



soltec

Biodiversity Report

Impacts, Risks and Opportunities Analysis

Introduction

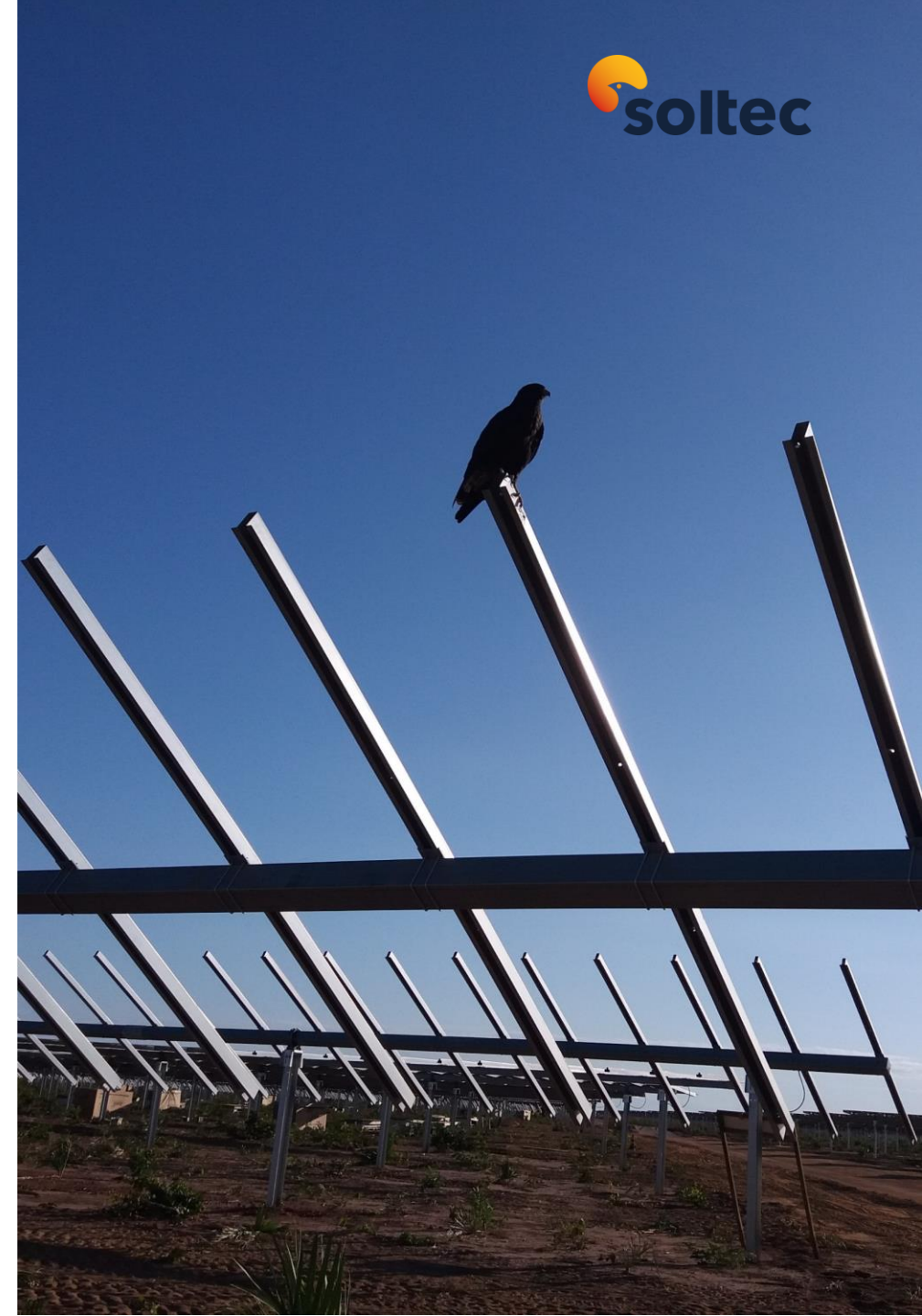
Soltec's 2023-2025 ESG Master Plan, approved by the Board of Directors in 2022, marks the protection of biodiversity and responsible land use as one of its strategic lines of action, committing to maintaining a preventive approach in all its operations. and you take advantage of the existing synergies between solar energy and biodiversity in its assets.

