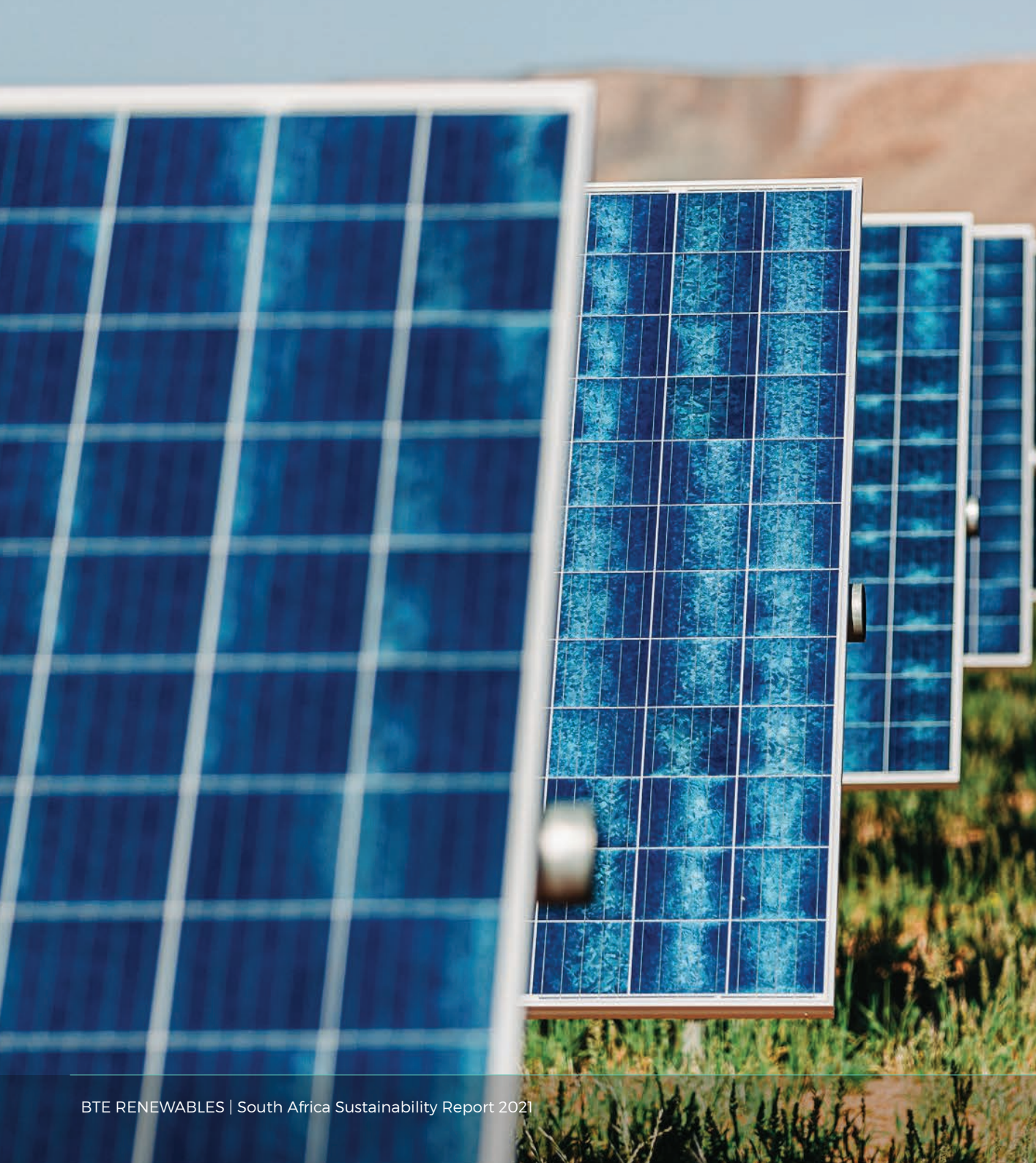




2021

Sustainability Report
Unlocking Potential

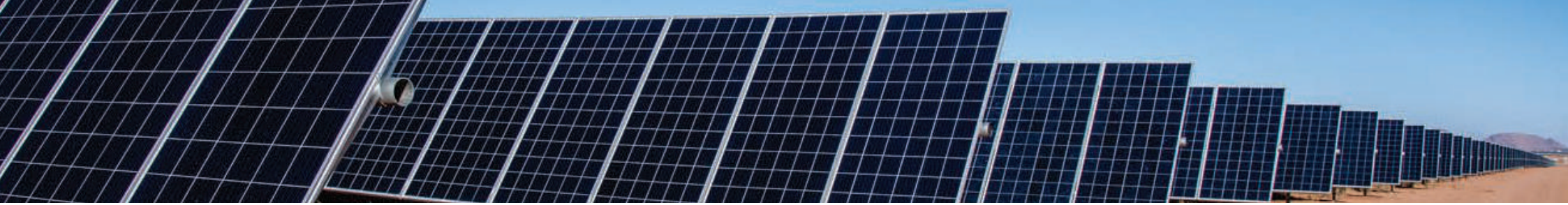




BTE SUSTAINABILITY REPORT

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MESSAGE FROM OUR CEO

2021 was another milestone year for us at BTE Renewables as we became a fully operational Independent Power Producer (IPP) in both Kenya and South Africa, after years of development and construction of our current portfolio of five projects. We are incredibly proud of our team's achievements, especially considering the two year global pandemic.

This growth and diversity signifies our resilience, limitless potential and keen focus to continue our contribution to the clean energy mix in Africa. Access to reliable affordable clean energy is a key driver of economic and social growth. We remain focused and committed to this vision for this beautiful continent.

Over this time, we have successfully adapted to a new office working environment, redefining our approaches, methodologies and tools, while ensuring the progress of our projects. We discovered innovative ways to interact and build better relationships with our colleagues beyond meetings by implementing 'employee welfare' initiatives, in acknowledgment of the strain the pandemic has placed on us all, including our families.

Our employee base has ballooned alongside our business and has risen to 154 directly permanent employees across our offices and sites, in South Africa and Kenya. Our team is not just larger, but also more diverse, with 50% of our Heads of Department, 46% of staff in South Africa and 36% of total staff compliment being female, and a very impressive racial diversity. In terms of other aspects of our business:

- The safety of our people is paramount. This is demonstrated in our excellent health and safety records, showing our commitment to our people and our contractors' staff - to return them safely to their families every day.

