in this line of improvement and development over the coming years.

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

[ 22/03/2021 ]

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

[ ] Yes  
[ v ] No



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

*Translation of consolidated financial statements  
originally issued in Spanish and prepared in accordance  
with IFRS-EU standards (see Note 2.1). In the event of a  
discrepancy, the Spanish-language version prevails.*

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**ISSUER IDENTIFICATION DATA**

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End date of the reporting period:

[ 31/12/2021 ]

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.

A description must be given of the specific determinations for the current year, both of the remuneration of directors for their status as such and for the performance of executive duties, which have been made by the board in accordance with the provisions of the contracts entered into with the executive directors and the remuneration policy approved by the general meeting.

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

- 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, the transparency and correct 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 Board Regulations, which sets the criterion of remuneration for the position of director.

The current Remuneration Policy was approved on 6 October 2020 by the Company's General Shareholders Meeting, at the proposal of its Board of Directors, and came into force at the time of admission to trading of the Company's shares on the stock exchanges. This Policy will remain in force for the financial years 2021, 2022 and 2023.

The Remuneration Policy has been prepared taking into account the importance of the Company, its economic situation, market standards for comparable companies and the dedication of the directors to the Company. The remuneration established maintains a suitable proportion

and promotes the long-term profitability and sustainability of the Company, incorporating 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 Directors' independence.

In short, the purpose of the Remuneration Policy is to define and control the remuneration practices of the Company in relation to its

directors, contributing to the sustainable creation of value for its shareholders over the long term.

The Remuneration Policy has been drafted with the assistance of external advisers, specifically the law firm Uría Menéndez, which provided references on the usual practice of comparable companies.

No exceptions to the Remuneration Policy are provided for in the Remuneration Policy.

**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 risks and align it with the long-term targets, values and interests of the company, including, where appropriate, a reference to measures envisaged to ensure that the remuneration policy addresses the long-term performance of the company, measures taken in relation to those categories of personnel whose professional activities

have a material impact on the company's risk profile and the 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.

On the Board of Directors, only the Company's CEO receives variable components in his/her remuneration. His/her remuneration has taken into account the necessary balance between his/her fixed remuneration and the variable component, consisting of his/her participation in the ILP.

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 remuneration crystallised in this ILP is based on the principles of the Remuneration 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 45% 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. There is no specific provision requiring the restitution of shares if the data on the basis of which delivery has been decided are inaccurate, but such a provision is envisaged.

#### **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 309,000 euros.

This maximum amount shall remain the same until the General Shareholders Meeting determines otherwise.

This limit does not include: (a) any salary, compensation of any nature or payment otherwise 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 liability

insurance taken out by the Company for its directors; and (c) any reimbursement of out-of-pocket expenses incurred by the

directors when attending meetings of the board of directors or of any of its committees. However, the Company has not yet approved the Directors' per diem policy. Given that most sessions have not required

travel by Directors, the Company has directly arranged transport and accommodation for Directors rather than pocketing the costs. The Board's per diem policy is expected to be adopted in 2022.

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 (309,000 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.

309,000 is expected to accrue in 2022 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).

#### **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.

The annual fixed remuneration to be accrued in the financial year 2022 will be EUR 190,083 in accordance with the Chief Executive Officer Agreement.

#### **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.

Only the Chief Executive Officer receives remuneration in kind. The following amounts are expected to accrue in 2022 for the following items:

Company car €20,530.44  
Life insurance €2,097.66  
Pension plan €8,000  
Medical 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, explaining the extent to which such parameters are related to the performance of both the director and the company and its risk profile, and the methodology, timeframe and techniques foreseen to be able to determine them, at the end of the financial year, the effective 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 for verifying that the performance or other conditions to which the vesting and consolidation 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 only variable components are the aforementioned Long Term Incentive Plan (ILP or LTIP), a long-term variable remuneration plan consisting of the delivery of shares in the Company as long as the pre-set targets are met.

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

This plan operates as a long-term variable remuneration plan, as the payout periods occur in year 3 and 5 of the plan, but incorporates targets set annually. The targets set out in the plan consist of a target linked to consolidated EBITDA (25% weight), a target linked to shareholder return (50%) and a target linked to free cash flow (25%).

