



Ever better

Corporate Sustainability
Report 2017-2018



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This report covers both 2017 and 2018. To help navigate our data disclosure we have introduced colour coding for the data, dark blue (or that section's primary colour) for our 2018 data and light blue for 2017, all historic data is shown in grey.

At ContourGlobal, we continuously learn by rigorously gathering data and insights from our failures as well as our achievements. This is key to how we grow and develop throughout our Company around the world.

From operating safely and efficiently to growing well, from managing our business responsibly to enhancing our operating environment – we seek to learn and identify better ways to conduct our business.

This constant striving, and frequent struggle to advance and improve, is core to our success. It is at the heart of how we live up to our commitment to having an ever bigger and more enduring positive and sustainable impact on people,

businesses and the communities where we operate. The energy we generate powers cities, provides heat and light for people, keeps businesses running around the clock. We are proud of our impact and are always looking to positively improve it.

In the following pages, we highlight our commitment to excellence, the principles we adhere to, and the performance we achieved in 2017-2018.

Key – Further reading



Present online



Within this report

Our business at a glance

We are passionate about improving lives around the world. Our mission is to develop, acquire and operate electricity generation businesses worldwide to improve lives by offering reliable and accessible electricity, promoting economic growth and social well-being, and making the communities where we work better.



Our business

ContourGlobal was founded in 2005 and since then has successfully grown into a global platform of contracted power generation with expertise across wind, solar, hydro and various thermal technologies.

We develop, acquire, own and operate wholesale power generation businesses.

In 2017, we had 84 thermal and renewable power generation assets in Europe, Latin America and Africa with a total installed capacity of 4.2 GW. In 2018, this increased to 101 assets with 4.3 GW of installed capacity. We have a differentiated business model, with a proven growth track record focused on long-term and wholesale contracted power generation across different technologies, geographies and stages of development.

We are organized into two divisions: Thermal and Renewable.

The Thermal Group consists of plants using conventional fossil fuels, specifically natural gas, coal, Heavy Fuel Oil (HFO) Light Fuel Oil (LFO) and diesel.

The Renewable Group consists of plants using renewable resources of wind, solar and hydropower.

We actively manage risk.

We manage risk by underpinning the vast majority of our revenues with long-term contracts with creditworthy counterparties delivering predictable cash flows.

 Pages 8 and 9.

4.3GW
4.2GW

Total Installed Capacity

\$1,253m
\$1,023m

Revenue

c.1,500
c.1,900

Employees

101
84

Assets

18
19

Operating countries,
across three continents

*All figures relate to Year ended
31 December 2017 or 31 December 2018.*

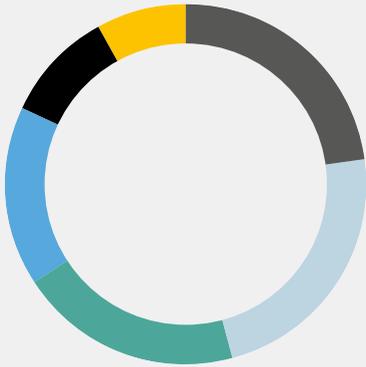
Key –
2018 figures
2017 figures



Highlights

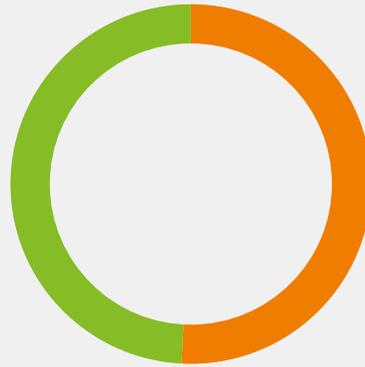
2018 Energy production

Capacity split by source



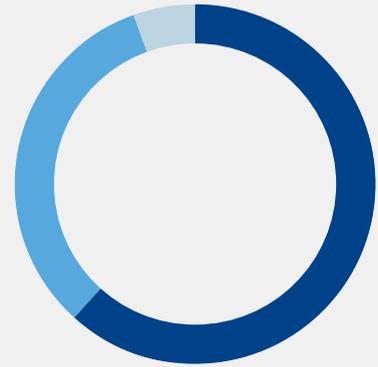
Breakdown ¹	Capacity
● Natural gas	23%
● Solar	23%
● Coal	20%
● Wind	16%
● Hydro	10%
● Liquid fuels	8%

Capacity split by energy type



Breakdown ²	Capacity
● Thermal	51%
● Renewable	49%

Capacity split by geographic region



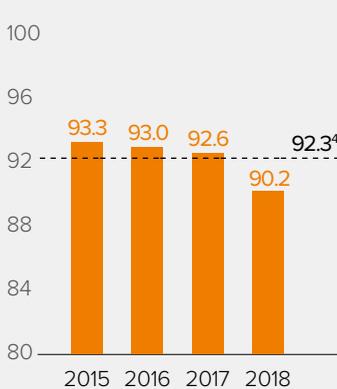
Breakdown	Capacity
● Europe	2,665 MW
● Latin America	1,424 MW
● Africa	228 MW

¹ Weighted by 2018 Adjusted EBITDA before corporate costs.

² Weighted by 2018 Adjusted EBITDA before corporate and holding company costs.

2018 Reliability and efficiency

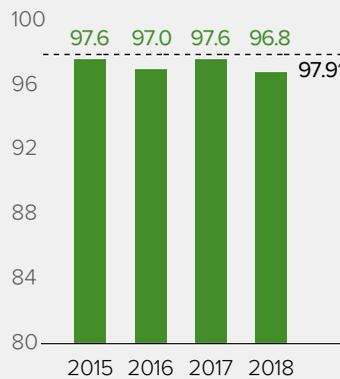
Thermal Fleet availability factor³ (%)



90.2%⁵

Against a benchmark of 92.3%⁴

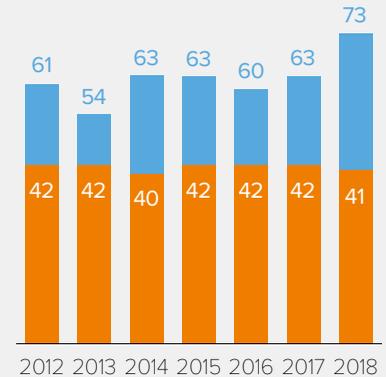
Renewable Fleet availability factor³ (%)



96.8%⁵

Against a benchmark of 97.9%⁴

Efficiency
Net efficiency (%)



Breakdown

- Total thermal (excluding solutions)
- Total solutions

³ Sources for benchmarking: Navigant Consulting (Thermal), MAKE, AWST, DNV GL (Renewable).

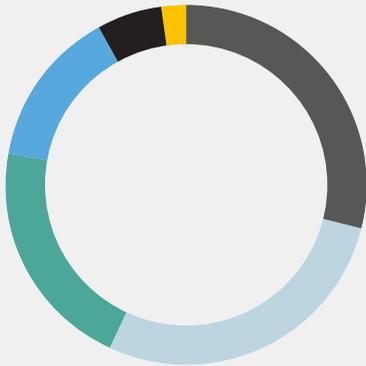
⁴ Benchmark is top decile of peers.

