



## **POLICY ON CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS OF SOLTEC POWER HOLDINGS, S.A. AND ITS GROUP OF COMPANIES**

### **OUR VISION**

In accordance with the Spanish Corporate Enterprises Act (“**Corporate Enterprises Act**”) and the Board of Directors Regulations (“**Board Regulations**”), the Board of Directors of SOLTEC POWER HOLDINGS, S.A. (“**Soltec**” or the “**Company**”) has the power to determine the corporate policies that establish the principles and guidelines governing the actions of the Company and its group of companies (“**Group**”), a power that cannot be delegated.

Accordingly, this policy on conflicts of interest and related party transactions (“**Policy**”) sets out the key aspects and commitments of the Company and its Group in this regard, in order to implement that established in the Board Regulations and Soltec’s Internal Code of Conduct in the Securities Markets, approved by the Company’s Board of Directors at its meeting held on 6 October 2020 (“**ICC**”).

The duty of loyalty owed by both members of the Board of Directors of Soltec (“**Directors**”) and persons working for the Company may be breached when two interests are in conflict (the Company’s interests and a personal or non-corporate interest) and the non-corporate interest is given priority. Therefore, the Board of Directors is interested in determining clear guidelines for conduct that will help to avoid, or resolve, any situation that is detrimental to the interests of the Company and its Group.

## 1. CONFLICTS OF INTEREST

### 1.1. Scope of application

This Policy applies to the persons identified below, who will be referred to as “**Subject Persons**”, and who are as follows:

- i. The Directors.
- ii. The subject persons as established in the ICC (“**Subject Individuals**”).
- iii. Those persons individually designated by the Secretary to the Company’s Board of Directors.

### 1.2. Situations of conflict

A conflict of interest will be considered to exist in those situations in which the interests of the Company or the Group and the interests of the Subject Person directly or indirectly come into conflict.

The Subject Person will be considered to have an interest, among other cases, when:

- (i) the matter affects them or a Related Person, or
- (ii) in the case of a proprietary Director, affects them or the shareholder or shareholders that appointed this director or the persons directly or indirectly related thereto.

### 1.3. Related Persons

For the purposes of this Policy, related persons (“**Related Persons**”)<sup>1</sup> will be considered:

1.3.1 With regard to the Subject Persons, the following:

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<sup>1</sup> Pursuant to articles 231 and 529 vices of the Corporate Enterprises Act as amended by Spanish Law 5/2021

- a) The spouse or domestic partner of the Subject Person.
- b) The ascendants, descendants and siblings of the Subject Person or the spouse or domestic partner of the Subject Person.
- c) The spouses or domestic partners of the ascendants, descendants and siblings of the Subject Person.
- d) The companies or entities in which the Subject Person directly or indirectly holds, including through an intermediary, a shareholding that gives them a significant influence or holds a position in the managing body or senior management of such entities or their parent company. For these purposes, significant influence is presumed to be conferred by any holding equal to or greater than 10% of the share capital or voting rights or by virtue of which de jure or de facto representation on the company's managing body has been obtained.
- e) The shareholders represented by the Person Subject on the managing body.

1.3.2 With regard to Subject Persons who are Directors that are legal entities, the following:

- a) The shareholders if they are, in relation to Directors that are legal entities, in any of the positions provided for in article 42.1 of the Spanish Commercial Code.
- b) De facto or de jure directors, liquidators and authorized representatives holding general powers of attorney from the Director that is a legal entity.
- c) Companies forming part of the same group and their shareholders.
- d) Persons who, with respect to the representative of the Director, are considered to be persons related to directors in accordance with the provisions of the preceding paragraph.

1.3.3 Likewise, Related Persons will also be considered any other persons who must be considered related parties in accordance with International Accounting Standards, adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament

and of the Council of 19 July 2002 on the application of international accounting standards.

