



The future happens here

Sustainability Report 2022

## Who we are

**Fotowatio Renewable Ventures, S.L.U.** (hereinafter, FRV) is a limited single shareholder company leading in clean, efficient and competitive energy solutions that meet the stability, transparency and sustainability needs of our customers, headquartered at 40 María de Molina Street, 5th floor (28006 Madrid, Spain).

**At FRV, we endeavour to overcome the limitations of the conventional energy value chain to inspire change in a society that is dependent on fossil fuels. We aim to foster innovation and generate ideas to transition towards clean, sustainable, affordable and reliable energy models that provide electricity to consumers worldwide.**

## 2006

FRV was founded in 2006 with the development and construction of the Magascona solar park (23 MWdc, Spain), the largest photovoltaic solar plant in the world at the time. We were pioneers in the international expansion of solar plants, undertaking projects in Italy, the United States (with the acquisition of MMA Renewable Ventures and the construction of the first photovoltaic IPP solar plant), LATAM, and Australia, where we developed the largest photovoltaic production project in the country at the time.

## 2015

In March 2015, Abdul Latif Jameel Energy and Environmental Services ("ALJ") acquired 100% of FRV, turning us into the largest solar photovoltaic (PV) developer and operator headquartered in the Gulf Cooperation Council (GCC) and one of the leading solar PV developers and operators in the world. In addition, FRV has become the primary energy business in ALJ's portfolio.

**Established in 1945, ALJ is a holding company with diversified businesses in seven major industry sectors: Transportation, Engineering and Manufacturing, Financial Services, Energy and Environmental Services (FRV's sector), Land and Real Estate, Consumer Products, and Advertising and Media.**



