



# Sustainability Report 2023

The future happens here

# About us

**Fotowatio Renewable Ventures, S.L.U. (hereinafter, FRV), is a leading clean, efficient, and competitive energy solutions provider and a limited single shareholder company based in Madrid, Spain.**

We are a leader in the market, specialising in providing energy solutions that ensure our customers' stability, transparency, and sustainability requirements are met.



## Our 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 to customers in our core markets.



## Our mission

We create and enable 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 projects in our core markets and to improve the efficiency of the overall energy system.

Therefore, we aim to be at the forefront of the global energy transition, while setting the highest standards of quality, technical innovation, and commitment to our service delivery, from planning to operations of assets for single and portfolios of customers, suppliers, and investors.

# Values

## Curiosity

We **question everything**. We maintain an insatiable curiosity that drives us to **learn constantly**. We challenge assumptions, fostering **constant creativity**, both internally and externally.

## Commitment

We always **keep our promises and act with complete transparency**. We are committed to delivering genuine value. Our credibility allows us to build lasting relationships based on trust.

## Agility

We **quickly identify real opportunities**, act, and execute them, maximising their profitability. We encourage **active participation** from our entire team to achieve our set goals with efficiency and speed.

## Excellence

We deliver **cost-effective, innovative, and high-quality solutions**. We do our utmost to perform at our highest capabilities for our customers.

## People

We are an **international team** of almost **250<sup>1</sup> highly skilled professionals**. Our management team has over 50 years of combined experience in the industry.

## Pioneering Spirit

We welcome **change and innovation** to chart our own journey based in knowledge and sound judgement. Innovation goes beyond technology. Not only our technical solutions are innovative, but also our approach to doing business.

## Passion

**Our passion shines through in everything we do**. We are a dynamic and exciting company to do business with. Your success is our success.

1. On average.

## 2006

Since our inception in 2006, developing and constructing of the world's largest photovoltaic solar (PV) plant at the time, the Magascona solar park (23 MWdc, Spain), we have been at the forefront of the international solar plant expansion. In our 18-year history, we have undertaken projects in countries including Spain, Italy, the United Kingdom, Jordan, the United States, LATAM, and Australia, where we developed the country's largest PV production project at the time.

## 2015

In March 2015, we became part of Abdul Latif Jameel Energy and Environmental Services ("ALJ"), after they acquired 100% of FRV. This positioned us as one of the top solar PV developers and operators globally. It also made FRV the main energy business in ALJ's portfolio.

ALJ, founded in 1945, operates in seven major industries including Transportation, Engineering and Manufacturing, Financial Services, Energy and Environmental Services (where FRV operates), Land and Real Estate, Consumer Products, and Advertising and Media.

# Letter from the CEO

Dear Stakeholders,

On behalf of FRV, I am delighted to present our **2023 Sustainability Report**, highlighting our **commitment to environmental, social, and governance (ESG) excellence**, which is part of FRV culture and DNA since our founding in 2006. We see this voluntary report as an opportunity to **demonstrate our dedication to communication and transparency** with our stakeholders and to hold ourselves accountable to our impact on sustainability matters.

**Our mission remains clear: to facilitate access to clean and sustainable energy, making it a reality for societies and the climate.**

We go beyond simply **developing, constructing and operating renewable energy facilities**, as we also **contribute to the communities** where we develop projects by fostering sustainable, social and economic development.

FRV stands as a global leader in providing renewable energy solutions, **with a presence across key parts of the energy industry value chain**. We continuously revisit and seek to evolve our approach to project development and Independent Power Producer (IPP) activities, while actively exploring innovative business models.

Last year was a year of **remarkable resilience and achievement**. Despite some industry challenges, our team achieved our business goals while also **pioneering new business models and expanding into new markets**. We ended the year with ~3 GW of photovoltaic solar projects (2,848 MW) and battery storage (146 MW) in operation or under construction across four continents.

## IN 2023, FRV ACHIEVED SIGNIFICANT ACCOMPLISHMENTS, SUCH AS:

- In our two largest markets, **Spain and Australia, reached over 1 GW** of operational and under construction capacity each.
- FRV project **development pipeline increased** from approximately 23 GW in 2022 to approximately **25 GW in 2023**.
- **FRV within the 3 top companies in the ranking of Corporate PPAs** signed in Europe within 2023.
- **Strengthened our battery-based energy storage** business, connecting Clay Tye 99MW / 198 MWh, the largest operative plant in Europe and expanding into new territories like Spain, Australia, Italy, Finland and Greece.
- Progressing with **green hydrogen initiatives**, such as being awarded with EU grants to develop one hydrogen project in Spain. We also began **development of potential hydrogen projects in Australia, Brazil and Chile**.
- Continued our **commitment to diversify our business** with a successful Series A funding round investment in REDEX, Asia's leading **Renewable Energy Certificates (iRECs)** solutions provider.
- Opened **two new offices in Germany and the United Kingdom** as we expand our global footprint.
- **Launched our Sustainability Master Plan 2023-2026**.