It is envisaged that in 2022 the categories of the Incentive Plan will be modified to include a non-financial criterion: in particular, it is anticipated that the target linked to free cash flow will be replaced by a target related to the maintenance or achievement of improved ESG ratings awarded to the company in 2021. These ratings are prepared by independent agencies, which ensures their objectivity, independence and transparency, and include criteria linked to environmental impact, sustainability, social aspects and corporate governance. It is envisaged to allocate a weight of 25% to this target, replacing the free cash flow.

The Incentive Plan, which came into force on 1 January 2021, has two vesting periods, the first from 1 January 2021 to 2 January 2023, and the second from 3 January 2023 to 4 January 2025. After each vesting period, a 1-year grace period begins, during which the Company will check whether or not the established targets have been met.

The characteristics of the scheme are set out in more detail in section B.

If the targets are met in 2022, the CEO will be entitled to receive, after the end of the vesting period, the amount of €228,764 in the form of shares in the Company, this being the maximum amount to be received.

**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

a. Policyholder: Soltec Power Holdings

b. Insured Party: CEO

Duration: From 00:00 hours on 24/3/2021 until the death of the Insured or until the Policyholder decides to terminate the contract

d. Risk and sums insured:

i. 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.

ii. In the event of the death of the Insured, and provided that this occurs before the policyholder decides to terminate the contract, Allianz Seguros will 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.

e. 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.

f. 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.

g. Under the policy, the policy is not linked to the achievement of certain targets or benchmarks related to the short- and long-term performance of the director.

h. Total capital contributed by SPH during 2021: €6,666.66

i. 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:

(iii) Commitment to minimum period of tenure: the contract must remain in force for at least 4 years from the date of admission to

trading of the company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Spanish Stock Exchange Interconnection

System (SIBE). In this respect, if the CEO terminates his/her Contract with the Company without just cause before the end

of such minimum period of tenure, the Company shall be entitled to receive from him/her compensation equal to the gross fixed remuneration to which the CEO would have been entitled during the remainder of the minimum period of tenure.

If before the end of the minimum period of tenure the CEO is removed as Chief Executive Officer of the Company

or his/her contract is terminated by the Company, the CEO shall be entitled to receive compensation equal to the gross fixed remuneration he/she would have been entitled to receive during the remaining period of his/her tenure, 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.

(v) Causes 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 CEO with three months' notice, on pain of indemnifying the Company, in the event of non-compliance, with an amount equivalent to his/her fixed remuneration for the current year corresponding to the unfulfilled notice period; (iii) the

wish of the Company for any reason whatsoever, including those set out in the Articles of Association, without it being related to a serious or negligent breach

of the CEO's duties; (iv) a decision by the Company as a result of grossly wrongful and culpable conduct in the performance of the CEO's duties; and (v) a structural change 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.

(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 190,038 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: 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 the CEO terminates his/her contract with the Company without just cause before the end of such minimum period of tenure, the Company shall be entitled to receive from him/her compensation equal to the gross fixed remuneration to which the CEO would have been entitled

for the remainder of the minimum period of residence.

If before the end of the minimum period of tenure the CEO is removed as Chief Executive Officer of the Company

or his/her contract is terminated by the Company, the CEO shall be entitled to receive compensation equal to the gross fixed remuneration he/she would have been entitled to receive during the remaining period of his/her tenure, 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.



(i) However, this exclusivity commitment shall not prevent the Chief Executive Officer from (a) continuing to serve as a non-executive director of Powertis, S.A., (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 performing the relevant functions in those companies, provided that none of the foregoing (i) interferes with the

responsibilities of the Chief Executive Officer to the Company, nor (ii) breach his/her 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 CEO with three months' notice, on pain of indemnifying the Company, in the event of non-compliance, with an amount equivalent to his/her fixed remuneration for the current year corresponding to the period of notice not given; (iii) the

wish of the Company for any reason whatsoever, including those set out in the Articles of Association, without it being related to a serious or negligent breach

of the CEO's duties; (iv) a decision by the Company as a result of grossly wrongful and culpable conduct in the performance of the CEO's duties; and (v) a structural change or change of control.

Termination of the CEO's contract 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,

(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

his/her position.

(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.

No such modifications are anticipated.

- 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/2021/04/Politica-de-remuneraciones.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 by a large majority of 97.84% of the votes cast.

## **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 section 5 of the Remuneration Policy, which was approved by resolution of the Board on 6 October 2020. This article establishes the amounts corresponding to the following items of remuneration: membership of the board, membership of committees, chair of committees and status of coordinating director. The amounts in section C have been determined by direct application of section 5 of the Remuneration Policy, with each Director being paid the amounts set out therein. In the case of fixed amounts, no involvement of the CNR, the board or external advisers has been necessary for their determination.

