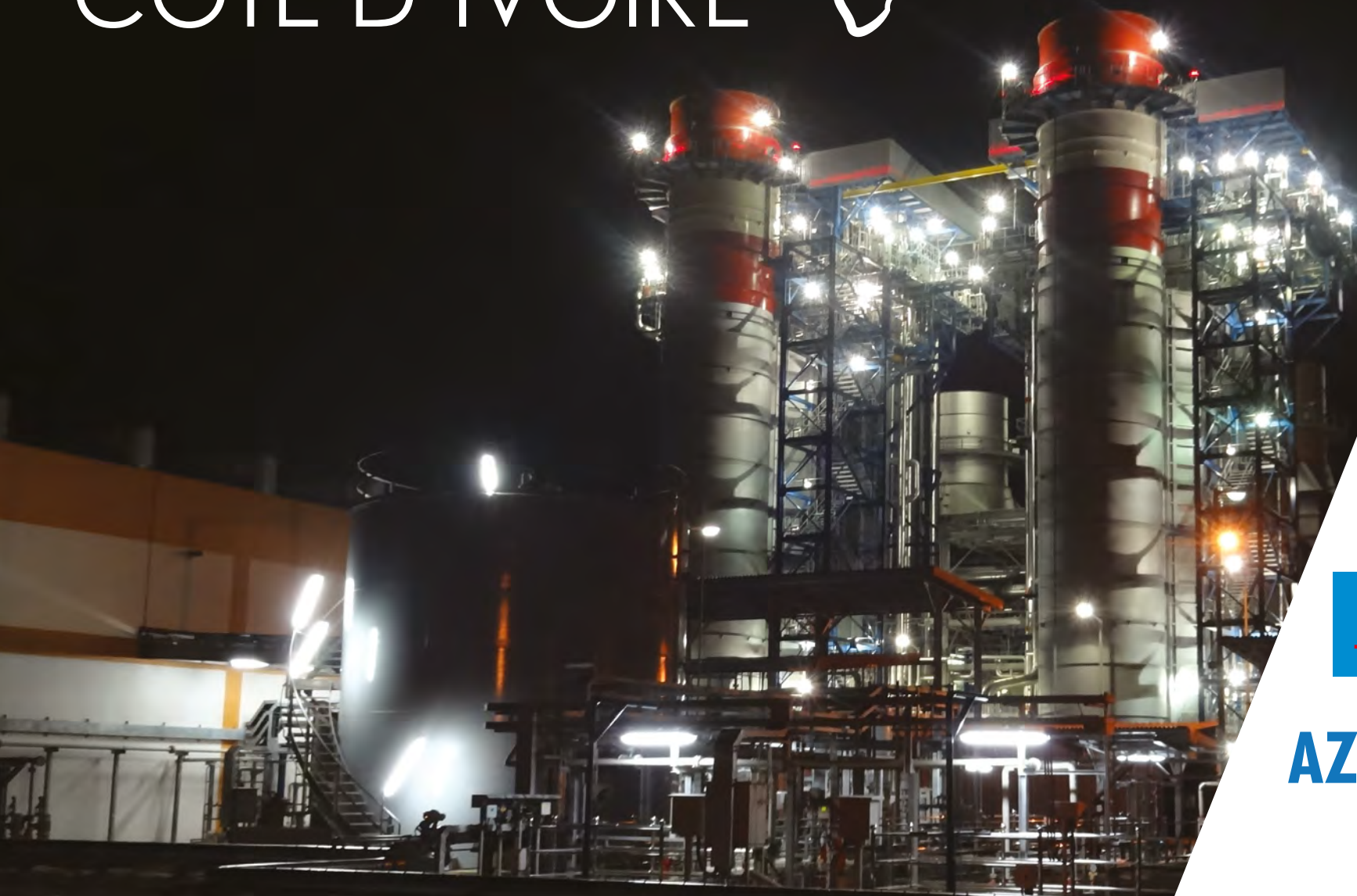


SUSTAINABILITY REPORT 2019 CÔTE D'IVOIRE



AZITO/O&M

AZITO ENERGIE

 **GLOBELEQ**

POWERING DEVELOPMENT

WE ARE POWERING AFRICA'S GROWTH BY INCREASING POWER CAPACITY RESPONSIBLY.

We pride ourselves in delivering power that the people of Côte d'Ivoire can rely on. Our Azito power plant has an average availability rate of more than 95%. Even with two major outages due to upgrades in 2019, the availability stayed high at 88.4% (above the contractual value of 86% for one major outage).

The total installed power capacity across Côte d'Ivoire was 1,391 MW in 2011 and the Government set a target to increase this by 2,000 MW by 2020. The 460 MW Azito plant, powered by natural gas from the country's own gas fields, is making a significant contribution to this goal.