The Master Plan outlines our **sustainability strategy and defines actions and mechanisms for implementing and monitoring our progress**. To further advance our sustainability agenda, we formed, as a subcommittee of our Board of Directors, the Sustainability and Corporate Governance Committee, which will **oversee the implementation of the Sustainability Master Plan**.

As part of our **commitment to minimising our environmental footprint**, in 2023, we successfully **reduced our Scope 1 and 2 emissions intensity (tCO<sub>2</sub>e/GWh) by 30%**. Also, we continue to implement initiatives aimed at further reduction and offset. We also continue to develop new approaches to implement **circular solutions for our water and waste management**. Finally, we also **recognise the value in protecting nature and biodiversity** and seek to implement programs to ensure protected species are safeguarded throughout the lifecycle of our projects.

Regarding the economic impact of FRV activities, in 2023 **we allocated more than USD 2 million in new and multi-annual initiatives**. These investments ranged from infrastructure development, direct investment in local communities, and educational programs providing scholarships and support to **help students access education** and provide opportunities to gain experience about renewable energy.

**FRV's success hinges on its associates, and we are therefore strongly committed to their professional growth and well-being.**

**Adaptability and learning** are woven into our company culture. In 2023, associates completed a total of 3809 hours of job training, which we believe demonstrates our commitment to FRV associates.

Throughout the year, we implemented **social improvements in our offices and plants**, fostering a demonstrably more positive work environment. The impact of these programs was evident in the **22% increase in our Net Promoter Score (NPS)** from 2022, which measures associates satisfaction and loyalty. We remain dedicated to **promoting gender equality and a healthy work-life balance for all associates**.

I extend my **heartfelt gratitude to every member of the FRV team**, along with our esteemed shareholders, stakeholders, suppliers, customers, financial institutions, and professional associations. **We are grateful for your ongoing collaboration and trust.**

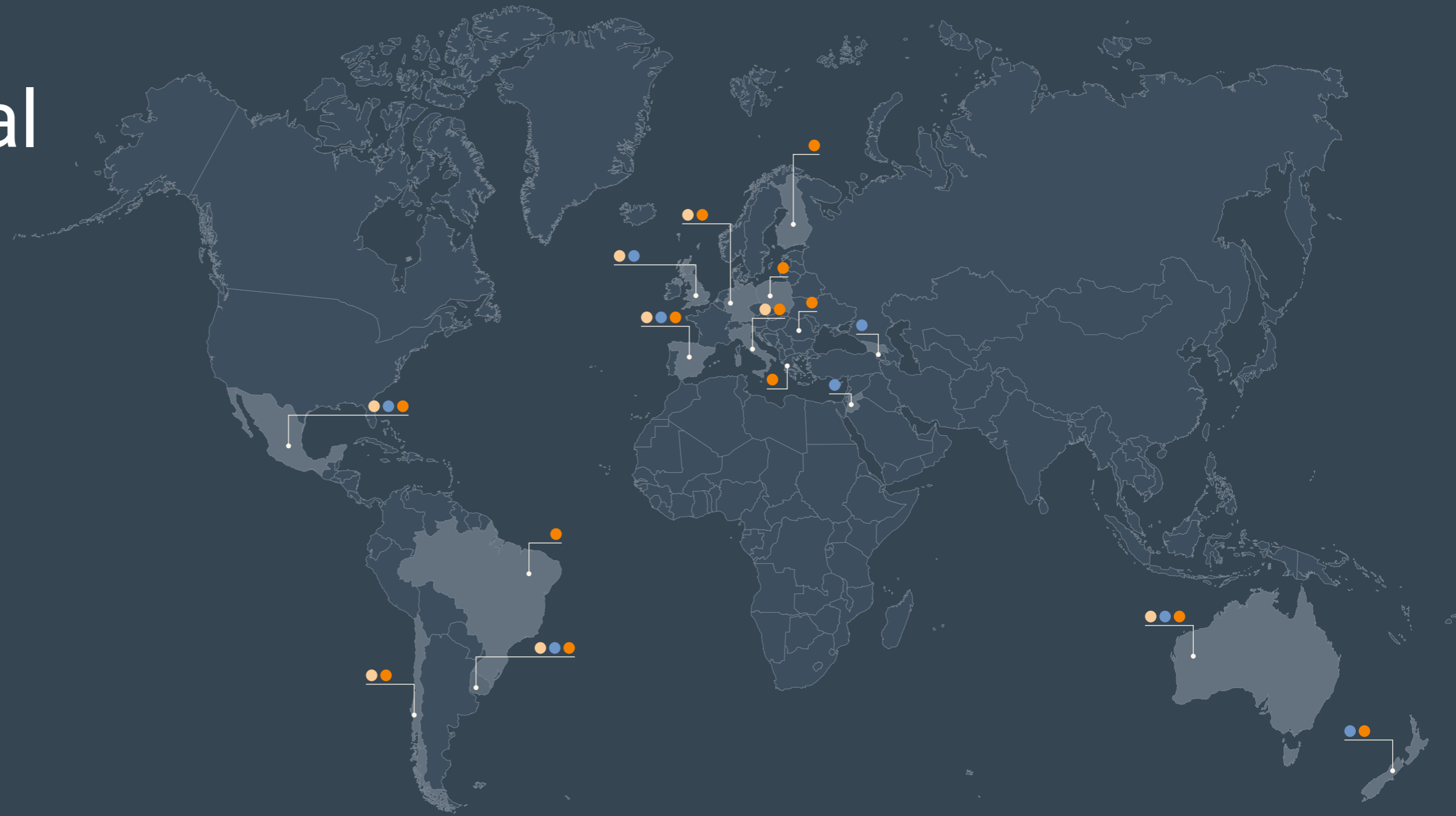
Thank you for your continued support. I invite you to explore our 2023 Sustainability Report, which **delves deeper into our achievements and exciting plans for the future.**