In this sense, Soltec is committed to achieving a Positive Net Impact on biodiversity. To do this, it has two main mechanisms:

- Strict compliance with environmental legislation and, specifically, with regard to the protection of biodiversity, ensures the minimization of possible effects that may be caused.
- The **Quality, Environment and Health and Safety Policy**, and the **Soltec Environmental Management Plan**, which promote and favor Soltec's commitment to biodiversity.

However, there are always certain residual impacts that are difficult to foresee, which Soltec wants to delve into through this report, which is promoted by the Group's Board of Directors and whose main objective is to maintain continuous improvement of policies and group environmental management systems.

To prepare this report, Soltec has based itself on the Task Force on Nature-related Financial Disclosures (TNFD) initiative, following its recommendations and guidelines with the aim of analyzing the impacts, risks and opportunities that Soltec may have in its relationship with nature. .



Soltec Policies on Biodiversity

Soltec is committed to generating a Net Positive Impact on biodiversity. To this end, through its Quality, Environment and Health and Safety Policy, it promotes the conservation and responsible use of natural heritage, paying special attention to land use.

Specifically, this policy establishes that one of its principles of action is to *"incorporate into our products and services, processes that allow the reduction of environmental impacts, waste management under the circular economy approach, prevention of pollution and the protection of biodiversity, with actions based on making this objective compatible with the rational consumption of raw materials, energy and natural resources."* In addition, it also expresses its commitment to extend these principles to its interest groups by *"promoting alignment with the policies of its partners and other interest groups."*

On the other hand, in its Environmental Management Plan, Soltec establishes a series of measures or guidelines that must be taken into account in all its operations.

Specifically, it is established that *"the protection of Biodiversity and respect for the natural environment is one of Soltec's priorities. For this reason, and although each project must have an analysis of potential risks related to biodiversity and the environment according to its context, below, we detail a series of measures and guidelines that must be shared both by our own employees and by any supplier, or partner that is linked to our activity. The objective is to be able to have preventive and mitigating measures applicable to any project."* These measures are structured in four blocks: Fauna, Flora, Ecological Heritage and Landscape.

Finally, it is worth noting that in the recently approved Code of Conduct for Suppliers, a clause has been included where they are asked to *"establish biodiversity protection mechanisms, considering the principle of no deforestation"*.

Commitments established in terms of biodiversity by Soltec:

- Achieve a Net Positive Impact (NPI) in biodiversity by 2030*.
- Have risk analysis regarding biodiversity for each project.
- Establish mitigating measures and control metrics to evaluate progress in biodiversity.
- Share these commitments with our stakeholders, promoting alignment with the own policies of its partners, suppliers and other interest groups.

Risk management related to Biodiversity

The Board of Directors and management of Soltec have a strong commitment to risk management; to this end, the company carries out comprehensive risk management closely linked to the development and responsible growth of the entity, with the aim of maintaining its position, relevant and leadership in the global photovoltaic energy market.

As a result of this commitment, and under the premise of continuous improvement, Soltec has been evolving its risk control, integrating new aspects or topics relevant to the company year after year. A few years ago, risks related to Climate Change were already incorporated into this system and, since 2024, we have also incorporated existing risks and dependencies related to biodiversity.

As is done with risks related to Climate Change, the procedure to manage risks related to biodiversity is based on the Comprehensive Risk Management (GIRS) model.

Comprehensive Risk Management at Soltec (GIRS) is based on the COSO (Committee of Sponsoring Organizations of the Tradeway Commission's) model and ISO 31000, improving Soltec's ability to manage uncertainty scenarios, which is summarized in a cycle continuous consisting of the following phases:



Mitigation hierarchy:

In order to carry out a correct evaluation of the impacts, risks and opportunities of each of our operations, at Soltec a prioritization of them has been defined based on a mitigation strategy. This hierarchy is structured as follows:

- First, identify the possible negative effects that may occur in each location.
- Mitigating measures are established and those unavoidable are minimized.
- Apply corrective or restorative actions to minimize those unavoidable impacts.
- Study the possibility of applying compensatory measures.

For all this, Soltec has its environmental monitoring and surveillance plan, adapted to each particular project..