⁵ Although the Thermal fleet availability was impacted by an outage at a CCGT facility in Spain, there was no financial impact. Renewable fleet availability was impacted by the integration of new assets and technology as a result of the Spanish CSP acquisition as well as an integration and maintenance program.

Highlights

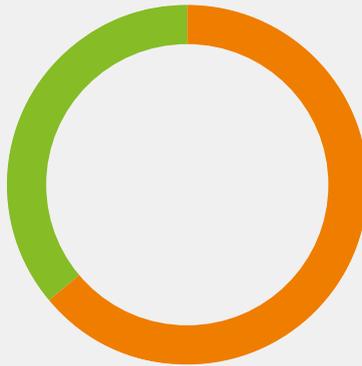
2017 Energy production

Capacity split by source



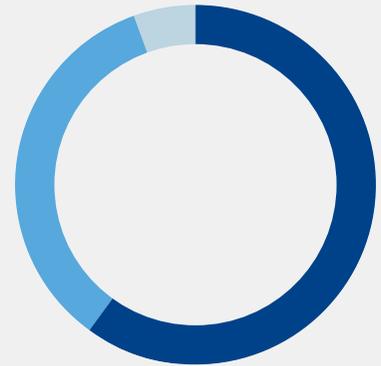
Breakdown	Capacity
Coal	29%
Gas	28%
Wind	21%
Hydro	14%
Liquid fuels	6%
Solar	2%

Capacity split by energy type



Breakdown	Capacity
Thermal	64%
Renewable	36%

Capacity split by geographic region



Breakdown	Capacity
Europe	2,507 MW
LatAm	1,424 MW
Africa	228 MW

2017 Reliability and efficiency

Thermal Fleet availability factor^{1,3} (%)



92.6%

Thermal availability factor

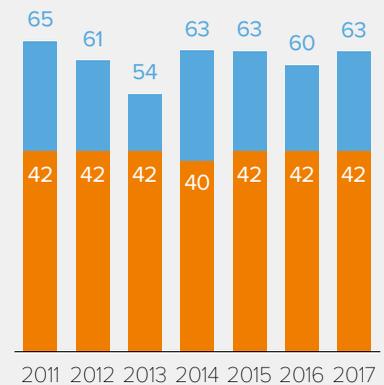
Renewable Fleet availability factor^{1,3} (%)



97.6%

Renewable availability factor

Efficiency⁴
Net efficiency (%)



Breakdown

- Total thermal (excluding solutions)
- Total solutions

1 Sources for benchmarking: Navigant Consulting (Thermal), MAKE, AWST, DNV GL (Renewable).
2 Top decile of peers.
3 Refers to the actual amount of time a plant or group of plants is available to produce electricity, which reflects planned and forced outages.
4 Net efficiency calculated as the energy output and fuel consumption ratio.

Our performance indicators

We measure our progress against several financial and non-financial key performance indicators. We believe that we can only achieve better results if we measure our performance, learn from failures and adopt better practices as a result of this learning process. The following eight key performance indicators (KPIs) provide a high-level overview of our business to our stakeholders.

Financial KPIs

Income from Operations (\$m)



-3% **+21%**

Income from Operations (IFO) is derived from the IFRS consolidated statement of income and corresponds to the sum of the following line items: revenue; cost of sales; selling, general and administrative expenses; other operating income – net and acquisition-related items. This is a measure of profitability that includes depreciation and amortization expenses as well as development costs.

In 2017, IFO grew significantly from \$221.8m in 2016 to \$269.0m (+21%), reflecting the successful integration of new assets (acquired or which entered into operations) and close fixed costs monitoring during the period.

In 2018, IFO slightly decreased due to a number of non-recurring items including a non-recurring provision release in the Caribbean Islands in 2017, extraordinary acquisition costs incurred principally in relation to the Spanish CSP and Mexico CHP acquisitions, and poor wind resource in Brazil.

Funds from Operations (\$m)



+18% **+23%**

Funds from Operations is the cash flow from operating activities, excluding changes in working capital, less interest paid, maintenance capital expenditure and distribution to minorities.

This is the key measure of the Company's strength of cash flow. Strong operational performance and highly contracted cash flows allowed us to improve the Group's cash conversion.

Adjusted EBITDA (\$m)



+19% **+17%**

Adjusted EBITDA is the combined profit from continuing operations for all controlled assets before income taxes, net finance costs, depreciation and amortization, acquisition-related expenses and specific items adjusted for their size, nature or incidence, less ContourGlobal's share of the profit from unconsolidated entities accounted for the equity method, plus the Company's pro-rata portion of Adjusted EBITDA for such entities.

In 2017, we achieved a significant improvement in Adjusted EBITDA. It rose by 17% from \$440.4m in 2016 to \$513.2m in 2017 thanks to operational and growth performances.

In 2018, Adjusted EBITDA continued to grow significantly as a result of additional growth in Spain and Italy, and the positive impact of the farm-down of the solar portfolio in Italy and Slovakia, partially offset by lower than expected wind resources in Brazil and Austria.

Net Leverage Ratio¹



+7% **-15%**

The Company leverage ratio is measured as total net indebtedness (reported as the difference between borrowings and cash and cash equivalent under the IFRS statement of financial position) to Adjusted EBITDA.

This is the key credit measure of the Company. The Company aims to maintain its leverage ratio in the long term in a range from 4.0x to 4.5x. The 2017 leverage ratio reached 4.1x compared to 4.8x in 2016.

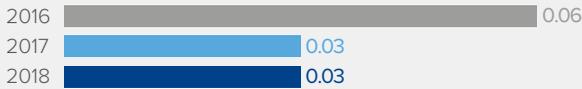
The 2018 leverage ratio, pro forma for the full year Adjusted EBITDA of the Spanish CSP portfolio reached 4.4x compared to 4.1x in 2017. The 2018 leverage ratio does not take into account the positive impact of the Spanish CSP farm-down, expected to close in H1 2019.

¹ IFRS net debt derived from consolidated statement of financial position adjusted for ContourGlobal share of net debt at Termoemcali and Sochagota

The below non-financial KPIs are core to our strategy, covering four significant areas; working as a diverse and multinational team, ensuring safe operations, minimizing impacts and engaging with the communities where we operate.

Non-Financial KPIs

Lost Time Incident Rate



0% -50%

The Lost Time Incident Rate (LTIR) calculates the number of recordable lost time injuries per labor hours, normalized to 100 people equivalent to 200,000 working hours, so they can be compared across any industry. This is the key measure for our Health and Safety performance. The chart presents our performance over the past years.

Our LTI rate of 0.03 for 2017 and 2018 were the lowest value achieved since we started recording data. It is a 50% reduction from 2016, reflecting the results of our focus on operational safety.

