

POLICY REGARDING REMUNERATION OF MANAGEMENT



CHAPTER I – INTRODUCTION

Solaria Energía y Medioambiente, S.A. (hereinafter “Solaria” or “the Company”) is deeply committed to good governance, corporate ethics and transparency. The Company is aware that its best resource are its employees and that its management is of fundamental importance to development and growth.

To this end and in keeping with its strategy of good governance and sustainability, applicable law, international standards, the Company’s bylaws, the Code of Corporate Ethics and other rules and corporate policies, Solaria has approved this policy regarding remuneration of management (hereinafter “the Policy”) in order to ensure the transparency of the system of remuneration of its management.

The Policy is designed to be an integral part of the rules that comprise the corporate policies that the Company has created to manage risk and to minimize offences at the corporate level.

CHAPTER II – SCOPE OF APPLICATION

This Policy applies to Solaria’s management.

Solaria’s management is defined as all employees in executive positions. In this sense, executive positions are those of executive directors, of all employees who depend directly on the Board of Directors, of its chairperson and of Solaria’s chief executive officer, as well as any other member of management recognized as such by the Board of Directors.

CHAPTER III – GENERAL PRINCIPLES

This Policy is meant to govern the general principles that apply to the system of remuneration of Solaria’s management for the purpose of attracting, retaining and motivating the most highly qualified professionals.

In keeping with this, the Policy pursues the following:

- Guaranteeing that remuneration complies with the best practices and is competitive in relation to that of peer companies in Spain and abroad.
- Establishing remuneration with objective criteria in relation to the individual performance of the members of management and the meeting of the Company's targets.
- Including a significant annual variable component linked to the meeting of specific, predetermined and quantifiable targets that are in line with Solaria's interests and targets; specifically with targets established by the Company regarding its strategy of sustainability.
- Establishing clauses that penalize illegal or unethical conduct or any other form of malpractice while performing managerial duties.
- Establishing periodic evaluations of the performance of management and of the meeting of the Company's targets.

Remuneration of management consists mainly of the following:

- Fixed remuneration, subject to review.
- Variable remuneration linked to the Company's performance in relation to certain parameters of an economic-financial, industrial, operational, sustainability-related, predetermined or quantifiable nature that are in line with Solaria's strategic objectives and are linked to compliance with the Company's system of good governance and its corporate rules and policies.

Two specific aspects are worth noting in relation to variable remuneration:

- Sustainability: Solaria's payment of 15% of agreed annual variable remuneration of management depends on the meeting of targets established each year by the Company regarding ESG and sustainability. To this end, management must ensure compliance with the targets and promote said compliance among employees.

The Appointments and Remuneration Commission is in charge of deciding on a yearly basis whether or not to authorize payment of amounts that are dependent on sustainability.

- Adjustment of variable remuneration:
 - Malus clause: The annual variable remuneration of management that has been accrued and is pending payment will be subject to partial or

full reduction when, prior to the date of payment, members of management give rise to any of the following circumstances:

- a. Actions involving fraud or corruption.
- b. Actions that cause Solaria serious damage that involve guilt or negligence.
- c. Gross and reckless non-compliance with applicable laws or rules or with corporate rules and policies.

The definition of conditions in which the clause may be applied may be modified, broadened or adapted on the basis of regulation in force at the time or when considered appropriate by the Board of Directors. The Board, through the Appointments and Remuneration Commission, decides whether or not to authorize the application of the clause.

- Clawback clause: Annual variable remuneration of management that has already been paid is subject to full or partial recovery when, in three years immediately following payment, it is detected that the payment was not in line, fully or partially, with the conditions established for its accrual and was accrued on the basis of:
 - a. Previously detected actions involving fraud or corruption.
 - b. Previously detected actions that cause Solaria serious damage that involve guilt or negligence.
 - c. Previously detected gross and reckless non-compliance with applicable laws or rules or with corporate rules and policies.

If any circumstances or situations are detected that may give rise to recovery of said payment, the Board of Directors decides whether or not to authorize the recovery.

- A series of benefits, including insurance coverage and payment in kind.

CHAPTER V – ANNUAL EVALUATION

The Appointments and Remuneration Commission is in charge of studying, preparing and periodically revising proposed policies regarding remuneration of management, of considering their suitability and their performance and of the workforce.

The commission is also in charge of evaluating the performance of management.

CHAPTER VI – COMING INTO EFFECT

This Policy was approved by the Board of Directors of Solaria, at the behest of the Appointments and Remuneration Commission, at its meeting of 30 June 2021 and came into effect the following day.

CHAPTER VII – DISCLOSURE OF THE POLICY

This Policy is to be made available to all the Company's interest groups through its corporate website: www.solariaenergia.com

The Policy is subject to all communication and/or training initiatives considered necessary to ensure that it is known and understood.

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