

MULILO ENERGY HOLDINGS (PTY) LTD.

ESG Report 2023



Summary of Key Performances

6 Operational Projects	420 MW_{Ac} Total Power Capacity	914.5 GWh Total GWh Generated	0.2 TWh Total Equity Share	914,548 tCO_{2e} Total Carbon Avoidance	90,545 Households Powered
R17.4m Total Bursary Spend	72 Number of Employees	492 tCO_{2e} Operational Projects	189,276 tCO_{2e} Total Equity Share	Solar & Wind Project Types	

Notes
GWh | Giggawatt-hour
tCO_{2e} | Tonnes of Carbon Dioxide Equivalent



Contents

Overview

Mulilo at a Glance	4
About The Report	5
Our Project Report	6
Message from our CEO	7
Message from our Chairman	8
Meet our Team	9

Governance Framework

The Role of our Governance in Executing our Strategy	10
Governance Framework	11
The Role of our Subcommittees in Executing the Strategy	12
Defining the Role of our Stakeholders in our Strategy	16
Stakeholders	17

Material Topics

Our Material Topics	18
---------------------	----

Human Capital

Strategically Prioritising our Employees	24
---	----

Supply Chain

Integrating Responsible Practices in our Supply Chain	30
--	----

Environmental

Measuring Our Baseline Carbon Emissions	34
Carbon Certificate	35
Identifying our Impact on the the External Environment	36

Local Communities

Our Focused Impact on Local Communities	41
--	----

Independent Statement

Independent ESG Statement	
---------------------------	--

Glossary

46

Mulilo at a Glance

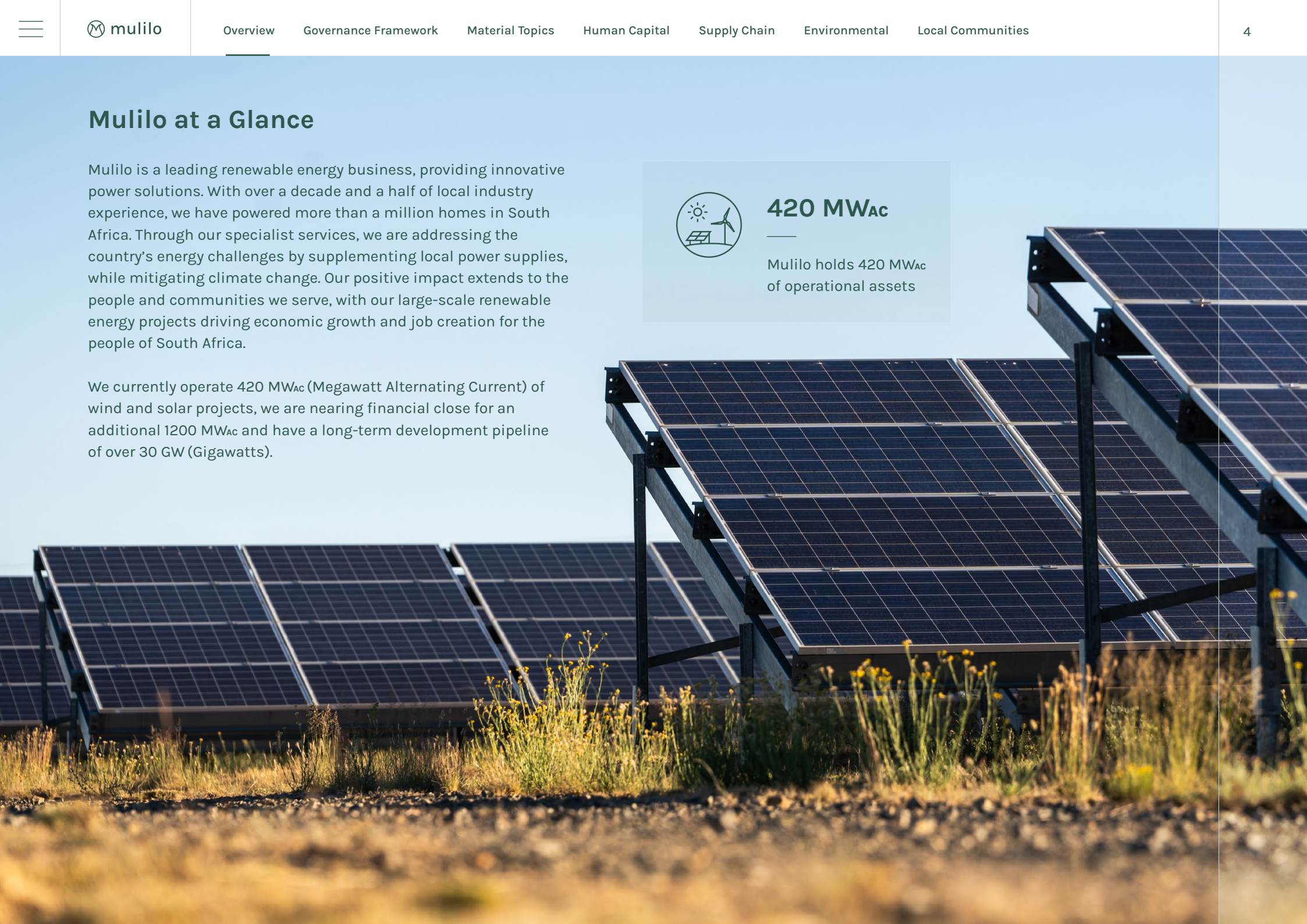
Mulilo is a leading renewable energy business, providing innovative power solutions. With over a decade and a half of local industry experience, we have powered more than a million homes in South Africa. Through our specialist services, we are addressing the country's energy challenges by supplementing local power supplies, while mitigating climate change. Our positive impact extends to the people and communities we serve, with our large-scale renewable energy projects driving economic growth and job creation for the people of South Africa.

We currently operate 420 MW_{ac} (Megawatt Alternating Current) of wind and solar projects, we are nearing financial close for an additional 1200 MW_{ac} and have a long-term development pipeline of over 30 GW (Gigawatts).



420 MW_{ac}

Mulilo holds 420 MW_{ac} of operational assets





About the Report

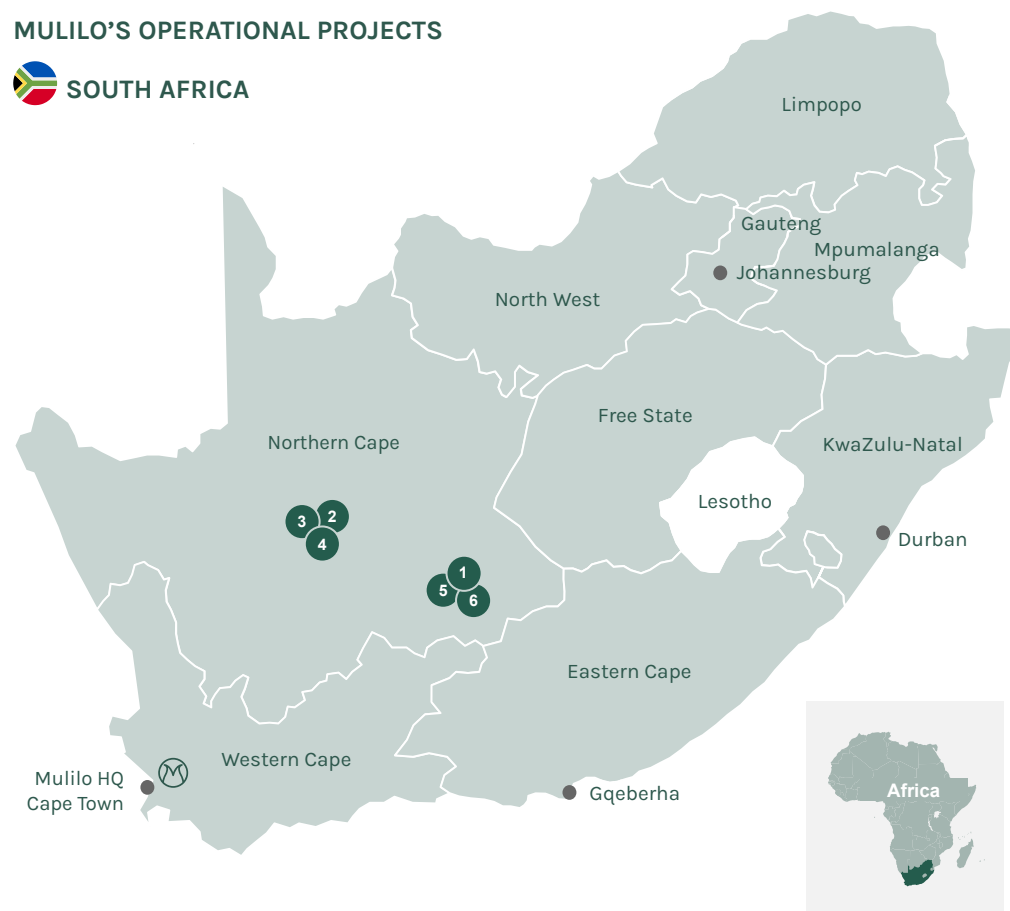
Except as otherwise noted, the report presents our environmental, social, and governance (ESG) performance for the period 1 January – 31 December 2023 as well as insights into our strategic objectives over the short-, medium- and long-term. As this is our inaugural ESG report, we are focused on building the foundation for aligning our performance

disclosures with an internationally recognised reporting framework in the future through the maturity of our ESG strategy and integration of ESG principles in our business model. Our aim as we mature in our sustainability journey, is to strengthen stakeholder confidence and trust through the disclosure of credible and transparent non-financial performances.



Our Project Report

MULO'S OPERATIONAL PROJECTS



Our Project Portfolio

- 6 Operational Projects (420 MW)
- 7 Awarded Projects expected to reach FC in 2024 (1022 MW)

COD

1	Solar PV De Aar 10 MW in De Aar Solar PV	DC= 10.33 AC= 9.72	Q2 2014
2	Solar PV Prieska 20 MW in Copperton Solar PV	DC= 23.18 AC= 19.12	Q4 2014
3	Mulilo Sonnedix Prieska 75 MW in Copperton Solar PV	DC= 86.17 AC= 75.0	Q4 2016
4	Mulilo Prieska PV 75 MW in Copperton Solar PV	DC= 86.23 AC= 75.0	Q3 2016
5	Longyuan Mulilo De Aar 100 MW in De Aar Wind	DC= 100.50 AC= 96.48	Q4 2017
6	Longyuan Mulilo DA2 140 MW in De Aar Wind	DC= 144.00 AC=138.96	Q4 2017

Message from our CEO



Jan Fourie

Chief Executive Officer

This past year brought significant change for Mulilo. Our acquisition by Copenhagen Infrastructure Partners (CIP) underscores the ongoing appeal of South Africa's renewable energy sector. More importantly, it's a tribute to our exceptional team and their relentless dedication.

As the world faces war, economic uncertainty, and climate change, companies have a crucial role to play. At Mulilo, we're committed to leveraging our expertise to address these challenges and build a greener future for South Africa.

This inaugural ESG report, with the theme "Renewing The Energy Landscape" marks a shift from aspirations to action. We're implementing ambitious targets to create a more resilient world. We believe in providing affordable, reliable energy while minimizing our environmental footprint, both at our operations and corporate office. This report unveils a clear roadmap for achieving these goals.

I'm incredibly proud of our talented team and leadership's commitment to fostering a diverse and inclusive workplace, alongside supporting our communities. We recognize there's more to be done on our sustainability journey. But I have unwavering faith that by striving for positive impact, we will drive lasting change.

A handwritten signature in black ink, appearing to be 'JF', followed by a long, sweeping horizontal line.

Jan Fourie | CEO of Mulilo

Message from our Chairman



Jan Oberholzer

Chairman

As Chairman of Mulilo Energy Holdings Limited, I am pleased to present our inaugural ESG report. This year, Mulilo has made significant strides in its sustainability journey, further strengthened by our acquisition by Copenhagen Infrastructure Partners (CIP). This report highlights our achievements in environmental protection, social responsibility, and good governance. We are proud to showcase our efforts in providing innovative, sustainable energy solutions that benefit both our planet and the communities we serve.