For more see page 31.

Gender diversity (total employees)



■ Male ■ Female

-33% +13%

Women represented 22.5% of our workforce in 2017 and 19.4% in 2018. Women represented 25% of senior management in 2017 and 55% in 2018. We are committed to building a diverse workforce ensuring equal opportunities for all in the long-term.

For more see page 70.

CO₂ emissions intensity (net CO₂)



-10% -6%

One of the most significant environmental impacts of our Thermal portfolio is our CO₂ emissions. We set a target in 2010 to maintain or reduce our intensity of carbon emissions, i.e. the carbon emissions in tonnes/MWh. We have achieved this through growth in our Renewable portfolio, promoting efficiency in power plant operations, and, in 2018, the disposal of our coal plant in Ukraine.

For more see page 42.

Community engagement (hours)



-8% +29%

In 2017 the number of hours dedicated to community engagement was a record high. We engage formally and informally with local communities and strive to contribute through our day-to-day operations and also through our social investments.

For more see page 80.

Our portfolio and assets

Spotlight on Vorotan

In 2015, we acquired the Vorotan Hydro Power Complex in the Republic of Armenia – a hydroelectric cascade of three power plants with a total capacity of 404 MW and four dams. We are implementing an estimated €63m electro-mechanical refurbishment and modernization program, to improve the reliability and safety of operations, prolong the lifetime of the plants and increase and improve its availability factors.

Spotlight on Austria repowering

Our Austria wind business consists of seven wind farms totaling 150 MW. As part of our growth strategy, we are repowering certain wind farms. We expect the repowering projects to increase production by around 45% and decrease operating expenditure by around 30%. This strategy is executed in two phases with a total capacity of 85 MW.

Spotlight on Spain CSP

In May 2018, we completed the acquisition of a 250 MW concentrated solar power (CSP) operating portfolio in Spain – our largest acquisition to date. Because the seller was confident that ContourGlobal would close in a timely manner, we were able to negotiate the transaction on a bilateral basis and avoid an auction process. This resulted in both certainty for the seller and an attractive risk adjusted investment for ContourGlobal.

21

22

Thermal operational plants

80

62

Renewable operational plants

Operational plants	Geographic location	Energy type	Gross capacity (MW)
Thermal			
1 Maritsa	Bulgaria		908
2 Arrubal	Spain		800
3 Termoemcali	Colombia		240
4 Sochagota	Colombia		165
5 Togo	Togo		100
6 Cap des Biches I & II	Senegal		86
7 Solutions Brazil	Brazil (4)		76
8 Bonaire Engines	Dutch Antilles		17
9 KivuWatt	Rwanda		26
10 Energies Antilles	French Territory		21
11 Energies Saint Martin	French Territory		14
12 Solutions Knockmore Hill	Northern Ireland		15
13 Solutions Ikeja	Nigeria		10
14 Solutions Nogara	Italy		9
15 Solutions Benin	Nigeria		7
16 Solutions Ploiesti	Romania		6
17 Solutions Radzymin	Poland		6
18 Solutions Oricola	Italy		3
			2,509
Renewable			
19 Vorotan	Armenia		404
20 CSP	Spain (5)		250
21 Chapada I	Brazil		205
22 Chapada II	Brazil		173
23 Hydro Brazil	Brazil (9)		167
24 Asa Branca	Brazil		160
25 Austria Wind	Austria (10)		155
26 Inka	Peru – Cupisnique		83
27 Solar Italy	Italy (44)		65
28 Chapada III	Brazil		60
29 Solar Slovakia	Slovakia (3)		35
30 Inka	Peru – Talara		31
31 Bonaire Wind	Dutch Antilles		11
32 Romania Photovoltaic	Romania		7
33 Italy Biogas	Italy		2
			1,808

Portfolio



Liquid Fuels



Coal



Natural Gas



Solar



Wind



Hydro



Biogas

(#) Number of power plants


[www.contourglobal.com/
places-where-we-work](http://www.contourglobal.com/places-where-we-work)