- Our targeted community investment programmes produce results in terms of educational, health and skills development outcomes.
- Our commitment to biodiversity and the environment is evident through our pioneering Biodiversity action plans (BAPs) and our partnerships with key conservation organisation.

"We are proud to play a role in Africa's energy transition to renewable power and are committed to ensuring that BTE Renewables play a role ensuring the Just Energy Transition. Hence, we are cognizant of our responsibility to contribute energy access for the people of Africa, and ensure that this is achieved in a way that fully considers the impacts on the environment, society, biodiversity and the economy in which we operate."

Thank you for your interest in our 2021 Sustainability Report. We believe this illustrates our passion for the African context, its communities and environment, and the importance we have placed on it in the way in which we operate.



Mission

To deliver cost competitive renewable energy to the people of Africa



Vision

To play a significant part in the realization of Africa's potential



Values

Integrity; innovation; accountability; respect; commitment



■ Robert Skjodt, CEO of BTE Renewables



384 Megawatts in South Africa & Kenya



500,000 + Homes Powered



820,000t CO2 Avoided Per Annum

OUR PROJECTS

Konkoonsies II Solar PV (N.C: Pofadder)

 86 MW  250,160 MODULES  215 HECTARES

Aggeneys Solar PV (N.C Aggeneys)

 46 MW  140,640 MODULES  110 HECTARES

Excelsior Wind Energy Facility (W.C: Swellendam)

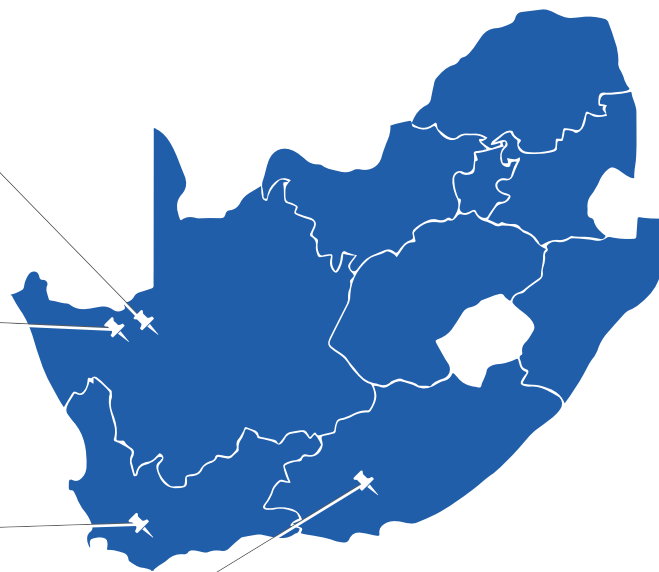
 32 MW  13 TURBINES  2,300 HECTARES

Golden Valley Wind Energy Facility (E.C: Bedford, Cookhouse, Adelaide, Somerset East)

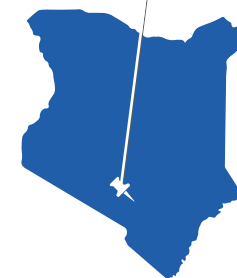
 120 MW  48 TURBINES  9,600 HECTARES

Kipeto Energy PLC, KENYA

 100 MW  60 TURBINES
 7,000 HECTARES



South Africa



Kenya

"As demonstrated in South Africa's revived REIPPPP process, participation in COP26 and financial commitments shown to Africa's climate change mitigation and resilience, the time for renewables is upon us. We aim to be a core part of this, leading the drive with our fellow IPPs to deliver responsible, sustainable, renewable, energy "

■ Robert Skjodt, CEO of BTE Renewables



SUSTAINABILITY AT BTE

At BTE Renewables, sustainability is at the heart of our decision-making, while contributing clean energy to African economies by delivering 284 MW and 100 MW into the South African and Kenyan grids respectively. We produce clean energy with due regard to our various stakeholder groups, alongside broader sustainability considerations and opportunities presented through the African renewable energy industry, and more broadly through alignment with the Sustainable Development Goals (SDGs).

Our sustainability and ESG initiatives are integrated into our resourcing, policy-making and processes, and governed by a ESG Board sub-committee that meets quarterly and to which the organisation is accountable.

The core elements of our sustainability strategy comprise:

- **Our people:** providing a sound, healthy and rewarding work environment for all our employees and contractors; and for the last two years, to minimise the effects of COVID-19;
- **Our local communities:** to deliver maximum positive impact through our projects, employment, procurement and community investments;
- **Our environment:** countering and minimising any negative impacts on the environment, and ensuring that we are able to achieve biodiversity and conservation gains wherever possible;
- **Ensuring good governance:** committing to conducting our business with integrity, transparency and respect for the principles of good corporate governance.

“We are committed to demonstrating leadership in responsible renewable energy investment across Africa, harnessing opportunities for long term transformational impact in the communities and countries in which we operate and setting an example for the effective management of our environmental and social impacts.”

In 2020, we established a 3-year sustainability strategy to action this commitment. 2020 focused on ‘Structuring for Impact’ – ensuring that we had the right systems, resources and strategies to achieve our goals. This included developing a comprehensive Environmental and Social Management System (ESMS) to ensure consistency and integration of our E&S commitments. The application is managed and monitored through a strong governance structure, comprising of the ESG Board Sub Committee, a dedicated ESG/Sustainability Director, and a sustainability team comprised of 52 professionals across different disciplines of environmental management, social performance, human resources management, economic development, and health and safety management.

2021 focused on ‘Building Legitimacy’ in the renewable energy space, by bedding down our ESMS; integrating it fully into our operations; and increasing our positive influence in the industry. A milestone achievement in this respect was the seed funding and launch of the INSPIRE initiative (alongside Lekela and implementation partner, Synergy - see page 14), which aims to advance the field of social performance in South Africa’s renewable energy sector. Implemented in partnership with SAWEA and SAPVIA, INSPIRE illustrates our commitment to furthering best practice and ESG considerations in our industry.



