

Sindicatum Sustainable Resources

Sustainability Report 2019

From the CEO



Assaad Razzouk

Chief Executive Officer

To our stakeholders:

We are quite used to living with a catastrophic emergency all around us. It's:

Global.

It's scary.

It instils fear when you think about it.

It's an emergency.

It's everywhere.

You can't touch it.

It kills.


It affects the poor more than the rich

It's solvable if we could only bend the curve.

And no, it's not the Coronavirus, it's climate change: The parallels between the two are incredible. They're astounding. Coronavirus sometimes feels like climate change in super-fast forward: The end of 2019 and 2020, thus far, has not gone in the direction any of us could have anticipated. The impact of the COVID-19 pandemic globally, has emphasised the importance of the health and safety of humanity to the development and prosperity of society and business.

Sindicatum is pleased to submit its 2019 Communication on Progress (COP) report. We outline our actions to continually improve the integration of the UN Global Compact Ten Principles on human rights, labour, environment and anti-corruption into our business strategy, culture and operations.

We realise that this is a period of great challenge and great change. The need to continue to support the United Nations Global Compact initiative and its ten principles has been heightened, therefore I am pleased to confirm our ongoing commitment to the initiative and its principles for 2020.



We will share this information with our stakeholders using our primary channels of communication: our website and intranet.

Yours sincerely,




Assaad Razzouk

Chief Executive Officer



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This report contains a full year's data from 1 January to 31 December 2019 and highlights information about our performance regarding the key aspects that have been identified as material to our operations and stakeholders. The Sindicatum 2019 Communication on Progress report builds on the report we produced in 2018, where we also include our basic policies and procedures and company structure.

To help us improve, both in terms of our company performance through systems and operations and our reporting standards, feedback from our stakeholders is essential. Thus, we welcome all comments and feedback which should be directed to:

Ms. Sonia Luis: Sonia.luis@sindicatum.com

Some of Sindicatum's 2019 Highlights



1. RENEUM 2019:

The State of Environmental Attribute Certificates:

Despite prices for renewable energy continuing to fall and interest in green energy growing, many markets still suffer from distorted subsidies favouring fossil fuels, no compliance-based Environmental Attribute Certificate (EAC) schemes, and limited access to grids. This means that many project developers in emerging markets never realize the full value of the renewable energy plants they develop and the environmental attributes these projects deliver. And where EAC schemes do exist, project developers often face credit risks, lack a trusted authority to provide transparency on EAC transfers, and have unclear standards for determining property rights, meaning these regions have traditionally been left behind.

Challenges are further exacerbated by structural limitations of the traditional EAC paper market such as cumbersome certification processes, upfront costs and central authority bottlenecks restricting liquidity even when they are available. And for those that are able to survive the process, double counting becomes a reputational threat in an ecosystem with a wide array of participants, each following their own rules with limited exchange of information between them.

How is this Related to Sindicatum?

Sindicatum has created a proprietary blockchain solution to stimulate investment into climate finance and green energy. Leveraging the decentralized ledger technology of the blockchain, Reneum built the first global marketplace for environmental commodities certification, issuance, and transactions. Reneum replaces these tradable commodities with tokens, issuing tokens to clean energy projects free-of-charge to help them attract new capital investment. The technical architecture facilitates automated certification, verifying authenticity of the energy source before it enters the market, adding a layer of security to the market. Through the use of digitally stamped 'smart contracts', an automated match-making mechanism simplifies global trades, minimizing time and costly transaction fees, in a fully transparent and secure manner. Progressive multinational companies buy Reneum tokens to 'green' their energy consumption, to then remove the tokens from circulation permanently through a process of 'burning'.

How Does Reneum Address these Challenges?

Reneum's blockchain platform automates certification and transactions, and maintains independence and transparency that enables the global market scope for environmental commodities. Reneum's entirely public database lends to an unprecedented amount of credibility and legitimacy, buoying the entire market through its trusted database.

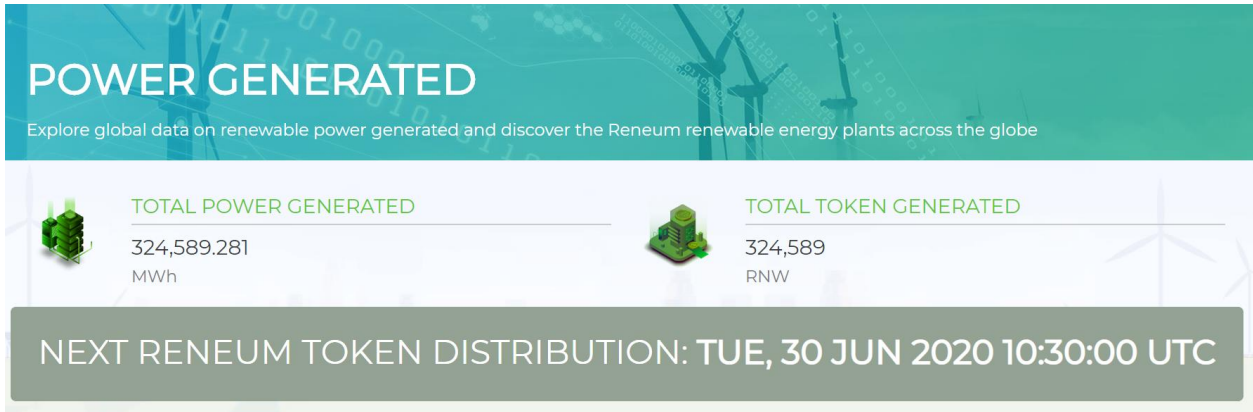
The immutability of the blockchain means reduced certification time, unencumbered by bottlenecks such as regional compliance and data verification. Thanks to the decentralized and public nature of the blockchain, tokens are easily audited and include full traceability. Through the use of digitally stamped and secured contracts called 'smart contracts', the issuance of the tokens will be executed automatically once a set of predefined parameters has been satisfied, minimizing transaction costs in executing trades and decentralizing the market. With no central regulator, trades can be made globally, offering the first "one-stop-shop" for

buyers. And since each token is issued a unique ID code, storing generation data that is valuable to buyers to provide comfort of authenticity, preventing fraud and reducing the due diligence process required by buyers.

