REASONED PROPOSAL FOR AMENDMENTS TO THE DIRECTORS' REMUNERATION POLICY OF THE BOARD OF DIRECTORS OF THE COMPANY SOLTEC POWER HOLDINGS, S.A.

1. INTRODUCTION AND PURPOSE OF THE REASONED PROPOSAL

Pursuant to the provisions of Article 529 *novodecies* of the consolidated text of the Corporate Enterprises Act approved by Royal Legislative Decree 1/2010 of 2 July, (hereinafter, the "**Corporate Enterprises Act**"), the Board of Directors of Soltec Power Holdings, S.A. ("**Soltec Power**" or the "**Company**"), following a report from the Appointments and Remuneration Committee, has prepared and approved this reasoned proposal for the approval of amendments to the Directors' remuneration policy (the "**Remuneration Policy**"), which will be submitted to the General Shareholders' Meeting for approval. The full text of the resolution to be proposed to the General Shareholders' Meeting to approve the new remuneration policy for the Board of Directors is set out in **Annex I**.

The full text of the Remuneration Policy is contained in the report received from the Appointments and Remuneration Committee, which the Board endorses in all its terms and which is attached to this reasoned proposal as **Annex II**. For this purpose, and in accordance with the provisions of Articles 518 and 529 *novodecies* of the Corporate Enterprises Act, this proposal will be made available to the shareholders on the Company's corporate website and will be published on the website without interruption from the date of publication of the notice convening the meeting until the holding of the aforementioned General Shareholders' Meeting. Shareholders may also request free delivery or dispatch.

If approved by the Company's General Shareholders' Meeting, the text of the Remuneration Policy will replace and supersede the text currently in force and described in the Annual Report on Directors' Remuneration, which will be submitted to the consultative vote of the same General Shareholders' Meeting as a separate item on the agenda.

2. RATIONALE FOR THE PROPOSAL

As part of the review of the current Remuneration Policy, the Appointments and Remuneration Committee has considered the need to introduce certain changes to the current policy.

First, with regard to directors in their capacity as such, the Appointments and Remuneration Committee has provided for an increase in the maximum amount of the annual remuneration of all directors, which has remained unchanged since the 2020 financial year at the amount of 339,000 euros per annum, to 370,000 euros per annum for 2024 and 2025. In turn, the Committee proposes that the fixed individual annual allowance of each director, based on the positions held within the Board of Directors and its Committees, be revised for 2024 in accordance with the variation experienced by the Consumer Price Index ("**CPI**") or the index that replaces it for the twelve months prior to January 2024, an amount that will remain unchanged for 2025. All of the above, provided that the aggregate amount of the individual fixed allowance resulting from such review does not exceed the limit set out in section 5.1, in which case it will be revalued proportionally up to the maximum amount.

In turn, the Appointments and Remuneration Committee carried out a detailed review of the Executive Director's remuneration, as described below.

On the one hand, the Appointments and Remuneration Committee has brought the Executive Director's fixed annual remuneration in line with market standards.

On the other hand, it has included in the Remuneration Policy a new system of annual variable cash remuneration applicable to the Executive Director and the rest of the management and other key employees of Soltec Power and its group ("**Annual Bonus Plan**") which was approved by the Board of Directors on this same date.

Finally, in line with the above, the Appointments and Remuneration Committee has proposed to cancel the changes to the multi-year variable remuneration system in shares of the Company applicable to the Executive Director and the rest of the management and other key employees of Soltec Power and its group (the "**Incentive Plan**") incorporated into the current version of the Remuneration Policy approved by the General Shareholders' Meeting on 23 June 2022.

On the basis of the above review, the Board of Directors, in agreement with the Appointments and Remuneration Committee, proposes to the General Shareholders' Meeting the introduction in the Remuneration Policy of the aforementioned adjustments, as set out below.

3. PROPOSED AMENDMENTS

3.1 UPDATE OF THE FIXED ANNUAL ALLOWANCE N OF THE DIRECTORS IN THEIR CAPACITY AS SUCH

It is proposed that the fixed individual annual allowance of each director, based on the positions held within the Board of Directors and its committees, be revised for 2024 in accordance with the variation experienced by the CPI or the index that replaces it for the twelve months prior to January 2024, an amount that will remain unchanged for 2025. In any case, the combined amount of the fixed individual allowance resulting from such revision may not exceed the maximum amount of 370,000 euros per year for 2024 and 2025.

3.2 UPDATE OF THE EXECUTIVE DIRECTOR'S FIXED ANNUAL REMUNERATION

It is proposed to update the fixed annual remuneration of the Executive Director, increasing it to 310,000 euros per year. This update brings the fixed remuneration in line with market standards, placing it at the median of the market (as opposed to the 10th percentile represented by his current fixed remuneration), and maintaining the balance between market competitiveness and internal equity. As a result, a reduction in the salaries of the executives reporting to the Executive Director (whose remuneration, for obvious reasons, does not exceed that of the Executive Director) is avoided, and the Executive Director is retained and motivated to continue contributing to the business strategy and the interests of the Company.

On the other hand, the annual update of the Executive Director's fixed remuneration in line with the changes of the Consumer Price Index allows the competitiveness of his remuneration to be maintained in the current inflationary environment.