Sincerely,



**DANIEL SAGI-VELA**  
CEO -  
FOTOWATIO  
RENEWABLE  
VENTURES

# International presence



Meeting project requirements in  
**4 continents**  
Europe, LATAM, Asia, Oceania

FRV has been constructing or operating across

**8 countries**

In addition to these we have been developing new plants in

**14 countries**

In 2023, FRV had offices in:

- |              |                   |
|--------------|-------------------|
| 1. SPAIN     | 5. ITALY          |
| 2. AUSTRALIA | 6. MEXICO         |
| 3. CHILE     | 7. URUGUAY        |
| 4. GERMANY   | 8. UNITED KINGDOM |

In 2023, there were twenty-six sites (PV and BESS) which FRV has been constructing or operating across eight countries and four continents.

- |              |                   |
|--------------|-------------------|
| 1. ARMENIA   | 5. MEXICO         |
| 2. AUSTRALIA | 6. URUGUAY        |
| 3. SPAIN     | 7. UNITED KINGDOM |
| 4. JORDAN    | 8. NEW ZEALAND    |

Developing new plants:

- |                |             |                    |
|----------------|-------------|--------------------|
| 1. AUSTRALIA   | 6. MEXICO   | 11. POLAND         |
| 2. NEW ZEALAND | 7. SPAIN    | 12. FINLAND        |
| 3. CHILE       | 8. ITALY    | 13. GERMANY        |
| 4. URUGUAY     | 9. GREECE   | 14. UNITED KINGDOM |
| 5. BRAZIL      | 10. ROMANIA |                    |

# Key figures



## International presence

- Present in **4 continents**.
- **Facilities in 8 countries** and **offices in 8 countries**.



## Project experience

- **Over 15 years** providing renewable energy solutions.
- **More than 3 years of experience** in the development of green H<sub>2</sub> solutions. **2.1 GW** in varying degrees of progress.



## Personnel

- Staffing of **288 professionals** (as of 31.12.23).
- Headcount **growth of 27%**.



## Investments

- **>4 billion accumulated in Project Finance** (as of 31.12.23).
- **Capex 833 million USD**.
- **>\$2 million** committed in community partnerships across 21 initiatives in 5 countries.



## Emission reduction

- **Over 1.000.000 tCO<sub>2</sub><sup>2</sup> not emitted** into the atmosphere.
- FRV's carbon footprint of **3943.63 tCO<sub>2</sub>eq.** <30% of GW produced on-site or 17% in offices.



## Services

- Energy generated enough to **supply electricity to more than 615,000 homes**.