Our six largest assets¹



438 MW

**CHAPADA COMPLEX
(I, II & III)**
BRAZIL – WIND



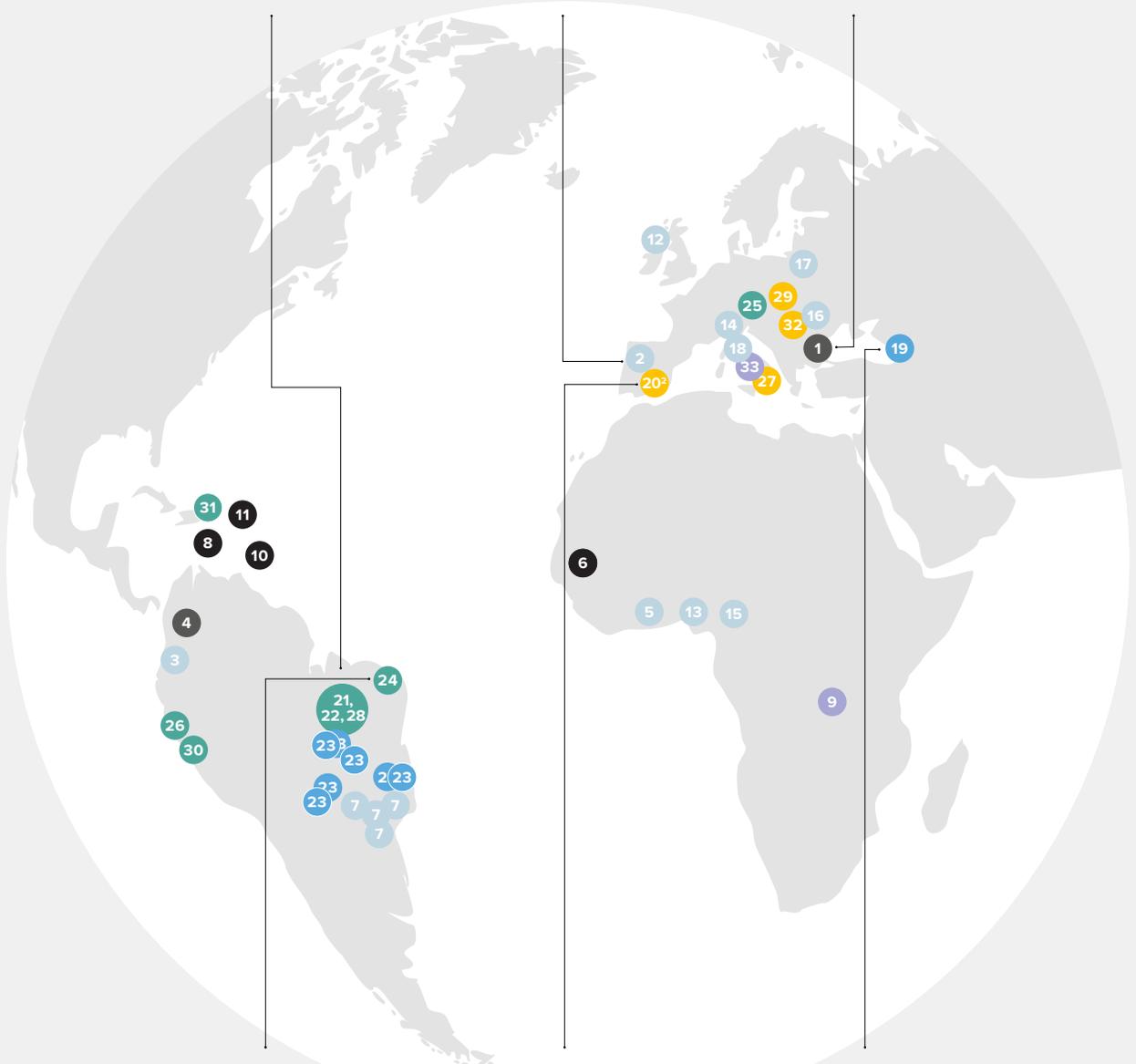
800 MW

ARRUBAL
SPAIN – NATURAL GAS



908 MW

MARITSA
BULGARIA – COAL



160 MW

ASA BRANCA
BRAZIL – WIND



250 MW

CSP
SPAIN – SOLAR



404 MW

VOROTAN
ARMENIA – HYDRO

¹ Measured by capacity

Our values and principles

Our core values and principles drive everything we do. We live them every day.

Our values

We have five values that characterize the way we all work together and hold each other to account:



- 1 We care about our people's health, safety, well-being, and development.



- 2 We work hard and without boundaries as a multinational, integrated team.



- 3 We expect, embrace and enable excellence and continuous learning through humility, and the knowledge that we will fail but when we do, we will learn.



- 4 To act transparently and with moral integrity.



- 5 We honor the commitments of those who have placed their trust in us.

Our principles

We have four principles that we all follow to implement our strategy and excel in achieving our mission of sustainable positive impact:



Operate safely and efficiently and minimize environmental impacts

 Page 26.



Grow well

 Page 48.



Manage our business responsibly

 Page 56.



Enhance our operating environment

 Page 72.

Meeting the need for reliable energy around the world

The demand for energy continues to grow and the underlying trends characterizing this growth fit well with our strategy of focusing on long-term contracted power generation in key markets. We are strongly placed to play an ever-bigger part in meeting the world's mounting need for reliable energy.



Key power market trends

We see certain trends running through the power market that favor ContourGlobal's disciplined and opportunistic growth strategy:

The increase in demand and supply around the world

According to one of the scenarios presented in the International Energy Agency (IEA) World Energy Outlook 2018, global electricity demand will increase by approximately 60% between 2017 and 2040, from 22.2 TWh to 35.5 TWh.

The majority of this rise in demand will occur in developing markets, especially in Asia, Latin America and parts of Africa that are experiencing urbanization, increasing electrification rates and economic and population growth. Lower growth in electricity demand is expected for developed markets such as Europe and the United States, due to lower economic growth, energy efficiency policies and stabilized energy consumption patterns.

Our footprint enables us to benefit from changes in global demand, particularly the accelerated growth in developing markets. We also have the

necessary in-house operational experience and the know-how to capitalize on the wide range of opportunities in different technologies.

By 2040, to meet the growing demand, global installed capacity is expected to increase from 6,961 GW to approximately 12,466 GW, with coal dropping to approximately 18% of the capacity mix as a result of decarbonization policies and the further penetration of renewables that are expected to account for 37% of the global capacity. Natural gas and hydro technologies remain an important share of the expected installed capacity with 22% and 15%, respectively.

Market dynamics are creating new trends

Today's electricity space is dynamic, with new technological and commercial approaches creating opportunities and challenges in both developed and developing markets. Within established markets such as Western Europe, incumbents have embarked upon broad reviews of strategy leading to a redefinition of their core businesses and accompanying divestitures of power assets, many of which are in markets that we know and like.

ACCORDING TO THE INTERNATIONAL ENERGY AGENCY (IEA) WORLD ENERGY OUTLOOK 2017, GLOBAL ELECTRICITY DEMAND WILL INCREASE BY APPROXIMATELY 45% BETWEEN 2015 AND 2040.



The demand for new power and the transformation of governance in developing markets

In emerging markets, rapid electrification and expanding demand result in significant need for investment across all types of generation, providing interesting opportunities for power generation companies.

Especially in Africa and Eastern Europe, few international operators are actively pursuing opportunities and we expect to grow in these regions given our strong operational presence, track record and ability to optimise the structure of our projects both financially and contractually. In these markets we will continue using Political Risk Insurance (PRI) to protect our investment.



Markets periodically suffer micro-cyclicality

The generation sector in some jurisdictions can be micro-cyclically driven by economic fluctuations, availability of domestic capital and financing/capital markets volatility. The fluctuations can create a downward or upward pressure on returns. By remaining flexible around geographies, capitalizing on our presence in and knowledge of high growth markets and applying creativity in structuring projects we can create above-market returns in an environment of cyclicality.



The changing relative value of different generation assets creates new opportunities for flexible investors

The value of generation assets varies over time depending on numerous factors including size, geography, technology and the differing strategies of potential investors. The opportunity set constantly evolves and the areas where the best risk-adjusted returns appear in the future are likely to be different from where they are today.

This gives advantage to companies, such as ContourGlobal, with the flexibility to invest opportunistically across markets and technologies. Our disciplined investment framework allows for internal competition for capital and the ability to deliver high value growth by remaining selective in a very active M&A environment.

Meeting the need for reliable energy around the world *continued*

c45%

Global electricity demand will increase between 2015 and 2040

Key sustainability trends

Sustainability trends

Alongside our market trends we are impacted by macro trends that drive change globally, not just in the markets in which we operate. As well as the future need for energy and the challenges to meet a growing demand in some regions we also consider other factors to define our strategies and how we operate.

Extreme weather events and changing climate

Global climate changes are leading to increased environmental risks. These, in the extreme, could exacerbate natural disasters or ecosystem collapse, and drive further large-scale migration and amplification of existing social problems with growing competition for resources. While we focus on ensuring the most appropriate energy solutions are available for our markets, we recognize that many of the countries in which we operate have neither sufficiently developed infrastructure nor natural resources available to implement the greenest solutions.

The change in temperature, wind pattern and hydrology might affect the performance of our plants specially our renewable fleet. Before investing in renewable technologies, we perform a critical review of the natural resource, investing significant time and money to perform the resource forecast and, during operation, to monitor and understand the trends. Our diversification strategy also plays an important role in significantly reducing the impact of specific environmental trends in our results.



Job creation

As the population grows and migration drives the growth of large cities, structural change in employment is underway. Businesses need to take action to ensure that they can continue to train and employ a skilled workforce. The increase in young demographics and rising middle classes in emerging markets, and the continued growth of women in business, are changing the face of the workforce in all our markets. We support training and local employment to ensure opportunities for the local communities.

