

SUSTAINABILITY REPORT 2023



GLOBELEQ
— POWERING AFRICA'S GROWTH —

INTRODUCTION FROM OUR CEO

Globeleq is the leading independent power producer in Africa.

We made good progress in 2023, despite continued difficult economic conditions.

Our safety performance was exceptional with zero reportable incidents across our operations. This does not happen by accident: it's a tribute to the safety culture we have created across Globeleq.

During the year, we completed the 253 MW Phase IV expansion of our Azito power plant, which is now the largest in Cote d'Ivoire. We forged ahead with projects to power development in Mozambique, completing our first combined solar and storage plant at Cuamba and making good progress on our 450 MW gas-to-power project at Temane. We also acquired a solar plant at Mocuba in Mozambique and took our first ever geothermal project, at Menengai in Kenya, to financial close.

We have carefully considered our future, with the Board approving a refreshed climate strategy. It positions Globeleq as an Africa-focused energy transition company that will reach net zero by 2050 – by progressively decarbonising our portfolio in a manner that is consistent with our core mission of delivering affordable and reliable electricity in Africa. Our greenhouse gas intensity has continued to fluctuate with a slight increase due to outages in 2023, but we are confident this will trend downwards in the longer term.

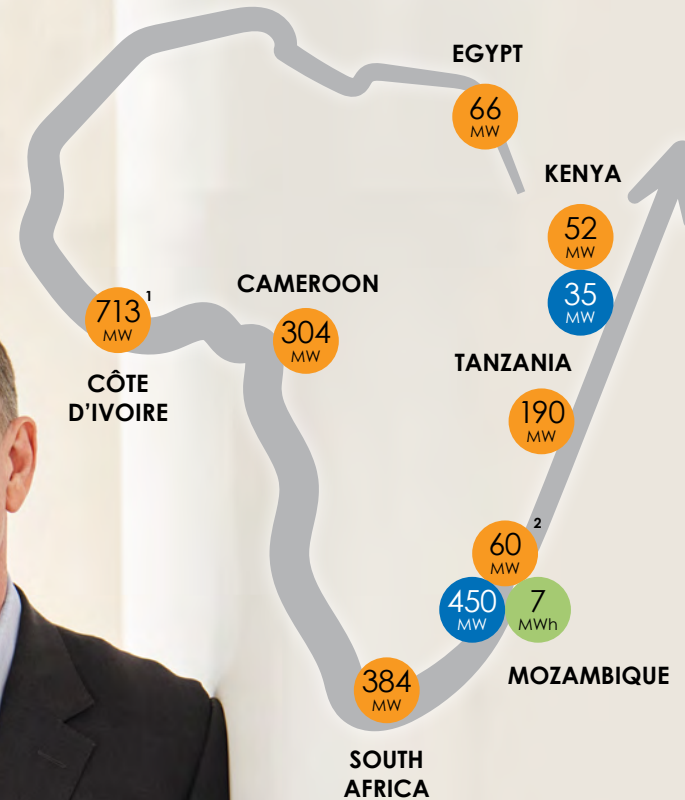
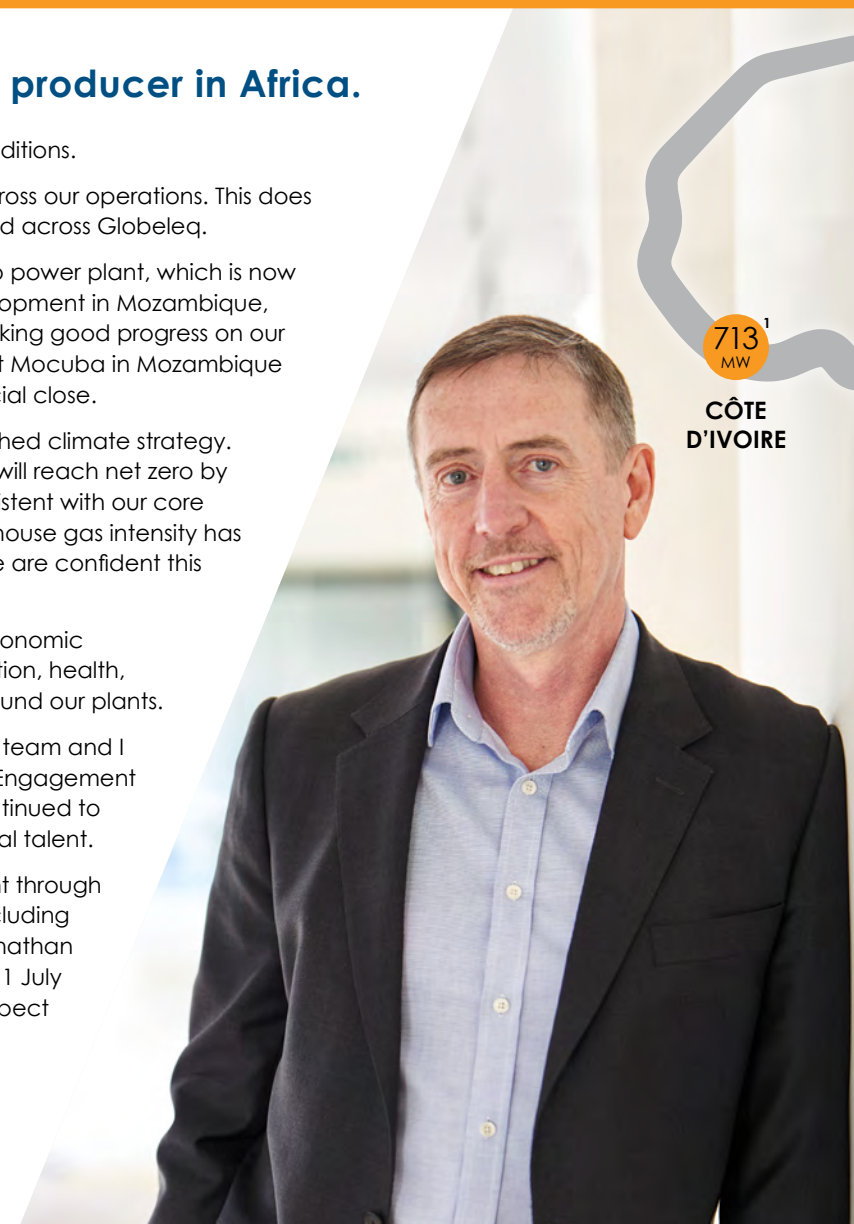
Enhancing climate resilience has become a growing focus for our socio-economic development projects this year, alongside continued investments in education, health, income generation and professional development for the communities around our plants.