In 2019, technical upgrades to our gas turbines expanded capacity at Azito by 30 MW, and increased the plant's efficiency and availability. Construction also commenced on a further expansion of the plant that will deliver an additional 253 MW. Once completed, Azito will generate 30% of the country's electricity.

The additional capacity will enable development by bringing electricity to hundreds of thousands more homes and businesses in Côte d'Ivoire and neighbouring

countries. The power we generated in 2019 indirectly supports an estimated 67,300¹ jobs.

Our steadfast commitment to sustainability underpins our reputation and all our business decisions. We have an excellent track record on safety. We rigorously adhere to environmental obligations. We listen to local communities, and invest in socio-economic development projects to support them. And our people are fully engaged.

Health and safety always comes first. As the Covid-19 pandemic took hold in early 2020, our crisis management processes enabled us to respond quickly with additional measures to protect our employees and support our communities, while continuing to provide essential power supplies.

Honorat Boua

General Manager, Azito O&M

Luc Aye

Managing Director, Azito Energie

Working in partnership

Globeleq owns the Azito Operations & Maintenance (Azito O&M) company that runs the Azito power plant. We also hold a 77% share in Azito Energie, the project company. Our partner in Azito Energie is Industrial Promotion Services (West Africa), an affiliate of the Aga Khan Fund for Economic Development.

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POWERING CÔTE D'IVOIRE'S GROWTH – KEY PERFORMANCE INDICATORS 2019

OUR POWER



460
MW
OPERATIONAL

253
MW IN
CONSTRUCTION

88.4%
AVERAGE
AVAILABILITY
IN 2019²

OUR PEOPLE



74
EMPLOYEES

OUR DEVELOPMENT IMPACT



67,300
JOBS INDIRECTLY
SUPPORTED
IN 2019¹



¹ Estimated indirect employment enabled by businesses using electricity generated based on Joint Impact Model (used by CDC Group).

² Equivalent availability factor, as defined by the Institute of Electrical and Electronics Engineers 762. Availability was lower than usual due to two major upgrades in 2019.

KEEPING PEOPLE SAFE

OUR PRIORITY IS TO ENSURE NO HARM COMES TO OUR PEOPLE WHILE THEY ARE AT WORK.

MANAGING HEALTH AND SAFETY

Our health and safety management system is aligned with Globeleq's common procedures, which are based on international standards. It is certified to OHSAS 18001 and we are working towards certification to ISO 45001.

Our safety policies and procedures apply to everyone at our plant, including contractors, employees and visitors.

SAFETY PERFORMANCE IN 2019



REPORTABLE
INCIDENT RATE³

0

LOST-TIME
ACCIDENTS

0

We have a very strong track record on safety. In 2019, we celebrated 12 years without a lost-time accident (LTA) and our reportable incident rate remained at zero for both our existing operations and for construction related to expansion of the Azito plant. If any incidents

or near misses do occur, we carry out a thorough root cause analysis and take action to avoid anything similar happening in future.

Before beginning work on any task, we assess risks and establish plans to manage them. The safety of critical equipment is checked regularly and inspected twice a year by an external auditor. We run regular fire and emergency training simulations, and we have a trained emergency response team.

INSTILLING A SAFETY-FIRST CULTURE

Employees complete safety training as part of their induction to the business and receive ongoing training relevant to their roles. Contractors also undergo safety training and are closely supervised on site to prevent any incidents.

We encourage people to remain vigilant about safety risks and we offer an incentive scheme to reward anyone reporting behaviours or situations that they believe are unsafe.

Our health, safety and environment (HSE) team promotes a safety-first culture through awareness campaigns and regular meetings about safety issues. We held lively discussions on topics such as protective clothing and shift patterns as part of Globeleq's global safety awareness day in 2019.

PROMOTING HEALTH AND WELLBEING

We support our people's health and wellbeing by providing health insurance, annual medical check-ups, vaccinations against life-threatening diseases, and ergonomics assessments and training. We are also building a gym for staff at the Azito plant.

SECURING OUR PEOPLE AND PLANT

A combination of government forces and private contractors are responsible for security at the plant. The terms of our agreements require all security personnel to be trained on safety and human rights.



4,453

DAYS WITHOUT LTAs
BY END OF 2019

³Incident 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).

INVESTING IN OUR PEOPLE

WE VALUE THE INDIVIDUAL PERSPECTIVES EACH OF OUR EMPLOYEES BRING TO THE BUSINESS, AND WE WANT TO HELP THEM DEVELOP WITH US.

DEVELOPING DIVERSE TALENT

Of our 74 employees in Côte d'Ivoire, 69 are Ivorian nationals, including all 52 Azito O&M employees. Our people represent many different regions and distinctive cultures across the country.

We aim to hire locally where we can and we had fixed-term contracts or permanent service contracts with eight people from the villages near our plant in 2019. We are addressing local skills shortages through our socio-economic development programmes (see page 5).