A key focus area in 2023 was the growth and enhancement of our team. We have brought on board highly skilled individuals who are committed to advancing our mission, including the recent appointment of Bernadette Blankers as our dedicated ESG and Risk Manager in 2024. Bernadette's role is critical in ensuring that sustainability and robust risk management are integrated into every aspect of our operations.

As we look to the future, we remain committed to advancing our ESG goals and creating sustainable value for all stakeholders. We will continue to innovate, invest in our people, and operate responsibly to build a resilient and sustainable future.

Our vision is clear: to power South Africa sustainably and inclusively.

Jan Oberholzer | Chairman of Mulilo



Meet our Team



Jan Oberholzer
Chairman



Jan Fourie
Chief Executive Officer



Christopher Aberdein
Senior Advisor¹



Russell Bedford
Chief Financial Officer



Nikita Nicholson
Head of Asset Management



Seithati Bolipombo
Head of Project Finance
& Economic Development²



Warren Morse
Head of Engineering



Stuart MacWilliam
Head of Strategy and M&A³



Irma Pienaar
Head of Procurement⁴



Jurgen Senk
Head of Construction



Avra Moodley
Head of Legal⁵



Ian Scrimgeour
Head of Business Development

Due to organizational changes, the following title changes will be reflected in the 2024 report.

1 | Senior Strategy Advisor 2 | Chief Commercial Officer 3 | Chief Development Officer 4 | Chief Operating Officer 5 | General Counsel

The Role of our Governance in Executing our Strategy

Effective and transparent governance is crucial in executing our ESG strategy, as it ensures that sustainable practices are integrated in our core operations and decision-making processes. The disclosure of our governance practice and structure affords us the opportunity to define accountability, transparency, and ethical behaviour. This practice is crucial for strengthening stakeholder trust, as well as achieving our short, medium, and long-term ESG strategic objectives. Moreover, the effectiveness of our governance practice and structures enhances our ability to identify and manage ESG risks proactively, anticipate regulatory compliance, and drive performance improvements. This foundation yields stakeholder satisfaction and long-term financial sustainability.

Our Governance Framework

Our governance framework outlines the accountability, roles and responsibilities of our Board of Directors and its subcommittees in discharging their duties, inclusive of our ESG strategy. The framework is intended to ensure effective oversight, decision-making, transparency, and implementation of ESG initiatives, promoting sustainability and long-term value creation in the renewable energy sector at large. The accountability of our ESG goals and ambitions rests with our management team, while our Board of Directors exercise their oversight responsibility over our ESG strategy.

While this is our inaugural ESG report, ensuring that ESG is integrated into our overall business strategy and operations is key, this includes:

- Approving the ESG strategy and goals;
- Overseeing the implementation of ESG initiatives;
- Reviewing and assessing ESG performance and progress;



- Ensuring adequate resources are allocated to support the ESG initiatives; and
- Fostering and maintaining a culture of accountability and transparency.

The governance framework within this report outlines the roles and responsibilities related to executing and enhancing our ESG performance. For ease of reference, some governance bodies have been omitted from this report. As our strategy matures and we integrate ESG principles into our corporate strategy, we aim to disclose our wider governance bodies, including their roles and responsibilities, in subsequent reporting periods.

Governance Framework

1

Strategic Oversight

Approve and periodically review the ESG strategy, ensuring alignment with our mission to provide sustainable energy solutions and long-term goals.

Integrate ESG risks and opportunities into corporate strategy, focusing on environmental impact, social responsibility, and governance practices.

2

Resource Allocation

Ensure provision of adequate resources, including budget and personnel, that are allocated for the effective implementation of the ESG strategy.

3

Performance Monitoring

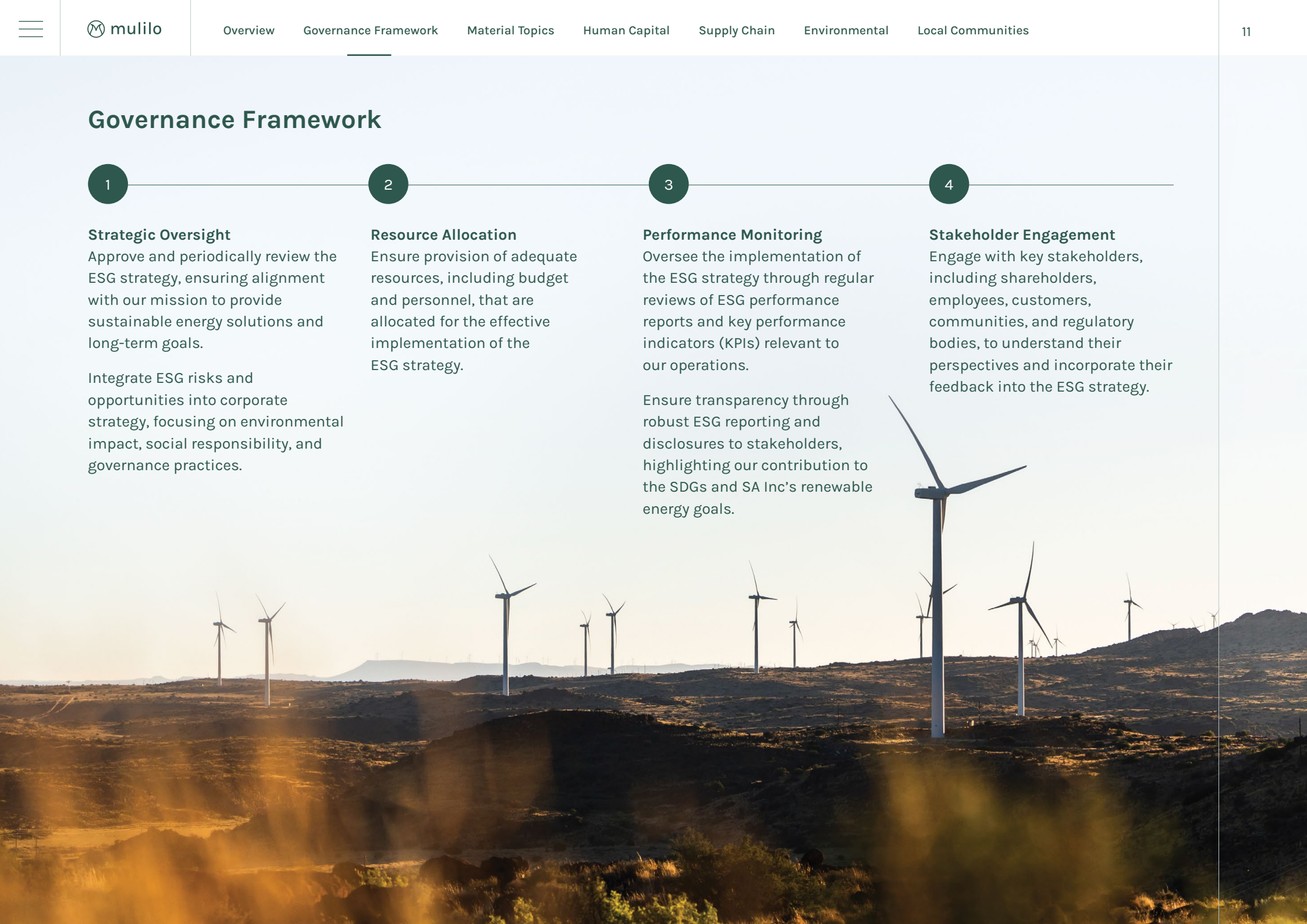
Oversee the implementation of the ESG strategy through regular reviews of ESG performance reports and key performance indicators (KPIs) relevant to our operations.

Ensure transparency through robust ESG reporting and disclosures to stakeholders, highlighting our contribution to the SDGs and SA Inc's renewable energy goals.

4

Stakeholder Engagement

Engage with key stakeholders, including shareholders, employees, customers, communities, and regulatory bodies, to understand their perspectives and incorporate their feedback into the ESG strategy.



Strengthening ESG Implementation and Best Practices



Bernadette Blankers

In July 2024, Bernadette Blankers joined Mulilo Renewable Energy as ESG and Risk Manager. Bernadette brings extensive experience from her role at Climate Fund Managers, where she led ESG integration across the investment lifecycle on projects throughout Africa. She has driven ESG initiatives from due diligence through to project implementation,

ensuring alignment with the IFC Performance Standards, particularly in complex and challenging environments.

Bernadette's expertise includes ESG integration, impact assessments, sustainability reporting, data analysis, and the development of comprehensive ESG strategies tailored to diverse project needs. She has also been instrumental in conducting ESG risk assessments, developing and implementing mitigation measures, and ensuring compliance with international standards while maintaining transparent stakeholder engagement.

With in-depth expertise and a comprehensive understanding of the complex risks and significant opportunities inherent in sustainable infrastructure investments within emerging markets, she brings the necessary experience to enhance Mulilo's ESG initiatives.

Bernadette looks forward to this exciting new chapter and ensuring that Mulilo's sustainability goals are met through practical and results-driven strategies, while upholding best practices in renewable energy projects. This commitment aligns with Mulilo's mission to build a sustainable future for South Africa with the highest standards of excellence.



The Role of our Committees in Executing the Strategy

Our bespoke governance framework ensures that the Board of Directors, subcommittees, and management plays a proactive, integrated role in executing the ESG strategy as an emerging developer in the South African renewable energy sector. Through defined roles and responsibilities across the different levels, we are positive that we can achieve our ESG objectives, fostering sustainability and creating long-term value for stakeholders. Our board works through its board committees, which is good governance practice that Mulilo has been practising.

Our board committees have specific roles and responsibilities, and they report to the board. Our committees work through priorities of key business topics, and these are frequently evaluated and arranged through planned exchanges and structured meetings. As our business expands and as some complexities emerge, fit for purpose board committees will be added.

Committee	Role	Responsibility
Audit and Risk Committee	The audit and risk committee ensures that the ESG strategy's financial and non-financial aspects are accurately reported and compliant with relevant regulations. The committee also oversees the assessment of ESG risks and opportunities.	<p>Internal Controls Oversee the establishment of robust internal controls to ensure the integrity of ESG data and reporting, particularly regarding environmental impact and energy production metrics.</p> <p>Assurance Engage external auditors to verify the accuracy and reliability of ESG disclosures and performance metrics to ensure independent assurance on ESG reporting and performance.</p> <p>Compliance Ensure compliance with ESG-related regulatory requirements and voluntary commitments, such as sustainability standards and frameworks applicable to the renewable energy sector and any other applicable regulatory requirements.</p> <p>Risks Oversee the assessment of ESG risks and opportunities.</p>

The Role of our Committees in Executing the Strategy

Committee	Role	Responsibility
ESG Committee	<p>The ESG committee focuses on the detailed oversight of the ESG strategy's development, implementation, and performance.</p> <p>This includes:</p> <ul style="list-style-type: none"> • Developing and recommending ESG strategy and goals to the Board; • Overseeing the development of ESG policies and procedures; • Monitoring and reporting on ESG performance and progress; • Identifying and assessing ESG risks and opportunities; and • Providing guidance and support to management on ESG matters. 	<p>Strategy Development Assist in the formulation and refinement of the ESG strategy, ensuring it addresses material ESG issues and aligns with industry best practices and renewable energy goals.</p> <p>Implementation Oversight Monitor the execution of ESG initiatives and projects, ensuring they are on track to meet established goals and timelines, particularly in the context of renewable energy production, grid integration, and innovation.</p> <p>Risk Management Identify and assess ESG-related risks and opportunities, recommending appropriate actions to mitigate risks such as environmental impact, regulatory compliance, and community relations.</p> <p>Reporting and Disclosure Oversee the preparation of ESG reports, ensuring accuracy, transparency, and compliance with regulatory requirements and international standards, with a focus on renewable energy metrics.</p> <p>Benchmarking Review industry benchmarks and best practices, as an approach to recommend improvements to enhance the ESG performance in renewable energy projects.</p> <p>Incentive Structures Develop and approve compensation structures that incorporate ESG performance criteria relevant to renewable energy production and sustainability.</p> <p>Performance Evaluation Evaluate the performance of senior executives based on ESG objectives, ensuring accountability for outcomes related to renewable energy goals and sustainability targets.</p> <p>Reward Mechanisms Design and implement reward mechanisms to motivate employees at all levels to contribute to ESG goals and our renewable energy mission.</p>