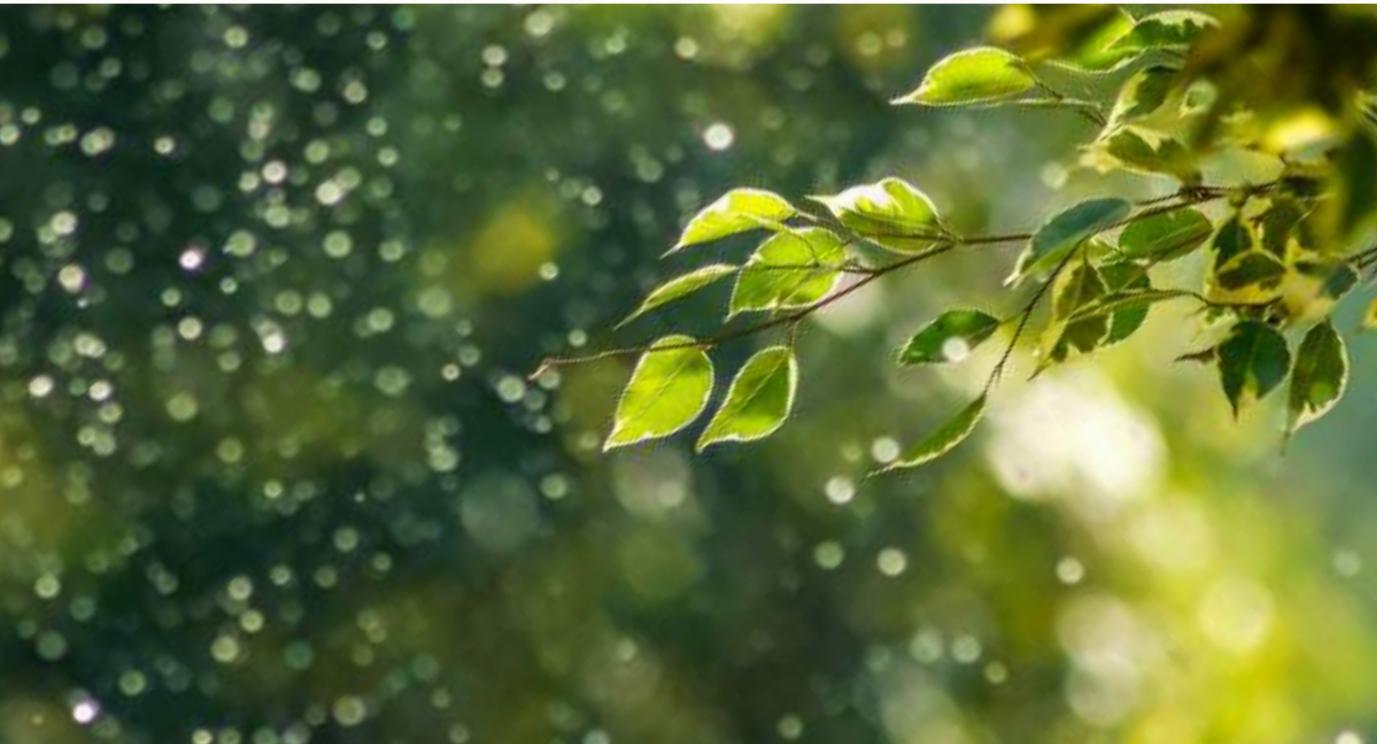
## Mission & Vision

### MISSION

By creating and enabling access to clean, efficient and cost-competitive energy solutions that live up to our customer needs for stability, transparency and sustainability, we strive to become a leading company for clean energy solutions in our core markets and to improve efficiency and sustainability of the overall energy system.

### VISION

We at FRV strive to surpass the limitations of conventional energy value chains, to inspire a breakthrough in society's dependency on carbon-based fuels, and to innovate and empower new ideas in the transition to clean, sustainable, reliable and low-cost models of delivering electricity in our core markets.



## Letter from CEO

Dear readers,

It is with great pride that I present our **Sustainability Report for the year 2022**, showing **FRV's dedication to environmental, social and governance matters**.

We are committed to **driving and promoting access to clean and sustainable energy**, making it an economically viable option for all. Our goal goes beyond developing infrastructures and generating clean energy; it extends to **contributing significantly to the wellbeing and development of the communities where we operate**.

Reflecting on 2022, I am immensely satisfied to see how FRV has faced and strengthened its position in a highly volatile environment from both macroeconomic and geopolitical perspectives. We concluded the year with **over 2 GW of photovoltaic solar projects in operation or under construction and 141.5 MWdc of installed energy storage in batteries**.

Beyond our traditional business as an Independent Power Producer (IPP), in 2022, we also made significant progress in our strategic goal of becoming a more **innovative energy solutions platform**. We strengthened our battery-based energy storage business and launched new investments in areas such as **digital platforms and energy market software**, enhancing our service offerings and developing new capabilities. Additionally, we continued to evolve in the field of **green hydrogen**, which will be a key driver of the energy transition.

All these business achievements would be meaningless without advances in initiatives

to enhance our **positive impact** on the communities where we operate, improve **employee satisfaction**, and strengthen our anti-corruption policies.

In 2022, our projects provided economic assistance to various communities in the markets where FRV is present, totaling over **USD 835,000**. This support ranged from infrastructure development, such as roads or community buildings, to education through **training programs for women in rural areas or scholarships for local students in need**.

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**These actions, along with the numerous job opportunities created around project sites, underscore FRV's commitment to positively impact society in a lasting way.**

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In the environmental scope, in addition to being a provider of renewable energy whose projects **prevented the emission of 1,677,000 tons of CO<sub>2</sub> in 2022**, we strive to **reduce and offset our carbon footprint**. We implement **circular water and waste solutions** to reduce consumption or generation and **conserve biodiversity** affected by our facilities through specific implementation and monitoring programs.

Last but not least, I want to **highlight our people, who remain at the center of our strategy**. After challenging years with Covid-19-related restrictions, 2022 represented a gradual return to in-person work in our offices. Working conditions

adapted to the new times through a flexibility-focused strategy. Our "climate" surveys showed **motivated, committed, and proud employees aligned with what FRV represents**. In the coming years, we are committed to strengthening our position on **gender equality and continuing to seek a balance between the professional and personal lives of our employees**. Through the GI4 initiative launched by our shareholders at the end of 2022, we reinforce our focus on **Sustainable Growth** through continuous investment in **People, Business, Technology and Community**, guided by the values of **respect, improvement, innovation, and empowerment**.

In terms of Human Rights, we maintain **very strict compliance policies** for both employees and suppliers of any type of equipment or service globally, conveying our **"Zero Tolerance" policy** to them.