Responsible payment of taxes

We operate in a variety of jurisdictions where our businesses are subject to a wide range of taxes, including corporate income tax, real estate tax, customs duties, employment taxes, and indirect taxes such as value added tax (VAT). We are committed to complying with all applicable tax-related laws, rules, and regulations in these jurisdictions, including those related to reporting and disclosure. In certain jurisdictions we take advantage of governmental tax incentives to fund social and cultural projects aligned to our social investment strategy.

WE SUPPORT TRAINING AND LOCAL EMPLOYMENT TO ENSURE OPPORTUNITIES FOR THE LOCAL COMMUNITIES.

Supporting the United Nations Sustainable Development Goals

We continue to actively support the United Nations Sustainable Development Goals (SDGs), which call for action by all countries and provide opportunities for companies to align their own sustainability goals with these broader societal goals. Our mission and the way we go about achieving it is firmly in line with the SDGs and our activities can be directly linked to most of the 17 goals.

At the beginning of each section of this report we have mapped which SDGs are addressed by information in that principle. Going forward we will look to produce a map of our impact aligned to the SDGs to support a more specific progress update against each goal.



- 1 No poverty**
End poverty in all its forms everywhere
- 2 Zero hunger**
End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- 3 Good health and well-being**
Ensure healthy lives and promote well-being for all at all ages
- 4 Quality education**
Ensure inclusive and quality education for all and promote lifelong learning
- 5 Gender equality**
Achieve gender equality and empower all women and girls
- 6 Clean water and sanitation**
Ensure availability and sustainable management of water and sanitation for all
- 7 Affordable and clean energy**
Ensure access to affordable, reliable, sustainable and modern energy for all
- 8 Decent work and economic growth**
Promote inclusive and sustainable economic growth, employment and decent work for all
- 9 Industry, innovation and infrastructure**
Build resilient infrastructure, promote sustainable industrialization and foster innovation
- 10 Reduced inequalities**
Reduce inequality within and among countries
- 11 Sustainable cities and communities**
Make cities and human settlements inclusive, safe, resilient and sustainable
- 12 Responsible consumption and production**
Ensure sustainable consumption and production patterns
- 13 Climate action**
Take urgent action to combat climate change and its impacts
- 14 Life below water**
Conserve and sustainably use the oceans, seas and marine resources
- 15 Life on land**
Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss
- 16 Peace, justice and strong institutions**
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- 17 Partnerships for the goals**
Strengthen the means of implementation and revitalize the global partnership for sustainable development

Letter from our CEO

Joseph C. Brandt



WE MADE SUBSTANTIAL COMMITMENTS TO NEW INVESTORS DURING THE IPO PROCESS. WE DELIVERED IN 2018 AND WE ARE ON TRACK TO DELIVER THOSE AND THEN SOME IN 2019 AND BEYOND.

As we transitioned in 2017 from a private to a public company with the attendant changes in the nature and frequency of our reporting, we have decided to publish together our 2017 and 2018 sustainability report as one document in anticipation of transitioning in 2019 to a combined annual report. As such, this report complements our already published 2017 and 2018 annual reports.

Companies only IPO once and that's probably a good thing. The effort required to prepare a company to enter successfully the public markets requires an intensity and focus that is singularly disruptive of normal corporate life, yet requires that core business objectives be met as promised.

Review of 2017

2017 was an extraordinary year for our most important operating objective, our health and safety performance.

We posted a record year with our key lagging indicator, our Lost Time Incident Rate¹, ending the year at 0.03 despite over nearly six million hours worked in 19 countries. These results were even more remarkable given that we acquired eight new businesses last year in Brazil and Italy, each with dramatically different expectations about safe operations and, as such, requiring intensive restructuring to embrace the ContourGlobal way of health and safety.

Despite this record setting achievement, we failed to achieve "Target Zero," our health and safety goal adopted at the end of December 2016². We missed our target but came ever so close.

The cause of this miss was a tough blow – a car accident on an Armenian mountain pass near our Vorotan hydroelectric facility – an accident in which the other driver was conclusively "at fault." The cruel realization even led some in the company to question whether this was "really" a lost time incident which should count as a LTI³ – particularly as the incident didn't occur in one of our power plants.

We embraced the failure, learning that failure teaches us the most when it is used to explain and not to blame. We launched a 5Whys into the traffic accident to understand the root cause and whether there was something that we could have done to either avoid or minimize the risk to our people. This was a serious incident, one which injured two of our people and caused one of them to undergo a painful surgery and hospitalization.

The findings revealed that there was more that we could do. The airbags did not deploy on our vehicle as they should have. It turns out that the vehicle had been involved in a previous accident in the years before we acquired the plant and the airbags had not been replaced. Would airbags have made a difference in this accident? Maybe, at least in terms of the severity of the injury.

Despite this incident in Armenia, our health and safety achievements globally were extraordinary and record setting. We achieved a 0.03 LTIR and a 0.10 Total Recordable Incident Rate (TRIR⁴). Missing Target Zero in its inaugural year taught us much – to inspect all vehicles and vehicle histories when acquiring a business. To obtain training records and introduce drivers' training programs to encourage defensive driving and appropriate risk assessment particularly in remote areas. Embracing failure will make us better and safer. And with just a bit of luck, enable us to achieve Target Zero in 2018.

We also had a very strong operating year with better than target availabilities in our thermal fleet and most of our renewable fleet. In our thermal business, we are paid mainly to be available with virtually no volume risk. As a result, Equivalent Availability Factor ("EAF") is the KPI that tells us how well we are operating and maintaining our thermal plants. 2017 was a very good year in all thermal technology clusters, namely reciprocating engines, Combined Cycle Gas Turbines, Coal-fired plants and our Solutions' quad-gen facilities. Thermal Fleet Equivalent Availability Factor for 2017 was 92.6% for the year, which is better than target and in line with recent performance.

In our renewable business, we need to maintain high availabilities, but strong financial results also require the cooperation of the weather to produce acceptable irradiation, wind speeds and hydrology. As such we focus on two KPIs in our renewable business: EAF as in the

thermal business but also Capacity Factor ("CF"), which measures the percentage of the time that the asset is generating electricity.

EAF in the renewable business was excellent in our solar fields, hydroelectric facilities, and wind farms in Peru, Austria and the Caribbean. The exception came in our Brazil wind farms, where early post-construction teething challenges crystallized into something that became more systemic later in the year. We react strongly to failure and our approach to our Brazil wind farms has been no exception.

We've made significant organizational and people changes in the country and inside the renewable division and are starting to see positive results from these measures in early 2018. Capacity Factors were high in our solar fleet, which enjoyed much higher irradiation levels than normal and overproduced by 11%, while capacity factors in our hydroelectric facilities were below plan and wind performance was close to plan in Peru, slightly above plan in Austria and below plan in Brazil.