3.3 INCLUSION OF AN ANNUAL VARIABLE REMUNERATION ("ANNUAL BONUS PLAN")

It is proposed to include in the Remuneration Policy an annual variable component in the remuneration of the Executive Director, consisting of the payment of an amount, the target amount of which will be 108,500 per year (likewise to be updated each year from 2024 in line with the CPI), based on professional performance and the achievement of previously pre-established targets in order to evaluate the creation of value for the Company. The general conditions of the new annual variable remuneration will be set out in greater detail in the Bonus Plan and, in any event, are specified, in an annual allowance subject to the fulfilment of three conditions:

(i) The condition of positive net income of the Company;

(ii) The condition of the Executive Director remaining in his position;

(iii) The performance condition relating to the achievement of the Executive Director's individual targets.

Provided that the Company achieves a positive net result for the year in question, the annual variable remuneration will depend on the fulfilment of the individual annual targets of the Executive Director.The monitoring of the achievement of individual targets will be the responsibility of the Board of Directors, following a report from the Appointments and Remuneration Committee.

The annual variable remuneration to be paid to the Executive Director will be equal to the reference target amount multiplied by a rate equal to the weighted average of the weight assigned to each of the individual targets and the degree of achievement of those individual targets.

The annual variable remuneration will have a vesting period of 120 days from the end of the year.

3.4 REVIEW OF THE INCENTIVE PLAN

In line with the proposal set out in the previous section, it is proposed to undo the changes to the Incentive Plan applicable to the Executive Director, as well as to the senior managers, other managers and key employees, as reflected in the current Remuneration Policy approved by the General Shareholders' Meeting on 23 June 2022, by restoring it to its initial configuration prior to this amendment, and making other minor changes, which are as follows:

(i) Consolidate the multi-year variable remuneration at the amount originally provided for in the Incentives Plan in force until June 2022, regrouping the part of the Incentive to be paid to the beneficiaries of the plan in cash as an annual variable remuneration (for an amount not exceeding 30% of the maximum annual reference amount) together with the remaining part of the Incentive to be received in shares at the end of each cycle of the Incentive Plan;

(ii) Update the minimum score in the Executive Director's Performance Assessment, which will be 70 out of 100;

(iii) Establish that the Executive Director's Performance Assessment score will be determined based on the simple arithmetic mean of the scores assigned to the Executive Director by (i) the Board of Directors (following a report from the Appointments and Remuneration Committee) and (ii) the Steering Committee.

(iv) Provide that the Board of Directors, acting on a report from the Appointments and Remuneration Committee, will be responsible for monitoring the achievement of individual targets under the Target-based Assessment.

This amendment to the Incentive Plan allows the Executive Director to receive, after a certain period of time, a number of shares in the Company, which may be either treasury shares or newly issued ordinary shares, determined on the basis of the conversion of a maximum total economic reference amount into ordinary shares in the Company at the price of the subscription offer prior to the admission of the Company’s shares to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges in October 2020. This price was 4.82 euros per share.

The Incentive Plan currently has a remaining vesting period of two years, from 1 January 2023 to 4 January 2025, after which the Executive Director could receive 94,922 shares in the Company. The Incentive Plan is linked to the achievement of certain financial and non-financial performance targets, with performance measures that result in the Incentive Plan vesting at, above or below a target level.

4. PERIOD OF VALIDITY

In accordance with the provisions of Article 529 *novodecies* of the Corporate Enterprises Act, the Company will apply this amendment to the Remuneration Policy from the date of its approval by the General Shareholders’ Meeting and during 2023 and the following two years (i.e. 2024 and 2025), unless the General Shareholders’ Meeting of the Company resolves to amend or replace it during this period in accordance with the provisions of prevailing legislation.

5. CONCLUSION

The Board of Directors of the Company endorses the conclusions reflected in the previous report prepared by the Appointments and Remuneration and Compensation Committee and remuneration Committee as provided for in Articles 17 of the Articles of Association and 25 of the Board Regulations. On the other hand, the remuneration for the performance of executive functions, which is also described in the proposed Remuneration Policy, complies with the requirements derived from the Corporate Enterprises Act and with the principles and rules contained in the Company’s Articles of Association and the Regulations of the Board of Directors of the Company.

The Board of Directors also considers that the amendments to the Remuneration Policy proposed for approval contribute to the business strategy and the long-term interests and sustainability of the Company; that the policy sets out how the remuneration and employment conditions of the Company’s employees have been taken into account in setting it; establishes clear, comprehensive and varied criteria for the award of variable remuneration and outlines the financial and non-financial performance criteria, explaining how they contribute to the achievement of the business strategy and the long-term interests and sustainability of the Company, and the methods to be applied to determine the extent to which the performance criteria have been met; specifies the vesting periods for variable remuneration (in cash and shares), explaining how they contribute to the achievement of the business strategy and the long-term interests and sustainability of the Company; describes and explains all significant changes and how the votes taken and views received from shareholders on the Directors' remuneration policy and annual reports have been taken into account since the date of the most recent vote on the remuneration policy at the General Shareholders' Meeting.

The Remuneration Policy also takes into account the relevance of the Company, its economic situation, market standards for comparable companies and the commitment of the Directors to the Company. The remuneration determined maintains an appropriate 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 the alignment of the interests of the Directors with those of the Company and its Shareholders, without compromising the independence of the Directors.

In view of the foregoing, the Board of Directors of Soltec Power, in accordance with the provisions of Article 529 *novodecies* of the Corporate Enterprises Act, submits this proposal to the General Shareholders' Meeting for approval, the full text of which is attached as an Annex.

In Molina de Segura, 8 May 2023

ANNEX I

Remuneration Policy of the Company

(page intentionally blank)

ANNEX II

Appointments and Remuneration Committee Report

(page intentionally blank)