The Role of our Committees in Executing the Strategy

Committee	Role	Responsibility
Remuneration and Nomination	<p>The remuneration and nomination committee focuses on the detailed oversight of remuneration and nomination strategies, ensuring fair, responsible, and transparent policies to promote strategic objectives and positive outcomes.</p> <p>This includes:</p> <ul style="list-style-type: none"> • Developing and recommending remuneration and nomination policies to the Board. • Overseeing the implementation and effectiveness of these policies. • Monitoring executive remuneration and performance. • Ensuring diverse and optimal Board composition. • Managing succession planning for directors and senior executives. 	<p>Remuneration Policy</p> <ul style="list-style-type: none"> • Develop and effect a fair, responsible, and transparent remuneration policy that promotes the achievement of strategic objectives and positive outcomes. • Ensure the policy attracts, motivates, rewards, and retains human capital on a company-wide basis. • Promote ethical culture and responsible corporate citizenship. <p>Policy Implementation</p> <p>Monitor the implementation and effectiveness of MEH's remuneration policy to ensure it achieves its objectives.</p> <p>Executive Remuneration</p> <p>Review annually the remuneration packages of executives to ensure they are appropriate, fair, and responsible.</p> <p>Non-Executive Director Fees</p> <p>Review annually the fees for non-executive directors of the Board and its committees, making recommendations to the Board.</p> <p>Incentive Framework</p> <p>Review the framework and performance measures governing the vesting of incentives, including the relative weighting of each measure and the period over which it is measured.</p>

The Role of our Committees in Executing the Strategy

Committee	Role	Responsibility
Project and Procurement	<p>The project and procurement committee focuses on the detailed oversight of the projects and procurement strategy's development, implementation, and performance.</p> <p>This includes:</p> <ul style="list-style-type: none"> • Approving procurement items and project procurement contracts. • Ensuring the terms and conditions and environmental, social, and governance (ESG) aspects of projects and procurement contracts are aligned with MEH's policies. • Making recommendations to the Board in respect of project bids and preparing such bids. • Entering into agreements relating to projects, including long-term PPA and tariff agreements. • Engaging with stakeholders. • Recommending project budgets. • Monitoring the performance of projects and reporting to the Board. 	<p>Procurement Approval Approve procurement items and project procurement contracts to ensure alignment with MEH's policies and ESG standards.</p> <p>ESG Alignment Consult with the ESG Committee to ensure that the applicable ESG standards are met in terms of projects and procurement contracts.</p> <p>Project Bids Prepare and recommend project bids to the Board.</p> <p>Agreements Enter into agreements related to projects, such as long-term Power Purchase Agreements (PPAs) and tariff agreements, with the necessary signatories.</p> <p>Stakeholder Engagement Engage with stakeholders to ensure transparent communication and collaboration on project matters.</p> <p>Budget Recommendations Recommend budgets for projects to ensure financial viability and alignment with strategic goals.</p> <p>Performance Monitoring Monitor the performance of projects throughout their lifecycle and report findings to the Board.</p> <p>Decision-Making Policy Ensure that corporate actions are undertaken in accordance with the decision-making matrix and delegated authority framework.</p>

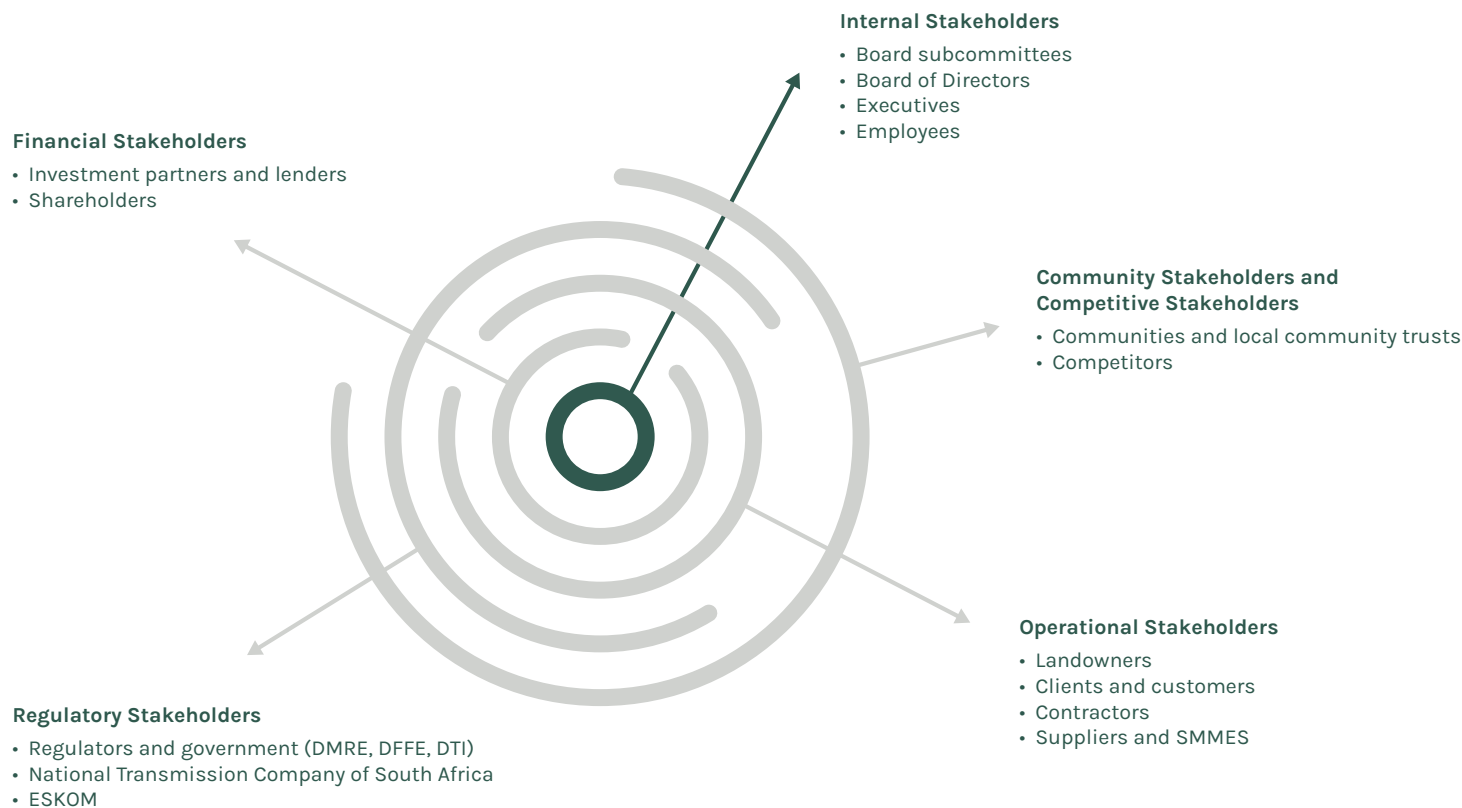
Stakeholder Identification

Our stakeholders play an important role in our business model, particularly in relation to our operating model and the processes from pre to post-construction. Proactive collaboration and engagement with key stakeholders enables us the opportunity to implement a robust and resilient strategy through the incorporation of stakeholder expectations and insights, whilst maximising our impact.

Internal stakeholders



External stakeholders



Stakeholder Engagement

While we recognise the importance of stakeholders in our business, we understand the difficulty in addressing all expectations and interests, which at times may not be feasible. Through engagement with our stakeholders, we recognise the importance of prioritising their interests

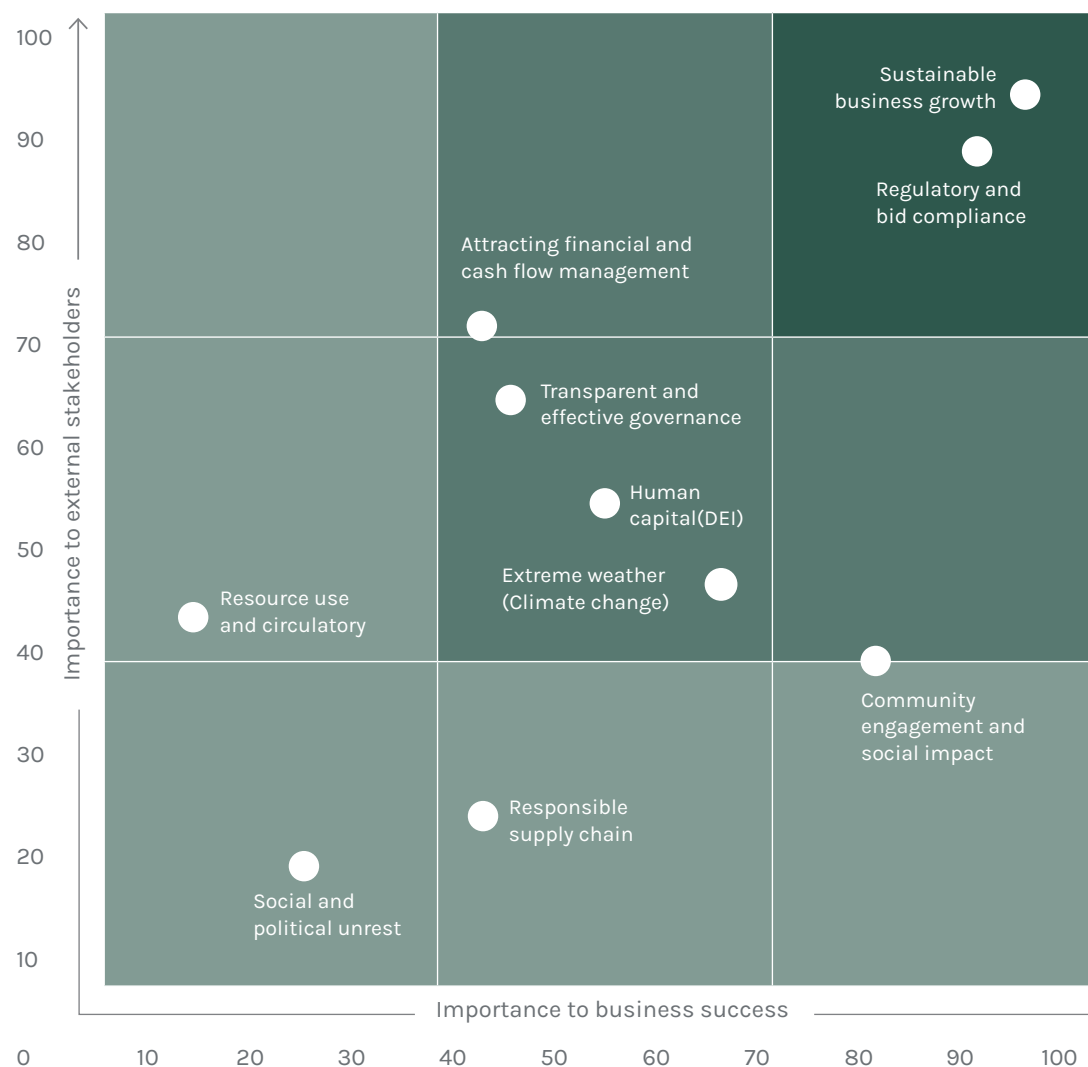
and expectations based on their influence and impact on our business model. The prioritisation of stakeholders has enabled us to effectively define the most relevant material topics on our business model, which is considered as international best practice.