In 2019, we invested over 91.6 million CFA in training to help our people develop the skills they need to do their jobs and progress their careers. Each employee has a twice-yearly discussion with their manager about their performance and development goals.

Everyone must complete annual training on the Globelec Code of Business Conduct. We encourage people to speak up if they have any concerns about behaviour that

goes against our values, via an independent hotline. We also provide training on diversity and inclusion, and our equality policies ensure that we hire, promote and reward people according to their merits.

Women represented 16% of our employees in 2019 and improving gender balance is a key focus of our local diversity plan as we expand the plant. We have created a new strategy to help increase the pool of female candidates with the right skills for our industry and beyond. It includes scholarships, internships and sponsoring educational activities for young women.

ENGAGING EMPLOYEES

In September 2019, 90% of our people in Côte d'Ivoire participated in Globelec's first companywide employee survey. Our overall engagement score was 7.5 out of 10, above the international benchmark of 7.0 for the sector. We scored particularly well on goal-setting, meaningful work and living our values.

Employee feedback also highlighted areas where employees feel we can do better, including managing workload, explaining compensation decisions and providing more informal spaces for breaks. We are working with employees to create and implement action plans that respond to their feedback.

EMPLOYEE ENGAGEMENT SURVEY 2019



We hold quarterly staff meetings to keep our people informed and our General Manager has quarterly formal meetings to consult with employee representatives. Topics raised in 2019 included changes in shifts, pay, pension contributions and financial assistance to buy houses.



CELEBRATING WOMEN AT AZITO

On 8 March 2019, we celebrated International Women's Day by expressing our appreciation of female employees at Azito Power and the invaluable role they play in our success.

SUPPORTING OUR COMMUNITIES

WE WORK CLOSELY WITH PEOPLE LIVING NEAR OUR PLANT AND INVEST IN PROJECTS DESIGNED TO UPLIFT LOCAL COMMUNITIES.

INVESTING IN SOCIAL AND ECONOMIC DEVELOPMENT

We channel our support for communities through socio-economic development (SED) projects that will deliver long-term benefits. Our SED projects are aligned with Globelec's four corporate priorities: health, education, income generation and post-school professional development.

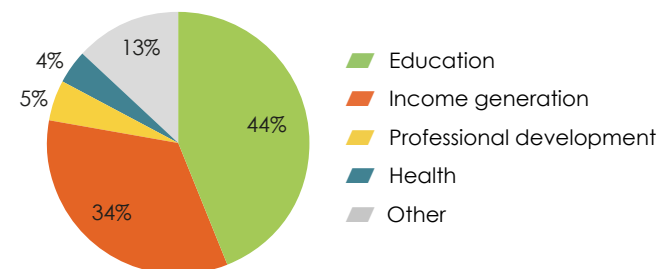


264m CFA
INVESTED IN SED
PROJECTS IN 2019



49,700+
BENEFICIARIES
IN 2019

SED INVESTMENT BY CATEGORY IN 2019



SED HIGHLIGHTS IN 2019



EDUCATION: We helped 10,500 children access better learning facilities in 2019 by providing new classrooms, sanitation facilities and educational materials to local schools. The primary school we built in Azito village has helped to reduce class sizes and improve students' performance – 100% are now achieving primary certification (up from 59%). We also sponsored award ceremonies to motivate students at 40 schools.



HEALTH: Our health projects reached more than 31,000 people in 2019. To help tackle malaria, we donated mosquito nets to over 11,000 people, supported a neighbourhood clean-up of environments where mosquitos thrive, and raised awareness of prevention measures on World Malaria Day. We also donated HIV medicines to a local specialised medical centre.



PROFESSIONAL DEVELOPMENT: In 2019, we welcomed 15 interns to give them valuable on-the-job experience in our business. We also offered technical training in trades to 100 young people living in nearby villages and worked with sub-contractors to provide training and employment opportunities for 30 local people.



INCOME GENERATION: Since 2008, we have supported a cooperative of 400 women entrepreneurs who produce and export attiéké, made from cassava. Their income per tonne produced has quadrupled since 2013. In 2019, we helped them extend their factory and began building another. We also invested in a biogas unit to turn organic waste from making attiéké into energy to power their factory.

SUPPORTING OUR COMMUNITIES

ENGAGING WITH COMMUNITIES

We strive to be a good neighbour and we have built collaborative relationships with the communities around our plant. Our SED manager leads engagement activities in line with Globeleq's robust common procedures.

The Azito plant is now moving into its fourth phase of development to expand capacity. At each phase, we have conducted an environmental and social survey involving our neighbouring communities and Yopougon City Hall.

In 2019, we held several formal dialogue sessions with community representatives and conducted surveys of people living near our plant to get their views on how we are doing in relation to noise from the plant, environmental protection and community projects.