All that we do is only possible through the hard work of the entire Globeleq team and I thank all our people for everything they have helped us achieve this year. Engagement levels remained strong among our nearly 500 employees and we have continued to invest in developing our people, with a particular focus on women and local talent.

We have a strong position in the African power sector, which we have earned through hard work, patience and perseverance. After nine years with Globeleq, including four as CEO, I will hand over leadership of the company to interim CEO, Jonathan Hoffman, who is stepping up from his role as Chief Development Officer on 1 July 2024. I wish him and the company all good fortune going forward, and I expect Globeleq to make further strides in powering Africa's growth in 2024.

Mike Scholey

Chief Executive Officer



- Operational
- Operational energy storage
- In construction

¹ Includes 253 MW Azito expansion completed in December 2023.
² Includes 41 MWp Mocuba solar plant acquired in December 2023.

About this report This report provides an overview of our progress and performance in 2023 on key sustainability topics. Unless otherwise stated, data includes all majority-owned plants except for the Phase IV expansion of the Azito gas plant in Côte d'Ivoire, completed in December 2023, and the Mocuba solar plant in Mozambique that we acquired in December 2023. Separate local reports highlight activities and performance at country level: globeleq.com/reports. See our **2022 Sustainability Report** for more on the way we manage sustainability topics.