In 2017, our financial results were better than target and displayed the resilience of an operations centric business model that diversifies risk across multiple geographies and technologies. By design, ContourGlobal's financial results do not depend upon any one geography, technology or weather resource. We believe that this resilience creates a higher quality risk adjusted cash flow for shareholders.

Getting to the heart of problems in order to make real lasting improvements

We are committed to systematically and rigorously learn from our mistakes in order to keep on improving across ContourGlobal.

To this end, we use the 5Whys method of failure analysis throughout the Company to help us get to the root causes of issues and develop lasting improvements to learn and address them.



5Whys is a method that helps organizations and individuals to learn from mistakes. It is a branch of "failure analysis" and rests on the obvious truth that all organizations fail.

5Whys is a powerful tool that can be applied to any failure and over the years has helped us to become a better organization. We have highlighted some examples on pages 38, 55 and 63.



- 1 "LTIR" measures recordable lost time incident ("LTI") rates on the basis of 200,000 working hours
- 2 Meridith Armstrong Whitney, Charles J. Bennett, "Driving Toward '0': Best Practices in Corporate Safety and Health, The Conference Board Research Report R-1334-03-RR (2003)
- 3 Lost Time Incident (LTI): an incident that results in serious injury or illness for which a healthcare professional recommends one or more days away from work, in addition to the initial day of injury or onset of illness. This assessment is made without regard to whether the person was scheduled to work those days (this includes weekends, holidays, vacation etc.). A case is a lost time incident even if the person chooses to ignore the recommendation.
- 4 "TRIR" measures amount of the total number of all work-related cases (restricted work days, medical treatment).

Letter from our CEO (continued)

These diversification benefits were on display in 2017 as we were able to outperform our adjusted EBITDA target. Financial results were strong in all areas: revenue topped \$1bn for the first time ever, an increase of 13% year-on-year. Adjusted EBITDA and Funds from Operations (“FFO”) were \$513m and \$256m, an increase of 17% and 23% respectively. As targeted, liquidity and year-end net leverage ratio (4.1x) were within targeted levels.

Four important projects managed to reach critical milestones in the past several months. In Austria, the repowering of our wind farms began with two projects receiving feed-intariff approval enabling them to begin repowering – a process that involves replacing older wind towers and turbines with newer technology. These two projects offer a startling illustration of the dramatic improvements that have been achieved in wind turbine technology in the thirteen years that have passed since these wind farms first entered operations. Using the same physical footprint as before, new tower and turbine technology will enable us to capture more wind and thereby produce 80% more energy annually than what was achievable just over a decade ago. We increasingly see the opportunities of repowering as a way to add value to our own and others’ existing assets.

Elsewhere, across Austria’s southern border in Italy, we made good progress continuing to consolidate operating solar fields in the market, adding 43MW through two acquisitions.

We’ve been active in Italy for over eight years, seven of them in the solar sector and have a strong operating team which has improved availability, performance factor and fixed costs in every single acquisition to date.

Finally, after many years of effort and close cooperation with the Government of Kosovo and international stakeholders, we achieved the critical milestone of “commercial close” for the Kosovo E Re power plant, a critically needed infrastructure project for a country that suffers with Europe’s worst pollution from two old lignite fueled power generation facilities. We will replace these facilities with efficient facilities, which will provide the necessary capacity to enable the Kosovar energy market to develop and thereby catalyze economic growth in this poor, landlocked country. We do not take lightly our decision to sponsor a coal fired power plant. It is not our preferred fuel. But the needs and resources of Kosovo argue overwhelmingly in favor of developing this plant with this fuel now. Kosovo is Europe’s poorest country and its current installed electricity generation base is Europe’s largest single source of pollution including dust, other particulate matter, NOx, SOx and CO₂.

Review of 2018

We had another extraordinary year for our most important objective – to work safely. We equaled our record year in 2017 with our key lagging indicator, our Lost Time Incident Rate¹, ending the year at 0.03 despite nearly six million hours worked including, as in 2017, at several recently acquired businesses. Although for the second year in a row we had only one lost time incident (LTI), we failed to achieve ‘Target Zero’. We ended the year with at least top decile H&S performance.² Not too surprisingly, our one LTI occurred at one of our new businesses, our CSP facilities in Spain. A speck of airborne grit, floating through the air and into one of our employee’s eyes. Wind, sunshine, a large solar field, missing safety glasses...a corneal abrasion, fortunately not too serious, but a few days off work. The anatomy of an LTI. But also a good learning experience for our new joiners to ContourGlobal about our approach to health and safety and more importantly our response to failure. Talk about it, examine it, ‘5Whys’ it.³ Don’t blame, certainly don’t blame the injured worker. And start over. And Target Zero for 2019.

We had a good year in the power plants. Thermal performance was not what it should have been, but it had little impact on financial performance because the minimum availabilities in our PPAs were met. The Availability Factor (AF) was below previous years’ excellent performance although the shortfall primarily impacted the gas turbine and coal fleet, with our Solutions and liquid fuel fleet performing at or better than plan.⁴ 2018 was a very good year for the AF in the Renewable fleet. Karl Schnadt and I are very proud of our Renewable team for improving the technical performance of the global wind fleet in 2018. As a reminder, in our Renewable business, strong technical availabilities are a necessary but not sufficient condition for reaching targeted financial performance. We need the cooperation of mother nature to provide wind, sun and water.

Bonaire and the future of hybrid generation

Integrating thermal generation with renewables and advanced battery storage as we have done in Bonaire provides another illustration of the opportunities that exist across the thermal-renewable continuum in the aspiring low carbon world. In many emerging markets where access to





electricity has not been guaranteed, thermal generation is a necessary condition for deploying renewable technologies. In Senegal, for example, a recent high impact Solar PV project would have been impossible without placing Cap des Biches I and II into service over the past three years.

ContourGlobal is at the forefront of these trends. 2018 saw us begin a multi-year plan to modernize the unique hybrid facility that we own and operate on the island of Bonaire. The Bonaire business is much more important to us than its size would indicate. An integrated renewable, storage and thermal generation facility that produces nearly 100% of Bonaire's electricity, it is a good model for island nations and decentralizing electricity systems. Renewable generation technologies provide the opportunity to generate electricity at a much lower cost but their variability means that they require efficient and reliable complementary production from other sources – namely thermal generation and, increasingly, battery storage.

We are not yet at the point when battery storage can displace thermal generation. That seems a long way off. But today we can use the energy storage system to enable us to maximize the low

cost renewable production and buffer the 'swings' when the wind dies down before the thermal generation can kick in. We have upgraded this buffering by installing a new lithium ion battery that increases our capacity by 100% and storage from 0.15 MWh to 6 MWh equivalent to improving the buffering from 3 minutes to 60 minutes.

The improved storage enables us to further increase wind generation by 10%.