Internal stakeholders	External stakeholders
Electronic correspondence	Electronic correspondence
Monthly reports	Steerco meetings
Annual general meetings (AGMs)	Adhoc meetings
Weekly meetings	Annual needs assessments events
Quarterly Board of Director (BoD) meetings	Independent Power Producers (IPP) roadshow events
Committee meetings	Community engagements (adhoc)
Announcements via BambooHR channel	Through Community Trust Office and Community Liaison Officers located in towns
Townhalls (monthly)	Monthly reporting
The table outlines our primary methods of communication with key stakeholders. It is important to note that communication methods differ among stakeholders, depending on their influence and impact on our business model.	Official announcements via dedicated offices (IPPO)
	In person meetings
	Meetings (as required)
	Formal reports
	In person and virtual meetings



Our Material Topics

As we embark on our sustainability journey, we have executed our inaugural materiality assessment through the consideration and expectations of internal and external stakeholders, which is important for the maturity of our strategy. Defining material topics that are most relevant to our business model presents the opportunity to distinguish ESG matters that pose the most significant risks and opportunities, as well as ensure alignment with key stakeholder expectations.

Material topics are expressed in this report as those that affect our ability to achieve our strategic objectives over the short, medium, and long-term. Through the execution of this assessment, we can ensure that our strategy remains resilient and agile, particularly through anticipating the evolving regulatory landscape and stakeholder expectations on our business model.







Our Material Topics

	Management Approach	Risk/Opportunity	SDG
<p>Extreme weather (climate change)</p> <p>The impact of climate change and associated increased variability in extreme weather events has been identified as a key risk factor, which could have an adverse impact on the operation of our facilities and/or the energy output generated.</p> 	<p>Our business strategy and policies include a key focus on UN Sustainability Goals SDG 7 (affordable and clean energy) and SDG 13 (climate action). To this end, the development of our projects involves long-term climate studies, which supports a keen awareness of the existing weather conditions and risks associated with the potential occurrence of extreme weather in the vicinity of our projects.</p> <p>The aforementioned development, including construction and operation, we consistently monitor weather patterns together with specialists and industry bodies, which is a crucial activity to establish and maintain awareness surrounding changing weather conditions.</p> <p>In the year under review, we have taken additional proactive steps towards identifying climate-related risks and proposing mitigation strategies therefor. Documented in the proposed mitigation strategies is ensuring that active monitoring of climate-related events are maintained, that appropriate insurances are placed in the event that extreme weather results in damage to property or business interruption, and that the requisite tools (e.g., fire-fighting equipment) is available and up to date.</p>	<p>Risk:</p> <ul style="list-style-type: none"> • Extreme weather events such as hurricanes, floods, and heatwaves can damage our renewable operations, disrupt supply chain and building operations, which can lead to significant financial losses. <p>Opportunity:</p> <ul style="list-style-type: none"> • Through investing in robust and climate-resilient infrastructure, we can mitigate risks and ensure continuity of operations. 	




Our Material Topics

	Management Approach	Risk/Opportunity	SDG
<p>Regulatory and bid compliance</p> <p>In pursuance of affordable, reliable, sustainable, and modern energy for all, it is critical to conduct our activities in compliance with relevant legislative and regulatory requirements. Failure to do so could have an adverse impact on the obtainment or maintenance of our electricity generation licences.</p> <p>Compliance with tender requirements is crucial for the awarding of projects and further growth of the company.</p> 	<p>Due governance and continued compliance is a cornerstone of our organisation. The business operates in a highly regulated environment which touches on many different aspects of the law. In the year under review, we have continued to uphold the highest standards of compliance on all fronts, including (without limitation) procurement, occupational health and safety, employment equity, environmental, social impact, and economic development.</p> <p>As we continue to grow and our business matures, we have focussed on anti-corruption and bribery regulations and are in the process of rolling out a group wide “ABC Policy” to ensure a clear expectation is communicated with all and that there is consistent application.</p> <p>We have a successful track record of tender requirement compliance, having been awarded as a preferred bidder in a number of procurement processes in both REIPPPP and private process. The focus remains on developing frameworks, hiring of skilled and experienced personnel, and monitoring to ensure compliant project bids.</p>	<p>Risk:</p> <ul style="list-style-type: none"> Failure to comply with evolving regulations and bid requirements can lead to penalties, project delays, or disqualification from bids, impacting our financial performance and reputation. <p>Opportunity:</p> <ul style="list-style-type: none"> Proactively considering regulatory changes and ensuring compliance can position us as a reliable and preferred partner in the industry, potentially leading to more successful bids and contracts. 	  

Our Material Topics

	Management Approach	Risk/Opportunity	SDG
<p>Sustainable business growth</p> <p>Aligned with the UN SDGs, at the core of our organisation lies the desire to build resilient infrastructure, promote inclusive and sustainable industrialisation and promote innovation, as well as ensuring we contribute to sustainable production patterns.</p> <p>We are on a growth journey and the need for sustainable levels of growth has been identified as a key success factor.</p> 	<p>The utility-scale renewable energy sector within South Africa is experiencing both unprecedented growth and significant challenges. Among the challenges experienced in the industry is a severe shortage in skills, crossing all aspects of the project pipeline (from local equipment manufacturing to suitably qualified and experienced personnel).</p> <p>In the year under review, we have undergone significant growth at our organisation and have continued to focus on developing detailed approaches within our Independent Development Framework to unlock critical skills shortages within our industry. We have also continued to strive to be an employer of choice so as to ensure that such skills are retained and further developed.</p> <p>The business is underpinned by 20-year power purchase agreements (PPAs) and in order to ensure sustainable growth, a continuous pipeline of new projects and power purchase agreements is crucial for sustained income.</p> <p>The electrical network constraints within South Africa remain a challenge to the business and these are being managed by rigorous engagement with regulators and industry bodies, and exploration of private-public partnerships to mitigate the risk of delays to network infrastructure development.</p>	<p>Risk:</p> <ul style="list-style-type: none"> Rapid growth in the renewable energy sector can lead to increased competition and market saturation, which may pressure margins and prevent our business expansion. <p>Opportunity:</p> <ul style="list-style-type: none"> Investing in innovative technologies and diversifying our renewable energy portfolio can open new markets and revenue streams, fostering sustainable growth even in competitive environments. 	  

Our Material Topics

	Management Approach	Risk/Opportunity	SDG
<p>Attracting financial capital and cash flow management</p> <p>The achievement of our business aspirations in a progressive and demonstrable manner is contingent on the ability to raise sufficient capital and effectively manage cash flow.</p> 	<p>Identifying the need for additional capital injections to pursue previously determined growth objectives, we underwent a significant equity restructuring after we secured the support of a large global investor.</p> <p>Bringing CIP on board as a majority shareholder, which has an extensive track-record of building out utility scale infrastructure projects globally, has proven to be an asset in securing the support of potential debt partners as well, thereby ensuring the continued growth and development of the group's already substantial development pipeline.</p> <p>Cash flow management is crucial for efficient operations and the business is focused on robust planning processes and implementation of mitigation measures (access to facilities) where required. Experienced personnel together with a focus on frequent measurement and reporting of cash flow are key success factors for effective management.</p>	<p>Risk:</p> <ul style="list-style-type: none"> Failure to attract financial capital can limit our project development and expansion, thus affecting cash flow and financial stability. <p>Opportunity:</p> <ul style="list-style-type: none"> Leveraging the growing interest in sustainable investments and green bonds can attract significant capital. Demonstrating strong ESG performance can also enhance access to financing at favourable terms. 	 

Our Material Topics

	Management Approach	Risk/Opportunity	SDG
Human Capital <p>To paraphrase Richard Branson, “If you take care of employees, they will take care of the [business]”.</p> <p>A key element of a company’s effectiveness and continuity lies with the employees.</p> 	<p>Our 2023 rapid growth strategy was to attract the best-in-business people to join our organisation. Our focus now shifts to the development and retention of talent. We are creating a competitive remuneration strategy to reward great talent. Internal frameworks for enabling effective talent progression are being developed in support of our capability building goals as mentioned above.</p>	<p>Risk:</p> <ul style="list-style-type: none"> The specialised nature of the renewable energy sector can lead to a shortage of skilled professionals, impacting project execution and innovation. <p>Opportunity:</p> <ul style="list-style-type: none"> Investing in training and development programs can build a skilled workforce, enhance employee retention, and drive innovation. 	  

Our collaboration and engagement with internal and external stakeholders enables us to have sight on current and emerging ESG risks and opportunities within our business model, as well as unlocking key industry insights and innovative developments. While we recognise the importance to address and adhere to current and emerging ESG requirements, we remain focused on pertinent ESG material topics that can influence and impact our business.

Strategically Prioritising our Employees

Our strategic focus of our employees stems from a simple yet audacious statement “solidifying Mulilo as the number one employer of choice for IPP in South Africa”. We believe that our people are our most valuable asset in the execution of our strategy, and we recognise their invaluable role in our business model.

The acquisition of Mulilo by CIP in 2023, unlocked rapid growth targets to be reached. We have purposefully recruited top talent who embody the characteristics needed to build a world-class organisation, committed to transforming to green energy and supporting a sustainable future for all people and our planet.

As an approach to ensure adequate strategic focus on our employees, we have implemented agile and robust strategies to enhance talent attraction and retention, employee well-being initiatives, and training programmes to enhance the skill sets and expertise of our employees.

Promoting Diversity, Equity, and Inclusion

Our commitment to diversity, equity, and inclusion (DEI) is focused on a leadership level, particularly the appointment of females at an executive level. As an approach to promote diversity and inclusion, we have strategically addressed the need to strengthen diversity and inclusion on our executive committee.

Our approach to DEI is a multifaceted approach including gender equality, employment equity, and South Africa’s rich and diverse cultural landscape. We recognise the benefits and the importance of diverse thinking and skill sets, upliftment, and the representation of all voices with a seat at the table.

72 (2023)

Number of employees



38

Number of females



34

Number of males



40

Number of white employees



32

Number of ACI employees



Strategically Prioritising Our Employees

Our Focus on Talent Attraction and Retention

We recognise that talent thrives in an enabling and conducive environment. Starting with our head office, we have reimagined and established our new office at Portside in Cape Town. Our new facilities have transformed our day-to-day working environment through the introduction of innovative technologies and world-class equipment, collaborative spaces, fully catered canteen, and a wellness and prayer room.

We have rebranded our values and cultural identity to ensure our employees' voices are integral to our future vision, especially considering our workforce has grown by 70% in the financial year under review. Strategic remuneration models are being explored and developed to align to our intention of offering the most competitive remuneration packages in our industry, which would strengthen the attractiveness of our organisation.

As a mechanism to enhance talent expansion, we have acquisitioned industry leading specialists to develop our Independent Development Programme (L&D), which introduces a robust performance management and promotional framework that enables powerful career progression with coaching and mentorship programmes to ensure talent remains engaged and thriving.

In addition, our learning and development strategy focuses on capacity building for recruiting talent within scarce talent pools, which is a common challenge for the renewable industry. As an approach to strengthen skills development opportunities and enhance skills within our industry, we will be focusing on several occupational shortages that are relevant to our business model as per the Energy and Water Sector Education and Training Authority (EWSETA) Sector Skill Plan 2023/2024.