Reneum was conceived to as a solution to the challenge of renewable energy development in emerging markets. With declining government subsidies, the scaling back of feed-in-tariffs, and waning (or non-existent) political support, the financing hurdles faced by project developers pose existential threats. By stimulating this global market, Reneum helps project developers realize a new revenue stream, providing project bankability and encouraging new developers to enter the market.

Reneum’s Progress Since 2018:

Reneum officially launched its technology platform and renewable energy certificate (REC) standard in April of 2019. Since then, Reneum has certified 29 individual projects in 12 countries across Asia, the Middle East, and Latin America. Reneum has engaged with regional partners to help elevate the voluntary REC markets in countries that have previously not benefitted from these markets, with the intention of opening up a truly global and liquid marketplace for RECs. By working with international renewable energy associations, Reneum is helping corporate buyers to allocate resources into these overlooked markets to support their local renewable energy goals.



Reneum’s Global Partnerships:

To anchor Reneum’s growth in new markets and to harmonize with global leaders in the EAC market, Reneum initiated strategic partnerships with three key players: the Energy Web Foundation, Zeigo, and CTX. Reneum has partnered with Energy Web, the world’s leading blockchain protocol for the energy sector, to provide the technology infrastructure that Reneum’s platform is built on. Their membership community includes more than 100 innovative technology and energy companies that are collaborating to improve the adoption of renewables worldwide. Zeigo and CTX are both working with Reneum to market Reneum tokens to RE100 signatories and other progressive corporate companies looking for EACs in emerging markets.



Reneum's Relationship to the UN Global Compact principles

Reneum contributes to Global Compact Principles 7, 8 and 9 through its proprietary technology by helping drive renewable energy development in markets where renewable energy is still not available to buy directly. Reneum is primarily focused on regional partnerships in markets where governments and market-based incentives have been slower to adopt renewables. Reneum empowers progressive corporate companies to leverage their buying power to stimulate renewable energy markets and encourages these companies to undertake proactive practices supporting clean energy adoption.

2. Fire safety drill at our Chilwaria site

Our solar and bagasse cogeneration plants in India celebrate National Safety Week each year. From 4 – 10 March 2019, the objective of the celebration was to increase awareness, encourage greater workforce involvement in incorporate safety as an integral part of our work culture. The events included competitions, quizzes, firefighting training, first aid training and safety equipment awareness sessions. The families of the workforce, living in the residential quarters of the sugar mill, were also included.

To engage with the community, we adopted a pond in the neighbouring village in Chilwaria, where we assumed responsibility of the cleaning and maintenance of the pond and its surrounding area.



First aid training at USUPL



Fire safety drill at Chilwaria

3. Annual tree plantation drive

In June 2019, the World Environment Day was celebrated at all our operating solar projects in India accompanied by an annual tree plantation drive and awareness sessions for staff and contractor employees.

Human Rights

This section of the report highlights Sindicatum’s actions to address and monitor human rights with a focus on the following principles:

Human Rights

- *Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*
- *Principle 2: make sure that they are not complicit in human rights abuses.*

Relevant Sindicatum Corporate Documents:

- Environmental and Social Corporate Policy Statement - EHS&S
- Code of Conduct
- Employee Handbook
- Investment Approval Process

The Health & Safety of our employees and contractors continues to be a central focus of our business. The responsibility for all EHS&S issues rests at the highest level of management, cascading down to engage all individuals within the Company. Due to the importance we place on our environmental and social activities, responsibility ultimately lies at the highest level - with our Board – and is implemented across the Company through the Executive Committee. The Group President ensures the EHS&S function is discharged appropriately within the organization and reports on a regular basis on the Company’s performance to the Board at its main Board meetings. A Group EHS&S Director ensures EHS&S coordination, training and auditing across the Company.

The EHS&S Director reports to the Group President and provides advice and support on all aspects of policy, development, implementation and monitoring of Safe Working Procedures (SWP), along with any changes necessary to the documents and activities to ensure full compliance with national and international EHS&S regulations and third-party standards.

Our business model aims to meet the highest standards of sustainability, governance, and ethical investing along with maintaining a strong emphasis on health and safety. We identify, design and implement profitable renewable energy, energy substitution and energy demand projects using new and innovative technologies.

Our projects also result in Greenhouse Gas (“GHG”) emission reductions which contribute to the fight against climate change, as well as providing numerous other benefits to the countries and communities in which they are located. These benefits include: improved air quality for the community, technology and skills transfer to the local population, local job creation, development of human resources and improved local infrastructure.

Underpinned by our commitment to responsible corporate ethics, Sindicatum has established and maintains a robust environmental management system that supports its assessment of all investments against the IFC Performance Standards and includes environmental, health & safety, stakeholder and labour principles.

The EHS&S Director is responsible for developing specific policies, standards, work procedures and reporting requirements to ensure compliance with the IFC Performance Standards. Through its investment agreements, Sindicatum ensures that all its partners comply with its health and safety procedures, all environmental and

social requirements, basic terms and conditions of employment and core labour standards, in all cases consistent with the IFC Performance Standards.