Looking at FRV's journey over the years, I am filled with a sense of gratitude for all that has been achieved but also a responsibility to not only maintain but also increase **FRV's effort towards an increasingly sustainable path**. As reflected in the United Nations' Sustainable Development Goals for 2030, we generate a positive impact through renewable energies, playing a key role in providing not only clean but also autonomous and secure electricity to many communities worldwide. However, we also want to do this under the **most ethical conditions, with committed and happy people, and with the least possible negative impact on the environment**. It is a high-stakes commitment that we are prepared to carry out.

Last but not least, I would like to thank each and every one of FRV's employees, without them it would not be possible to have achieved such positive results through all these years, also our shareholders, stakeholders, suppliers, customers, financial institutions and all the professional associations with which we work closely.

**Thank you, and I hope you enjoy reading the report.**



**DANIEL SAGI-VELA**  
CEO

# International presence

MEETING PROJECT  
REQUIREMENTS IN

**4 continents**

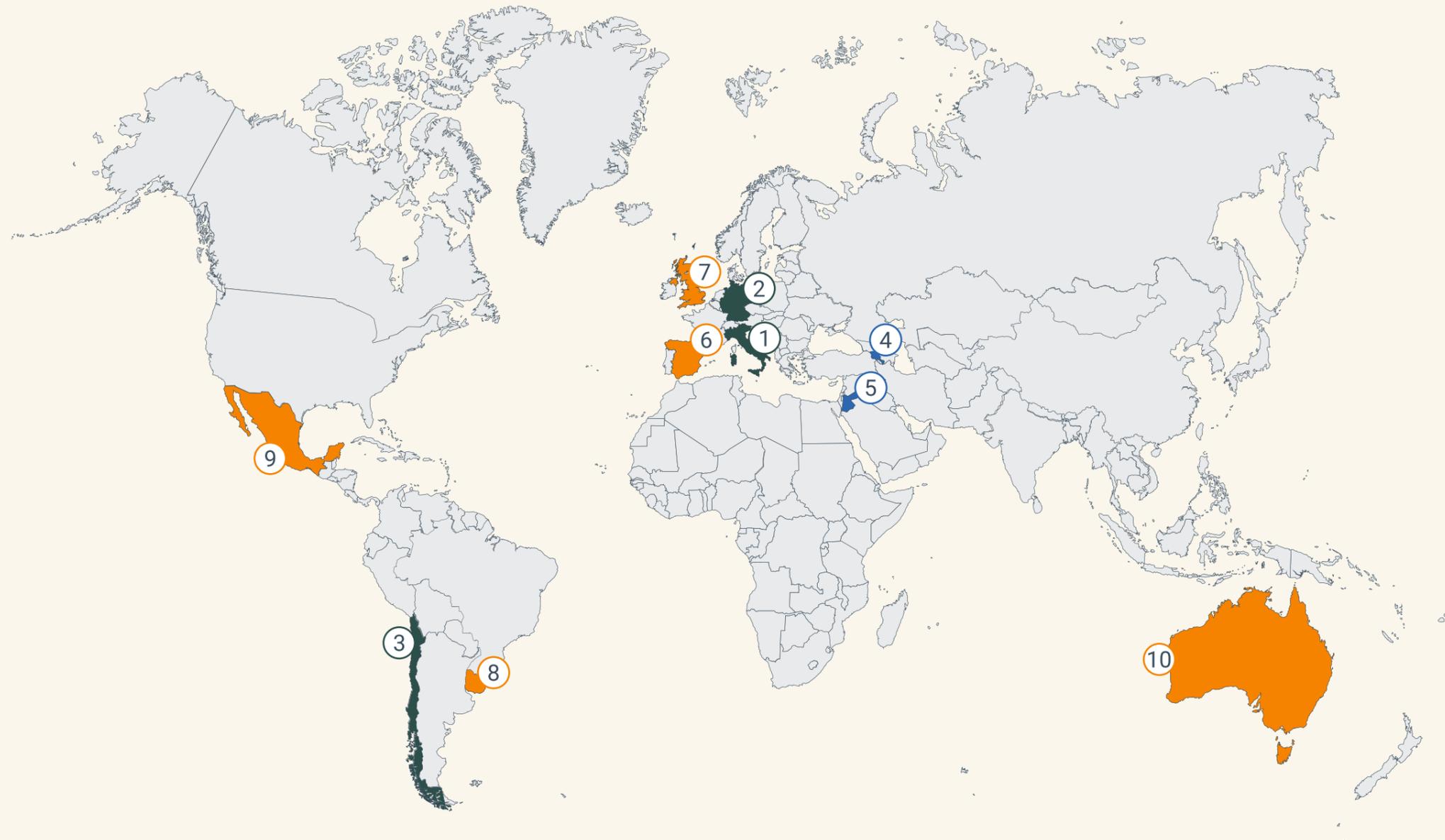
Europe, LATAM, Asia, Australia

IN 2022, WE  
HAD OFFICES IN

**7 countries**

AND PROJECTS UNDER  
CONSTRUCTION AND  
OPERATIONS IN AS MANY  
OTHER COUNTRIES

- COUNTRIES WITH OFFICE
- COUNTRIES WITH PHOTOVOLTAIC PLANTS
- COUNTRIES WITH PHOTOVOLTAIC PLANTS AND OFFICES



## Countries with office

1. ITALY
2. GERMANY
3. CHILE

## Countries with photovoltaic plants

4. ARMENIA
5. JORDAN

## Countries with photovoltaic plants and office

6. SPAIN
7. UNITED KINGDOM
8. URUGUAY
9. MEXICO
10. AUSTRALIA

# Key figures



## International presence

Present in **4 continents**.

Facilities and offices in **7 countries**.



## Project experience

**Over 15 years** providing renewable energy solutions.

**Over 3 years of experience** developing **green H<sub>2</sub>** solutions 1.8 GW in various stages of development.



## Staff

A team of **227 professionals** in 2022.

**30%** growth of the workforce since 2021.



## Investments

**Over 4,000 million USD** allocated to financing projects.

**228 million USD** in capital expenditure investment in 2022.



## Emission reduction

**Over 390,000\* tons of CO<sub>2</sub> emissions** to the atmosphere **prevented** in 2022.



## Services

Generated energy to supply electricity to more than **650,000 households** in 2022.