Strategically Prioritising Our Employees

Investing in Our Employees

Strategically investing in our employees enhances their professional expertise and skill set, which demonstrates a significant potential return on investment on our business model. The significance of this investment demonstrates the importance of prioritising human capital in our corporate strategy and developing action plans to enhance operational performance. Our strategy needs to ensure that we invest time and financial resources that will generate the most significant return on our business model. We have invested R1 million in our people through professional development and technical training such as:

Professional Development	Technical Training
<p>Provide support for:</p> <ul style="list-style-type: none"> • Professional Registration Fees • Africa Energy Forum which provided the opportunity to engage with a myriad of stakeholders in the renewable energy fraternity, a central place to convene with easy access to some of the important key players. • Electricity Wheeling Conference • Africa Mining Indaba • PMP Led Training • Finance, Contracts & Risk Mitigation for Private Power Projects • Executive Coaching • Academic Qualifications – financial support for staff towards completion of formal qualifications (BSC Engineering in Mechanical Engineering; BCom HR Degree) 	<ul style="list-style-type: none"> • Environmental Impact Assessments • Best Practice Financial Modelling • Project Finance Modelling



Strategically Prioritising Our Employees

Employee Well-being

Recognising the value of employee well-being, we are developing a flexible working policy that addresses the need for individual flexibility. Our perspective is that employee well-being is closely linked to DEI, whereby the need of flexibility originates from their personal environment. Our overarching aim is to develop and deploy a policy that offers agility and flexibility, while ensuring sustainable business growth and achieving strategic objectives through our business model.

Through the execution of our strategy, our employees may require working overtime, particularly through the preparation and development of bids. To ensure employee satisfaction and mitigate the negative impacts of overtime worked, we have introduced tailored policies to ensure employees are awarded time off for personal well-being. In addition, as an approach to strengthen employee satisfaction, we have introduced other initiatives to boost employee satisfaction such as:

- Onsite flu and vitamin B shots;
- Massage therapy;
- Supply of daily nutritional refreshments and fresh fruit; and
- Continuous one-on-one engagement by professionals offers a safe and confidential environment to discuss their needs and concerns.

Recognising the Importance of Health and Safety

We cannot effectively run our business without a focus on health and safety, this is a priority for us as we care about how we discharge our duties. We appreciate our responsibility in being aware of inherent risks in developing, constructing, and operating large-scale energy projects. Through our risk management framework, we can identify and manage these risks and implement appropriate risk mitigation strategies.

Our projects are developed, constructed, and operated ensuring that health and safety management requirements and standards are communicated and upheld, as well as alignment with relevant local labour laws and best practises. Our strategic focus aligns to continual improvement and achieving zero harm to employees.



Strategically Prioritising Our Employees

Incident investigation, thorough root cause analysis, and implementation of corrective and preventative actions are important to prevent risk of repeat incidents and ensure enhanced health and safety measures are implemented following an incident. Monitoring and evaluation of the effectiveness of the health and safety processes and requirements is key to understand any risks and effectively manage these. It is imperative that we establish rigorous requirements for health and safety, foster open reporting, and frequently and effectively monitor health and safety performance.

Our Health and Safety Performance

For the period under review, we recorded no lost time injury (LTI), medical treatment case (MTC). The loss time injury frequency rate (LTIF) was 4.13 due to a recorded fatality at an operational site during this period.

On the 5th December 2023, a fatality took place on Longyuan Mulilo De Aar operational wind facility. A subcontractor had been hired to conduct road maintenance. During the maintenance activities, the grader operator lost control of the grader as it descended the inclined road resulting in the grader toppling onto its side. The operator was transported to the local hospital for treatment. Unfortunately, the operator succumbed to his injuries in hospital. This further reiterates the importance of the need to focus on health and safety matters in our business model.

A thorough investigation of the incident was conducted, with a full investigation into health and safety practices employed by the subcontractor. The outcome of this investigation will assist in ensuring rigorous health and safety processes are maintained and enhanced on all sites and in all operations. Focus remains on enhancement of these frameworks.

	2022	2023
HOURS WORKED	259,096	880,241
TRIRF (No. of LTIs + No. of MTCs + No. of FATs) X 1,000,000 total on-site manhours worked in relevant period	0	4.13
MTC A work-related injury, that occurs at work, that does not require any days away from work requires treatment beyond first aid treatment	0	0
LTI Work related injury, occurring at work, resulting in absence from work for at least one (1) full working day or shift	0	0
LTIF (No. of LTIs X 1,000,000)/Total on-site man-hours worked in relevant period	0	0



Strategically Prioritising Our Employees

Key Learnings from 2023

The nature of our operations necessitates subcontracting of certain works, which presents an exposure to the risk of subcontractor or partner actions with respect to health and safety. To manage this risk effectively, the following controls and processes need to be enhanced at a project level:

- Enhanced compliance requirements to be implemented as a minimum requirement in procurement and contracting frameworks for all subcontractors;
- Subcontractor procurement process needs to adequately identify any potential risks based on the service provider's track record, information provided and their own health and safety systems and processes; and
- Control and frequent monitoring of the subcontractor's health and safety documentation and practices through third-party audits.

With our operational facilities being located in remote regions of the Northern Cape, there is an increased risk of vehicle accidents due to:

- Substantial distances travelled by employees;
- Traversing sections of poor road conditions and/or gravel roads; and
- Travel time often coinciding with dawn and dusk which increases the risk of collision with wildlife such as kudus.

Focus is being placed on ensuring all employees are educated on the risks associated with traveling in these conditions and the necessary mitigations are adhered to.

Improving our Health and Safety Performance

Mitigating and preventing the occurrence of fatalities and serious injuries in our operations remains a key priority and strategic objective. As an approach to monitor our performance and achieving our objectives, LTIF and total recordable injury rate (TRIRF) are used as key tracking metrics, to benchmark our operations and processes with industry standards. At a project level, the implementation of more rigorous health and safety requirements and controls during the procurement of subcontracted services is a crucial focus for 2024, as well as enhanced monitoring and auditing systems to ensure health and safety standards are upheld by all subcontractors.

Our focus on innovative and leading interventions remains important over the short-term, such as the interventions that are designed to prevent incidents as opposed to treating the impact.

We recognise the importance of driving a safety culture through collective ownership in matters pertaining to health and safety by encouraging increased number of safety inspections and observations.

The strategic focus on this matter is particularly important due to the expansion of projects and facilities during the upcoming period, which intensifies inherent risk and requires rigorous health and safety frameworks. The implementation of proactive measures to safeguard health and safety in our operations will remain an important factor moving forward.



Integrating Responsible Practices in Our Supply Chain

Embedding sustainable practices into our supply chain is a focal point for reducing our environmental impact, achieving cost savings, and enhancing resource efficiency. Moreover, it ensures compliance with regulations and mitigates risks associated with resource scarcity and supply chain disruptions, which is important for how we operate. Our ability to strengthen ESG performance within our supply chain requires collaborative engagement with suppliers to ensure ESG related risks are identified, prevented and or mitigated with the aim to enhance supply chain transparency. The quality of our supply chain management impacts on the responsiveness of our suppliers in ensuring that our business is able to fulfil its operational mandate(s).

A Closer Insight into Our Supply Chain

We are aware of the environmental and social impact through the selection of our suppliers and subcontractors. Due to inherent ESG related risks within our supply chain, we have implemented guiding principles to ensure we promote sustainable procurement including:

- Selecting suppliers based on relevant sustainability criteria including transparency, health, safety, security and environment (HSSE) standards and environmental performance and risk;
- Report on, monitor, and mitigate risk relating to ESG on a project and corporate basis. We work meticulously with suppliers and partners to fully understand these risks and impacts;
- Ensure that our suppliers commit to our Business Partner Code of Conduct and subscribe to our supply chain protocol;
- Establish supplier compliance through audits and production monitoring of suppliers and where needed their downstream supply chain;
- Take a life-cycle approach to our carbon footprint and choose suppliers that contribute positively to our climate impact; and
- Ensure that our solar, wind, or battery energy storage system (BESS) systems can be reused, recycled, or disposed of safely.



Integrating Responsible Practices in Our Supply Chain

Environmental

- Energy efficiency / renewable energy
- Renewable fuels
- Greenhouse gas emissions
- Water management
- Sourcing from sustainable sources
- Emergency preparedness

Social

- Health and safety
- Working conditions
- Employee benefits
- Diversity and inclusion
- Human rights
- Impact on local communities

Governance

- Ethical Standards
- Board diversity and governance
- Stakeholder engagement
- Stakeholder rights
- Pay for performance

Supplier

- Environmental policy
- Health and safety policy
- Awareness campaigns

- HR policy
- Initiatives - CSR reporting Supplier risk rating

- Ethics policy / code of conduct
- Legal due diligence
- Financial due diligence

Product

- Conflict / rare minerals
- Energy efficient production practices
- Waste management
- Sustainable water usage during production

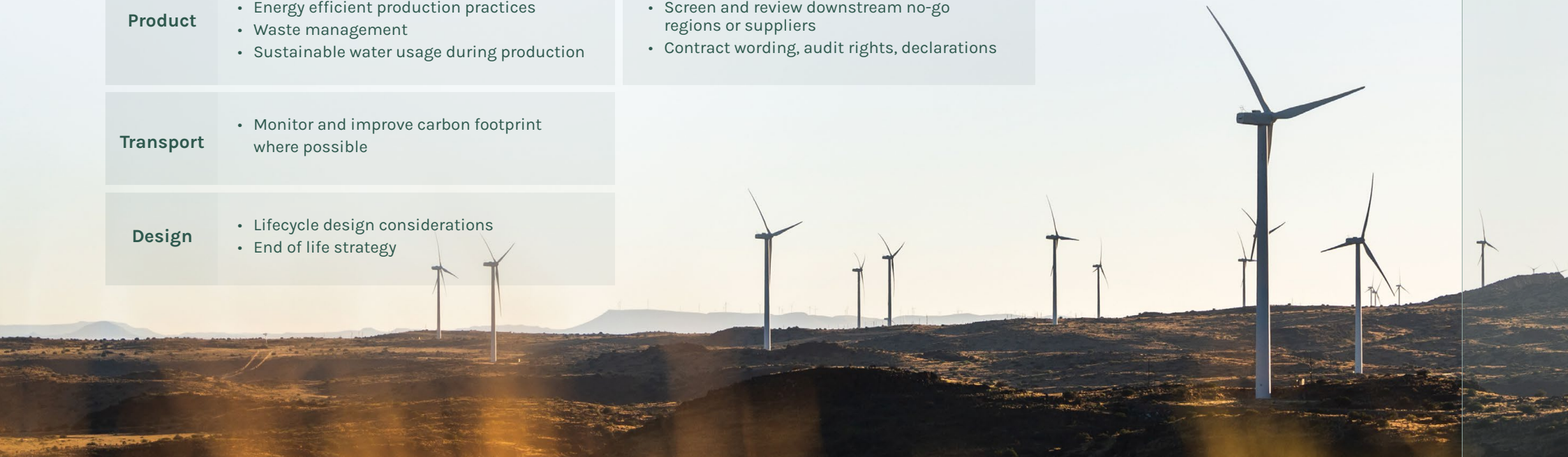
- Supply chain downstream mapping
- Screen and review downstream no-go regions or suppliers
- Contract wording, audit rights, declarations

Transport

- Monitor and improve carbon footprint where possible

Design

- Lifecycle design considerations
- End of life strategy



Integrating Responsible Practices in Our Supply Chain

Our Actions and Results in 2024

Our responsibility extends beyond our own operations, and we acknowledge the potential environmental and social impact originating from our supply chain. As an approach to strengthen and integrate sustainable practices in our supply chain, our procurement department was established during Q4 of 2023 and the first actions included:

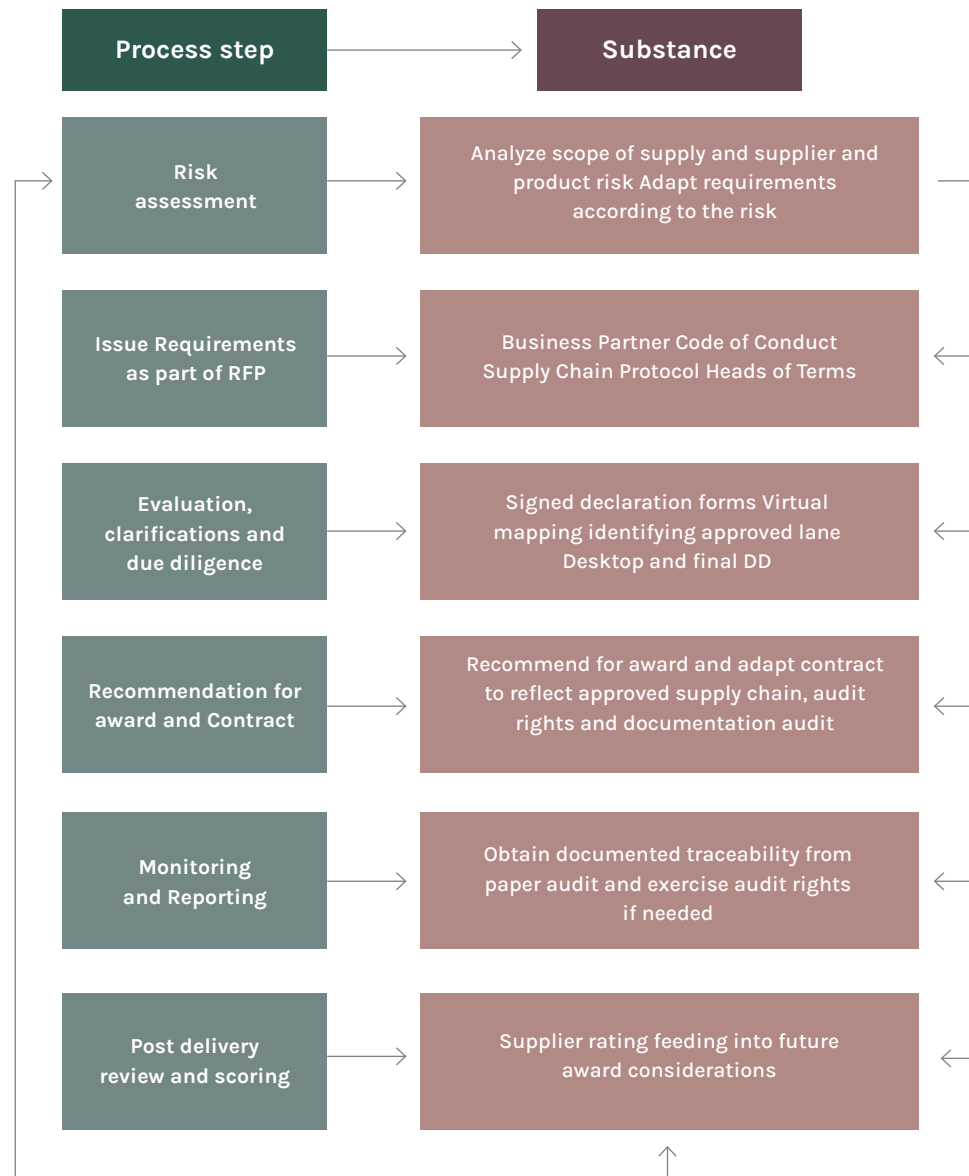
- Recruiting a team familiar with ESG standards to articulate how ESG relates to procurement;
- Building a robust procurement framework documenting our policy, procedures, and templates incorporating International Finance Corporate (IFC) performance standards amongst others.
- Integrating sustainability throughout our procurement process, from pre-qualification to ongoing dialogue with potential suppliers addressing downstream and upstream risks.

We collaborated cross-functionally to create awareness, formalise, and standardise the pre-qualification due diligence and tender processes, as an approach to ensure consistent ESG requirements throughout our operations. We require all our prospective suppliers to comply with and sign our declaration forms contained in our supply chain protocol. The business partner code of conduct and supply chain protocol focuses on compliance with laws and regulations as well as internationally recognised standards, which includes anti-corruption and ethical business practices, human rights, HSSE and labour rights and the environment.

To ensure our suppliers comply with our standards, we have appointed a verification partner that will audit, monitor, and report on supplier performance with regards to factors such as quality, HSSE, labour conditions, traceability and environmental management.



Integrating Responsible Practices in our Supply Chain



Innovation is important in a fast-moving industry such as ours, and we have established a plan to collaborate with suppliers to drive the development of new and improved solutions to reduce our carbon footprint and improving circularity. We are continuously collaborating with suppliers to explore more effective transport solutions to reduce carbon footprint. We are held accountable according to our standards and have passed our first internal project audit.

Our Ambitions and Goals for 2025

Due to the significance of ESG related risks and opportunities in our supply, we drive towards continuous improvement and have set our targets for the next year as follows:

Conclude, award, and contract under the principles outlined;

- An established pre-cleared vendor database of at least three suppliers per major category;
- Pass not only internal but external audits documenting our performance based on our ESG principles; and
- Enroll at least one supplier per category in a development programme focusing on ESG innovation and ESG risk.

Measuring Our Baseline Carbon Emissions

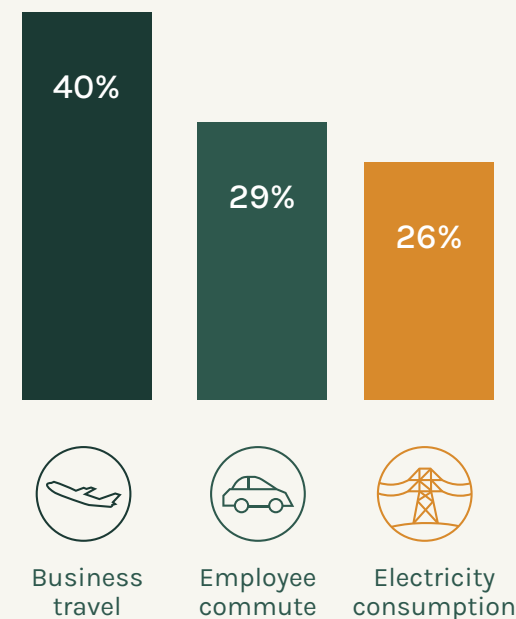
Climate change has emerged as a global phenomenon and introduces a direct and indirect impact to our business model such as the disruption of our supply chain, construction barriers, and the evolving regulatory environment. Our commitment to combating the impacts of climate change is underpinned by the execution of our initial carbon footprint assessment, which focuses on measuring our baseline emissions. The assessment serves as a crucial phase in our strategy, through our measured impact, we can implement a feasible net-zero strategy over the short- to long-term.

Our carbon footprint was measured in accordance with the Greenhouse Gas (GHG) Corporate Protocol and focused on the quantification of Scope 1, 2 and limited Scope 3 emissions at a corporate level. With this being our inaugural carbon assessment, our focus will transition to enhancing our Scope 3 disclosures such as purchased goods and waste generation, as well as quantifying our environmental impact at a project level. This will enable us to have an improved understanding of our holistic impact.

Our total carbon footprint was calculated at 492 tCO₂e for 2023, with Scope 3 contributing 73% of our total carbon footprint. Business travel and employee commute (Scope 3) were the most significant contributors, equating to 40% and 29% respectively.

Purchased electricity, under Scope 2 emissions, contributed 26% of our total emissions. Although it should be noted that we moved premises in the latter part of 2023, which signified a 186% increase in our area dimension. As a result, this may have an impact on our subsequent carbon footprint, particularly through the increased emissions originating from fugitive emissions and electricity consumption.

With the maturity of our ESG strategy, our focus will shift towards evaluating the feasibility to transition to a net-zero economy. Determining an accurate baseline emission would enable us to strategically evaluate reduction opportunities, whilst also yielding financial return.



Carbon Certificate

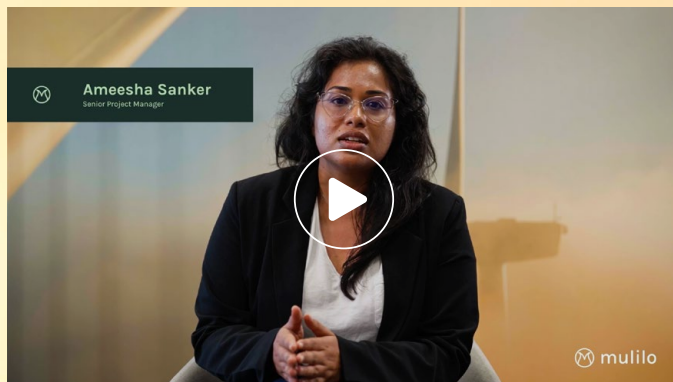
Scope	Category	Emission Source	2023 tCO ₂ e
Scope 1	Fugitive emissions (aircons)	Refrigerant R410A	3.70
Total Scope 1			3.70
Scope 2	Electricity	Purchased electricity	129.80
Total Scope 2			129.80
Scope 3	Business travel	Car hire	16.87
		Flights	171.94
		Accomodation	7.39
	Purchased goods	Paper consumption	0.26
	Employee commute	Home to work & return	141.60
	Homeworkers	Homeworkers	20.25
	Water	Water consumption	0.04
Total Scope 3			358.36
Total Carbon Footprint			491.86
Scope 1 and 2 intensity per employee			1.85

Identifying our Impact on the External Environment

Whilst the nature of our business is to produce renewable energy infrastructure in South Africa and the associated environmental benefits, we need to consider our environmental impact and our ability to manage these risks effectively. Understanding and quantifying our environmental impact is a crucial focus area in our business model. At a project level, the construction and operations must adhere to strict environmental regulations, permit obligations, and planning that is centred around the prevention of adverse impacts to the environment. Regular reporting and third-party assessments are crucial factors for transparency and success of these processes. Our overarching aim is to ensure that operational activities have minimal adverse effects on the receiving environment while safeguarding existing biodiversity. Furthermore, we have recognised the opportunity at a project level to contribute towards the conservation of protected species. At a group level, we have measured our inaugural carbon footprint, which signifies an important milestone in defining our baseline carbon emissions.

Our Commitment to Environmental Sustainability

To gain a deeper insight into our environmental efforts and hear directly from our senior project manager from the environmental team, watch the video below.



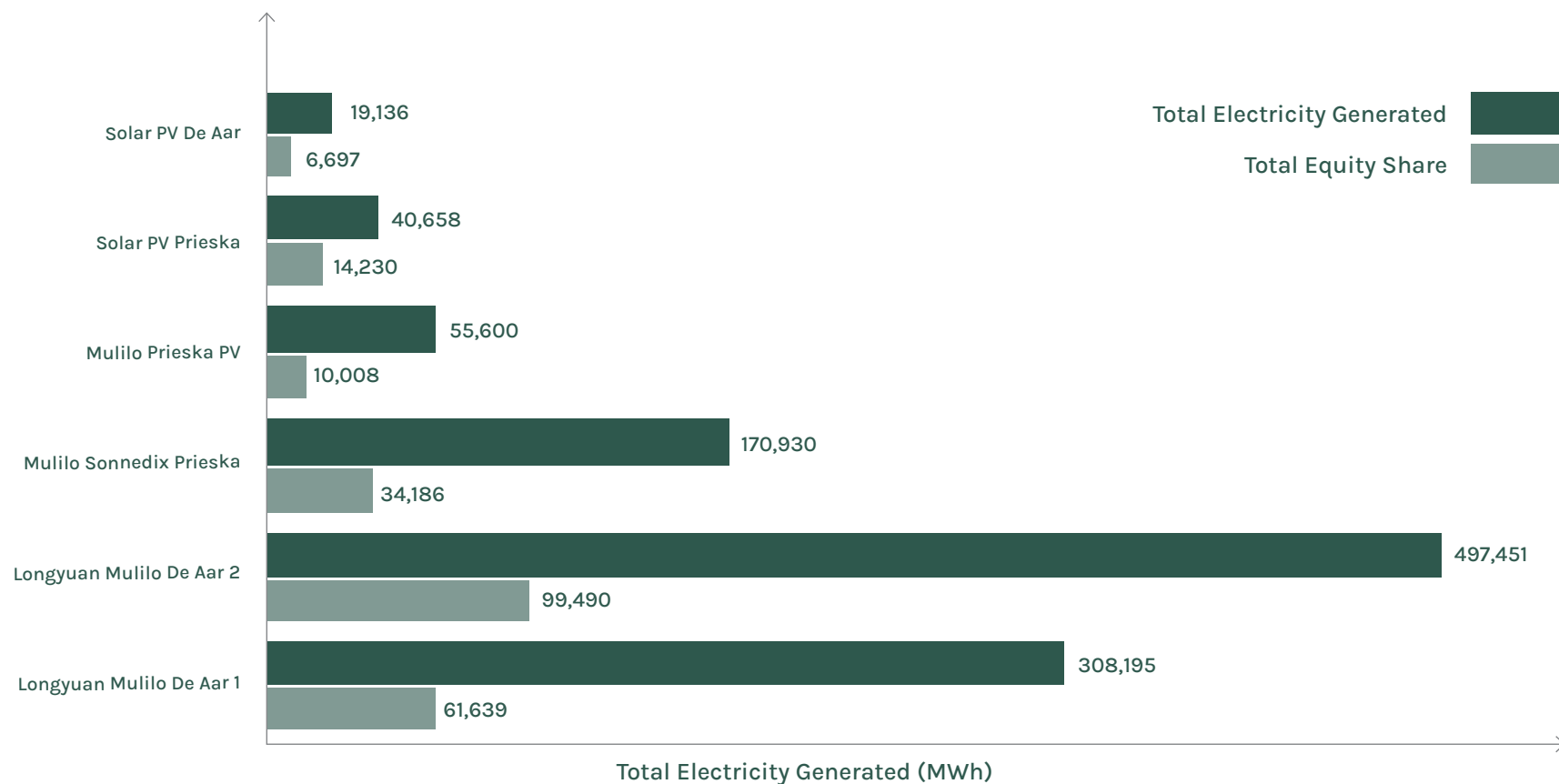
Identifying our Impact on the External Environment

