

# Together we are stronger.

This is why partnerships are integral to our business philosophy. Some of our partners, especially Development Finance Institutions, have been working in emerging markets for long and have strong relationships with local authorities.



We bring solar energy expertise to the table. Combining expertise means we become more competitive and effective than if we operated alone. A relationship does not mature into a partnership until we work on the second project. This establishes that the relationship is based on common values and works to mutual benefit. We have repeat alliances with several of our partners, representing shareholders, financing institutions and equity investors.

Driving these partnerships are our people. I am impressed when I see how our employees are able to deliver on complex tasks, whether it is intricate financing agreements or putting in place new execution methods or optimizing plant performance. In countries new to solar industry, achieving financial close is difficult and time consuming. But our experience in South Africa shows that the procedures gets standardized over time, so that when the third round is held, the process moves smoothly. We had been working on some projects for a few years, but three of them reached financial close in parallel in October 2017. In one month, we signed projects totaling 758 MW in Egypt, Malaysia and Brazil, which represent double of what we have in operation.

Adding to the complexity is that these projects are located in three continents. Financial close is challenging involving over a hundred agreements with a mosaic of stakeholders – banks, shareholders, loan providers, authorities, land owners, lawyers, construction and transport companies. There are many interfaces and they all have to fit because these agreements regulate different relationships during foreseen and unforeseen situations for the next 20 years. These projects also

showcase financial innovation in raising capital of nearly USD one billion from a variety of sources, ranging from Islamic Green Bond to Climate Finance. Cost efficient capital is essential to deploy clean renewable energy to meet climate goals.

We have significantly expanded our employees base, which now stands at 184. Many new employees have come on board and each one of them adds value or enables the company to perform particular tasks. We have taken an extra floor in our Oslo Headquarters and our new offices in Cairo and Cape Town are impressive.

Like partnerships, sustainability is integral to our business philosophy. After conducting a feedback process with key stakeholders to improve our sustainability reporting practices, we incorporated the Global Reporting Initiative (GRI) into our Sustainability Report from this year. The GRI is a trusted reference for policy makers and regulators worldwide. It enables credible non-financial reporting, collects relevant qualitative and quantitative data and measures our sustainability frameworks.

The solar industry is going through many changes. It is rewarding to see both solar technology and battery storage get cheaper and improving in efficiency. In Scatec Solar we will continue to develop our strategy and business model to adapt to a dynamic market environment, and we are convinced that we will create new attractive business opportunities where we utilize our proven track record and expertise in the years to come.



Raymond Carlsen (CEO)



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