POWERING DEVELOPMENT

OUR POWER

7,028 GWh of electricity produced in 2023

8.8m consumers reached³

181,971 jobs indirectly supported⁴



OUR PEOPLE

496 employees

98% from the African countries where they work

27% women in the workforce and 32% in senior management



OUR COMMUNITIES

US\$3.1m

invested in socio-economic development in 2023

129,700 people reached



OUR PLANET

32% of our power capacity is renewable

992 thousand tonnes CO₂e avoided in 2023⁵

19.4m tonnes of CO₂e avoided during our plants' lifetime⁵



POWER CAPACITY IN 2023 (AS AT 31 DECEMBER 2023)

IN OPERATION

GAS⁶



1,119
MW

SOLAR⁷



397
MW

WIND



165
MW

HEAVY FUEL OIL



88
MW

ENERGY STORAGE



7
MWh

TOTAL **1,769** MW

7 MWh

AVERAGE AVAILABILITY⁸

GAS TURBINES **89.0%**

SOLAR **98.4%**

WIND **93.4%**

ENGINES **94.1%**

IN CONSTRUCTION

GAS



450
MW

GEOTHERMAL



35
MW

TOTAL **485** MW

³ Estimated based on actual project-level production and national per capita consumption. ⁴ Estimated indirect employment enabled by businesses using electricity generated, based on Joint Impact Model (used by BII). ⁵ Emissions avoided calculated in CO₂-equivalent (CO₂e) emissions based on actual energy generation and national grid emissions factors in each country of operation. Lifetime avoided emissions calculated using the 50% probability production forecast over the duration of each plant's power purchase agreement. ⁶ Includes 253 MW completed in December 2023. ⁷ Includes 41 MW acquired in December 2023. ⁸ Equivalent availability factor for gas, heavy fuel oil and wind as defined by the Institute of Electrical and Electronics Engineers 762, and for solar calculated in the daytime from the first moment solar intensity exceeds 75W/m² until the last moment it falls below 75W/m².

KEEPING PEOPLE SAFE AND WELL

Safety comes first, always. We empower our people to stay safe and well at work every day.

We have a strong track record on safety, with no lost-time accidents (LTAs) in our operations for the last three years and several of our plants celebrating many years without LTAs.

In 2023, we achieved zero reportable incidents across our operations (including plants and offices) for the first time, with no incidents resulting in lost time, medical treatment or work restriction.

We also achieved a second year with zero LTAs at our construction projects. However, three incidents required medical treatment for contractors at Cuamba in Mozambique, leading to an overall reportable incident rate of 0.26 for construction in 2023.

Our plants in Cameroon, Côte d'Ivoire and Tanzania maintained certification to the international ISO 45001 health and safety management standard, and our operations in South Africa have also completed this certification.

We conducted over 900 hours of safety awareness sessions in 2023 and highlighted key risks through short videos distributed to staff weekly. We also held a companywide Globeleq Health and Safety Day and, separately, employees at each plant gathered to view and discuss a video offering a powerful personal account about the consequences of unsafe practices.

We have begun rolling out safety certificates for permanent contractors of services such as security, cleaning or catering, and for temporary contractors providing us with over 140 man-hours per week. In 2023, we completed health and safety audits of

23 of the 36 eligible contractors. Of these, 21 passed and two will be re-audited following corrective actions. Audits of further contractors are planned for 2024.

Promoting health and wellbeing

More employees used our Employee Assistance Programme (EAP) for counselling and support in 2023 than in 2022, following workshops and other communications to raise awareness of the programme. Use of the EAP online hub more than tripled, with wellness and mental health among the top categories accessed.

On World Mental Health Day, we encouraged employees to talk openly about mental health through group or 'buddy-up' coffee sessions, and to take time for activities that promote wellbeing such as walks in nature. Our Mental Health First Aiders also completed refresher training to help them support employees.

GOALS FOR 2024

- **Maintain zero reportable incidents in our operations**
- **Support wellbeing by managing workload and setting clear priorities**

Progress in 2023

● Achieved ● Partially achieved ● Not achieved

Goals for 2023	Status
Maintain zero LTAs and work towards zero incidents	●
Begin roll out of new safety certificate for contractors	●
Run workshops to raise awareness of our Employee Assistance Programme	●

HEALTH AND SAFETY	2020	2021	2022	2023
Reportable incident rate (operations) ⁹	0.38	0.06	0.06	0.00
Lost-time accidents (operations)	2	0	0	0
Reportable incident rate (construction) ⁹	1.06	0.20	0.09	0.26
Lost-time accidents (construction)	1	1	0	0

⁹ Incident rate includes lost-time accidents and incidents resulting in medical treatment or work restriction. Calculated in line with OSHA definition (200,000 x reportable incidents/working hours).