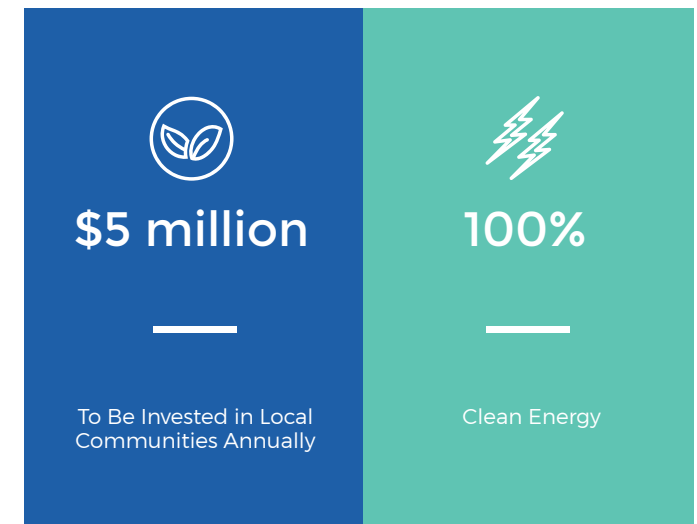
■ Libby Hirshon, ESG/Sustainability Director













"BTE Renewables holds positions on the South African Wind Energy Association (SAWEA) board, as well as chairs and participates in several sub-committees, further cementing our sustainability commitments. We are proud of our role and the difference that we are making in terms of supporting the strategic direction of our country's wind energy sector, as well as the environmental and social sub-elements where we directly benefit our host communities and environments, in which we operate."

In 2022, we are a determined to achieve a leading role in ESG through a collaborative, consultative, and partnership approach that promotes transparency across multiple levels.

This inaugural report gives insight into our journey up to and including results for 2021 and provides a chance to showcase the elements of our ESG performance and progress, of which we are particularly proud. It's a starting point and a springboard as we to dive into delivering our mission of long-term sustainable impact through the projects we build and operate. Please enjoy the read!



BTE CONTRIBUTIONS TO SDG'S

		Impact / Contribution
Core SDGs	 Affordable and Clean Energy	<p>■ By the Nature of our Operations</p> <hr/> <p>Our projects increase the share of renewable energy in Africa</p> <p>Energy generated by BTE is reducing dependance on fossil fuel generation and helping to decarbonise the local markets</p>
	 Take urgent action to combat climate change and its impacts	
	 Quality Education	<p>■ Through our investments in our people and environment</p> <hr/> <p>Education is a core focus of our community investments strategy</p> <p>Creating high quality and safe employment at our company and on our projects, as well as through our community investment projects</p> <p>BTE biodiversity and conservation programmes are industry leading</p>
	 Decent Work and Economic Growth	
Other SDGs	 Life on Land	
	 No Poverty	Community investments in our local communities are combatting poverty
	 Good Health and Well-Being	Our focus is on health, safety and well-being of our employees, and also through our health investments in our local communities
	 Gender Equality and  Reduced inequalities	Our focus on diversity and inclusion in our organisation, as well as the focus on gender equality in our community investment programmes, is driving positive change
	 Responsible consumption and production	Our environment management programmes on our projects enhance sustainable use of resources



OUR PEOPLE



Investing in Diversity, Promoting Excellence

At BTE Renewables, we commit to providing a sound working environment for all our employees, creating a fair, diverse, safe, healthy and rewarding working environment for all.

2021 has been a year of remarkable transition from a primary focus on construction to operations of five projects in Kenya and across South Africa. During the construction phase, by its nature, a significant number of jobs were created, peaking at circa. 2500 across the company and averaging at circa 450. This can be compared to current operations jobs of 540, of which 154 are directly employed.

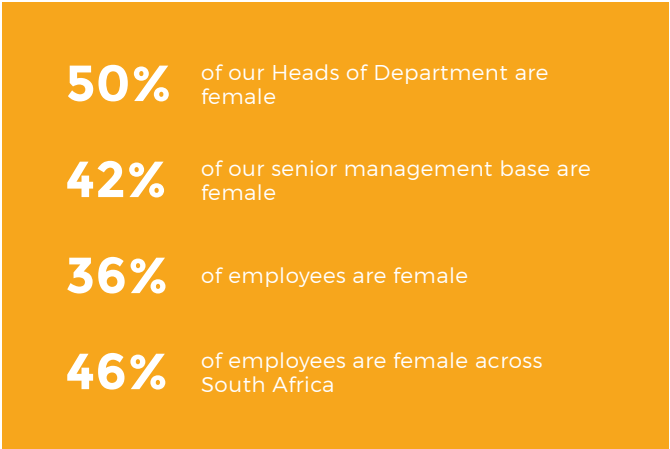
Building a Diverse and Inclusive Workforce

We are an equal opportunity employer across gender, race, ethnicity, HIV/AIDS status, religion, age, physical disability, socio-economic status, political affiliation or any other characteristic subject to discrimination.

Gender

We are proud to report that BTE's gender diversity at the leadership level is exemplary, with 50% of our Heads of Department being female. Further to this, BTE's senior management boasts a 42% female compliment, which we are striving to further increase through the implementation of equal access programmes in the workplace.

In 2021, we were recognised for this and awarded by Standard Bank for being a "Top Gender Empowered Company" for demonstrating gender diversity.



'We are inclusive in all aspects of our business, drawing perspectives from our people so that the collaboration process drives innovation, one collective decision at a time'.

Lerato Nonyane, HR Director



■ Lerato Nonyane, HR Director



2 500

peak construction jobs



526

total operations jobs 2021



154

directly employed:
operations jobs 2021



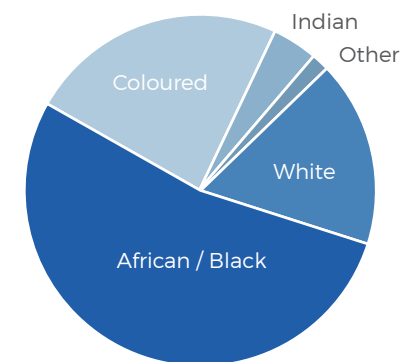
Ethnicity

BTE's South African workforce is ethnically balanced reflecting the country's ethnic composition. This racial diversity is measured through implementation of our SA Employment Equity Plan (EQP), which aligns with the country's Employment Equity Act (No. 55 of 1998) and sets three to five-year targets. Progress is actively monitored and inclusively managed, through quarterly Employment Equity and Skills Development Committee meetings (nominated by employees themselves).