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

No deviation has occurred.

- 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.

There have been no exceptions.

- B.2.** Explain the different 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 long-term targets, values and interests, including a reference to the measures that have been taken to ensure that accrued remuneration has addressed the company's long-term performance and achieved the company's long-term targets

an appropriate balance between 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 institution's risk profile, and what measures have been taken to avoid conflicts of interest, if any.

The main measures taken by the Company in 2201 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 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 generating 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 since the targets set by the Board of Directors for 2021, the first calculation period of the long-term incentive plan, have not been met, no remuneration has accrued under this plan in 2021 for either the CEO or the management team. These targets set EBITDA, free cash flow and shareholder return levels that have not been achieved.

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.

**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 Remuneration Policy, the Board of Directors has decided, for payment as a fixed allowance, that the following shall be paid to the Board of Directors

annual amounts for the benefit of its members, as follows:

- 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.

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. As explained in the previous section, no amount has accrued under the ILP in 2021 as the fixed targets have not been met. As the Company's performance has not reached the thresholds that were set by the Board of Directors for 2021, the variable remuneration earned by the CEO in 2021 is reduced to 0.

**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	77,100,174	100.00

	Number	% of issued
Votes against	1,519,663	1.97
Votes for	75,435,152	97.84
Blank votes		0.00
Abstentions	145,359	0.19

Remarks

**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. Accordingly, in application of the above, the salaries accrued and consolidated by the executive director during the financial year 2021 amounted to €190,038 for the fixed salary, €6,666.66 for the pension plan contribution, €2,097.66 for the life insurance premium, €666.96 for the medical insurance and €21,043.70 for the company car, with €0 in variable remuneration within the ILP. Therefore, there is a slight increase in the fixed salary compared to 2020, the inclusion of the aforementioned in-kind remuneration items and the inclusion in the long-term incentive plan, even though the plan has not accrued any amount in 2021.

**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:

There is no short-term variable for any of the Directors

Explain the long-term variable components of remuneration systems:

The only director included in the LTIP is the executive director.

The Plan aims to compensate and motivate Participants by enabling them to be part of the Company's value creation by establishing a link between their

remuneration and the performance of the Scheme Shares over the long term. The award of Scheme Shares or participation in the Scheme shall not entitle the

Participant to future incentive awards or to participate in any other scheme approved

by the Company if the right to do so is not expressly granted by Soltec.

The Plan entered into force on 1 January 2021.

Scheme Shares will be vested and may be delivered to Participants only at the end of the following two consecutive periods (the

"Vesting Periods")

- The first Vesting Period shall begin on 1 January 2021 and end on 2 January 2023.

- The second Vesting Period shall begin on 3 January 2023 and end on 4 January 2025.

Shares in the Plan will only vest when the vesting conditions and criteria, as determined by the Board of Directors and described

below, are met at the expiry of each Vesting Period (the "Vesting Date"):

A) Condition of permanence in employment

In the event of the termination of the employment or service contract (as applicable) of any Participant prior to the end of the relevant Vesting Period, such

Participant shall not be entitled to any Incentive under the Plan in respect of any Vesting Period

terminating after such finalisation. This is irrespective of the cause of termination of the employment or commercial relationship.

As an exception to the foregoing, if the termination of the relationship of the Unit-holder with the Company is due to death, permanent absolute incapacity,

retirement or dismissal recognised or declared unfair by a final court decision, the Participant shall be entitled to receive the Scheme Shares to which he/she may be entitled as if his/her relationship with the Company had continued until the end of the Vesting Period following such termination. In such exceptional cases, the Participant or the Participant's heirs, as applicable,

shall not be subject to any Grace Period (as defined below) and shall be entitled to the delivery of the Scheme Shares on maturity of the relevant Vesting Period, provided that all other conditions required by the Plan for their receipt are fulfilled. Accordingly, the performance conditions shall remain fully in force and shall apply, with the sole exception of the

performance appraisal (as defined below), which will no longer be applicable as a performance condition.