Responses were very positive, with a 90% satisfaction rating from the village of Azito and 96% from nearby Beago. We also organised a plant visit for community members in 2019 in response to previous feedback expressing a desire to learn how the plant process water is treated.

Communities can also raise any concerns through our formal grievance mechanism. In 2019, we worked with the Ivorian Government to resolve an issue relating to land compensation for the villagers of Azito that has been pending since development of the plant began in 1998. A formal agreement was reached that was acceptable to all stakeholders.



PROTECTING OUR ENVIRONMENT

WE CLOSELY MANAGE ENVIRONMENTAL IMPACTS AS WE POWER GROWTH IN CÔTE D'IVOIRE.

TACKLING CLIMATE CHANGE

The natural gas we use to generate power at our Azito plant has a relatively low carbon footprint compared with other fossil fuels and enables production of affordable power using Côte d'Ivoire's own natural resources.

As a combined cycle power plant, Azito is more efficient than traditional single cycle gas turbine plants. Steam turbines powered by waste heat from the gas turbines generate more power using the same amount of fuel.

We are investing in innovative technologies that further reduce the carbon intensity of the power we produce, including a major upgrade of the gas turbines in 2019 (see case study).

Our greenhouse gas footprint in Côte d'Ivoire was 1.2 million tonnes of CO₂-equivalent (CO₂e) in 2019 and our carbon intensity was 415 tonnes of CO₂e per GWh produced.

MANAGING ENVIRONMENTAL IMPACTS

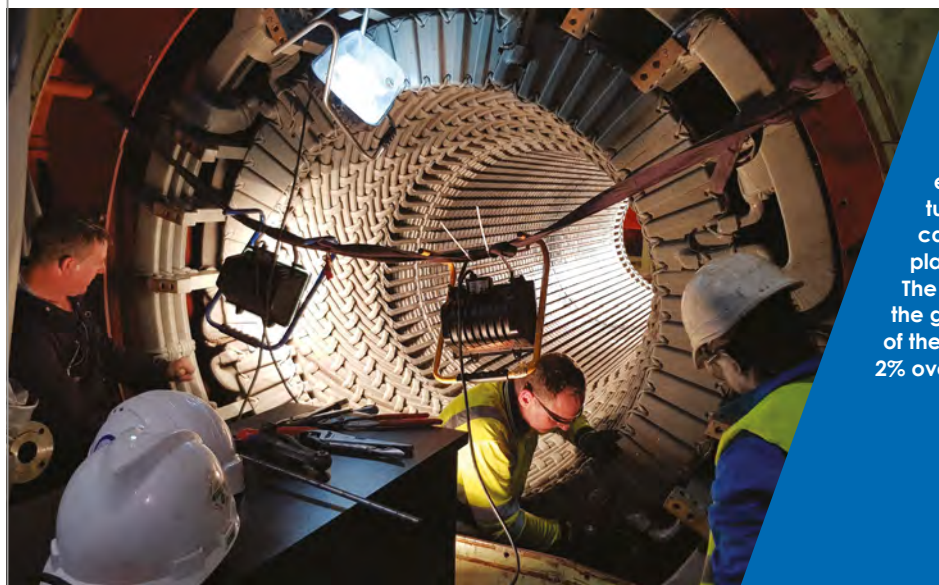
We have robust systems in place to ensure environmental compliance and there were no significant incidents in 2019. Our environmental management system is certified to ISO 14001, and employees are trained to identify and manage environmental risks.

To avoid any adverse impact on local air quality, we have automated controls in place to monitor emissions, such as nitrogen oxides. An independent third party measures air emissions from the plant every three months to confirm that they are well within the limits set by national regulations and International Finance Corporation standards.

MINIMISING WASTE AND WATER USE

We aim to minimise the waste generated on site and promote recycling where possible. We generated 286 tonnes of waste in 2019. This includes seven tonnes of hazardous waste, such as used oil and oily rags from machinery maintenance, which was disposed of responsibly by a licensed contractor.

In 2019, we used 68,496m³ of water, all from licensed boreholes or municipal sources. The water used to generate steam in our turbines is recycled in a closed loop. We have also reduced use of potable water and water used for hygiene purposes by more than 20% by installing automatic infrared taps.



MORE POWER, LESS EMISSIONS

In 2019, we invested in upgrades of our gas turbines to improve efficiency at the Azito plant. The turbines now offer 30 MW more capacity, resulting in increased plant efficiency and availability. The improved efficiency has cut the greenhouse gas intensity of the power produced by 2% overall.



FIND OUT MORE

This report covers our sustainability activities and performance at our operations across Côte d'Ivoire in 2019.

Visit the Globeleq website to view our global sustainability report and find out more about our approach to sustainability across the business:

www.globeleq.com/sustainability

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

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