Kipeto's employee complement is **99% Kenyan**, a third of which are Maasai who are local to the wind farm. We are in the process of developing a Localisation Strategy for operations, to maximise employment of the local Maasai, over the long term. That said, these efforts already started in pre-construction through the implementation of a youth skills training programme (as illustrated in more detail in the Community Investment Section). A Labour Monitoring Committee has weekly discussions covering every aspect of labour in the company, including employee wellness plans, diversity and inclusion in compliance with Kenyan Labour laws and Acts of Parliament.

"As part of tracking and meeting BTE's Employment Equity targets and goals, we ensure that each employee has equal access to learning and development opportunities ensuring growth, and responsibilities."

Simamkele Mngqete, Human Resource Business Partner



South Africa Employment



Developing our people

Creating opportunities for staff to grow and enhance their skills is an integral part of our HR function, with development of Individual Development Plans (IDPs) for each employee, and this year we initiated a bursary programme to retain and groom talent.

This year, we implemented our first Company Culture Survey to provide direction for areas for improvement, drawing a 92% participation, across the entire employee base. The survey is part of the ongoing drive to achieve the highest standards of diversity and inclusion, while creating a culture in which every employee feels heard, understood, inspired and supported.

Employee wellness

Employee wellness is very important to us, and we believe that our commitment goes beyond the demands of related laws and regulations in both operating countries. Our Wellness and Inclusion committee, comprising 11 employee representatives, guides the company's efforts to provide support and wellness measures for all employees. One of our favourite wellness activities, as established from 2020 during COVID-19 lockdown period, is the company-wide 'Morning Stretch' as led by our CEO twice a week. The session includes a update on company and general news, while he leads participants in a physical stretching exercise. The session includes a update on company and general news, while he leads participants in a physical stretching exercise.

Aside from this, we hold various wellness days and regular information sharing sessions facilitated by Employee Wellness Programme specialists to empower employees with information, knowledge and guidance on making healthy choices. 2021 topics included living a healthy lifestyle; burnout and resilience; fatigue and importance of sleeping; and financial wellness, amongst others.

99%

Kipeto's employee complement is 99% Kenyan, a third of which are Maasai who are local to the wind farm.



■ Vuyolwethu Matiwane, BTE Grid Manager

Vuyolwethu Matiwane, BTE Grid Manager, was elected in 2021 as the Renewable Power Project representative on the Grid Code Advisory Committee. As an industry role model, she is involved in a number of sector working groups and is a true inspiration to others.

"The industry is currently male-dominated, with more men than women in leadership and decision-making roles. It feels good to be part of an organisation that is actively promoting gender diversity."

Similarly, **Ntitseng Moloi, Operation Monitor Supervisor**, received an Accenture Rising Star Award for emerging leadership skills. The award recognises young talented people who have a capacity for achievement, success and who contribute in an inspirational manner to the future of the nation through their professions.





12 June 2021

BTE 'Timu Moja' fun 5 – 21 km run/walk day. The name, which means 'One Team' in Swahili, was the theme for this voluntary fun event that focused on personal health awareness. This 'virtually' co-ordinated event drew excellent participation across Kenya and South Africa and Egypt with staff taking part in Nairobi, Johannesburg, Cape Town and Kipeto.



HEALTH & SAFETY



BTE's Approach to Health and Safety (H&S)

The health and safety of our employees is fundamental to our organisation's DNA. We strive to ensure consistency in performance across our projects and throughout all our operations.

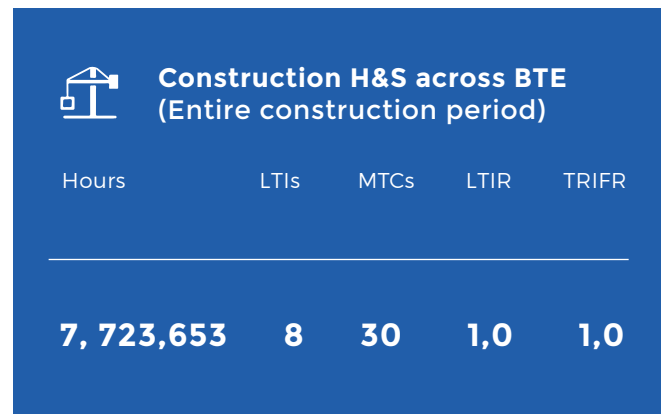
"We put H&S foremost on our sites and ensure optimal performance results through management, monitoring, training and oversight of H&S systems. We also ensure that we have dedicated personnel on site, with highest standards of H&S capacity and competency to monitor performance, in partnership with our EPC/ O&M contractors" says **Stefan Van Niekerk, Head of Operations at BTE.**

We constantly strive for best practices in H&S performance, based on International Standards. The ultimate aim is **zero injuries**, attained through proactive measures to identify risks, track positive indicators, and conduct sound analysis of our performance. Our dedication to this is reflected in our performance across the company, in both construction and operations.

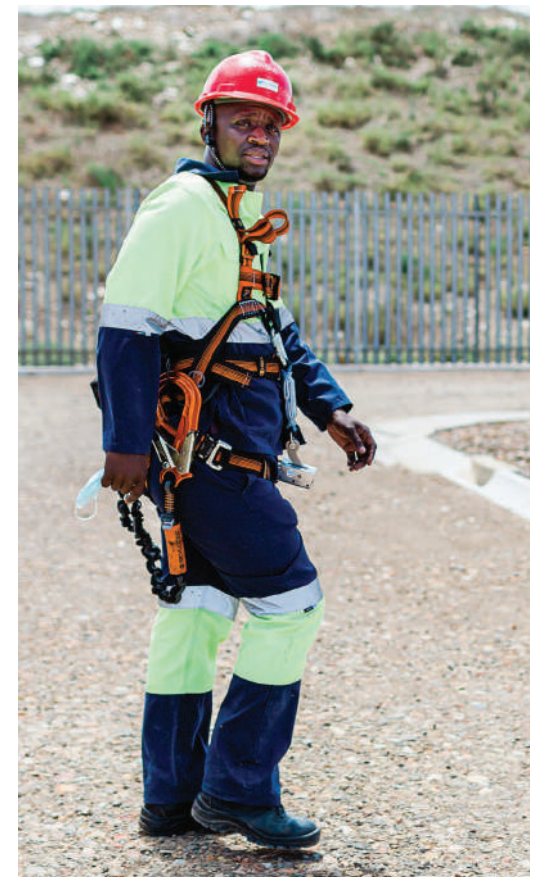
Health and Safety achievements during construction

2021 saw the construction completion of the last two of our five projects, bringing all projects into operation, and achieving a construction Total Recordable Injury Frequency Rate (TRIFR) of 1.0 and Lost Time Injury Rate (LTIR) of 1.0 across the entire construction period (rates of 0 were achieved in the last part of construction, in 2021). This compares favourably to the US Bureau of Labour Statistics TRIFR benchmark for construction at 3.0.