Our Positive Impact in the Net-zero Transitions

In the South African context, our electricity is primarily generated from fossil fuel-based energy sources, which are associated with high carbon emissions. Through the operation of our 6 renewable energy projects in South Africa, we have the ability to strengthen and enhance the contribution of renewable energy into the grid. The contribution of renewable energy alternatives into the grid reduces GHG emissions and mitigates the impacts of climate change, as well as reducing our reliance

on fossil-based fuels and improved stability of energy supply. Through our current operations, we assist in decreasing reliance on finite natural resources, reduce environmental degradation, and promote a cleaner, healthier planet for future generations.

In total, these projects have generated **1,091,970 MWh** of electricity, significantly contributing to the sustainability goals and ensuring a reliable energy supply.

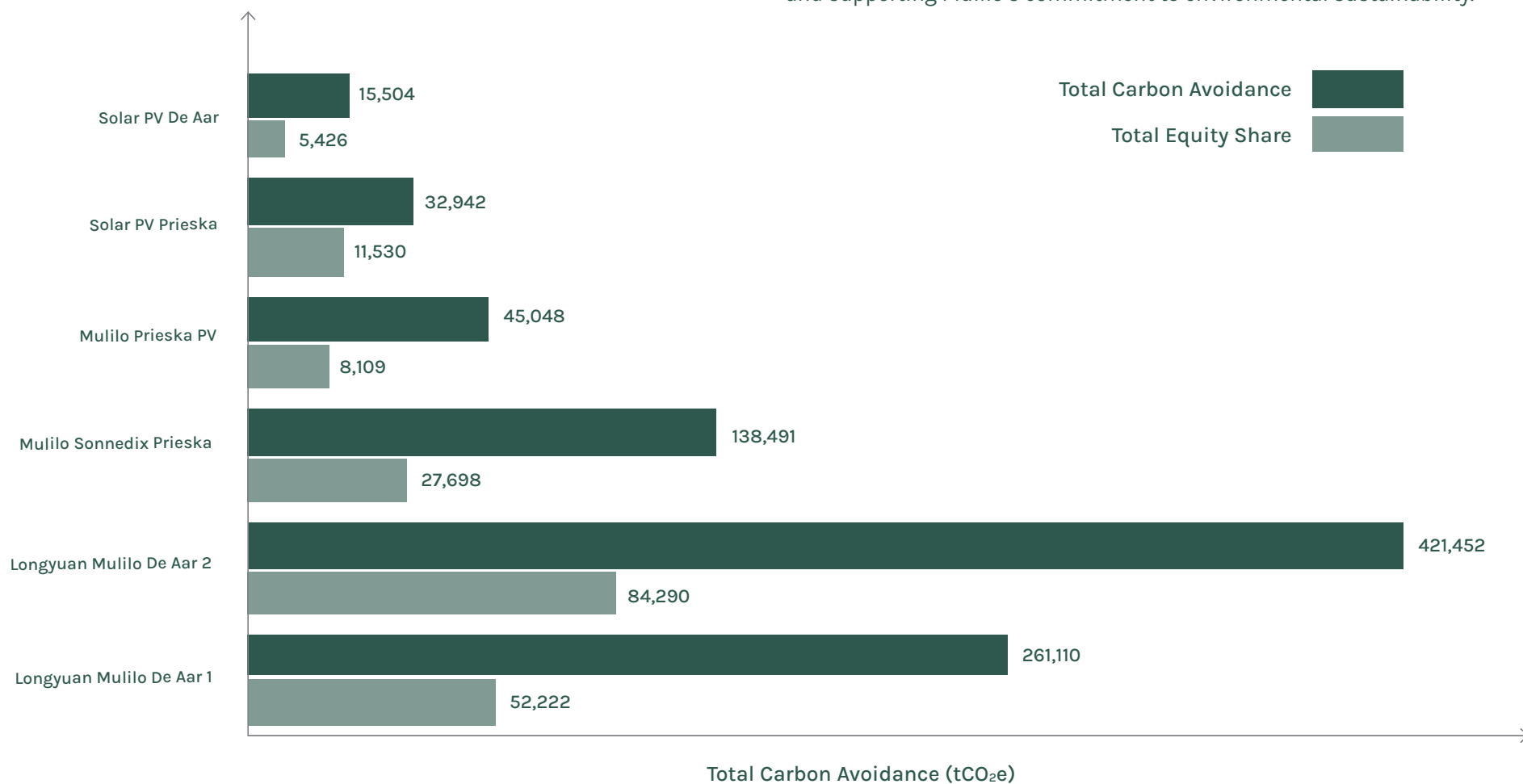


Identifying our Impact on the External Environment

Our renewable energy project plays a pivotal role in the transition to net-zero by providing sustainable, low-carbon alternatives to fossil fuels, thereby significantly reducing GHG emissions. With South Africa committing as a signatory to the Paris Agreement, we provide invaluable solutions in the expansion of renewable energy into the grid and providing the framework for a feasible net-zero transitional plan.

Through integrating renewable energy into the energy mix, we move closer to a sustainable, net-zero future while mitigating the adverse effects of climate change.

In total, these projects have achieved a carbon avoidance of **914,548 tCO₂e**, significantly contributing to the reduction of greenhouse gas emissions and supporting Mulilo's commitment to environmental sustainability.

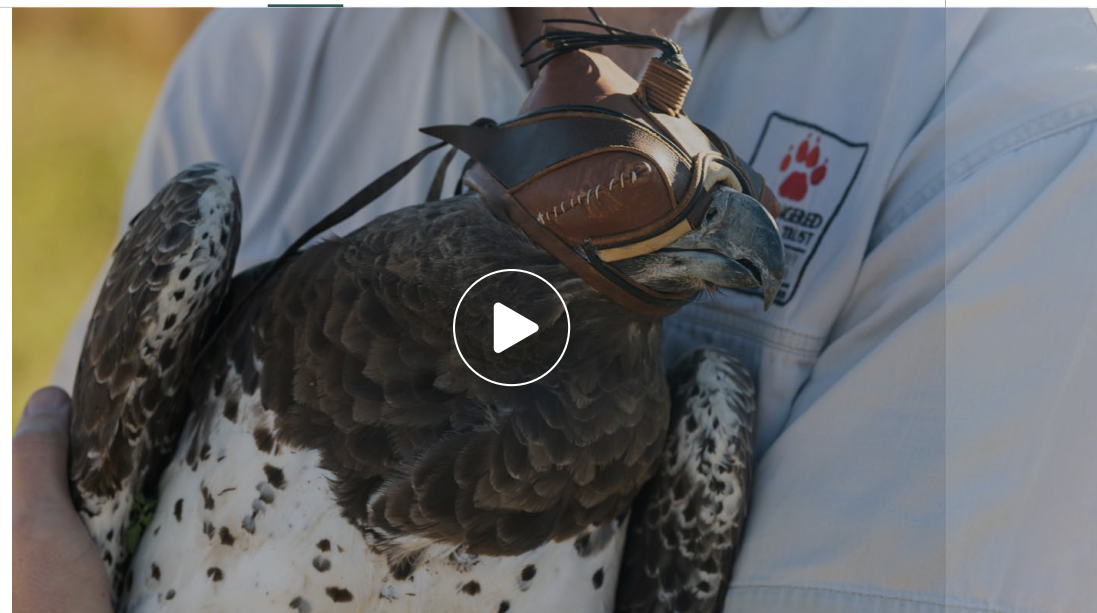


Identifying our Impact on the External Environment

Our Commitment to Conserving Biodiversity

Our commitment to conserving and protecting biodiversity extends beyond our investment in and development of renewable energy. We are also acutely aware of the potential environmental risks associated with our operations. Rigorous bird and bat monitoring programmes are implemented at our operational wind facilities, which play a pivotal role in assessing the effectiveness of environmental and biodiversity management plans and ensuring the protection of priority species. Collaborative efforts between the environmental team, ornithologists, and industry specialists are instrumental in developing innovative methodologies for bird and bat detection, automatic turbine shutdown, and blade patterning processes. These advancements are integrated into newly developed projects to fortify protections for endangered species and minimize environmental impacts.

For example, the Martial Eagle (*Polemaetus bellicosus*), one of Africa's most powerful and majestic raptors, faces significant threats from habitat loss, human-wildlife conflict, and energy infrastructure development. As renewable energy projects, particularly wind energy, rapidly expand across Africa, there is an urgent need to balance conservation efforts with sustainable energy development. Through our environmental stewardship, we have introduced a research study that examines the impact of wind energy development on the Martial Eagle, highlighting the efforts to mitigate risks through innovative models and collaborative conservation strategies. The primary objective is to create a harmonious coexistence between wind energy infrastructure and Martial Eagle conservation.



FACTS ABOUT THE MARTIAL EAGLE

Size and Strength: Martial Eagles are among the largest eagles in Africa, with a wingspan of up to 2.6 metres and a weight of up to 6.5 kilograms. They are known for their exceptional hunting skills and can take down prey much larger than themselves.

Habitat and Distribution: Martial Eagles are found in various habitats across sub-Saharan Africa, including savannas, open woodlands, and semi-deserts. They prefer areas with large trees for nesting and open spaces for hunting.

Conservation Status: The Martial Eagle is currently listed as Vulnerable on the International Union for Conservation of Nature (IUCN) Red List due to habitat loss, persecution, and collisions with power lines and wind turbines.

Identifying our Impact on the External Environment

An Opportunity to Learn and Conserve

Our research commitment provided a promising step towards achieving a balance between sustainable renewable energy development and the conservation of Martial Eagles, as well as providing a more nuanced approach that can increase available land for safe wind energy development by approximately 20%. To ensure the success and conservation of the Martial Eagle, we have emphasised the importance of technology, people, and innovation. Our partnering with the Endangered Wildlife Trust (EWT), has provided us with the opportunity to collaborate with leaders in conservation research, community conservation, and environmental training. While the Martial Eagle Risk Assessment Model is still under development, the collaborative efforts and innovative approaches undertaken offer hope for a win-win solution. This initiative aims to support the responsible development of renewable energy while contributing significantly to the conservation of the Martial Eagle species.