Additionally, as we are doing in Austria, we will begin to repower the wind farm in Bonaire this year to enable us to produce much more electricity with the existing wind resources. As you may recall, last year in Austria we began repowering our first two wind farms, a process that involves replacing older wind towers and turbines with newer technology.⁶ These two projects offer a startling illustration of the dramatic improvements that have been achieved in wind turbine technology in the thirteen years that have passed since these wind farms first entered operations. Using the same physical footprint as before, new tower and turbine technology will enable us to capture more wind and thereby produce 80% more energy annually than what was achievable just over a decade ago. We made excellent progress in 2018 on our Austrian repowering initiatives. By

IN MANY EMERGING MARKETS WHERE ACCESS TO ELECTRICITY HAS NOT BEEN GUARANTEED, THERMAL GENERATION IS A NECESSARY CONDITION FOR DEPLOYING RENEWABLE TECHNOLOGIES.

Bonaire's future

+100%

Lithium ion battery increases our capacity

+10%

The improved storage enables us to further increase wind generation

early in the new year 2019, our first repowering was complete and we expect the second to be placed into service shortly.

An innovative hydroelectric refurbishment in Armenia

As a world-class operator with a reputation for reliability and innovation, we see opportunity to bring these capabilities to many over-looked areas of the world. We have enjoyed collaborative relationships with many of the world's leading Development Finance Institutions ('DFIs') and together mobilized investment and innovation in many marquee projects in the developing world. One of these is the Vorotan hydro-electric complex located in southwestern Armenia, a spectacular 404 MW facility that we acquired in 2015 and simultaneously entered into a substantial commitment to rehabilitate in a unique collaboration with the Government of Armenia, the International Finance Corporation, the Dutch (FMO) and German development banks (KfW and DEG).

Phase one of the rehabilitation commenced in 2018 with the upgrading of the control systems, turbines and generators. This work was executed safely, on time and on budget despite

Letter from our CEO (continued)



the remote conditions and significant mobilization of people and material. In addition to financing provided by DFIs who support private sector projects such as this one, we achieved a very innovative solution with the development bank of Germany (KfW) and the Government of Armenia to enable the German bank, which usually lends directly to sovereign states, to enable the Armenian government to on-lend a very long duration, low interest rate concessionary loan to the project. This unique arrangement enables us to substantially upgrade the facility – a facility that represents 15% of the energy generated in Armenia – while keeping the price of generated electricity in our Power Purchase Agreement at a very low 2.8 USD cents per kWh.

2018 saw steady progress on our Kosovo project with much preparatory work conducted during the year that will provide the background for major contracting actions in 2019. We expect to announce the equipment and EPC contractor and financing parties this year and then to commence construction on this much-needed project.

The existing coal fired power plant is Europe's single most polluting source with emissions, particularly of particulate

matter, which would not be tolerated in any developed country. The reality of our project to develop a modern efficient coal plant is that we will directly, and dramatically reduce CO₂ emissions (40%), particulate matter (93%), SO_x (85%) and NO_x (93%). These improvements will have an immediate, dramatic and positive impact on the population.

In the area of greenfield development, we believe that extending our existing platforms in the Caribbean with renewable, thermal and storage, converting liquid fuel equipment to burn natural gas and developing natural gas fired power generation in Mexico offer the most compelling new greenfield development opportunities. In Africa, we continue to develop extensions of existing businesses and have begun to see some new development opportunities with renewables and natural gas

People, organization and learning

The ContourGlobal team takes performance management very seriously. They are unafraid to talk about failure, learn from it and share their learnings with one another. Measure, adjust and improve – it starts with being willing to recognize that there has in fact been a

Progress on our Kosovo project

85%

Reduce SO_x

93%

Reduce Particulate Matter

40%

Reduce CO₂ emissions

93%

Reduce NO_x

failure. Uniquely, every function and operation at ContourGlobal shares their internal targets and their progress against those targets with the rest of the company. Our performance management engine starts up on Sundays when our Thermal Chief Operating Officer and Renewable Chief Operating Officer publish their weekly operating statistics focusing on AF, EFOR and major events. Unexpected outages or production deviations are highlighted, explained and lessons learned are presented. Every week this document is distributed to the top 150 people in the company. The culture encourages you to get comfortable quickly with failure.

In many companies, particularly industrial ones, failure analysis is a one-sided affair – because of the transparency produced by modern information systems, the industrial operations are under minute by minute scrutiny but the corporate services – the functions representing areas such as finance, legal, compliance, IT, human resources – work in comfortable anonymity. Not at ContourGlobal. Corporate service plans, performance and failure are shared within the corporate service group as well as with our operations teams in the power plants.

This sharing produces amazing benefits – a common vocabulary for talking about performance, failure and experience and a sense of belonging to a company in which learning is embraced by everyone. For six years, we have been committed to the 5Whys methodology for performing failure analysis. The embrace of the methodology and the benefits were displayed prominently in 2018. Our 5Whys performance was excellent across the board but particularly so in our corporate functions where Amanda Schreiber our General Counsel and Laurent Hullo our Controller and interim Chief Financial Officer led a significant increase in high quality 5Whys, whose volume was equally met with quality and depth of analysis. Gionata Visconti led 27 5Whys for us in 2018 while also overseeing the operations of Cap des Biches I and II in Senegal, a business that hit every one of its operational and financial metrics in 2018.⁷ In 2018, we welcomed over 100 new employees from our newly acquired Concentrating Solar Power facilities in Spain. I would like to thank our new Spanish colleagues for their strong

performance and enthusiasm as they integrated into a company that does things a bit differently than they were accustomed to before. This is a great team and I see many future leaders for our global business coming out of Spain.

On a similar note, early in 2018 we bid farewell to our colleagues in Kramatorsk, Ukraine, as the reality of trying to conduct business in the destabilized eastern Ukraine overwhelmed our ability to work safely and manage the business responsibly. Kramatorsk was one of our earliest acquisitions, a prototype of sorts for the ‘acquire, rehabilitate, improve’ model that we bring to many of our acquisitions.

The business will live on in ContourGlobal through its people. Over the years, Ukraine has produced some amazing ContourGlobal people, five of whom – Andrew Berezhnoy (September 2006), Oleksii Liakhovetskyi (October 2006), Olena Stetsenko (March 2008), Tatyana Kosarchuk (2008) and Olesya Kulikova (August 2009) – have been over a decade at ContourGlobal and have risen to positions of prominent leadership.

Outlook

As we commence our second year as a public company, I am confident that we will continue to deliver the ambitious results expected of us and to hold ourselves accountable when we fail. We will continue to support the United Nations Global Compact and we renew ContourGlobal’s commitment to the initiative. In 2019, we will deliver marked increases in earnings and capacity as we close and integrate our Mexican cogeneration business into the company and expand through additional development and acquisition globally. We expect significant operational performance achievements beginning with Health & Safety. Maybe this is the year that we reach Target Zero.



Joseph C. Brandt
Chief Executive Officer

4 October 2019



IN 2018, WE WELCOMED OVER 100 NEW EMPLOYEES FROM OUR NEWLY ACQUIRED CONCENTRATING SOLAR POWER FACILITIES IN SPAIN.