Our best performing project during construction was Kipeto, with a TRIFR of 0.3 and a LTIR of 0.6. Over Kipeto's entire construction period of nearly 4 million hours worked, we recorded only 2 Lost Time Injuries (LTIs), 3 Medical Treatment Cases (LTCs) and a period of over 2 million hours LTI-free, which we celebrated as a highly commendable achievement.



Vehicle accidents and hand injuries were the main causes of reportable injuries during the high-intensity construction stages, while the remainder ranged from back injuries, tripping and falling, to injuries sustained while picking up or putting down heavy loads. We have taken on the lessons learnt through incident analyses to ensure that there is sound integration of related mitigations for improved performance going forward.





Health and Safety achievements during operations

By the second half of 2021, all of BTE's projects were in operation, with good operational H&S achievements covering approximately 490,000 working hours: just 0.41 TRIFR and 0 LTI's, with only one MTC across the entire company. Managing COVID-19 and the related impact has been an important part of our H&S programmes, including policies and procedures developed for site implementation, resulting in minimal COVID-19 cases across our sites and offices.



2021 Operations H&S Across BTE

Hours	LTIs	MTCs	LTIR	TRIFR
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489,294	0	1	0	0.41
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Health and Safety Governance

With operations now well underway, the teams in Kenya and South Africa have created a forum for sharing lessons learned between the projects. Kipeto is working on ensuring that systems are robust and consistently implemented, with a strong focus on proactive risk management using positive indicators, such as the use of Safety Observation Cards and incentives for identifying near-misses.





“We are very proud of Kipeto’s H&S performance and achievements through working closely and in partnership with our EPC contractor, CMEC. We place a strong emphasis on Root Cause Analysis and Incident Investigation for every incident or potential incident, such that we can avoid risks and incidents re-occurring. We couldn’t have done this without the goodwill and support from our Board and top management, who place a primary emphasis on H&S at the sites.” Andrew Owuor, ESC Manager for Kipeto. Owuor visited BTE’s South African sites late 2021 to assess H&S performance and ensure standards are implemented consistently across the company.

Andrew Owuor, ESC Manager for Kipeto



COMMUNITY – Engagement & Investment



At BTE Renewables, we are committed to working in close partnership with our key stakeholders, including project affected communities and local government authorities, ensuring continuous engagement throughout the life of the project. We also aim to maximise benefit to our communities by ensuring we understand the local context while ensuring that our investments are focused and in line with our goal of long-term transformational impact, the global SDGs and the National Development Plans of both Kenya and South Africa.

Community Engagement

Ongoing and transparent engagement with our communities is an integral part of our operations. Our fully resourced social performance team carry out continuous proactive engagement and prompt resolution of grievances where applicable.

In South Africa, we have established a community liaison office in each of our project communities, resourced by a team of Social Performance managers, co-ordinators and liaison officers.

At Kipeto, we have adopted a partnership approach with the Maasai who own the land in the project area. This includes over 90 families, and broader clan members. Consultation has been highly inclusive and respectful of the Maasai culture and institutions. Engagement is now formalised via a Community Implementation Committee (CIC), and led by our team of Community Liaison Officers (CLOs), recruited from the local community.

Contribution to National & Global Development Goals



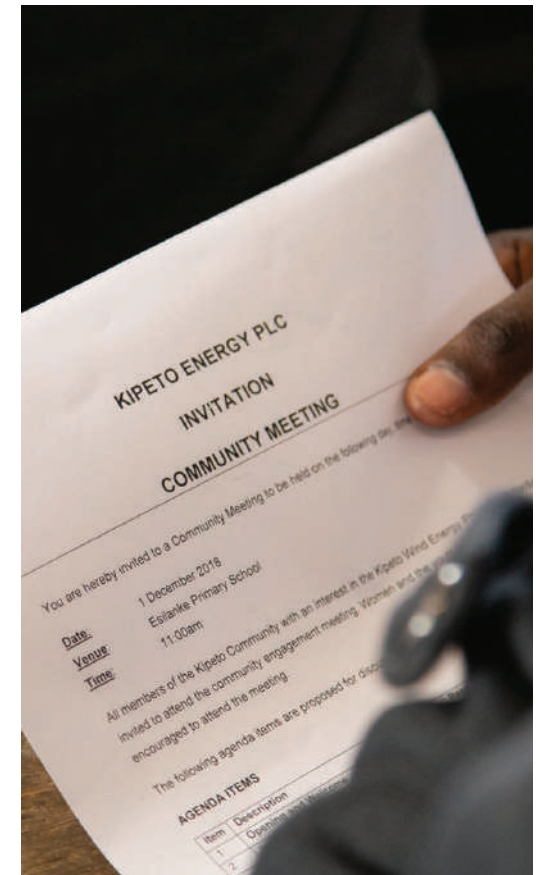
BTE's "Lifetime of Learning" approach to education is linked to SDG4, which aims to "ensure inclusive and equitable quality education and promote lifelong learning opportunities for all".

Through its strategic approach, BTE Renewables contributes to SDG4 and its subset of 10 targets, which together, help to achieve this goal.



The strategy is furthermore aligned to South Africa's National Development Plan (NDP) 2030, with a particular focus on two priority areas within the NDP,

- **Priority 2:** Economic Transformation and Job Creation
- **Priority 3:** Education, Skills and Health





At Kipeto in Kenya, during pre-construction and construction, community investment focused primarily on youth skills development as well as on education and water infrastructure, implemented as part of crisis response in the face of repeated droughts, and COVID-19 affects associated with the lockdowns. Furthermore, we finalised construction of the 84 new, upgraded houses provided to the Maasai families living in the project area. They were also provided with a stipend for furniture to make their homes more comfortable.