Our Investment Approval Process (updated as necessary) ensures that we carry out the required due diligence at the planning and approval stages of any ongoing project or prospective project. Our Executive Committee composed of our Group CEO, Group President, Group CFO, Legal Director and Managing Director, Delivery / Climate Change are presented with approval papers / reports identifying how the project could potentially affect the regional area in which it will operate and what factors we have to consider to ensure we are not negatively impacting the surrounding area and actually providing opportunities. Examples of some of the analysis the investment process requires are:

- Risks and Mitigants
- Background and Market Environment (competition, growth, alternative technologies, etc.), including discussion of the approach to the signing of a power offtake agreement
- Sustainability and Climate Change – discussion of how the project reduces emissions and develops sustainability – and where applicable, analysis of issues relating to environmental commodities
- Due Diligence:
 - Legal, commercial, technical, climate change and financial due diligence
 - Environmental, Social due diligence, including Impact assessment as needed in accordance with IFC standards¹

- In accordance with our Sustainability Policy, social and environmental considerations must be considered as being integral to our investment criteria
 - All projects in which Sindicatum invests are required to meet IFC Performance Standards with regards to the Environment, Health and Safety and Social impacts
 - This includes anti-discrimination policies on employment
- All joint ventures must meet Sindicatum’s standards with regards to corporate governance, anti-bribery and anti-money laundering
- These requirements are included in all project documents

In 2019, we continued to work with our project partners to highlight the importance of a safe working environment and adherence to our EHS&S Management System to ensure issues, risks and impacts are identified and the necessary audits and checks are done.

Lost Time Incident Frequency Rate (LTI)

For 2019, we achieved an outstanding record with NO Lost Time Incident (“LTI”) during the year, thus achieving an LTI rate of 0.00 per 100,000 hours worked. This is well below the 2019 target of 0.75 incidents per 100,000 hours worked. Since 2014, our LTI rate is 0.17/100,000 hours worked.

Our goal is that every employee returns home after work without incident.

All project sites incorporate an emergency response plan into their management plan to ensure that any incident is effectively managed and impacts on community and environment are mitigated. All project sites conduct an annual review of their internal emergency response program as well as of the capabilities of the

¹ SREC Investment Process, available on the Sindicatum Intranet.

community emergency response organization and develop action plans to address any areas that need improvements.

The EHS&S Director monitors EHS&S Key Performance Indicators (KPIs). Grievance management is in place at all our projects and settlement of grievances is a part of our EHS&S management system. In addition to the EHS&S standards, a Human Resources management system framework has been established at the corporate and project levels. These are based on Sindicatum’s Code of Conduct policies and IFC EHS Performance Standard 2.

A reminder of our 2019 Goals and Outcomes:

In our fourth COP, we set out Goals & Targets for 2019 to improve on our EHS&S. Here’s how we performed:

2019 Goals/ Targets	2019 compliance Update
Conduct ESIA / ESDD of all proposed / new projects per IFC Performance Standards and include ESHS issues as part of the final document seeking investment approval.	Successfully completed external ESHS audits by lender’s technical and ESHS advisor.
Implement ESAP/ESMP - Corporate ESMS system at new projects in line with IFC PS, WHO and ISO 14001 & OHSAS 18001 standard requirements.	Continued to implement and monitoring ESMS systems at all Solar Plants and Biomass to energy plants.
Monitor implementation of each project’s ESAP through regular review audits to ensure compliance is 90%+	Developed Environmental and Social Action Plan (ESAP) for 2019 Lenders technical audit recommendations and ensure compliance and monitoring on a monthly basis. Compliance with the plans is at 90% + at the project level.
Ensure monthly KPI monitoring and compilation of reports based on the reporting format in line with ESHS & Sustainability Monitoring system and Green Bond Impact Assessment requirements.	Co-ordinated and compiled data received from the project sites. Prepared monthly ESHS report and on-time submitted to Board. Started capturing <ul style="list-style-type: none"> - GHG emission inventory and removal data - Energy consumption – electricity generation - Water consumption
Zero Fatal Accident and Lost Time Accident Frequency Rate of < 0.75.	No Lost Time Incident (“LTI”). This is below to the target of 0.75 incidents per 100,000 hours worked. Achieved FR (frequency Rate) of <u>0.00</u> against a goal of <u>0.75</u> in 2019. LTA FR per 100,000 man-hours worked (moving average since 2014) = 0.17
Reduction of incidents like First aid injury and External Grievances and Focus on increase in reporting of near miss incidents	There were 3 First aid cases against 33 in 2018. There were no external grievances reported.

Work on Resource Efficiency parameters – reduction of water consumption at all projects	Started capturing base data for the year. Reduced GHG emissions by 381,236.44 tons of CO2-equivalent at our renewable energy projects.
Effective community consultation and engagement through Stakeholder engagement mechanism across all projects, and address any grievances or other issues as needed	There were 2 community consultation at Biomass to energy projects.
Ensure compliance with labour laws and IFC PS 2.	Implemented and monitored IFC Performance Standards PS 2 at USUPL and solar projects.
Initiate Corporate Social Responsibility (CSR) programs at new projects and continuously monitor SCR activities across the company	Total of 9 CSR initiatives conducted at our operations [Thailand, Philippines, and India Solar]. CSR activities included the donation of school furniture, donations to schools & nearby communities – community shed development, educational visits to plants.
Ensure that standards are followed for the safe storage, handling and disposal of hazardous materials at all projects.	Monitored ESHS progress every month for SSR Offices and Projects / JVs for continuous improvement. Ensured E-waste disposal at registered e-waste recyclers as per local regulations
Support appointment of dedicated ESHS Resources for new project sites, if applicable	Technical support to site managers and O&M Safety officer during implementation and monitoring of ESHS system
Ensure 100% employees of new projects are trained on EHSS topics.	Provided 157 training and awareness programs, with 1686 employees including contractor employees attending for a total 1882.25 person-hours of training.
Establish KPIs for GHG Inventory monitoring & CSR Impacts and ensure monitoring.	Started capturing GHG inventory monitoring and energy resources consumption like electricity consumption and water consumption.

