



ANNUAL REPORT 2021 OF THE SUSTAINABLE DEVELOPMENT COMMITTEE OF SOLTEC POWER HOLDINGS, S.A.

1. Introduction

This report complies with Recommendation 53 of the Good Governance Code of Listed Companies (“**GGC**” or “**Code**”) so that the Board of Directors of SOLTEC POWER HOLDINGS, S.A. (“Soltec” or “Company”) may periodically evaluate the functioning of its Audit Committee. (“**Soltec**” or “**Company**”) may periodically evaluate the functioning of its Sustainable Development Committee.

This report should also enable shareholders and other interested parties to understand the activities carried out by Soltec’s Sustainable Development Committee (“**Committee**” or “**CDS**”) during the 2021 financial year.

The content of this report is expected to be published on the Company’s website sufficiently in advance of the Ordinary General Shareholders’ meeting. It should enable shareholders, and other interested parties, to understand the activities carried out by this Committee in each financial year.

The Company has also established mechanisms to know the recommendations of stakeholders and proxy advisors, and to determine whether they should be integrated as best practices regulating Committee operations and subjects under their responsibility.

This report on the Committee’s operation and activities was prepared in line with best Corporate Governance practices.

2. Regulation of the CDS

Article 529 *terdecies* of the Capital Companies Act, the consolidated text of which was approved by Royal Legislative Decree 1/2010 of July 2 (“**RLD**”), establishes that listed companies could create internal specialist committees, determining their composition, appointing committee members and establishing their individual roles.

The Company’s Board of Directors and its rules of composition, operation and powers are included in the Company’s Regulation of the Board of Directors (Article 16) and in Article 25 of the Social Statutes. In any case, the Company’s in-house standard regulating the Sustainability Committee is in accordance with RLD provisions.

In accordance with Principle 23 of the GGC, in case the Board of Directors in the exercise of its self-organization powers opted to create specialist committees additional to the mandatory committees (e.g. the *CDS*), it is recommended that composition and operational requirements for additional committees follow similar guidelines to mandatory committees.

Although the Company is indeed interested in complying with all the recommendations of the CBG, it is true that the development contained in the Regulations of the Company’s Board of Directors itself is sufficiently detailed.

3.- CDS Composition

Under the provisions of Soltec’s Articles of Association and the Regulations of the Board of Directors, the Committee shall be composed exclusively of non-executive commissioners, a majority of whom are independent. Thus, the Committee is made up of three members, a president and two members.

Committee members have been appointed by the Board of Directors, which considered their knowledge, skills and experience commensurate with the work they are called upon and with the Committee’s duties. Committee members as a whole have the relevant expertise concerning the energy sector.

The President is an independent commissioner who the Board of Directors has assessed as having knowledge, skills and experience the subject matter.

In the case of the members of the Committee, the aforementioned qualification is met.

In late 2021, the *CDS* was comprised of the following members:

<i>Commissioner</i>	<i>Typology</i>	<i>Position</i>
Ms. Nuria Aliño Perez	External Independent	President
Ms. María Sicilia Salvadores	External Independent	Member
Ms. Marina Moreno Dolera	External Proprietary	Member

The date of reappointment is October 6, 2024. The composition of the Sustainability Committee and the CV of each Committee member is published on the Company's website.

No commissioner member of the Committee performs executive functions in the Company and two of its three members are independent commissioners. Hence, it amply complies with legal regulations and the recommendations of good governance, which establish that it should be composed of a majority of independent commissioners.

The Committee's meetings are attended by Ms. Silvia Diaz de Laspra Morales, Secretary of the Committee, and Ms. María de la Torre Rodriguez, the Legal Adviser.

4.- Functions and tasks

The functions attributed to the Committee and its rules of operation are set out in article 25 of the Articles of Association and implemented in article 16.6 of the current Regulations of the Board of Directors.

We refer to these texts published on the Company's corporate website for further details.

To this end, the Board Secretariat prepares an agenda, or order of the day, for approval by the Committee's President. The order of the day is sent to all participants well in advance of the meeting, together with the relevant documentation for each of the items on the agenda.

The Committee's President, if she considers it appropriate, could call a preparatory working session attended by all the Committee Members, as

well as the persons to be convened so that A can be discussed with prior work.

In addition to the members of the Committee, the Secretary of the Board and the Legal Adviser, upon invitation by the President, have attended these meetings the managers of those areas and specific agenda items that are required, such as the Investors Relations Director, the Chief Strategy Officer, both sharing ESG roles, the Chief Financial Officer and all those executives and employees of the Group who the President deemed appropriate.

Minutes of the conclusions reached at each meeting are drawn up by the Committee Secretary and included as an item on the next Board of directors meeting, will be President of the Committee reports to the entire Board on the most relevant points discussed and recommendations if any.

5.- Meetings Held and Tasks Performed

The Sustainability Committee held four meetings in 2021, with 100% of member attendance and also 100% of members onsite and duly represented, including the Committee Secretary and Legal Adviser participation.

The most significant tasks carried out by the Sustainability Committee in 2021 were as follows:

- (i) Consolidated Non-Financial Information Statement (Comprehensive ESG Report). Prior to revision by the Auditing Committee and preparation by the Board of Directors, the Sustainability Committee reviewed the 2020 Comprehensive Sustainability Report (favorable assessment) and its corresponding verification report, which was formulated and presented to the Committee by the external auditor (Deloitte).
- (ii) Approval of annual reports needed to approve Annual Accounts.
- (iii) Approval of the Corporate Governance Plan and favorable report of corporate governance and sustainability policies.
- (iv) Revision of ESG status at SOLTEC and approval of the Master Plan.

- (v) Soltec Foundation, Soltec University, Soltec Innovations and Aurora.
- (vi) Supervision of Ecovoltaics and Enviroscale Initiatives as cross-functional business lines to be developed.
- (vii) Setting up of business and organization sustainability targets: Implementation program.
- (viii) Sustainability metrics to be used. ESG indicators. Communications to the marketplace. Status of non-financial information.
- (ix) Follow-up of the Corporate Governance plan

6. Sustainability Committee Evaluation

According to Articles 529h, section 1 of the RLD and of the Board of Directors, the annual 2020 evaluation of the Committee was carried out during its 2021 session.

Conclusion

No events or circumstances have occurred in the *CNR*'s competence areas throughout the 2021 financial year requiring intervention and notification to the Board of Directors.

This annual report will be presented to the Board of Directors of the Company at the meeting scheduled for March 22, 2022.

Madrid, March 17, 2022

Mrs. Nuria Aliño Perez
President of the Sustainable Development Committee