84

new, upgraded houses provided to the Maasai families

597

beneficiaries

The youth skills development programme consisted of a high quality programme, implemented by ArcSkills, a GEMS Education Group international training organisation. The programme:

- Trained, upskilled and certified 200 young people for national or international opportunities, in steel fixing, masonry, housekeeping, electrical and plumbing services.
- Employed 150 of the 200 trained youth, on the project during the construction.





Operations 2021

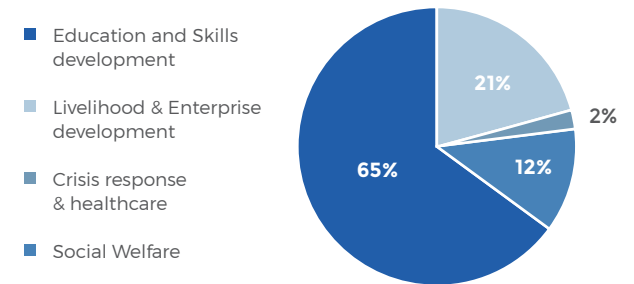
As our projects moved into operations stage, we honed our investments on education, specifically the journey of a lifetime of learning opportunities, from the earliest stages of childhood development to opportunities for school leavers to gain necessary skills which they can apply to secure employment and facilitate economic and enterprise development. Our strategy is to identify gaps in stages of education and then work with stakeholders to fill these gaps wherever possible.

Our investments in relation to this 'Lifetime of Learning' approach have included:

- **Early Childhood Development (ECD)**, which has been identified as an important element in future success. Our strategic focus area has therefore been to improve access to quality ECD care and education through ECD Centre Improvement Programmes.
- **Primary school stage:** Our equitable access interventions include reading and literacy programmes, technology assistance, upgrade and provision of learning material and equipment, as well as school principal training and coaching.
- **High school and school-leavers stage:** This stage is about enabling the successful transition of youth into the workforce and society. It includes a programme of peer education and mentorship and a cross-provincial bursary programme (we are providing 30 bursaries to pupils). We also acknowledge that school leavers need opportunities when they enter the world of work. Thus, we seek out projects that aim to support decent jobs and create economic opportunities for these new economic participants.

Ms Fortuin, Principal of Witbank Primary School: 'Our children are benefiting so much from the donated computer centre! Before this assistance, we had no connection to the outside world, as all we had was a landline telephone. We are now online all the time thanks to the new internet connectivity and enjoy the reading and maths programmes that are available to the children - they enjoy it so much!'

Investment breakdown BTE 2021



Community investment programmes
\$1.6 million, with **\$1 million** on
education & skills development initiative

Livelihood and Enterprise Development has also been an important focus for us: ensuring that we deliver growth and development opportunities. Our investments in this area include:

- Pella Agricultural Co-operative Programme, Witbank, Northern Cape. We've supported this project's sustainable development: 7 permanent jobs created, food supply (3000 fish and vegetables produced quarterly), assisted to secure demand for the products through offtake agreements with Pella School (400 learners), and similar activities with additional 8 schools.
- Enterprise development programme for Eastern Cape SMMEs. Four local communities, with 10 small businesses are benefiting from capacity building and skills development, enabling access opportunities in our supply chain, in the broader economy.

17

Providing opportunities for growth and development for small 17 enterprises



“The support and funding from BTE Renewables has helped us to be more sustainable and provide work for between eight and ten locals.”

Ester Nell, Director of Pella Food Garden Cooperative



OUR ENVIRONMENT & BIODIVERSITY



BTE Renewables’ approach to Biodiversity

At BTE Renewables, we recognise the importance of conserving biodiversity at all our sites, with the integration of sustainable management of natural resources into our business operations. We pay special attention to the potential impacts of our wind projects on bird and bat species and are fully committed to being a leader in the conservation of priority species.

In line with best practice and the requirements of IFC Performance Standard 6 (Biodiversity), we are committed to achieving no net loss of these species at our wind sites and aim for net gain in certain priority species at identified and designated critical biodiversity habitats.

2021’s Achievements

Our landmark operational biodiversity management programmes were initiated in 2021. Many of these have been a long time in the making, given our commitment to best practice and ensuring that we have a fit-to-purpose Biodiversity Action Plan (BAP) at each site. These include both onsite mitigation programmes, and offsite conservation programmes with conservation partners. A critical component of all our programmes is observer-led shut down on demand (SDOD), whereby highly trained bird monitors are stationed at observation towers, and signal for a shutdown of specific turbines when a priority species come into an identified collision risk area. SDOD was implemented at Kipeto and Excelsior during 2021 and is planned for implementation at Golden Valley in 2022.

Kipeto

Kipeto is our flagship project, with an ambitious programme of SDOD, carcass removal, and a substantial suite of additional conservation measures. It may be the only wind farm in Africa and perhaps globally, with a full time ornithologist employed to lead the programme, along with a team of 33 biodiversity monitors.

The programme has, due to its ambitious and pioneering nature, also attracted funds from one of the world’s most prominent conservation organisations, The Nature Conservancy (TNC).

10

TNC and other private impact investors, have invested \$10m in a mezzanine loan in Kipeto for conservation

“With the twin crises of climate change and biodiversity loss, we must find every available opportunity to invest in ways that benefit nature and people together. Thanks to the commitment of all of Kipeto’s partners and the investors funding this loan, we are able to support biodiversity and communities while also investing in the renewable energy infrastructure that is a critical part of the fight against climate change.”

Charlotte Kaiser Managing Director of The Nature Conservancy’s NatureVest impact investing team.





33

people led by ornithologist, Dominic Kimani and deputy Ornithologist, Mary Wanjiru.

Background to Conservation Efforts

During the advanced development stage of the Kipeto project, a colony of cliff-nesting Critically Endangered¹ Rüppell's Vultures was identified less than 15km from the site. The area is also home to Critically Endangered White-backed Vultures. Both species are threatened, with a rapid decline in their populations primarily due to retaliatory poisoning, when farmers lace dead livestock carcasses with poisonous agricultural chemicals with the intent to kill predators, such as lions and hyenas. Sadly, vultures often become the victims. Levels of livestock predation in the broader project landscape are high, often leading to unintentional poisoning of vultures.

To mitigate potential impacts of the wind farm but also to address the bigger issue of the decline of these species, we partnered with five renowned conservation organisations – together forming the Bird Conservation Consortium (BCC)) - to design an effective and innovative mitigation and conservation programme.