Zero reportable incidents

We have made our safety record a matter of pride for the business and achieved the significant milestone of zero reportable incidents across our operations in 2023. Our consistent focus on safety includes training, practical tips and regular reminders to raise awareness about key risks. Employees are also rewarded for safety performance through our Short-Term Incentive Plan.

INVESTING IN OUR PEOPLE

We are creating an inclusive working environment that fosters diverse talent and a high-performance culture.

Almost all (98%) of our employees in Africa come from the countries where they work and 86% of recruitment shortlists in 2023 met our diversity and inclusion (D&I) criteria to help us hire local talent and women.

A third of the Globeleq Limited Board are women and we have increased representation of women in senior leadership roles to 32% (34% including fixed term contract roles of 12 months or more). Nine more high-potential women completed our one-year Empowering Women Mentorship

Programme in 2023 and two have already expanded their roles.

We continued mandatory D&I learning for employees across the business and celebrated events such as International Women's Day, World Day for Cultural Diversity, Africa Day and Pride Month.

The employee engagement rate rose to 7.3 out of 10 this year, with an 89% response rate to our annual survey. We are ahead of our peers on meaningful work, management

support and goal setting, but there is always more we can do. We are responding to feedback by strengthening our culture to reinforce a sense of unity and belonging in 2024, as well as focusing on open communications and updating our Speak Up hotline.

Our refreshed Employee Value Proposition booklet, launched this year, clearly sets out our values, the positive impact our business has and what we offer our people – from career paths to benefits, reward and recognition.

In 2023, employees used our online learning platform, GQ Aspire, to complete over

1,400 hours of training. In addition, 77 managers have begun our nine-month Role of the Globeleq Manager course to strengthen their people management skills (see quotes below).

GOALS FOR 2024

- **Maintain at least 34% women in senior leadership roles** ¹⁰
- **Ensure at least 80% of recruitment shortlists meet local talent and gender diversity criteria**
- **Continue training managers to strengthen people management skills**

Progress in 2023

● Achieved ● Partially achieved ● Not achieved

Goals for 2023	Status
Increase women in senior leadership roles to 34% ¹⁰	●
Ensure at least 80% of recruitment shortlists meet our D&I criteria on local talent and gender	●
Run mandatory D&I learning for all employees	●
Roll out training for line managers to strengthen people management skills	●
Launch our Employee Value Proposition rewards booklet	●

	2020	2021	2022 ¹¹	2023
EMPLOYEES				
Number of employees	499	519 ¹²	502 ¹²	496
– Employees working in African countries who are nationals of that country (%)	98	99	98	98
– Women (%)	22	25	26	27
Women in senior management (%)	23	29 ¹²	31	32
Women in management (excluding senior management) (%)	21 ¹²	29 ¹²	28 ¹²	27
Employee engagement (score out of 10)	7.2	7.2	7.2	7.3

¹⁰ Including fixed term contract roles of 12 months or more. ¹¹ Total employees reduced in 2022 due to the restructuring of our Cameroon business. ¹² Restated due to previous error in reporting.



“I became Operations Manager after gaining experience in engineering and health and safety roles within the business. The Role of the Globeleq Manager training has reinforced the importance of feedback for my team. It’s helping me encourage development through motivating new challenges and have critical conversations in a positive way.”

George Ramadhani
Operations Manager (Tanzania)

“I started out as an intern before I took on a full time role, and since then I have been promoted and my responsibilities have expanded. I’m taking the Role of the Globeleq Manager training to help me develop further. The training has changed my mindset, helping me adjust my leadership style to improve communication and collaboration with colleagues to achieve objectives.”