Analysis of impacts, risks and opportunities based on TNFD

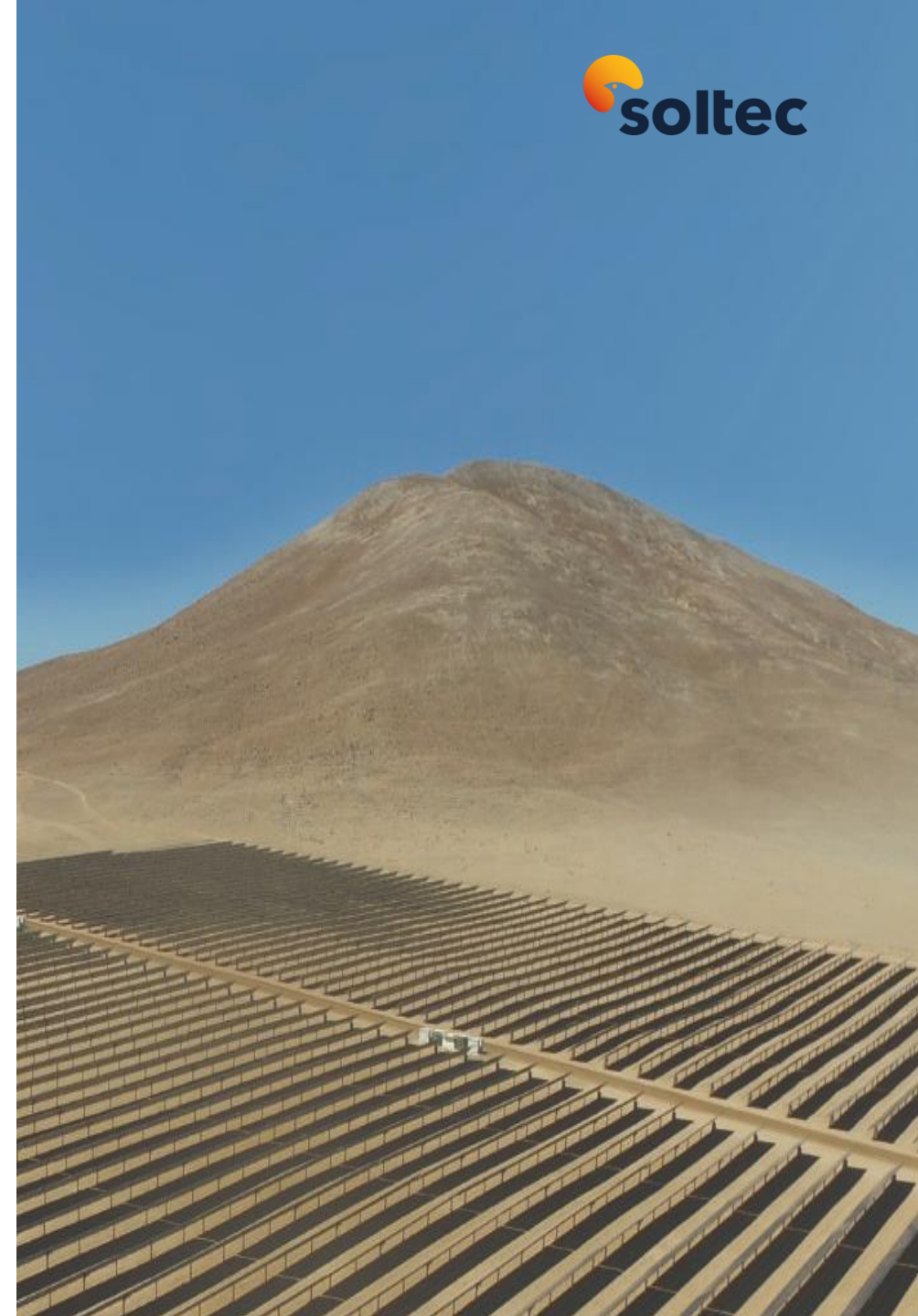
The Task Force on Nature-related Financial Disclosures (TNFD) is a global initiative driven by the need to integrate nature-related risks into financial and business decisions.

With the intention of being able to carry out an analysis of the impacts, risks and opportunities of Soltec in terms of biodiversity, it has decided to follow the recommendations established by the Task Force on Nature-related Financial Disclosures (TNFD), which proposes a methodology based in four steps:

- Locate: locate the activities and ecosystems where the activities will occur.
- Evaluate: identify possible impacts and opportunities.
- Assess: analyze these impacts and opportunities
- Prepare: report the results.

To carry out this first Soltec biodiversity report, we are going to focus on the Construction Service (EPC) activity, since it is in that phase of photovoltaic projects where the most negative impacts related to biodiversity and the natural environment can be caused.