Goal & Targets for 2020

- a. Implement Artificial Ground water recharge – rainwater harvesting projects across India Solar projects.
- b. Develop and implement a waste management program at all plants, including plans for disposal of solar panels, inverters and other potentially hazardous materials
- c. Conduct ESIA / ESDD of proposed / new projects as per IFC Performance Standards and include ESHS issues as part of the final document seeking investment approval.
- d. Implement ESAP/ESMP - Corporate ESMS system in line with IFC PS, WHO and ISO 14001 & OHSAS 18001 standard requirements at new projects.
- e. Monitor implementation of each project’s ESAP through regular review audits to ensure compliance is 90%+
- f. Ensure monthly KPI monitoring and compilation of reports based on the reporting format in line with ESHS & Sustainability Monitoring system

- g. Zero Fatal Accident and Lost Time Accident Frequency Rate of < 0.75.
- h. Work on Resource Efficiency parameters – reduction of water consumption at all projects
- i. Ensure Effective community consultation and engagement through Stakeholder engagement mechanism across all projects, and address any grievances or other issues as needed
- j. Ensure compliance with labour laws and IFC PS 2.
- k. Corporate Social Responsibility (CSR) programs at all projects and continuously monitor CSR activities across the company. Conduct CSR Impact assessment study.
- l. Ensure 100% employees of new projects are trained on EHSS topics.
- m. Initiate ISO 14001 and OSHAS 18001 programs at Solar projects in India

Labour

The following Principles of the United Nations Compact:

- *Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
- *Principle 4: the elimination of all forms of forced and compulsory labour;*
- *Principle 5: the effective abolition of child labour; and*
- *Principle 6: the elimination of discrimination in respect of employment and occupation.*

are addressed in our corporate policies and procedures found in the following corporate documentation:

1. Code of Conduct
2. Employee Guide
3. Group Delegated Authorities
4. Anti-Corruption Principles and Procedures
5. Corporate Responsibility Manual
6. Investment Approval Process

and with regards the employee's individual rights the:

7. Service Agreement.

As identified in our previous COPs, we believe that everyone has the right to work in a protected environment, we do not tolerate bullying and we aim to maintain an open culture, encouraging our staff to voice concerns and to feedback on new systems and procedures. The above-mentioned Principles are supported by the following policies and procedures:

- Sexual Harassment
- Whistleblowing Policy
- 'Reporting a concern'
- Zero-Tolerance to Corruption
- Avoidance of Conflicts of Interest
- Fair Employment Practices – by following local laws and legislations
- Fair Dealings with Others
- Maternity Leave
- Employment Rights – probationary period, salary, termination period and arrangements, hours and place of work (mobility policy), annual leave entitlement.

Sindicatum adheres to the "Core Labour Standards" on child and forced labour, discrimination and freedom of association and collective bargaining, stemming from the ILO Declaration on Fundamental Principles and Rights at Work. We also require wage, working hours, labour contracts and occupational health & safety issues to conform to conventions 26 and 131 (on remuneration), 1 (on working hours) and 155 (on health & safety).

"At Sindicatum, we comply with all relevant and applicable local and international labor regulations, treaties, conventions and principles relating to the protection, welfare and health and safety of children, including forced labor."

We do not employ any person deemed by local or international laws, conventions or regulations to be a child in any capacity in any industrial operation under our control. As a good corporate citizen, Sindicatum is committed to the principles of protecting children from child labor exploitation. (...)

We do not engage in or support the use of forced or compulsory labor.”²

Inclusion and Diversity Policy – Sindicatum India Office Roll Out

In 2019, we introduced an ‘Inclusion and Diversity’ policy in our India office to further enhance compliance with our “Fair Employment Practices” as outlined in our Code of Conduct. The policy aims to raise greater awareness of harassment and discrimination. It sets out the steps of how to deal with potential issues, to provide support to employees, and to ensure a zero tolerance of all forms of harassment. The policy focuses on sexual harassment, to address the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and corresponding Rules 2013 (PoSH).

As well as introducing the policy, we:

- Established an Internal Complaint Committee (ICC) - comprising of 4 members
- Conducted an Awareness program for ICC members
- Provided awareness training for the employees

We will be rolling out an amended version to the Sindicatum Group, developing on what we have produced for our India office.

Recruitment & Selection

“We must recognise that all of our investments depend on our relationships with a wide range of stakeholders and in particular the local communities where our projects are undertaken. Without the acceptance of such communities our work cannot succeed. ... We aim to bring benefit to local communities through the creation of employment in sustainable sectors...”³

Supporting local communities ‘through the creation of employment’ is still an important factor for us. However, given the outbreak of the Coronavirus at the end of 2019, our priority has been trying to ensure our business is fit-for-purpose and sustainable to safeguard the well-being and employment of our current workforce.

Below we outline the number of employees that are nationals within our operating regions:

Country	Total Number of Employees	% of Employee Nationals to the Region
China	7	100
India	15	93
Philippines	7	86
Singapore	11	73
Thailand	2	50
UK	2	100
USA	1	100

Data as at 31 December 2019

² Sindicatum Employee Guide, Page Sindicatum Intranet

³ Sindicatum Code of Conduct, Page 4, Sindicatum Intranet

Internships & Training Overview

- In 2019, Sindicatum reported:
- approximately 153 hours for the year of courses / training as a group (training includes in-house and external sessions and in cases project based)
 - 5 internship placements

Reminder of our 2019 Goals and Outcomes:

In the following table we have set out the objectives we made for 2019 and to what extent these were achieved:

2019 Target	Update
Finalise a 2019 copy of the Employee Handbook and Code of Conduct.	We updated our Code of Conduct with the revised contact details. The Employee Handbook revision will be circulated in 2020, with the incorporation of the 'Inclusion and Diversity' policy already rolled out in our India office. This is a continuous process.
Standardise the Sindicatum Induction / Orientation Process.	A new Sindicatum Orientation PowerPoint has been drafted. This will be rolled out after a consultation period (to encourage regional feedback) and training has taken place for employees responsible for the recruitment and orientation process.
Review our 'Group' Data Protection terms and procedures.	As well as creating the GDPR Policy, Privacy Notice for our UK office in 2018, in 2019 we updated our website with a new Privacy Notice, outlining how we handle personal data, and Cookie Policy, addressing the Singapore Personal Data Protection Act 2012.