Marie Bleou Socio-Economic Development Lead (Côte d'Ivoire)



SUPPORTING OUR COMMUNITIES

We strive to maintain good relationships and make a sustainable positive contribution to our communities.

We continued our dialogue with communities near our sites, with almost 700 engagements through the year, and improved how we track engagement with local stakeholders.

In 2023, we invested US\$3.1 million in socio-economic development (SED) projects tailored to their needs. We maintained our focus on health, education, income generation and professional development – including internships for 118 young people – as well as fostering climate resilience (see case study below).

Our 94 SED projects in 2023 reached an estimated 129,700 people and we completed 90% of them within the planned timeframe. We piloted a new process to help us evaluate, with input from local people, whether our SED projects achieve their planned outcomes and how we can

improve implementation of future projects. The findings of the pilot will inform a refresh of our SED procedures in 2024.

We also discussed how to strengthen our approach at a conference in Egypt for our SED and Health, Safety and Environment (HSE) teams from across the business.

GOALS FOR 2024

- Complete 92% of SED projects within the planned timeframe
- Simplify and enhance our social and SED procedures based on findings from project outcome evaluations

Progress in 2023

● Achieved ● Partially achieved ● Not achieved

Goals for 2023	Status
Complete 90% of SED projects within the planned timeframe through effective engagement with local stakeholders	●
Introduce process for evaluating project outcomes to inform our SED strategy	●
Hold a conference for SED managers from across the business to discuss how to strengthen our approach	●

COMMUNITIES	2020	2021	2022	2023
Total spend on socio-economic development (SED) projects (US\$ million)	3.6	4.0	3.8 ¹³	3.1 ¹³
Number of people reached by SED projects (estimated) ¹⁴	199,300	185,300	120,400	129,700

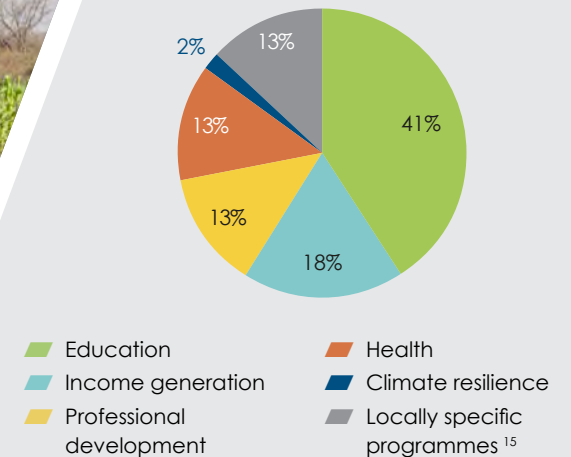
¹³ Reduction in total SED spend can be attributed to incremental changes at local level and variation in exchange rates.
¹⁴ Excludes Egypt where we contribute to joint community projects as part of the wider Benban Solar Park.
¹⁵ Includes pipeline wayleave protection/security in Tanzania.

Strengthening climate resilience

We put our new SED focus on climate resilience into practice in South Africa this year through projects that reached almost 2,800 people. A two-day workshop helped young agricultural entrepreneurs create bespoke climate adaptation plans for their businesses. We also donated tanks to collect rainwater, supplied tools and seeds for people to grow their own vegetables at home and at school, and began a two-year environmental conservation education initiative.



SED SPEND BY CATEGORY IN 2023



ADDRESSING CLIMATE CHANGE AND ENVIRONMENTAL IMPACT

We are investing to support Africa’s energy transition and have strong systems to manage environmental impact.

Our climate strategy, updated in 2023, sets out our commitment to progressively decarbonise our own portfolio in a manner that is consistent with our core mission of delivering affordable and reliable electricity in Africa and achieving net zero by 2050.

Rather than setting interim emissions reduction targets, it includes clear objectives to: implement the best energy transition solutions for each country’s power system with the aim of accelerating Africa’s energy transition and its economic and social development; and to support the implementation of our host countries’ climate strategies, emissions reduction targets and sustainable development goals.