## Capability installed and in process

**> 2 GW of solar photovoltaic** projects currently in **operation or under construction**.

**41.5 MW of storage** in operation.

Pipeline **14.4 GW**.

Of which **> 3 GW of solar and wind** projects in **advanced development**.



## Investment in new business models

Invested in **2 new business models**: SAAS solutions (Storage as a Service) and a software platform for optimising the energy supply chain.



## Sustainable management

Obtained the **Green Financing Framework certification**.



## Negotiating capacity

Signed PPAs in Europe totalling **831 MW**.

\*Data calculated based on REE.

# Sustainability

## First Sustainability Master Plan 2023-2026.

1st ESG report carried out **voluntarily and proactively** without being included in the scope of the directive.

### Priority ODS for FRV



\*The colored ODS correspond to the priority for FRV.



AXIS	AREA OF ACTION	MATERIAL MATTER
GOVERNANCE	• Governance, ethics, compliance and risk management.	<ul style="list-style-type: none"> <li>Corporate government and ethics.</li> <li>Business Challenges.</li> </ul>
	• Communication and transparency.	<ul style="list-style-type: none"> <li>Stakeholder orientation.</li> </ul>
CLIMATE CHANGE COMMITMENT	• Renewable energy leadership.	<ul style="list-style-type: none"> <li>Business challenges.</li> <li>Social contribution.</li> </ul>
	• Carbon footprint reduction.	<ul style="list-style-type: none"> <li>Mitigation of environmental impact.</li> </ul>
	• Adaptation of facilities to climate change.	<ul style="list-style-type: none"> <li>Security.</li> </ul>
RESPONSIBLE SUPPLY CHAIN	• Responsible supply chain.	<ul style="list-style-type: none"> <li>Responsible supply chain.</li> </ul>
ENVIRONMENTAL IMPACT OF THE FACILITIES	• Environmental impact of facilities.	<ul style="list-style-type: none"> <li>Environmental impact mitigation.</li> </ul>
	• Responsible use of the resources and circular economy strategy.	
SOCIAL CONTRIBUTION	• Positive impact in society.	<ul style="list-style-type: none"> <li>Social contribution.</li> </ul>
PEOPLE MANAGEMENT	• Attracting, developing and retaining talent.	<ul style="list-style-type: none"> <li>People management.</li> </ul>
	• Equality and diversity.	
	• Occupational health and safety.	
	• Internal communication.	
FACILITIES SECURITY	• Facilities security.	<ul style="list-style-type: none"> <li>Security.</li> </ul>
TRANSVERSAL AXIS	• Sustainable finance.	<ul style="list-style-type: none"> <li>Business challenges.</li> </ul>
	• Updating of applicable regulations and applicable regulations and standards.	
	• Stakeholder orientation.	