2020 Goals & Targets

1. Review new employee / service contract templates to ensure legal compliance.
2. Finalise a 2020 copy of the Employee Handbook and Code of Conduct.
3. Update the online Anti-Corruption Principles and Procedures (last dated February 2019)

Environment

The environmental facet of sustainability encompasses Sindicatum's impact on living and non-living natural systems. Given that we are an investor, developer, owner and operator of clean energy projects and a producer of sustainable products from wind, sun and waste, this dimension is classified as a material aspect. Having a global footprint of decentralized clean energy projects, our projects have a direct impact on the environment and the living conditions of local communities. Sustainability is our business, and we believe it is crucial to work within environmental and social boundaries to shift from the reigning economic model to a common path of a decarbonised economy underpinned by a stabilized climate. Sindicatum's strategy and policy on environmental protection are centred on the implementation of Principles 7, 8 & 9 of the United Nations Global Compact:

- *Principle 7: Businesses should support a precautionary approach to environmental challenges;*
- *Principle 8: undertake initiatives to promote greater environmental responsibility; and*
- *Principle 9: encourage the development and diffusion of environmentally friendly technologies*

We have integrated an Environmental & Social Corporate policy into our business operations and incorporated measures to mitigate environmental impact. This policy was developed to define policy commitments, organizational roles and responsibilities, work procedures and implementation arrangements at the corporate level for managing environmental & social risks associated with our operations.

In addition, policies, procedures and protocols are benchmarked against the International Financial Corporation (IFC) Performance Standards on Environmental and Social Sustainability and associated IFC/World Bank EHS guidelines.

Energy Consumption and Management

Sindicatum's projects and operations produce clean power that is consumed by off-takers (businesses and industries) and by the local community (through the grid).

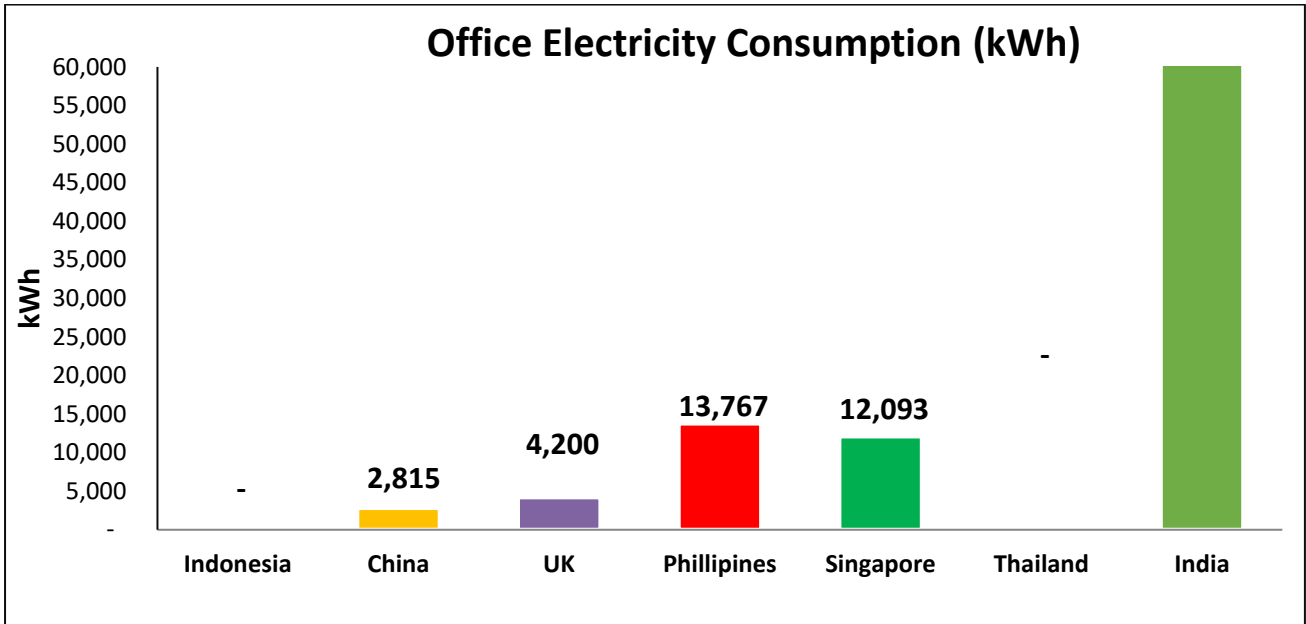
While these projects mitigate climate change overall, our operations also consume energy and as part of this indicator, we report the energy consumption only by entities owned or controlled by our organization. As part of this energy consumption inventory, we have included our power use in all our offices and operational project sites⁴. For the remaining projects that are under development and where Sindicatum has developed projects in a consultant capacity, we have considered our environmental impact in the form of travel⁵ based emissions.

For office-based power usage, electricity is the significant form of energy consumption regardless of country of operation and was measured through metering devices and validated via electricity utility bills. The total

⁴ Taken into consideration in "Net power generation"

⁵ Land and Air

office-based energy usage for 2019 amounted to 94,190 kWh (c. 2,047 kWh/employee⁶) which represents a 34% decrease from 2018's energy use which was 140,978 kWh.



For the next calendar year (2020), we will target to decrease our electricity consumption by 5% in comparison to 2019 usage.

Reduction in Energy Consumption

Sindicatum’s raison d’etre as a global green brand means that we constantly strive to reduce resource wastage and due to their very nature, our sustainability projects will continue to significantly reduce the use of non-renewable resources for many years to come.

Within each of our green projects we are constantly searching for ways to be even more efficient and effective to the environment. For example, we will constantly innovate and improve our equipment in order to achieve higher efficiency and to enable plants to operate for longer periods on renewable energy resources.

Within our own offices, we have achieved a significant reduction. Microsoft Cloud services are replacing on-site servers, minimizing power consumption.