## Installed and in-process power

- **>2.8 GW of solar PV** projects currently in operation or construction.
- **146 MW of storage** under operation.
- Pipeline de **24.2 GW**. Of which **>3 GW of solar and wind projects** under advanced development.



## Investment in new business models

- Investment in and development of **SAAS solutions**, a renewable energy certificate (RECs) trading platform and a **5MW green hydrogen** production installation project with 5 refuelling stations.



## Sustainable management

- **75% of financing qualified as a Green Loan** through the Green Financing Framework.



## Negotiating skills

- FRV within the **3 top companies** in the ranking of **Corporate PPAs signed in Europe within 2023**.



## Compliance

- 99% of "exposed" workers have signed the **Code of Conduct**.
- **72% have received training** in anti-corruption and compliance.



## Waste

- **>3000 tonnes** of waste managed.
- **>90%** of the waste generated with evidence of having been subjected to different **recovery operations**.

2. Calculated using FRV's yearly production figures and country specific emissions factors for each site.

# Sustainability

In 2023, we established a new Sustainability Committee reporting directly to the board.

This committee, working closely with the Environment, Social and Governance (ESG) team, strengthens our ability to **manage sustainability-related impacts, risks, and opportunities**. As a key initial step, the committee introduced a new ESG data management tool. Implementing this tool across our global operations will enhance data management and performance monitoring.

We continue to embed sustainability into our strategy with the development of our **Sustainability Master Plan for 2023-2026**



## Priority SDSS for FRV

<b>1</b> NO POVERTY	<b>2</b> ZERO HUNGER	<b>3</b> GOOD HEALTH AND WELL-BEING	<b>4</b> QUALITY EDUCATION
<b>5</b> GENDER EQUALITY	<b>6</b> CLEAN WATER AND SANITATION	<b>7</b> AFFORDABLE AND CLEAN ENERGY	<b>8</b> DECENT WORK AND ECONOMIC GROWTH
<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE	<b>10</b> REDUCED INEQUALITIES	<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION
<b>13</b> CLIMATE ACTION	<b>14</b> LIFE BELOW WATER	<b>15</b> LIFE ON LAND	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS
<b>17</b> PARTNERSHIPS FOR THE GOALS			

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



# Good governance



The highest governing body is the Board of Directors which oversees four committees:

- The Remuneration Committee
- The Audit Committee
- The Investment Committee
- The Sustainability Committee.



## 2023

Diversity of the Board of Directors:

Males	10
Females	0
<50	30
51+	70



Sustainability and Corporate Governance Committee established on 5 December 2023 to ensure optimal performance on all matters related to **sustainability and corporate governance**.

## 8

Members compose the Sustainability Committee, 2 of which are women.





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

## 2023

A total of 57 counterparties have been reviewed in 2023. 18 cases (or 31%), all related to development activities, were considered high-risk and 11 compliance reports were issued with the remaining ongoing or having been dismissed.

## 2022

This compares with 2022, where 65 counterparties were reviewed, with 12 (18.5%) being assessed as high risk requiring further analysis.



As was the case in 2022, during 2023 there were no corruption cases associated with FRV's processes and activities.



There were no monetary or in-kind political contributions in 2023.

**>260,000** WEB VISITS

Raised visibility of FRV in the sector with more than 260,000 web visits, an increase of 8% compared to 2022.

# Protecting the environment

In 2023, we have retained **the certification of the QHSE Management System** according to ISO 14001:2015.

In 2023, **the program was expanded** to include the operation and maintenance of existing plants, including **Goonumbla** (89 MWdc, Australia), **Empire** (67 MWdc, Jordan), and **Mafraq** (67 MWdc, Jordan).

This adds to the existing portfolio of certified sites such as **Moree** (70 MWdc, Australia), **La Solanilla** (50 MWdc, Spain), and **Potosí** (342 MWdc, Mexico).



## Emissions

Carbon footprint calculated using **GHG Protocol**

In 2023 our emissions were **3943.6 tCO<sub>2</sub>e**.

Our energy intensity per GWh has **reduced by 30%**.

**95% of tCO<sub>2</sub>e** correspond to Scope 2 emissions.

Emissions reduction target: **25% reduction by 2026<sup>3</sup>**.

Our emissions **do not include Nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>)** or other gases or components.

<sup>3</sup>. For Scope 1 and 2 emissions, based on a 2021 baseline year.



## Water

Water consumption > **5000 megalitres**, mainly for **panel washing**.