B) Performance conditions

The number of Scheme Shares that will actually be delivered to each Participant at the end of each Vesting Period, subject to compliance

of the continuity of employment condition described above, will depend on the fulfilment of the following three performance conditions:

1. The Participant achieves a minimum rating of "B2" in the performance appraisal conducted in each Performance Period (the "performance appraisal"); and

2. The Participant achieves 75% of the annual individual and area targets set by his/her direct superior in each Performance Period in the framework of the "Target Based Appraisal"; and  
3. Annual compliance with three performance criteria: "Total Shareholder Return", "Adjusted EBITDA" and "Free Cash Flow" (set out below) calculated over a period from 1 January of each year to 31 December of the same year for the two years included in each Vesting Period (the "Calculation Period").

The number of Scheme Shares to be actually delivered to each Participant at the end of each Vesting Period shall be:

(i) Zero if the Participant does not pass the Performance Appraisal; or does not achieve 75% of the individual and area targets.

(ii) Equal to 100% of the maximum Scheme Shares granted to such Participant during such vesting period on the date of approval of the Plan multiplied by a rate

(the "Global Allocation Rate") equal to the weighted average of the "Total Shareholder Return Allocation Rate"

(50%), the "Adjusted EBITDA Allocation Rate" (25%) and the "Free Cash Flow Allocation Rate" (25%), defined below and calculated annually on the basis of Total Shareholder Return, Adjusted EBITDA and Free

Cash Flow, respectively, in accordance with the following rules.

Number of shares to be delivered at the end of each vesting period: Maximum shares of the vesting period x Overall Allocation Rate

Overall allocation rate = (50% x "Total Shareholder Return Allocation Rate") + (25% x "Adjusted EBITDA Allocation Rate")

+ (25% x "Free Cash Flow Allocation Rate")

The overall allocation rate may in no case exceed 100%.

Total Shareholder Return Allocation Rate: This performance criterion corresponds to an average achievement of Total Shareholder Return against the Total Return Target over the entire Calculation Period. "Total Shareholder Return" is the return to shareholders over a specific Calculation Period (as defined below) equivalent to the sum of

(i) the change in the closing price of the Company's ordinary shares on the Spanish Stock Exchanges at the close of trading of the Company's shares on the

commencement and finalisation date of the applicable Calculation Period less the net proceeds of any issue of ordinary shares

during such Calculation Period; and (ii) the total dividends (or any other form of remuneration or distribution to shareholders) paid in such Calculation Period (the combined total of (i) and (ii)).

"Total Shareholder Return Target" means the Total Shareholder Return set as a target by the Board of Directors at the beginning of each Calculation Period. The Total Shareholder Return Target for the first Calculation Period has been approved and set by the Board of Directors at 10% per annum.

For each Calculation Period in the Vesting Period, the percentage of (i) actual Total Shareholder Return over the (ii) Target Total Shareholder Return (as an annual rate, the "RTA Annual Achievement Rate") will be calculated.

At the end of the Vesting Period, the arithmetic mean of the Annual RTA Achievement Rates for each Calculation Period in the Vesting Period (the

"RTA Achievement Rate" or "R") shall be calculated and the Board of Directors of the Company shall determine the Total Return Allocation Rate

for Shareholders corresponding to such RTA Achievement Ratio, as follows:

If R is less than 85% 0%

If R equals 85% but less than 95% 50%

If R is equal to or greater than 95% but less than 100% 75%

If R is equal to or greater than 100% but less than 110%

100% If R is equal to or greater than 110% 110%

Adjusted EBITDA Achievement Rate: This performance criterion corresponds to an average achievement of Adjusted EBITDA against the Adjusted EBITDA Target over the entire Calculation Period.

"Adjusted EBITDA" is the result of EBITDA + Losses, impairment and changes in provisions for trading operations - Allocation to provisions

for guarantees.

In turn, EBITDA is defined as:

Net margin + Other operating income + Work performed by the Group on its assets - Losses, impairment losses and changes in provisions due to

commercial operations + Allocation to provisions for guarantees.

"Adjusted EBITDA Target" means the Adjusted EBITDA set as a target by the Board of Directors and which will vary from one Calculation Period to the next

and shall be approved by the Board of Directors at the beginning of each Calculation Period. The Adjusted EBITDA Target for the first Calculation

Period has been approved and set by the Board of Directors at €30.8 million.

For each Calculation Period in the Vesting Period, the percentage of (i) actual Adjusted EBITDA over the (ii) Adjusted EBITDA Target (as an annual rate, the "ADJUSTED EBITDA Annual Achievement Rate") shall be calculated.