For this reason, for this first analysis Soltec has considered a series of projects, located in different geographies and started in the last three years, on which Environmental Impact Studies and subsequent specific Environmental Management Plans have been carried out and that will help understand what are the main impacts that we must face in the construction of a photovoltaic park.



Location Analysis



As previously mentioned, for each project that Soltec carries out, a specific Environmental Impact Study (EIA) is carried out considering both the occupied land and the surroundings, analyzing aspects such as the local flora and fauna, the ecological heritage or the landscape. .

For this report, we have considered three recent projects located in Spain in areas with different characteristics, with the aim of having a slightly broader vision of the type of impacts, risks and opportunities that we can find in the development and construction of a photovoltaic project.

These three selected projects, which have their Environmental Impact Studies and their corresponding Environmental Management Plans, and which are either in the construction phase or already completed, have been:

- Tierra de Badajoz, located in Badajoz (Spain), with an installed power of 50 MWp and whose Environmental Impact Study concluded in 2022.
- Los Valientes I and II, two contiguous projects located in Molina de Segura (Murcia, Spain), with an installed power of 14 MWp between them and whose Environmental Impact Study concluded in 2023.
- Envatios III, located in Carmona (Seville, Spain), with an installed power of 43 MWp and whose Environmental Impact Study concluded in 2024.



For each of the projects, the Environmental Impact Study considers the following aspects to carry out a diagnosis of each location:

- Abiotic Environment: considers the territorial setting, climatology, air quality, geology and geomorphology of the area, hydrology and pedology.
- Biotic Environment: considers the vegetation, both current (land use) and potential, the flora that may be threatened, the distribution of the fauna that inhabits the area and the possible existence of protected natural spaces.
- Sociocultural and Economic Environment: in this section, both the landscape and the archaeological, cultural and ethnographic heritage are studied, as well as the possible existence of livestock trails, public forests or other socioeconomic environments.

Finally, to these studies are added those carried out in the Life Cycle Analysis (LCA) of our followers, where special attention is paid to land use and climate change, among other aspects.

Impact Identification



In this phase of the analysis, we proceeded to investigate the main impacts identified both in the Environmental Impact Studies of the previously described projects and in the Life Cycle Analysis of the trackers used (SF7 and SFOne), attempting in this way to identify the possible impacts generated on nature, both directly (own operations) and indirectly (area of influence and supply chain).

To carry out said identification of impacts, first those actions in photovoltaic projects are listed (both under construction and in operation and future dismantling) that are likely to cause environmental impacts. In the same way, those elements of the environment likely to suffer impacts from each of the actions of the projects previously described are also listed, as well as possible dependencies on the natural environment.

Although in each project there is a context and specific actions, so an individualized analysis of each one is needed, in general terms we can say that the project actions likely to generate environmental impacts are the following:

CONSTRUCTION	Access conditioning
	Occupation of land for temporary storage, construction materials, booths or machinery
	Foundation excavation
	Trenching for wiring
	Construction of the control-station building
	Waste storage
	Vehicle and machinery traffic
	Generation of dust, noise and vibrations
OPERATION	Presence of personnel on site
	Renewable energy generation
	Land occupation
	Barrier effect for fauna
	Facility Maintenance
	Presence of staff
DISMANTLING	Waste generation
	Panel dismantling
	Presence of staff
	Restoration of access
	Removal of electrical wiring
	Dismantling of substations and control center
	Restitution and restoration

Impact Identification



Regarding the environmental factors that may be altered by solar projects, the following have generally been identified:

ABIOTIC	Atmosphere	Climate
		Sound Comfort
		Air quality
	Geology	Topography
Geological materials		
Land	Soil and subsoil	
	Structure	
Hydrology	Natural drainage	
	Surface water quality	
	Groundwater quality	
BIOTIC	Vegetation	Vegetation units
		Protected flora
	Fauna	Terrestrial fauna
		Birdlife
Nature	Use of space and behavioral patterns	
	Protected spaces	
CULTURAL	Landscape	Habitats
		Landscape quality
		Visibility
	Rural	Population subsystem and activities or uses of the territory
		Agricultural use
		Forestry exploitation
		Cattle raising
Heritage	Public Mountains	
	Livestock trails	
	Archeology	
		Assets of cultural interest

To facilitate the identification of impacts, in each project these are represented in an impact evaluation matrix, in which the project actions that directly or indirectly affect some factor in the environment (rows) and the elements of the environment are considered. that may be affected (columns).

Depending on the effect of each project action on the elements of the environment, at the intersections between the two, a + or - symbol will be designated if the impact is considered positive or negative, respectively, and a P if the impacts are potential.