Net Power Generation from Sindicatum’s Projects

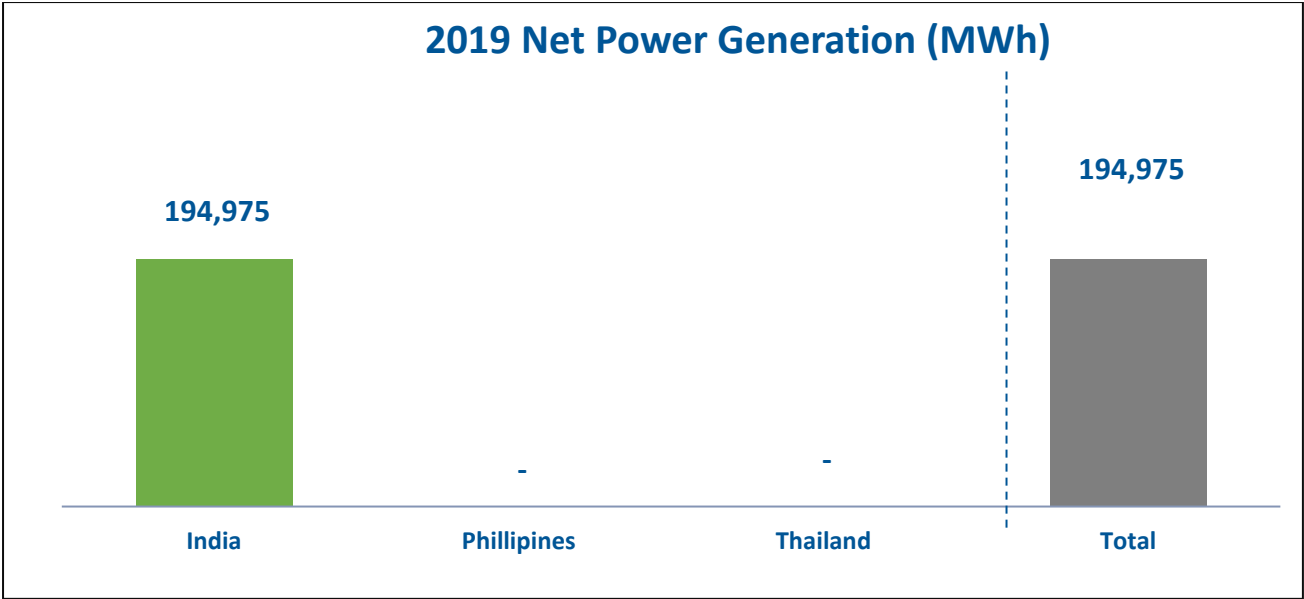
The very nature of our business is centred on the generation of clean energy and emission reductions. In 2019, net^{7,8} generation of clean electricity totalled 194,975 MWh representing a power generation intensity of c. 4,239 MWh/employee, a 35% decrease since 2018. For 2019, we will strive to improve on this by 15% via high operational performance at our existing project sites and new projects that will add to our existing operational capacity.

⁶ 46 employees

⁷ Net power generation is the total power generated and is calculated as follows: Gross generation – (auxiliary consumption + power imported from grid + power generation from diesel (if any))

⁸ Apportioned by Sindicatum’s share of ownership in the projects

2019 Net Power Generation (MWh)



Carbon footprint – Emissions Aspect

Sindicatum reports based on the WRI⁹ and WBCSD¹⁰ “Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard”¹¹. This framework encompasses the classifying of GHG emissions into three scopes. A substantive portion of the GHG attributed to Sindicatum’s operations falls under Scope 2 and Scope 3 Emissions in the form of purchased electricity and travel respectively.

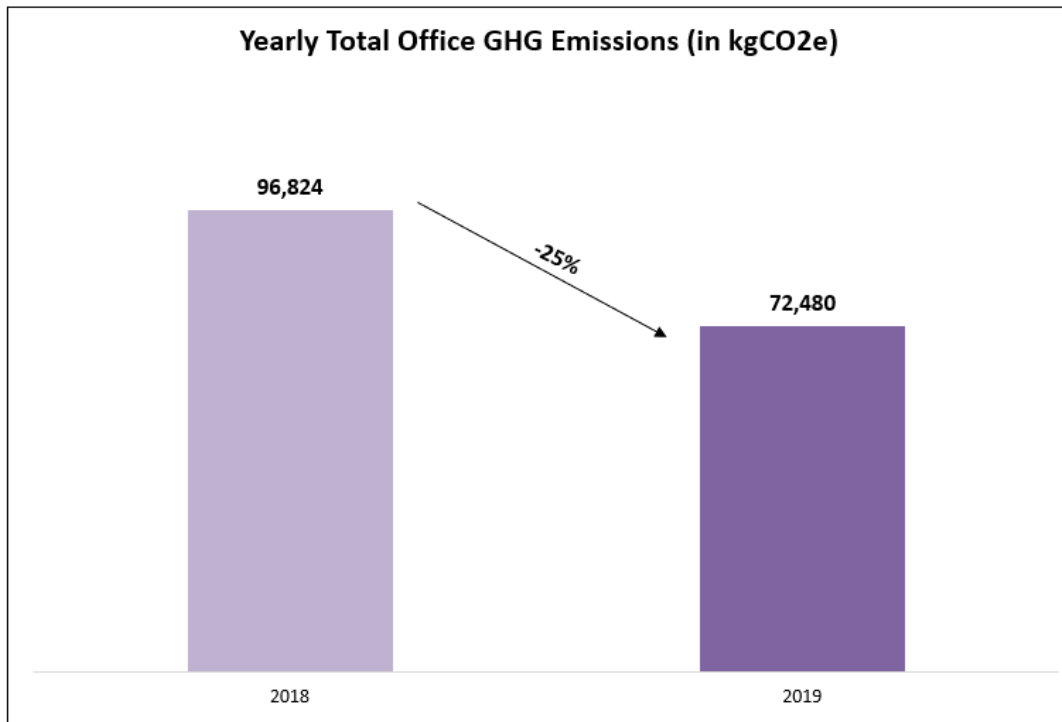
For this year’s sustainability report, we incorporated emissions due to land-travel in addition to air-travel to enhance our disclosure and also review operational aspects that have a significant impact. Emissions of ozone depleting substances and Nitrogen and Sulphurous oxides are indicators with negligible impact.