At the end of the Vesting Period, the arithmetic mean of the Adjusted Annual EBITDA Achievement Rate for each Calculation Period in the Vesting

Period (the "Adjusted EBITDA Achievement Rate" or "E") shall be calculated and the Board of Directors shall determine the EBITDA Allocation Rate

Adjusted corresponding to said Adjusted EBITDA Achievement Rate, as follows: If E is less than 85%

0%

If E equals 85% but less than 95% 50%

If E is equal to or greater than 95% but less than 100% 75%

If E is equal to or greater than 100% but less than 110% 100%

If E is equal to or greater than 110% 110%

Free Cash Flow Achievement Rate: This performance criterion corresponds to an average Free Cash Flow achievement against the Free Cash Flow Target over the entire Calculation Period.

"Free Cash Flow" represents the cash a company generates after accounting for cash outflows to support operations and

maintain its capital assets, calculated as follows:

EBIT = operating profit or loss derived from the income statement for the calculation period.

EBIT x (1- tax rate) Current Profit and Loss Statement

+ Depreciation and amortisation Current profit and loss statement

-Changes in Working Capital Previous and current balance sheet: current assets and current liabilities accounts

-Capital Expenditure (CAPEX) Past and current balance sheets: property, plant and equipment

"Free Cash Flow Target" means the Free Cash Flow target set by the Board of Directors, which shall vary from Calculation Period to Calculation Period and shall be approved by the Board of Directors at the beginning of each Calculation Period. The Free Cash Flow Target for the

the first Calculation Period has been approved and set by the Board of Directors at €13.7 million.

For each Calculation Period in the Vesting Period, the percentage of (i) Actual Free Cash Flow over (ii) Target Free Cash Flow (as an annual rate, the "Annual FEL Achievement Rate") will be calculated.

At the end of the Vesting Period, the arithmetic mean of the Annual FEL Achievement Rate for each Calculation Period in the Vesting Period (the "FEL

Achievement Rate" or "C") shall be calculated and the Board of Directors shall determine the corresponding Free Cash Flow Allocation Rate

for said FEL Achievement Rate, as follows:

If C is less than 85% 0%

If C equals 85% but less than 95% 50%

If C is equal to or greater than 95% but less than 100% 75%

If C is equal to or greater than 100% but less than 110%

100% If C is equal to or greater than 110% 110%

Global Allocation Rate: For each Vesting Period, the Overall Allocation Rate is the weighted average of the Total Shareholder Return Allocation Rate (50%), the Adjusted EBITDA Allocation Rate (25%), and the Free Cash Flow Allocation Rate (25%).

At the end of each Vesting Period, the Board of Directors shall determine whether or not the performance conditions for the Vesting Period have been met

by successively setting: (i) the Performance Appraisal for each Participant; (ii) the Individual and Area Targets Appraisal for each Participant; (iii) the Total

Shareholder Return Allocation Ratio; (iv) the Adjusted EBITDA Allocation Ratio; and

(v) the Free Cash Flow Allocation Rate.

If, for a given Participant, the multiplication of the number of Scheme Shares initially granted by the Global Allotment Rate for the Vesting Period results in a fractional number of Scheme Shares to be delivered, such number shall be rounded down to the whole number.

In any event, the maximum number of Scheme Shares to be delivered may not exceed the maximum number of Scheme Shares

initially granted at the date of approval of the Plan, subject to the adjustments set out below.

#### CALCULATION AND DELIVERY OF THE ACTIONS OF THE PLAN

The financial department of the Company, headed by the Chief Financial Officer, and the Chief Organisation Officer, shall make the relevant calculations of the Scheme Shares to be delivered in each Vesting Period under the Plan upon receipt of the

auditors' report on the latest unqualified calculation period

These calculations shall be submitted to the Appointments and Remuneration Committee, which shall review them and, if deemed appropriate, submit them to the Board of Directors for approval.

The Board of Directors shall approve the Incentive payable under the Plan.

The Shares will be delivered 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 Board of Directors shall make all arrangements to deliver Scheme Shares, if any, to Participants as soon as practicable thereafter and may use, subject to the required approvals, any of the procedures and mechanisms available in

law to complete such delivery, including without limitation, issuing new ordinary shares, purchasing treasury shares or entering into agreements with third

parties.

The Board of Directors may elect to pay all or part of the Incentive under this Plan in the form of a cash payment instead of through the delivery of Plan Actions, if: (i) the Company does not hold sufficient treasury shares to deliver Scheme Shares to Participants under the Plan; or (ii) there is Winding-up of the Company (as defined below).