Once the impacts have been mentioned in the aforementioned matrix, a brief description of each of them is included below to subsequently consider those that are significant considering the reality of each project and, therefore, need to be evaluated.



Impact Analysis

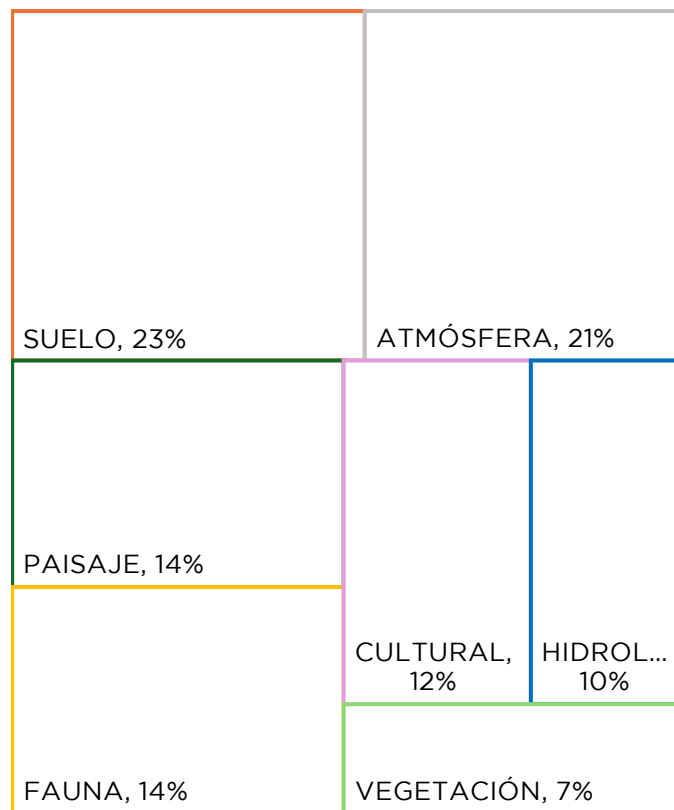


In this phase, the objective is to analyze the most relevant impacts for Soltec, as well as the risks and opportunities, both physical and transitional.

To identify risks, for each project we apply an impact assessment, since there may be risks of a different nature depending on the location where the solar plant is located.

To carry out the assessment of these significant impacts, each of those described above will be assessed for each context of each project based on two fundamental variables: level of incidence and the magnitude of the impact. This assessment is based on a series of parameters such as the extent or area of influence of the impact, its persistence, the time elapsed between the action and the impact, the level of reversibility, recoverability or reconstruction, among others.

In general terms, and based on the three projects analyzed, we can conclude that the main impacts identified with respect to the biodiversity of a Fotovoltaico project would be weighted as follows:



The risks of affecting both the land (changes in relief, changes in characteristics and physical properties, soil loss, soil compaction, increased erosion risks, etc.) and the atmosphere (emissions produced by combustion of machinery, equipment and vehicles, dust and suspended particles during the construction phase or the level of noise and vibrations, etc.) are those that are most frequently considered significant in photovoltaic projects.

On the other hand, from the point of view of Soltec as a group, two transition risks have also been identified: the increase in costs derived from the greater demand for environmental evaluations and analyzes (short term) and the possible risks of regulatory non-compliance (long term).

Results Report



In this first report on Biodiversity, Soltec's objective has been to bring together the methodologies and Environmental Impact Studies carried out in each project to identify the common points and, therefore, be able to begin a global quantification of the impacts, risks, opportunities and dependencies that exist between Soltec and nature.

In this sense, this report has been an opportunity for Soltec by identifying the main areas to work on in the coming months to establish a series of metrics and objectives that help us monitor and manage impacts on nature.

On the other hand, it has also served to begin to align Soltec's commitment to biodiversity, review the governance and control mechanisms that exist in the company and begin a phase of dissemination and internal awareness in this regard.

In the next update of this report, we hope to be able to share progress along these lines.



The image features a large-scale solar farm with rows of photovoltaic panels tilted towards the sky. The panels are dark blue with a grid of silver lines. The foreground is filled with lush green grass, and a field of yellow wildflowers is visible in the mid-ground. The sky is bright blue with scattered white clouds. The Soltec logo, consisting of a white stylized 'S' shape and the word 'soltec' in a bold, lowercase sans-serif font, is overlaid on the center of the image.

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