Resource Consumption and Our Strategic Focus

Resource consumption, including water consumption, play a crucial role in our operations. Considering that our project sites are located in water scarce areas, our focus is to ensure responsible usage of water. We use smart analytics to track soiling and performance data in order to optimise washing cycles and avoid unnecessary washing. Our operational sites consist of 4 solar PV module projects and 2 wind projects, which generate no waste as a by-product of energy generation.

1,544 kg

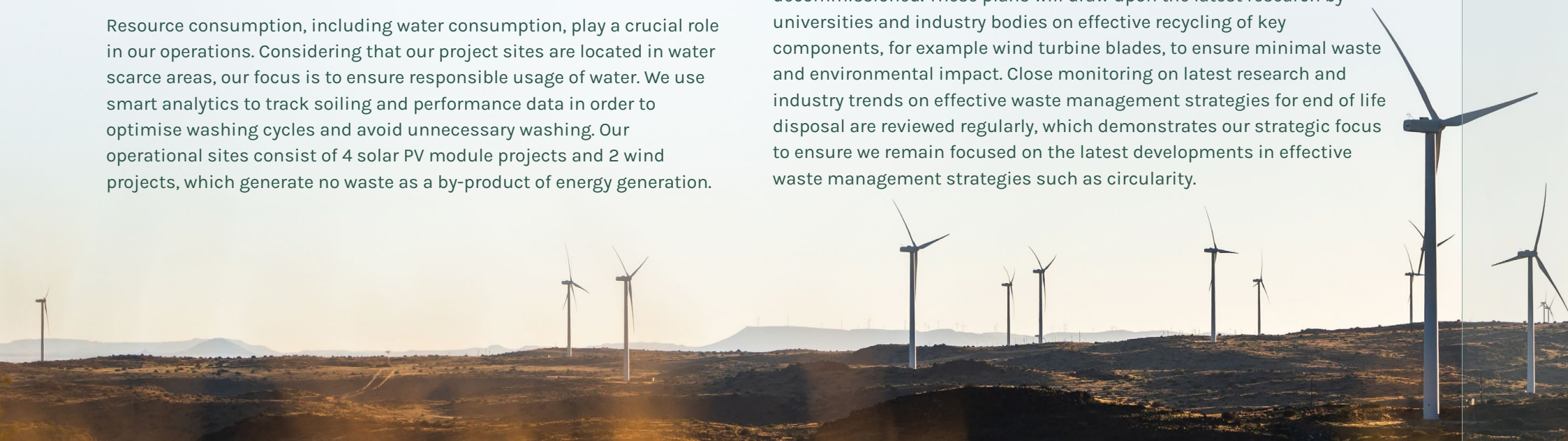
Volume of generated waste
(project level)

824,7421 litres

Total water consumption
(project level)

*Data is derived from 5 operational sites (excluding head office)

Our strategic focus on waste management is to reduce the volume of generated waste as recycling facilities are not always available within areas of our project sites. The generation facilities operate under a 20-year power purchase agreement (PPA) and a key focus into the next phase of the projects' life is strategy on the decommissioning of facilities when they reach the end of their PPA lifespan. Detailed strategies will need to be developed for the effective decommissioning and disposal of equipment, along with site rehabilitation. South Africa's renewable energy sector is relatively new, and as a collective these questions will need to be answered as the pioneer projects are due to be decommissioned. These plans will draw upon the latest research by universities and industry bodies on effective recycling of key components, for example wind turbine blades, to ensure minimal waste and environmental impact. Close monitoring on latest research and industry trends on effective waste management strategies for end of life disposal are reviewed regularly, which demonstrates our strategic focus to ensure we remain focused on the latest developments in effective waste management strategies such as circularity.



Our Focused Impact on Local Communities

Historically, we have invested in the communities where we operate, primarily through socio-economic and enterprise development initiatives, which are mandated under the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP). These initiatives are a crucial part of our business model. Our goal is to ensure that these investments go beyond fulfilling our obligations and instead address core community needs, providing sustainable, long-term impact. To ensure meaningful impact, we regularly conduct needs-based assessments in the communities where we operate. These assessments consistently identify education and healthcare as common challenges.



Providing Equitable Access to Education Through Bursaries

Through proactive engagement with local communities, the need to strengthen tertiary education was apparent. As an approach to positively impact our local communities in the surrounding areas of our operations and the commitment to the UN SDGs, our Bursary Fund flagship initiative was established, which has progressed through its inception in 2016. The programme has produced 86 graduates to date and 109 students are currently enrolled. Our impact focuses on the De Aar and Prieska regions of the Northern Cape, which have been identified as poverty-stricken resources.

The bursary also forms a strategic partnership with the Department of Mineral Resources and Energy (DMRE), where we contribute annually through the allocation of 2 to 5 bursaries. The DMRE programme focuses to increase qualified engineering graduates within the South African context, with particular focus on students from poor and disadvantaged areas. The aim was to broaden the financial assistance to communities through provision of tertiary education opportunities, thus improving the overall financial well-being of families.



Our Focused Impact on Local Communities

Case Studies | Economic Growth in Local Communities

Nadine De Klerk graduated with a Bachelor of Education degree and is teaching at Gariep High located in Prieska. Nadine is very active in the community and helps the new applicants complete bursary applications.

Richenda Hermanus is a primary school teacher working in De Aar and has been instrumental in the application of new students.

Keenan George is from Prieska and is teaching at Gariep High School, located in Prieska.

Our provision of funding has enabled graduates to complete various tertiary qualifications and pursue careers as lawyers, medical doctors, civil engineers, industrial engineers, electrical engineers, actuaries, and teachers, amongst others. The allocation of funding assist students with critical assistance such as the payment of tuition, accommodation, monthly stipends, textbook allowance, laptops, and ad hoc expenses.

In addition to financial contribution, our bursary programme also provides a Student Support Resource, who checks-in on the students on a regular basis, and this facilitates any needs or problems that might arise. Moreover, the Student Support Resource also facilitates biannual workshops, focusing on building rapport with the students, which assists in development of relationships. From an education background, most of the students have selected work in the Prieska and De Aar area, which improve the economy of the region. Some case studies are detailed in the upcoming section.



Our Focused Impact on Local Communities

Our Revised Focus on Bursaries

In 2023, our bursary programme was expanded by partnering with a technical skills provider to launch the SARETC programme which stands for South African Renewable Energy Technology Centre and focuses on wind technician training. The programme provides specialist skills to tertiary graduates to further develop their skills and expand their employment opportunities. This programme was initiated with the explicit reason for strengthening skills into the renewable industry, particularly due to the limitation of skilled professionals within the South African context.

Our pilot project for the SARETC programme focused on 7 graduates, which consisted of 6 males and 1 female. The qualification is a 9-month course, with the requirement that the graduates must have an electrical engineering qualification and some work experience. These candidates are thus older than the normal bursary group, although still qualify as the bursary supports the Youth of South Africa which has a cut off age of 35-year-old. The 9 months are broken down into:

- 6 months face to face instruction
- 3 months in-service training on a wind farm

This programme has proven to be successful and another group of students will start this programme in 2024.



Our Focused Impact on Local Communities

Case Studies | Graduate Absorption

Quandretto Sas was from Prieska in the Northern Cape and one of the first students to receive a bursary from our fund. Quandretto completed a BCom in Financial Accounting at Boston College in Kimberly in 2018. Quandretto was interviewed for a role in MEDAS (Mulilo Economic Development Advisory Services, which was setup to manage and execute on Mulilo's Economic development objectives). Quandretto subsequently completed his internship and is currently employed full-time as an Economic Development Officer within Mulilo.

Deswin Basson was part of the inaugural group of students on the Mulilo bursary programme. Deswin successfully enrolled for a Diploma in Electrical Engineering at Tshwane University of Technology. Deswin completed his Diploma, along with his in-service training required for graduation in April 2022 and is currently employed as an Operator on the Longyuan Mulilo De Aar wind project.

Enhanced Job Creation and Absorption

By providing bursaries to students, we recognize our role in equipping them with the necessary framework for their professional careers. Additionally, we understand the importance of integrating students into our business model, which not only offers job opportunities but also strategically attracts talent to our organization.

Through the consideration of our short, medium, and long-term impact, our strategic focuses aim to hone our investments in education to ensure we are supporting the local learners at each phase of education. This would entail further investment in early childhood development (ECD) centres, support of schools and teachers at a foundation and secondary level, and maintenance of the bursary programme for tertiary education.

Provision of Accessible Health Care

As an approach to eradicate and combat the lack of health care facilities in our surrounding communities, we successfully introduced Innovo Mobile Health Clinic project. Through the project, we financed two mobile healthcare buses capable of serving 700 patients each month. The project provides access to essential medical services, including dental care, vision, and hearing screenings for foundation phase learners.

Supporting Local SMMEs

Whilst addressing the socio-economic needs, it is crucial that there is a focus on enterprise development within the communities. We are focused on providing support to local entrepreneurs and SMMEs by the means of providing financial support to start-ups, as well as paying for financial and accounting services (tax advice and bookkeeping).



Independent ESG Statement

Forvis Mazars was engaged by Mulilo Energy Holdings (Pty) Ltd to conduct a carbon footprint assessment consisting of the calculation of Scope 1, 2 and limited Scope 3 emissions and to further draft and compile the inaugural annual ESG report of Mulilo Energy Holdings (Pty) Ltd for the period 1 January 2023 – 31 December 2023. This report and the information, findings and conclusions contained therein are based solely on the information supplied to Forvis Mazars by Mulilo Energy Holdings (Pty) Ltd.

Forvis Mazars accepts no responsibility for any changes to the information contained in this report that may occur after the initial date of its presentation by Mulilo Energy Holdings (Pty) Ltd. Forvis Mazars does not accept or assume liability to any party other than to the Directors of Mulilo Energy Holdings (Pty) Ltd for our work, this report or for any information contained in this report. Any party relying on any information contained in this report do so at their own risk.



Bongiwé Mbunge | Partner





Glossary

BESS	Battery Energy Storage System
CIP	Copenhagen Infrastructure Partners
COD	Commercial Operation Date
DEI	Diversity, Equity, and Inclusion
DFFE	Department of Forestry, Fisheries, and the Environment
DTIC	Department of Trade, Industry and Competition
ESG	Environmental, Social and Governance
EWSETA	Energy and Water Sector Education and Training Authority
EWT	Endangered Wildlife Trust
GHG	Greenhouse Gas
GW	Gigawatt
HSSE	Health, Safety, Security and Environment
IFC	International Finance Corporation
IPP	Independent Power Producer
LTI	Lost Time Injury
LTIF	Lost Time Injury Frequency rate
MEH	Mulilo Energy Holdings (Pty) Ltd
MTC	Medical Treatment Case
MW	Megawatt
MWh	Megawatt hour
PPA	Power Purchase Agreement
REIPPPP	Renewable Energy Independent Power Producer Procurement Programme
SDGs	Sustainable Development Goals
SMMes	Small and medium-sized enterprises
tCO ₂ e	Tonnes of Carbon Dioxide equivalent
TRIR	Total Recordable Injury Rate



Get In Touch

+27 21 685 3240
info@mulilo.com
www.mulilo.com

Mulilo HQ

21st Floor, Portside,
5 Buitengracht St,
Cape Town, 8001
South Africa

Our new home address in the Cape Town CBD is rated as a 5-star green building and boasts being the “greenest building in Africa”. This represents our alignment to purposefully and intentionally deploy our sustainability strategy. As we have grown, we considered our sustainability goals in moving to premises with improved efficiencies in energy, water, and waste management, resulting in both environmental and financial benefits.

Date of publication: June 2024

For enquiries regarding this report, please contact: esg@mulilo.com

Disclaimer

This report and the contents thereof is for distribution only under such circumstances as may be permitted by applicable law. This report and the contents thereof has not been audited. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. The report is published solely for informational purposes and neither Mulilo nor any of its affiliates, directors, employees or agents accepts any liability whatsoever arising out of the reliance or use of all or any part of this report.

© 2023 Mulilo Energy Holdings (Pty) Ltd. All rights reserved.