Such cash payment in case (i) above shall be equal to the amount which would be required (after deduction of any tax applicable

thereto) to subscribe for the relevant number of newly issued Scheme Shares or to acquire existing Scheme Shares of the Company. In this regard, the Company will put in place the necessary arrangements to ensure that Participants subscribe for the relevant number of newly issued Scheme Shares or acquire existing Scheme Shares from the Company.

The share price used to determine this cash payment shall be the closing price of the Company's ordinary shares on the

Spanish Stock Exchanges at the close of trading on the expiry date of the applicable Vesting Period.

The delivery of Scheme Shares will be communicated through the publication of a notice of other relevant information with the CNMV.



**IMPLEMENTATION IN 2021**

The plan described above came into effect on 1 January 2021 with the targets detailed above. However, due to various reasons, in particular the economic situation resulting from Covid-19, these targets were not achieved in 2021. Accordingly, in the 2021 calculation period of the Incentive Plan, no variable remuneration accrued (or was paid) to the Chief Executive Officer (or any other director) under the plan.

**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 systems whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survival benefits, which are financed partially or totally by the company, whether internally or externally endowed, 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 its compatibility with any type of compensation for early termination or rescission of the contractual relationship between the company and the director.

Savings Insurance

•Main features

a. Policyholder: Soltec Power Holdings

b. Insured Party: CEO

c. Duration: From 00:00 hours on 24/3/2021 until the death of the Insured or until the Policyholder decides to terminate the contract

d. Risk and sums insured:

i. 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.

ii. In the event of the death of the Insured, and provided that this occurs before the policyholder decides to terminate the contract, Allianz Seguros will 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.

e. 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.

f. 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.

g. Under the policy, the policy is not linked to the achievement of certain targets or benchmarks related to the short- and long-term performance of the director.

h. Total capital contributed by SPH during 2021: €6,666.66

i. 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 the wish 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 conditions



of new contracts signed with executive directors during the year, unless they are explained in section A.1.

Not applicable

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

None exist

**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.

None have occurred

**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 2021 for the following items:

Company car €21,043.70  
Life insurance €2,097.66  
Pension plan €6,666.67  
Medical 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 applicable

**B.16.** Explain and list 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 applicable

**C. DETAILS OF THE INDIVIDUAL REMUNERATION CORRESPONDING TO EACH DIRECTOR**

Name	Type	Vesting period 2021
Mr FERNANDO CABALLERO DE LA SEN	Coordinating Director	From 01/01/2021 to 31/12/2021
Mr RAÚL MORALES TORRES	Chief Executive Officer	From 01/01/2021 to 31/12/2021
Mr JOSÉ FRANCISCO MORALES TORRES	Proprietary Director	From 01/01/2021 to 31/12/2021
Mr MARCOS SÁEZ NICOLÁS	Proprietary Director	From 01/01/2021 to 31/12/2021
Ms NURIA ALIÑO PÉREZ	Independent Director	From 01/01/2021 to 31/12/2021
Ms MARÍA SICILIA SALVADORES	Independent Director	From 01/01/2021 to 31/12/2021
Ms MARINA MORENO DÓLERA	Proprietary Director	From 01/01/2021 to 31/12/2021

**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 2021	Total financial year 2020
Mr FERNANDO CABALLERO DE LA SEN	40		40						80	18
Mr RAÚL MORALES TORRES				190					190	183
Mr JOSÉ FRANCISCO MORALES TORRES	30		5						35	8
Mr MARCOS SÁEZ NICOLÁS	30								30	7
Ms NURIA ALIÑO PÉREZ	30		33						63	14

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 2021	Total financial year 2020
Ms MARÍA SICILIA SALVADORES	30		38						68	15
Ms MARINA MORENO DÓLERA	30		3						33	7

Remarks

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

Name	Name of the Plan	Financial instruments at the beginning of the financial year 2021		Financial instruments granted during the financial year 2021		Consolidated financial instruments during the year				Expired and unexercised instruments	Financial instruments at the end of the financial year 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent/vested shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. Equivalent shares
Mr FERNANDO CABALLERO DE LA SEN	Scheme							0.00				
Mr RAÚL MORALES TORRES	LTIP	17,903,520						0.00			17,903,520	
Mr JOSÉ FRANCISCO MORALES TORRES	Scheme	8,298						0.00			8,298	
Mr MARCOS SÁEZ NICOLÁS	Scheme	4,149						0.00			4,149	
Ms NURIA ALIÑO PÉREZ	Scheme							0.00				