In 2019, the environmental footprint as a result of Sindicatum’s offices was **72,480 kgCO₂e** \approx **73 tCO₂e** (c. **1.58 tCO₂e/employee**) representing a decrease of 25% from 2018.

⁹ World Resources Institute

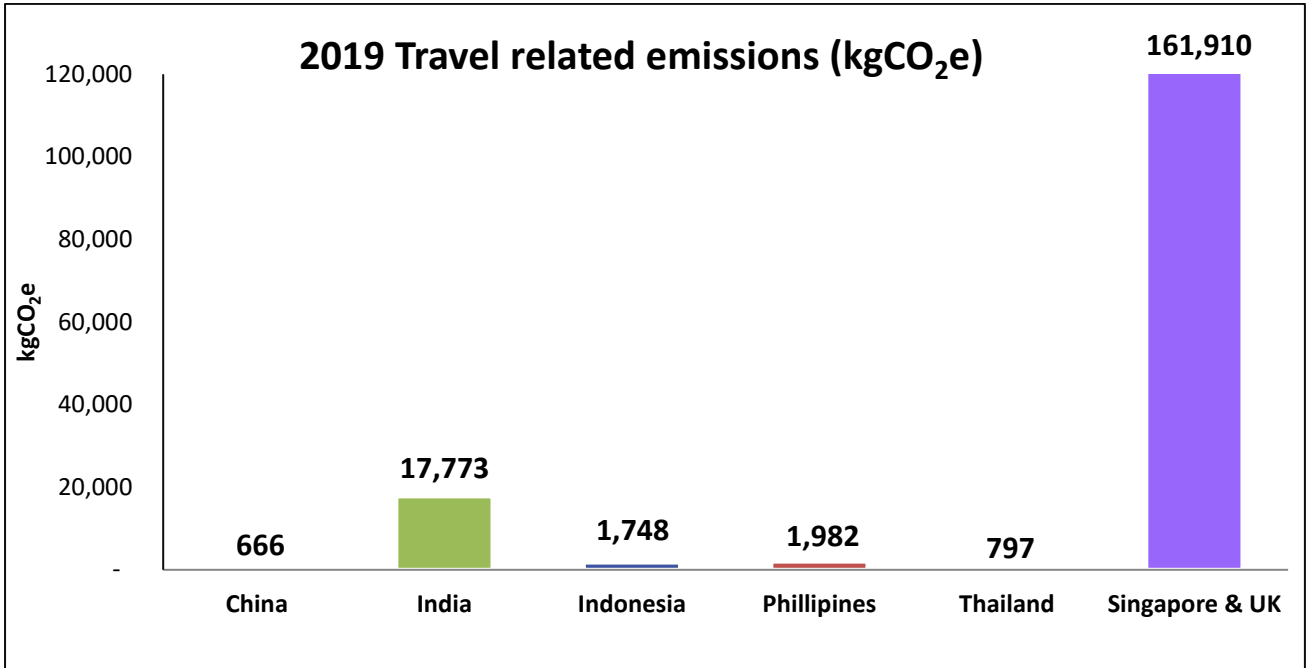
¹⁰ World Business Council for Sustainable Development