Following significant engagement and planning, in partnership with USAID and with strong support from the Development Finance Corporation (DFC), this has been built into a broader BAP including world-first measures in mitigation and conservation, including a broad-scale anti-poisoning programme.

The BAP also relates to migratory and resident birds of prey (raptors), and bats. In particular, the project has committed to achieving no net loss of raptor species in addition to the net gain for Rüppell's and White-backed Vultures.

¹ UCN classification of Critically Endangered: considered to be facing an extremely high risk of extinction in the wild.



Kipeto's entire bird monitoring team is from Kenya. while more than half are local Maasai community members. Just under 30% of the team are female. "Shut Down on Demand has been a very exciting activity that has successfully been implemented through building a skilled and committed team and developing procedures for effective implementation"

Dominic Kimani, Lead Ornithologist, Kipeto Energy PLC



"Our Conservation and mitigation programmes have required inclusive community buy-in, for which our ornithology team is a constant presence in the Maasai communities. Through inclusive consultation we have not only achieved acceptance but have engendered strong interest in the issue of vulture conservation to the extent that, more than half of our bird monitors have been recruited and trained from the local Maasai community. We are also working with our partners and community representatives to strengthen the pastoralist's wildlife protection enclosures ('Bomas') and provide training on enhanced livestock protection measures throughout the broader region."

Mary Wanjiru, Deputy Ornithologist, Kipeto Energy PLC

Kipeto Biodiversity Governance

A Biodiversity Committee (subcommittee to the Board) was formed in 2018 with the BCC, chaired by a Board member and attended by an independent biodiversity expert, as well as BTE, Kipeto and community representatives. The Committee supports and guides implementation of the BAP to ensure the best conservation outcomes.

TNC has also joined the Biodiversity Committee to provide technical assistance and to further augment the governance aspects of the programme.

"The Biodiversity Committee brings together the key stakeholders involved in Kipeto's mitigation and conservation activities. It's an effective forum for review and planning that promotes collaboration, transparency and adaptive management." **Leon Bennun, Independent Biodiversity Expert, The Biodiversity Consultancy.**



BAP Programme Components

Key components of the programme include:

Ongoing monitoring of vultures, resident and migratory raptors and other migratory soaring birds

- Teams of two observers have been monitoring bird activity daily from eight vantage points during raptor active hours since December 2019. A large amount of data has been collected, providing a great deal of information for Kipeto and the conservation organisations with whom we work. Tagging of vultures and resident raptors has also begun in earnest, with 32 tagged in 2021.

Continuous implementation of the Shut Down On Demand protocol by the bird monitoring team, and rapid detection and removal of potential vulture food sources (carcasses) on or near the site.

- In July 2021, Kipeto commenced with our on-site mitigation programme, including SDOD. This has been 100% successful for vultures, with one instance of a priority species, which was analysed, with learnings introduced into the protocol. The SDOD significantly rose in Q4/2021 due to the drought resulting in an increase of wildlife and livestock carcasses, attracting vultures and other raptors to the area. The biodiversity team was in turn kept busy with carcass removal.



79 Shutdowns

73 vultures
5 other priority raptors
1 other priority flocks of birds

Focused conservation measures in the broader project area and beyond, including an integrated anti-poisoning programme to address one of the most serious threats facing these species in the region, amongst other conservation measures.

"The danger for vultures is here and now," says **Michael Turner**, **Actis Managing Director** in Kenya and chair of the Biodiversity Committee. "The project's intention in investing in this programme is to make a real impact in reversing their downward population trend."

Kipeto's implementation partners made great progress up to and including 2021. Some of these activities include:

- Anti-poisoning campaign activities, with our partner organisation establishing and training a field team of five Vulture Liaison Officers (VLOs) and a full-time Vulture Conservation Programme Co-ordinator, as well as 65 volunteer vulture scouts from the local communities in five focal areas across Narok and Kajiado Counties.
- Reinforced, predator-proof enclosures for livestock ('bomas').

10

bomas were constructed in Narok (5) Kajiado (5) Kipeto site (7)

15

'Lion lights' installed at 15 bomas around Olerai Conservancy area

- Tracking and responding to human-wildlife conflict in Kenya, July 2019-June 2021. A significant number of predator attacks on livestock (over 1000 in 2021 alone) were reported in Kajiado and Narok counties, as well as retaliatory poisoning incidents, many involving fatalities of vultures among other wildlife. The programme team was able to respond rapidly to many of the poisoning incidents and decontaminate sites to avoid further poisoning. 6 vultures were rescued and successfully treated for potential poisoning.

- Olerai Conservancy, close to Kipeto, holds an important White-backed Vulture nesting colony and a good diversity of resident raptor species. In February 2020, KEP worked with Olerai landowners to resource a group of local scouts to patrol and protect the site. This intervention continues and will be transformed into a longer term focussed plan for implementing the conservancy's management plan in 2022.

1,000+

predator attacks were reported in Kenya in 2021



“One day a wild animal came and ate 10 of my goats. They built us a livestock shelter and we are very happy. Now wild animals pass, they circle the shelter wondering how to get in. To us, this is a blessing.”

Bishop Simon, Local Church Leader



Excelsior

The Excelsior wind energy facility's programme includes onsite mitigations and offsite conservation measures comprising a Shut Down On Demand programme, as well as a livestock carcass removal programme in association with the local farmers and landowners.

Other offsite mitigation, in partnerships with conservation organisations to enable conservation outcomes for specific species, aim for net gain in these species. In 2021, we funded:

- Overberg Renosterveld Conservation Trust (ORCT): we have supported the Conservation Easement Programme of ORCT, securing the protection, in perpetuity, of over 580 ha of Renosterveld, bringing the total amount of renosterveld protected under the ORCT to over 4000 ha. This also aids the protection of important breeding habitat for the Endangered Black Harrier; a raptor with fewer than 1300 mature individuals remaining.
- Cape Vulture collision risk modelling, and a study of the foraging range and behaviour of Cape Vultures at the Potberg Vulture Colony, through the FitzPatrick Institute, University of Cape Town.
- Research into the breeding ecology and threats to the Agulhas Long Billed Lark, through the Fitzpatrick Institute, University of Cape Town.
- 2 100 bird diverters to the Eskom/Endangered Wildlife Trust (EWT) partnership, placed on 5km of high-risk transmission lines near Vryheid (i.e. not associated with the project). We are already measuring net gain in the Blue Crane.