Name	Name of the Plan	Financial instruments at the beginning of the financial year 2021		Financial instruments granted during the financial year 2021		Consolidated financial instruments during the year				Expired and unexercised instruments	Financial instruments at the end of the financial year 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent/vested shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. Equivalent shares
Ms MARÍA SICILIA SALVADORES	Scheme							0.00				
Ms MARINA MORENO DÓLERA	Scheme							0.00				

Remarks

[ ]

iii) Long-term savings schemes.

Name	Remuneration for vesting of rights to savings schemes
Mr FERNANDO CABALLERO DE LA SEN	
Mr RAÚL MORALES TORRES	7
Mr JOSÉ FRANCISCO MORALES TORRES	
Mr MARCOS SÁEZ NICOLÁS	
Ms NURIA ALIÑO PÉREZ	
Ms MARÍA SICILIA SALVADORES	
Ms MARINA MORENO DÓLERA	

Name	Company contribution for the year (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings schemes with vested economic rights		Savings schemes with unvested economic rights		Savings schemes with vested economic rights		Savings schemes with unvested economic rights	
	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020
Mr FERNANDO CABALLERO DE LA SEN								
Mr RAÚL MORALES TORRES			7				7	
Mr JOSÉ FRANCISCO MORALES TORRES								
Mr MARCOS SÁEZ NICOLÁS								
Ms NURIA ALIÑO PÉREZ								
Ms MARÍA SICILIA SALVADORES								
Ms MARINA MORENO DÓLERA								

Remarks

iv) Details of other items

Name	Concept	Amount of remuneration
Mr FERNANDO CABALLERO DE LA SEN	Concept	
Mr RAÚL MORALES TORRES	Company car, life insurance and medical insurance	24

Name	Concept	Amount of remuneration
Mr JOSÉ FRANCISCO MORALES TORRES	Concept	
Mr MARCOS SÁEZ NICOLÁS	Concept	
Ms NURIA ALIÑO PÉREZ	Concept	
Ms MARÍA SICILIA SALVADORES	Concept	
Ms MARINA MORENO DÓLERA	Concept	

Remarks

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 2021	Total financial year 2020
Mr FERNANDO CABALLERO DE LA SEN										
Mr RAÚL MORALES TORRES										
Mr JOSÉ FRANCISCO MORALES TORRES										
Mr MARCOS SÁEZ NICOLÁS										
Ms NURIA ALIÑO PÉREZ										
Ms MARÍA SICILIA SALVADORES										

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 2021	Total financial year 2020
Ms MARINA MORENO DÓLERA										

Remarks

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

Name	Name of the Plan	Financial instruments at the beginning of the financial year 2021		Financial instruments granted during the financial year 2021		Consolidated financial instruments during the year				Expired and unexercised instruments	Financial instruments at the end of the financial year 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent/vested shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. Equivalent shares
Mr FERNANDO CABALLERO DE LA SEN	Scheme							0.00				
Mr RAÚL MORALES TORRES	Scheme							0.00				

Name	Name of the Plan	Financial instruments at the beginning of the financial year 2021		Financial instruments granted during the financial year 2021		Consolidated financial instruments during the year				Expired and unexercised instruments	Financial instruments at the end of the financial year 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent/vested shares	Consolidated share price	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. Equivalent shares
Mr JOSÉ FRANCISCO MORALES TORRES	Scheme							0.00				
Mr MARCOS SÁEZ NICOLÁS	Scheme							0.00				
Ms NURIA ALIÑO PÉREZ	Scheme							0.00				
Ms MARÍA SICILIA SALVADORES	Scheme							0.00				
Ms MARINA MORENO DÓLERA	Scheme							0.00				

Remarks

[

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iii) Long-term savings schemes.