¹¹ GHG Protocol

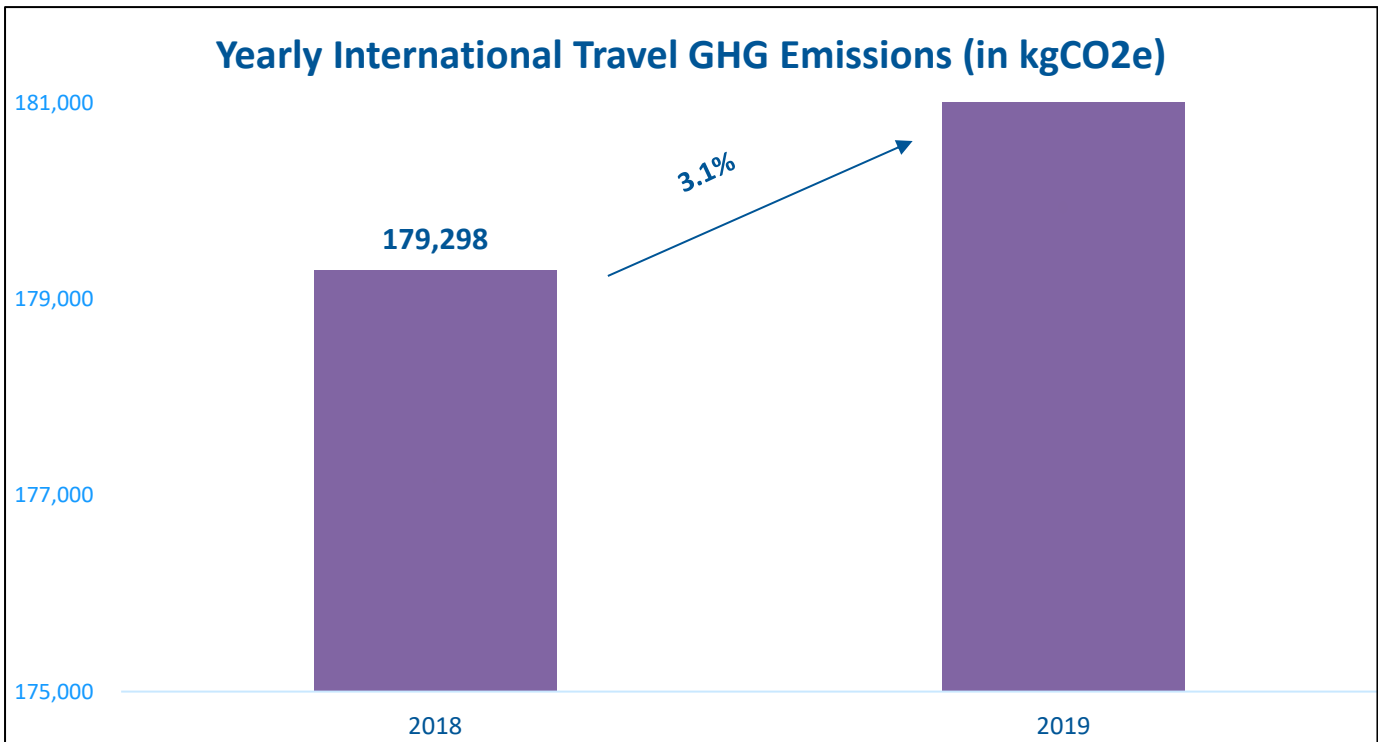


GHG emissions from outside the organization that can be attributed to activities of the organization such as land and air-travel also account for some GHG emissions. We have chosen to measure and report emissions due to air-travel of all our staff using the International Civil Aviation Organization Carbon Emissions Calculator¹². Our corporate offices in UK and Singapore comprised of a substantive portion of air-travel in 2019 and this is largely due to frequent business travel as a result of Sindicatum's Asian footprint.

¹² <http://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx>



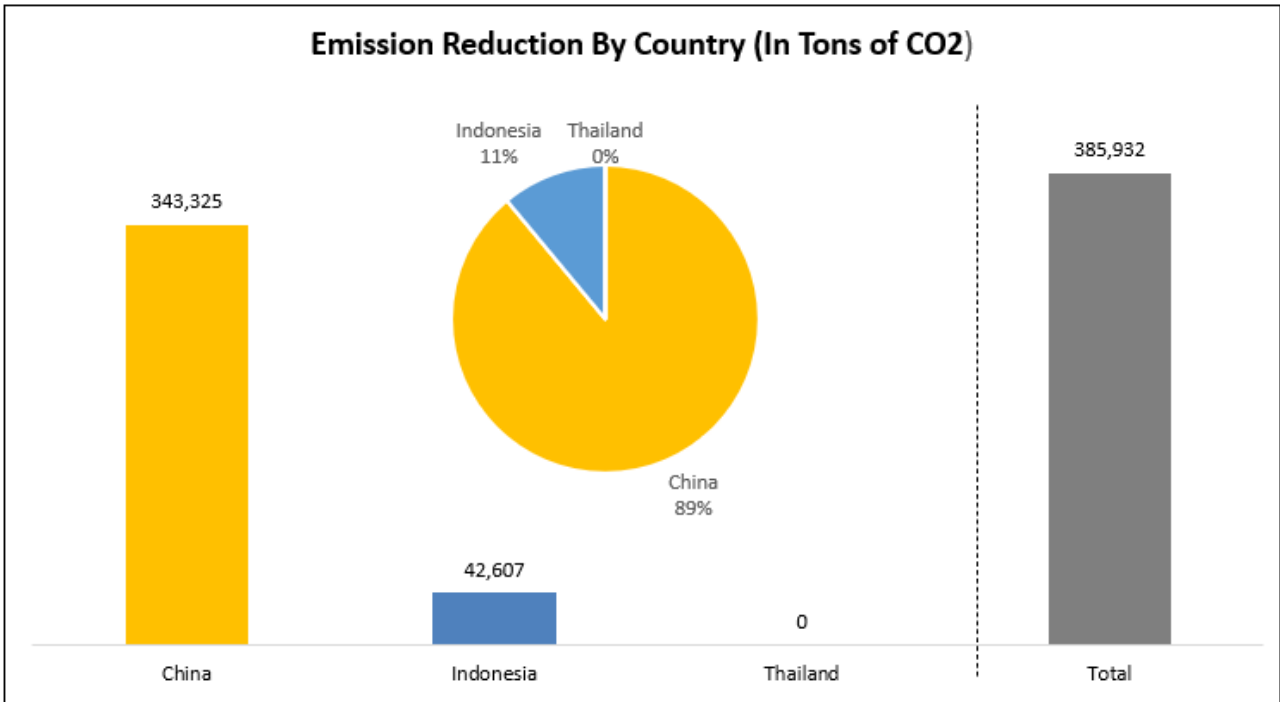
The total GHG emission from land and air travel for 2019 is **184,876** \approx 185 tCO₂e which marks a 3.1% increase from 2018.



¹³ Emission reductions are calculated net of project emissions

¹⁴ Refers to Sindicatum owned projects and consulting projects and apportioned by Sindicatum's stake in the project

Our emission reduction projects are subject to third-party independent audits to verify that the emission reductions generated are accurate, real and additional. Details of the projects, verification and monitoring reports are published on the relevant related databases.



Offsetting Sindicatum’s carbon footprint

Sindicatum’s total carbon footprint for 2019 was 258 tCO₂e – from office-based electricity consumption and emissions arising from travel.

We have retired an equal number of carbon credits from 1 project with high Environmental, Health, Safety and Social standards and numerous sustainable development benefits to the local community. This project has been registered under the Clean Development Mechanism and have been verified by third-party independent auditors.

1. CDM Project 5484: BRASCARBON Methane Recovery Project BCA-BRA-04A (288 CERs)

Sindicatum’s 2019 carbon footprint and our operations are therefore NET POSITIVE.

Anti-Corruption

- *Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.*

Zero-tolerance to corruption policy

Sindicatum applies a “zero-tolerance” approach to all forms of corruption, bribery and extortion. We provide employees with information and guidance on how to identify, address, resolve, avoid, prevent and report corruption, bribery and extortion which may occur as part of their work. In addition, any third-party that we cooperate with is required to sign anti-corruption undertakings.

On an annual basis Sindicatum requires all employees and consultants to complete a ‘Related Party Transactions and Conflict of Interest Questionnaire’. We believe that transparency is key to avoid any possible issues and indeed to allow fair trade opportunity, both for quoting purposes and potential partnerships. Invariably any conflicts of interest will have to be disclosed to ensure that we do not give preference to a certain organisation or individual, especially in our project deals.

We continue to monitor and investigate any incidents of potential bribery.