

Globeleq Limited

UK Tax Strategy Statement for Financial Year Ended 31 December 2024

The Finance Act, 2016 requires large UK groups or sub-groups, companies or partnerships to publish a UK Tax Strategy.

Globeleq Limited and its UK subsidiaries or any other related entities filing UK tax returns ("the Group" or "Globeleq") regard this UK Tax Strategy to meet its obligations in accordance with the requirements of Section 161 and paragraph 19(2), Schedule 19, Finance Act 2016.

This UK Tax Strategy is applicable to all UK entities which are consolidated for financial reporting purposes under Globeleq Africa Holdings Limited.

About Globeleq

Globeleq is a leading Independent Power Producer in Africa. Since 2002, Globeleq has owned, operated, developed and invested in diversified power projects in Africa. We strive to be the preferred partner within Africa's power market.

Supported by our shareholders, British International Investment and Norfund, we continue to grow our business by investing capital to enhance the performance of our existing assets and bringing new utility-scale power projects to African nations.

Our UK Tax Strategy

The Globeleq business is guided by the core values of safety, integrity, excellence, unity, sustainability, and fulfilment. These core values drive the Group's business decisions and our people's behaviour. Our Tax Strategy is therefore underpinned by ensuring the Group and its representatives act with the highest levels of business integrity.

Our UK Tax Strategy comprises four main areas:

1. Our Approach to Risk Management and Governance in Relation to Taxation

Given the nature of our business and the number of jurisdictions in which we operate, tax uncertainties and risks will inevitably arise from time to time with respect to the interpretation of tax laws and the nature of our compliance obligations. We have tax risk management processes through which we proactively seek to identify, evaluate and manage tax uncertainties and risks to ensure that they are appropriately addressed and minimised.

The Group's Board of Directors and the Audit and Risk Committee are responsible for monitoring and approving the Group's approach to tax. Responsibility for implementing the Group's approach to tax, the supporting governance framework, and the management of tax risk sits with the Group's Head of Tax and the Chief Financial Officer. Key risks related to tax are escalated to and considered by the Board of Directors and the Audit and Risk Committee, as and when required.

The day-to-day UK tax affairs are dealt with by the Group Head of Tax and Group Financial Control teams, adhering to tax law and applicable Group policies. Qualified and experienced staff consider the various UK tax impacts of our business and regularly utilise external tax advisors to advise the Group on tax legislation, amendments, and their potential impact on our responsible management of tax risks.

2. Tax Risks that the Group is Prepared to Accept

The Group is committed to meeting its tax obligations that arise from local, national and international regulations. In alignment with our core values and to ensure tax compliance, we are committed to:

- Calculating, reporting and paying the right amount of taxes within the appropriate timelines;
- Resolving any uncertainty around legislation with the relevant tax authorities or external advisors; and
- Monitoring tax legislation changes and updating our policies and procedures where necessary to ensure compliance.

3. Our Approach to UK Tax Planning

As with all areas of our business and as defined by our core values, we act with integrity when considering the tax impact of our commercial planning to ensure we are acting within the letter and spirit of the relevant tax laws. The Group does not participate in any artificial schemes or arrangements that are primarily designed and focused on reducing tax liabilities.

We utilise tax incentives, exemptions and reliefs available where they are relevant to our business and apply them as provided for in the tax legislation.

4. Positive Approach to Dealings with HMRC

We engage with HMRC with openness, integrity and respect and in a spirit of cooperative and proactive compliance. Globeleq provides all necessary cooperation to HMRC where lawfully requested or required.

We do not seek aggressive UK tax positions that are likely to lead to disputes with HMRC and, wherever possible, to resolve any disputed matter through transparent discussion and negotiation. Where a tax dispute cannot be resolved through active and open dialogue, we seek an agreed resolution wherever possible, but where necessary, we would also make legitimate appeals and utilise available procedures to determine the correct tax position.

We continually review our business processes to ensure they comply with tax legislation. Where these reviews require adjustments, elections, corrections or re-filings, we would share these with HMRC to agree actions and any impact on past, present and future tax liabilities.