The strategy is guided by the Taskforce for Climate-related Financial Disclosures (TCFD) recommendations, and we produced an internal TCFD report in 2023.¹⁶

Almost a third (32%) of our power capacity is from renewables. Our existing wind and solar plants will avoid an estimated 19.4 million tonnes of CO₂-equivalent (CO₂e) emissions in their lifetime¹⁷ and we are making progress towards our target to add at least 1,000 MW of renewables to our portfolio between 2020 and 2026.

In 2023, we completed construction of our first combined solar and energy storage plant and acquired another solar plant, both in Mozambique. We also broke ground on our first geothermal project, in Kenya. Other renewable projects in the pipeline include 6 GW of wind and solar to power the transformational large-scale green

hydrogen production facility we are developing in Egypt.

Alongside our renewable portfolio, we are continuing to develop gas power plants aligned with the goals of the Paris climate agreement to support economic and social development in Africa. New gas projects will only be developed if they have the capability to transition to lower carbon fuels in future or include mitigation measures such as carbon capture and storage.

Our Climate Risk and Opportunity Assessment (CROA) tool, updated last year, uses forward looking scenarios to screen climate risks for a specific project and to define mitigation and management measures where needed. In 2023, we used the CROA tool to assess all new projects in our pipeline as part of our process for making investment decisions. We also began a reassessment, to be completed in 2024, of all our operating power plants.

All our plants have environmental management systems. Our plants in Cameroon, Côte d'Ivoire and Tanzania have maintained their ISO 14001 certification and our operations in South Africa have now completed this certification.

To strengthen our environmental culture, we have introduced new criteria in our 2024 Short-Term Incentive Plan (STIP) for employees to support more consistent and effective management of environmental impacts and risks at plant level. We have also created an environmental competency matrix and planned training for relevant employees.

Progress in 2023

● Achieved ● Partially achieved ● Not achieved

Goals for 2023	Status
Prepare a TCFD report for 2023, to be published in 2024 ¹⁶	●
Reassess our full portfolio and pipeline using the updated CROA methodology	●
Develop interim greenhouse gas emissions targets for the next five to 15 years	●
Introduce additional environmental criteria to our Short-Term Incentive Plan for 2024	●
Create an environmental competency matrix and plan training to fill any gaps	●

	2020	2021	2022	2023
ENVIRONMENT				
Greenhouse gas emissions avoided from renewable power production (tonnes CO ₂ e) ¹⁸	912,914	940,420	939,064	991,616
Greenhouse gas emissions generated (tonnes CO ₂ e)	2,622,202	2,907,018	2,949,202	2,834,061
– Scope 1 emissions (gas/fuel use)	2,588,925	2,869,658	2,913,807	2,799,306
– Scope 2 emissions (electricity use)	32,489	36,220	32,987	31,296
– Scope 3 emissions (air travel)	788	1,140	2,407	3,459
Greenhouse gas intensity (tonnes CO ₂ e/ GWh produced)	403	407	394	403
Water use (m ³)	253,842 ¹⁹	263,697	313,948 ²⁰	264,460 ²⁰
Total waste generated (tonnes)	1,805	2,277	2,007	1,980
– Hazardous waste generated (tonnes)	1,132	1,080	1,481	1,563

GOALS FOR 2024

- Complete reassessment of our full portfolio using the updated CROA methodology
- Assess environmental risks and impacts at each plant to review control measures for material risks
- Establish plant-specific metrics and targets to track and drive environmental performance

¹⁶ The report will not be published as GlobeIQ does not currently meet the threshold for mandatory public TCFD reporting.

¹⁷ Emissions avoided based on actual energy generation and national grid emissions factors in each country of operation. Lifetime avoided emissions calculated using the 50% probability production forecast over the duration of each plant’s power purchase agreement.

¹⁸ Calculated based on actual energy generation and national grid emissions factors in each country of operation.

¹⁹ Excludes two of our solar sites in South Africa where data was unavailable.

²⁰ Includes water use in construction at our Azito plant in Côte d'Ivoire.

FIND OUT MORE

Visit our website for more on sustainability at Globeleq and reporting at country level:
globeleq.com/reports

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We welcome feedback on our sustainability approach and reporting. Please contact us at sustainability@globeleq.com



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