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

Name	Company contribution for the year (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings schemes with vested economic rights		Savings schemes with unvested economic rights		Savings schemes with vested economic rights		Savings schemes with unvested economic rights	
	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020
Mr FERNANDO CABALLERO DE LA SEN								
Mr RAÚL MORALES TORRES								
Mr JOSÉ FRANCISCO MORALES TORRES								
Mr MARCOS SÁEZ NICOLÁS								
Ms NURIA ALIÑO PÉREZ								
Ms MARÍA SICILIA SALVADORES								

Name	Company contribution for the year (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings schemes with vested economic rights		Savings schemes with unvested economic rights		Savings schemes with vested economic rights		Savings schemes with unvested economic rights	
	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020	Financial year 2021	Financial year 2020
Ms MARINA MORENO DÓLERA								

Remarks
[ ]

iv) Details of other items

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

Remarks

c) Summary of remuneration (thousands of €):

The amounts corresponding to all the remuneration items included in this report that have been accrued by the director should be included in the summary, in thousands of euros.

Name	Remuneration accrued in the Company					Remuneration accrued in group companies					Total financial year 2021 company + group
	Total Cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration by other items	Total financial year 2021 company	Total Cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration by other items	Total financial year 2021 group	
Mr FERNANDO CABALLERO DE LA SEN	80				80						80
Mr RAÚL MORALES TORRES	190		7	24	221						221
Mr JOSÉ FRANCISCO MORALES TORRES	35				35						35
Mr MARCOS SÁEZ NICOLÁS	30				30						30
Ms NURIA ALIÑO PÉREZ	63				63						63
Ms MARÍA SICILIA SALVADORES	68				68						68

Name	Remuneration accrued in the Company					Remuneration accrued in group companies					Total financial year 2021 company + group
	Total Cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration by other items	Total financial year 2021 company	Total Cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration by savings schemes	Remuneration by other items	Total financial year 2021 group	
Ms MARINA MORENO DÓLERA	33				33						33
<b>TOTAL</b>	<b>499</b>		<b>7</b>	<b>24</b>	<b>530</b>						<b>530</b>

Remarks

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 change									
	Financial year 2021	% Change 2021/2020	Financial year 2020	% Change 2020/2019	Financial year 2019	% Change 2019/2018	Financial year 2018	% Change 2018/2017	Financial year 2017	
<b>Executive Directors</b>										
Mr RAÚL MORALES TORRES	218	19.13	183	0.00	183	-	0	-	0	
<b>External Directors</b>										
Mr FERNANDO CABALLERO DE LA SEN	80	344.44	18	-	0	-	0	-	0	

	Total amounts accrued and % annual change								
	Financial year 2021	% Change 2021/2020	Financial year 2020	% Change 2020/2019	Financial year 2019	% Change 2019/2018	Financial year 2018	% Change 2018/2017	Financial year 2017
Mr JOSÉ FRANCISCO MORALES TORRES	35	337.50	8	-	0	-	0	-	0
Mr MARCOS SÁEZ NICOLÁS	30	328.57	7	-	0	-	0	-	0
Ms MARÍA SICILIA SALVADORES	68	353.33	15	-	0	-	0	-	0
Ms MARINA MORENO DÓLERA	33	371.43	7	-	0	-	0	-	0
Ms NURIA ALIÑO PÉREZ	63	350.00	14	-	0	-	0	-	0
<b>CONSOLIDATED RESULTS of the COMPANY</b>									
	-1,167	76.32	-4,928	-	1,340	-	0	-	0
<b>Average remuneration of employees</b>									
	83	40.68	59	-	0	-	0	-	0

Remarks

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

**D. OTHER INFORMATION OF INTEREST**

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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.

[ Nothing worthy of mention ]

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

[ 22/03/2022 ]

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

[ ] Yes

[ v ] No

## FORMULATION OF THE ANNUAL ACCOUNTS AND MANAGEMENT REPORT

The Board of Directors of Soltec Power Holdings, S.A. (hereinafter, the Company), in compliance with current commercial regulations, has prepared on March 22, 2022 the annual accounts and the management report of the Company for the year 2021 following the format requirements established in the EU Delegated Regulation 2019/815 of the European Commission.

The members that make up the Company's board of directors hereby declare signed the aforementioned annual accounts and the management report for the year 2021 formulated unanimously, with a view to their verification by the auditors and subsequent approval by the General Shareholders' Meeting.

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Mr Raúl Morales Torres  
Chairman

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Mr Fernando Caballero de la Sen  
Director

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Ms Nuria Alino Perez  
Director

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Ms María Sicilia Salvadores  
Director

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Mr José Francisco Morales Torres  
Director

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Ms Marina Moreno Dolera  
Director

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Mr Marcos Saez Nicolas  
Director

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Ms Silvia Díaz de Laspra Morales  
Non-Director Secretary