## Good governance



Diversity data on the Board:  
**The diversity of the Board is clear**, in terms of nationalities, cultures and ages, with members of:

**7 different nationalities and 50% of professionals under 50 years of age.**



**No cases of corruption**

# 10

**External investigations (External Due Diligence)** were carried out on potential partners and local developers, and emission of:

**12 Compliance Reports**



**Anonymous ethical channels** for employees to voice complaints, seek advice, or raise concerns



## Business challenges



Diversification in **new business models**



Development of **FRV Framework for Green Financing (FFF)**

# 4,7

Out of 5 in **customer satisfaction** with a response rate of 80% or 4.17 out of 5 in customer satisfaction with an 80% response rate

# 200

Plants and **23,106 MW** under **development**

# 5

Plants and **637 MW** under **construction**

# 16

Plants and **1,620 MW** in **operation**



## Supply chain

114

Companies have been audited in 2022, divided into 8 services or products



Suppliers are required to sign the **compliance letter**, whereby they **commit to comply with**:

- Our anti-corruption policy
- Anti-slavery and anti-human traffic policy
- Third Party Code of Ethics
- FRV Client Codes of Conduct

21

EPC suppliers have been invited to bid, during 2022

Of which 7 have been shortlisted and 4 have been contracted

3

Panel manufacturers (out of 9 pre-selected)

Were selected for the PV projects developed during 2022

3

Solar tracker manufacturers (out of 7 pre-selected)

Were selected for the PV projects developed during 2022

3

Inverter manufacturers

Were selected for the PV projects developed during 2022



## Environment

714

tCO<sub>2</sub>eq

Emissions of greenhouse gases

4.160.246

kWh

Electricity consumption



Registered for the first time in the **MITERD Carbon Footprint register**

25%

Target of reduction in GHG emissions by 2026

11,2%

Offset of our Carbon Footprint (scopes 1 and 2)



We work to minimise negative impacts on endangered species, **generating positive environments and protecting the flora and fauna** of the area

**16 protected areas with different degrees of conservation: ZEPA, LIC, IBA, etc...**



## Social impact

12

Social impact initiatives implemented in 2022

3+

than in 2021

10

IE Scholarships awarded since its founding



Agreement with the University of Uruguay, University of Nebrija and Australia National University



## People

227

Employees  
30% more than in 2021

30%

Women

99%

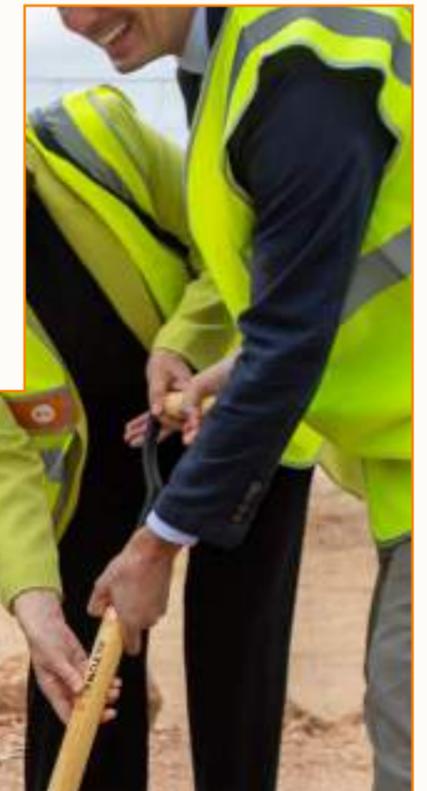
Permanent employees

77%

Have received training during 2022

82%

Satisfaction rate in the latest work climate survey, an increase of 5% over 2021





The future happens here

Contact us  
[www.frv.com](http://www.frv.com)