90%

effective in reducing Blue Crane power line fatalities



SDOD Programme Team

11

bird monitors

1

supervisor

100%

local communities employees

Shutdowns 2021 (since Dec 2020)

222

shutdowns

126

Cape Vulture

86

Black Harrier



"It is extremely encouraging to see an Independent Power Producer actively looking for opportunities to conserve priority bird species in the regions surrounding their facilities. BTE Renewables is not satisfied with just doing the minimum, they are actively engaging project partners and finding ways to bolster conservation initiatives around Excelsior and Golden Valley wind energy facilities" said **Lourens Leeuwener**, Programme Manager, EWT Wildlife and Energy Programme.

Golden Valley

At Golden Valley, the potential risk of collisions with priority species, as assessed through our specialist studies and Critical Habitat Assessments (CHAs) was deemed to be low. Nonetheless, given our commitment to best practice and no net loss, we still contributed to ensure onsite mitigation through livestock carcass removal within our footprint. In addition, we provided funding to the Endangered Wildlife Trust's Vulture Safe Zone project, which aims to address the key threats to vultures in the region (i.e. poisoning, drowning, and electrocution, amongst others) and thereby stabilise and recover Cape Vulture populations. We also donated 2100 bird diverters to Eskom/EWT with the aim of creating net gain in the blue crane population.

Towards the end of 2021, we decided that for us to be sustainably consistent across our existing wind farm sites, we would begin to plan for SDOD to also be implemented at Golden Valley. Associated recruitment and training of bird monitors, mapping and building of vantage points and development of relevant protocols have begun, with a view to implementation of SDOD towards mid-2022.

"We are incredibly proud of our biodiversity programmes across our company and do believe that through these proactive and pioneering measures, we are an industry leader and hope to be an inspiration to others."

- Libby Hirshon, ESG/Sustainability Director



ENSURING GOOD GOVERNANCE



Governance is very important to us at BTE, and we commit to conducting our business with integrity, transparency and respect for the principles of good corporate governance.

“Corporate Governance is integrated into everything we do,” says **Katy Kay, BTE’s General Counsel**, responsible for BTE’s Governance processes alongside our CFO.

The organisation itself is structured to ensure that there is effective oversight, transparency monitoring and controls in place for effective governance. Our Board comprises representatives appointed by our shareholders and experienced independent non-executive directors. In addition, there are three subcommittees to the board, including an Audit and Risk, ESG, and Remuneration Committee. Furthermore, we have a project operations committee that functions like a Board committee (the “Operations Committee”), to assess and discuss pertinent matters arising on the Projects and how best to address them. Each Project Company is also managed by its own Board that has representatives from all of the shareholders on it. In 2021, a Board Effectiveness Assessment was conducted by Fidelio partners, with pleasing results.

In terms of ethics, BTE commits to conducting business in a way that creates and embeds an ethical culture throughout the organisation. Along with a number of HR policies and procedures, we have established a Whistleblower policy, processes and procedures, including a hotline serviced by an independent party.

Risk management is driven by a risk matrix that is continually updated and reported at the Audit and Risk Subcommittee, ensuring that risks are pre-empted and proactively mitigated. This contributes to good governance at BTE, ensuring that our stakeholders can trust us to operate with integrity, transparency and in a way that best manages risks that arise in the running of our business and operations.



“Our values underlie our decision making, and our structures, policies and procedures ensure that we perform to the highest standard in terms of ethics, risk management and compliance.”

PERFORMANCE DATA

AREA	INDICATOR	UNIT MEASURE	2021
■ Power / Energy			
Installed Capacity	Installed Capacity	MW	386.7
Energy generated	Energy generated	GWh	969.2
■ Health & Safety			
Fatalities	Construction & Operations	#	0
Lost Time Incidence Rate	Construction *	# incidents 200,000 hours of work	1.0
	Operations	# incidents 200,000 hours of work	0.0
Reportable Incidence Frequency Rate	Construction	# incidents 200,000 hours of work	1.0
	Operations	# incidents 200,000 hours of work	0.4
■ Employees			
BTE Workforce	Direct Employees	#	154
	3rtd Party Contractor Workforce	#	379
New Hires		#	35
Gender Diversity	Women	%	36%
	Women in Top Management (HOD)	%	50%
	Women in Management	%	33%
Employees hired from local communities	Directly hired by BTE	#	64
	Employed by contractors	#	231



PERFORMANCE DATA (continued)

AREA	INDICATOR	UNIT MEASURE	2021
▪ Community Investment	Total Community Investment	US\$ million	1.6
▪ Environment			
Greenhouse Gas Emissions	Avoided CO2 emissions	TCO ₂ e	821.3
Water	Water used/ withdrawn (Construction & Operation)	M ³	6068
	Operations water use relative to production	M ³	1.3
Waste	Operations non-hazardous Waste	Tonnes	14.7
	Operations Hazardous Waste	Tonnes	0.8
	Construction Non-hazardous waste	Tonnes	84
	Construction Hazardous Waste	Tonnes	0
Environmental Incidents	Total	#	40
	Serious incidents	#	0
	Minor incidents	#	40
Fines		US\$	0
▪ Biodiversity			
Mitigations for bird collisions	Number of shutdowns for priority species	#	301
Conservation initiatives	Amount spent	US\$ million	0.67



ABBREVIATION LIST

BAP	Biodiversity Action Plan	IDP	Individual Development Plan
BCC	Bird Conservation Consortium	INSPIRE	Initiative for Social Performance in Renewable Energy
BTE	BTE Renewables	KEP	Kipeto Energy PLC
CHAs	Critical Habitat Assessments	LTIs	Lost Time Injuries
CIC	Community Implementation Committee	MTCs	Medical Treatment Cases
CLO	Community Liaison Officer	O&M	Operation & Maintenance
EPC	Engineering, Procurement and Construction	TNC	The Nature Conservancy
ESG	Environment and Social Governance	TRIFR	Total Recordable Injury Frequency Rate
ESMS	Environmental and Social Management System	SA	South Africa
EQP	Employment Equity Plan	SAWEA	South African Wind Energy Association
EWT	Endangered Wildlife Trust	SDOD	Shut Down on Demand
H&S	Health and Safety	VLOs	Vulture Liaison Officers



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