#### **1.4. Obligation to report conflicts of interest**

##### **1.4.1 By the Directors**

1. Directors who believe that they may have a conflict of interest must notify the Company's Board of Directors in writing, as soon as they become aware of the conflict, by means of a notice addressed to the Secretary to the Board.
2. In the communication, the Director affected must indicate whether the conflict affects them personally or through a Related Person, in which case this person must be identified. They must also specify the situation that could give rise to the conflict, detailing the purpose and main terms and conditions of the projected transaction or decision, its amount or approximate economic assessment, as well as the department or person of the Company or the Group with whom the corresponding contacts have been initiated, where applicable.
3. If the Director raises any doubts as to whether or not they may be involved in a conflict of interest, they must notify the Secretary to the Board in writing, who will analyze the facts set out in the communication sent and will inform the Director whether or not it is considered a conflict of interest.
4. If the Director is unable to submit the aforementioned communications, as a result of just having become aware of the conflict during a Board meeting or Committee meeting, the Director must verbally inform the Chairman of this situation.
5. In any case, from the moment the conflict is communicated, whether in writing or verbally, the affected Director must abstain from participating and joining in the discussion and voting phases of those matters where they have a conflict of interest, both at the Company's Board meetings and at the meetings of the Board Committees of which they are a member in relation to the corresponding transaction or decision, or the preparation sessions of any of the aforementioned meetings, and from influencing the decision in any way. In the case of proprietary Directors, they must abstain from voting on matters that may involve a conflict of

interest between the shareholders who proposed their appointment and the Company.

6. Whenever considered appropriate by the Chairman of the Board, or of any of its Committees, they will remind the Directors, before moving on to the meeting agenda, of their obligations envisaged in the Board Regulations, as well as the validity of this Policy.
7. The Secretary to the Company's Board of Directors will prepare a conflicts of interest register for Directors, which will be constantly kept up to date, with detailed information on each of the conflicts of interest that have arisen.
8. The Appointments and Remuneration Committee, through its Chairman, will review the register described above on a regular basis, and in any case twice a year.

#### **1.4.2 By other Subject Persons**

1. All other Subject Persons who are not Directors must notify the Compliance Manager in writing of any potential conflicts of interest in which they are involved, so that any doubts that they may have regarding such conflicts can be resolved, and all the points described above will apply to them.
2. The Compliance Manager will draw up a Conflicts of Interest Register for Subject Persons other than Directors, which will be constantly kept up to date, with detailed information on each of the situations that have arisen. The information contained in this Register will be made available to the Compliance Committee when required.

## **2. RELATED PARTY TRANSACTIONS**

### **2.1. Scope of application**

1. This section regulates the notification and authorization procedure applicable to those transactions<sup>2</sup> that the Company or the Group carries out (i) with the Directors, (ii) with the other Subject Persons, (iii) with shareholders or, as the case may be, group companies and their directors, holding 10% or more of the voting rights or represented on the Company's Board of Directors ("**Significant Shareholders**"), or

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<sup>2</sup> Pursuant to article 529 vicies.1 of the Corporate Enterprises Act as amended by Spanish Law 5/2021.

(iv) with their respective Related Persons, and the purpose of which is any transfer of funds, services, financial instruments or obligations, regardless of whether or not there is any consideration (“**Related Party Transactions**”).

2. As an exception to that established in the previous section, the following transactions will not be considered Related Party Transactions<sup>3</sup>:

a) The transactions directly or indirectly carried out between the Company and its wholly-owned subsidiaries, without prejudice to article 231 bis of the Corporate Enterprises Act.

b) The approval by the Board of Directors of the terms and conditions of the agreement to be entered into between the Company and any Director who is to perform executive duties, including the Chief Executive Officer, or Senior Executives (“Senior Executive” are understood as those defined as such in the ICC), as well as the determination by the Board of Directors of the specific amounts or remuneration to be paid under such agreements.

c) The transactions entered into by credit institutions on the basis of measures designed to safeguard their stability, adopted by the competent authority responsible for prudential supervision as defined by EU law.

d) The transactions carried out by the Company with the companies in its Group, provided that no other Related Person at the Company has an interest in such companies.

## **2.2. Approval**

Prior to their performance, all Related Party Transactions must be approved by the Company, as set out below.

**The shareholders at the General Meeting will be responsible for approving:**

- Related Party Transactions whose amount or value (of the total transactions envisaged in a framework agreement or contract, where applicable) is equal to

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<sup>3</sup> Pursuant to article 529 vicies.2 of the Corporate Enterprises Act as amended by Spanish Law 5/2021.

or greater than 10% of the total assets in accordance with the latest annual balance sheet approved by the Company.