**16%** of water consumption in areas with **water stress**.



## Waste

> **3000 tons of managed waste**

**99%** of waste are generated during **construction of our facilities**

> **90%** of the waste generated with evidence of having **undergone different recovery operations**



## Biodiversity

Implemented actions on site **to preserve flora, fauna and the habitats** due to around 39% of species on and within the influence area of our facilities are threatened with extinction to varying degrees.



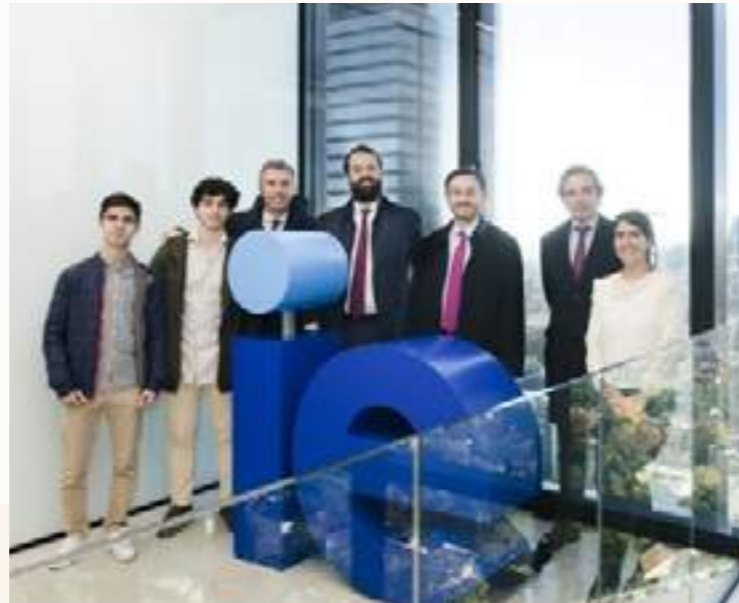
# Positive social impact



FRV has the potential to **avoid over 1 million tCO<sub>2</sub>e**, which is equivalent **powering 615,000 homes**.

## 10 SOCIAL INITIATIVES

The amount committed to the local communities affected by our projects **has grown over time**. **10 new social initiatives** implemented in 2023 to be added to the 11 existing multiannual.



In 2023, the energy FRV generates equated to **over 1,000,000<sup>4</sup> tonnes of CO<sub>2</sub> avoided in 2023**.



**Young Talented Leaders Scholarship:** FRV has awarded a total of **11 IE scholarships** in Uruguay, Jordan, Mexico, Armenia, and Spain.

## >2M USD

In 2023, we allocated **more than USD 2 million to new and multi-annual initiatives** which included sponsorships, training programs, donations, etc., distributed among Armenia, Australia, Spain, Jordan, and Mexico.



In 2023, our commitment continued with a **new agreement for the Carmonitas Norte cluster** in Extremadura.

# Our people



## 2023

KPIs:

Yearly average training hours **3,809**

% of employees trained **86%**

% of courses with negative assessments **0%**

## 288

Employees at 31 of December 2023

## 33%

Women

## 99%

permanent employees



## 83%

of employees responded **satisfactorily** relating to the **encouragement** they receive at work.

## 84%

of employees feel that management provides **clarity around the direction** of the company and in relation to how **their job can help contribute to achieving FRV's goals**.

## 87%

of employees think FRV fosters a **good work environment** and work life balance.

## 84%

of employees feel their **basic needs are being met adequately**.



# Our people



Developed FRV Global Talent Action Plan that includes activities focused on development, encouraging cross-functional collaboration and knowledge exchange, and building good work habits.



Promoting worker participation and consultation on health & safety through regular meetings on site.



0

accidents with high consequence work-related injuries.

42

recordable **work-related injuries** (95% from contractors).

2154

of **training** on occupational hazards, hazardous activities, and dangerous situations .

# Responsible Supply Chain



## 11,4%

of the procurement budget used for **significant locations of operation** that is spent on suppliers local to that operation<sup>5</sup> in 2023.

## 5,6%

of the procurement budget used for **significant locations of operation** that is spent on suppliers local to that operation in 2022.

5. Location with significant operations: FRV understand "location with significant operation" to be each of the countries in which we operate.

## 80%

of new suppliers were screened using **environmental criteria** in 2023.

## 52

suppliers assessed for **environmental impacts**.



## 100%

of new suppliers were screened using **social criteria** in 2023.

## 55

suppliers assessed for **social impacts**.





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

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