- Related Party Transactions where the business or transaction related thereto, by its very nature, is legally reserved to the competence of this body.

When the shareholders at the General Meeting are called to decide on a Related Party Transaction, the shareholder who is affected will not be allowed to vote, except in cases where the proposed resolution has been approved by the Company's Board of Directors without the majority of the independent Directors voting against the resolution.

**The Board of Directors will be responsible for approving:**

- All other Related Party Transactions.

Approval by the Board may be given with the participation of Directors who are related to and represent the parent company, in which case, if the decision or vote of such Directors is decisive for approval, it will be up to the Company and, where applicable, to the Directors affected by the conflict of interest to prove that the resolution is in accordance with corporate interest in the event that it is challenged and that they used due diligence and loyalty if their responsibility is demanded.

The approval of Related Party Transactions may be delegated by the Board of Directors to its Committees or to members of Senior Management<sup>4</sup> as long as they relate to:

- a) Transactions performed in the ordinary course of the Company's business, including those resulting from the execution of a framework agreement or contract, and concluded on an arm's length basis. In this case, the Board of Directors must implement an internal procedure, in which the Audit Committee must participate, to assess compliance with these requirements on a regular basis.
- b) Transactions between Group companies carried out in the ordinary course of business and on an arm's length basis;

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<sup>4</sup> The delegation is carried out in accordance with article 529 duovicies of the Corporate Enterprises Act as amended by Spanish Law 5/2021.

c) Transactions entered into under contracts with standard terms and conditions that are applied indiscriminately to a large number of customers, that are performed at prices or rates established generally by the party acting as the supplier of the goods or services in question, and whose amount does not exceed 0.5% of the Company's revenue.

The approval of the Related Party Transactions referred to in letters b) and c) above will not require a preliminary report from the Audit Committee.

However, the Board of Directors must establish an internal reporting and regular control procedure in relation to these transactions, which must involve the Audit Committee and that will verify the fairness and transparency of such transactions and, where appropriate, compliance with the legal criteria applicable to the aforementioned exceptions.

### **2.3. Preliminary report from the Audit Committee**

1. The performance of any Related Party Transaction will be submitted, in all cases, for authorization by the Company's managing body in accordance with that established in the previous sections, following a favorable report from the Audit Committee, in which the Directors who may be affected may not participate.
2. In its report, the Committee will assess whether the transaction is fair and reasonable from the point of view of the Company and, where applicable, of the shareholders other than the Related Party, and give an account of the assumptions on which the assessment is based and the methods used.

### **2.4. Transactions carried out with Directors and Significant Shareholders**

1. Without prejudice to that established above, the Directors must report in writing on the transactions carried out by them and their respective Related Persons, by means of a notice sent to the Secretary to the Board. If no transactions have been carried out by the Directors or by the respective Related Persons, the Directors must



report this fact. This communication must be sent on a quarterly basis, within the first week of each quarter.

2. The communication must include the following content: (i) nature of the transaction, (ii) date on which the transaction originated, (iii) payment terms and conditions, (iv) identity of the person who carried out the transaction and relationship, if any, with the Director, (v) amount of the transaction, and (vi) other aspects, such as pricing policies, guarantees given and received, as well as any other aspect of the transactions that allows for an adequate interpretation of the transaction performed, including information on transactions that were not carried out on an arm's length basis.

3. For these purposes, the Secretary to the Board will send a quarterly communication to the Directors requesting that they send the appropriate information to the Company.

#### **2.5. Record of transactions with Directors and Significant Shareholders**

The Secretary to the Company's Board will prepare a Register of transactions carried out with Directors and Significant Shareholders, or with the respective Related Persons. The information contained in this Register will be made available to the Audit and Control Committee, on a regular basis, by management of the Internal Audit Department and to the Compliance Manager in those cases where requested thereby.

### **3. APPROVAL**

Pursuant to article 5.4.ii of the Board Regulations, the Soltec Board of Directors approved this Policy at its meeting held on May 11, 2021.