- 1 LTIR measures recordable lost time incident (LTI) rates on the basis of 200,000 working hours.
- 2 Meredith Armstrong Whiting, Charles J. Bennett, ‘Driving Toward ‘O’: Best Practices in Corporate Safety and Health, The Conference Board Research Report R-1334-03-RR (2003)
- 3 ‘5Whys’ is a technique for performing failure analysis originally developed by Sikiichi Toyoda of ‘Toyota Production System’ fame. The technique involves asking five times why a failure occurred thereby arriving at the root cause and enabling the development of a proportional response.
- 4 Thermal Fleet Equivalent Availability Factor for 2018 was 90.2% for the year, which was 2.6% below 2017. The most significant underperformance occurred in our Combined Cycle Gas Turbine facility in Spain which was 5.1% worse than the previous year albeit with little financial impact.
- 5 Our business is international with a concentration in three primary regions: Europe, Latin America and, to a lesser extent, Sub-Saharan Africa. We operate in the market for electricity generation infrastructure and participate in that market through our own development (‘greenfield’ development which involves creating an asset by taking it through the permitting, financing and construction processes) as well as the acquisition of existing power plants. We operate, develop and acquire power plants using conventional fuel-based technologies as well as those using renewable technologies (currently wind, solar and hydro). Within both categories, we focus on two broad categories of customers: national grids and the utilities that supply these grids and commercial, and industrial customers with substantial energy needs who prefer to procure their electricity supply directly from on-site facilities.
- 6 Myles McCormick, ‘Wind Farmers Look to the New Wave of Turbines’ Financial Times, 12th March 2019.
- 7 Francisco Javier Martinez Garcia, our plant manager at the Alvarado CSP participated in 11 5Whys which, on a pro-rata basis, was the most in the company since he was part of the acquisition of the five CSP plants from Acciona and didn’t even join until May!

2017 business highlights

March

We acquired a hydro and cogeneration portfolio in Brazil



We closed the acquisition of a 206 MW operational portfolio – composed of 130 MW of hydro assets and 76 MW of cogeneration assets.

The cogeneration contracts are capacity-based, mostly denominated in US dollars and have a largely US dollar-denominated return. They are the type of contracts with commercial and industrial customers that our Solutions business pursues. The hydro PPAs are inside a regulated Brazilian hydrology protection scheme, which reduces individual hydrology risk.

We will benefit from our experience in operating hydro and cogeneration plants and from our Brazilian platform to improve the operational performance of the assets and realize various synergies.

November

IPO on the Main Market of the London Stock Exchange



Our IPO was a significant milestone, attracting a strong, high quality investor base. We are a premium listed company operating in compliance with the UK Corporate Governance Code, and ensure we have a robust governance structure and compliance with the regulatory obligations at a listed company.

December

We consolidated our wind farm portfolio in Brazil



We reached an agreement with the minority shareholder of the Chapada I and II windfarms to acquire its shares in the projects.

We signed contracts for a new power plant in Kosovo

We signed the commercial contracts with the Kosovo Government to build a new single unit lignite-fired power plant with a gross capacity of 500 MW, located in Obiliq, Kosovo. Total costs for the Kosovo Project are estimated to reach approximately €1.3bn. The power plant is expected to start operations in 2023 and will have a life expectancy of four decades.

Throughout 2017

We rolled up our solar assets in Europe and made our first acquisition of biogas plants



We have been following a rollup strategy to acquire mid-sized solar photovoltaic portfolios (PV) in Italy, a market that remains fragmented with many opportunities. Our strategy is to insource operation and maintenance during integration, reducing costs and improving the assets' operational performance.

In 2017 we acquired assets with total installed capacity of 19 MW and signed an additional 22 MW. The assets are composed of solar PV plants located close to our existing solar PV assets in Italy. They also include one solar PV plant in Romania (7 MW) and two biogas plants in Italy (2 MW).

2018 business highlights

May

Acquisition of Spanish CSP Assets



May 2018, we completed the acquisition of a 250 MW concentrated solar power (CSP) operating portfolio in Spain – our largest acquisition to date. This acquisition is expected to generate strong, regulated cash flows and will account for a meaningful portion of our Adjusted EBITDA.

Throughout 2018

Bonaire Battery Storage



2018 saw us begin a multi-year plan to modernize the unique hybrid facility that we own and operate on the island of Bonaire. The facility, an integrated renewable, storage and thermal generation facility that produces nearly 100% of Bonaire's electricity.

Our upgrades include installing a new lithium ion battery to increase our capacity by 100% and storage from 0.15 MWh to 6 MWh and improving storage time from 3 minutes to 60 minutes.

Repowering of Austrian Wind Assets

We made excellent progress in 2018



We completed repowering of our wind park “Velm-Götzendorf” in January 2019. During this project, we decommissioned ten old 1.25MW DeWind turbines, replacing them with four new 3.3MW Vestas turbines. This project increased production at the wind park by 63% and at the same time significantly improved its environmental footprint. The new turbines are producing enough energy for over eight thousand households.

Our next repowering project is at the Scharndorf wind park. It consists, in the first phase, of replacing 5 old Vestas turbines with new Senvion 3.4MW turbines, the first three of which are expected to go into operation in the second half of 2019. The new turbines will increase production by over 90%.

January 2019

Expanding our Solutions business into Mexico



In January 2019 we reached agreement with Alpek S.A.B. de C.V. (‘Alpek’) to acquire its portfolio of two natural gas-fired combined heat and power (CHP) plants with a gross installed capacity of 518 MW, together with development rights and permits for a third plant, for \$724 million in cash plus \$77 million of refundable VAT. The two plants will provide electricity and steam under long-term contracts to subsidiaries of Alfa Group, a leading Mexican industrial conglomerate, and other commercial and industrial customers.

1

Principle

Operate safely and efficiently and minimize environmental impacts

Relevant SDGs



Spotlight on
Armenia



Significantly improving Health and Safety at Vorotan, Armenia

When, following our acquisition, an internal Health and Safety (H&S) audit at our Vorotan hydro plant identified behavioral and performance issues, we were quick to act with big changes and significant improvements that saw Vorotan win our “Best Turnaround Performance” award in 2017.

Investing in improvement

In 2015, we purchased the 404 MW Vorotan hydro cascade, which sits on the Vorotan River in eastern Armenia and has been operating continuously for more than 40 years. From mid 2018 to the end of 2020, we will be carrying out an electromechanical refurbishment program of the turbines, generators, auxiliary systems, transformers, protection & control systems, switchgear equipment and auxiliary electrical systems. The works will be performed in parallel with the normal operation.

Identifying issues

In 2016, we performed an H&S audit led by our internal team supplemented by a third-party audit firm to evaluate the Complex preparedness for the refurbishment works ahead of us. The results were poor. Not only did we find a large number of hazardous conditions and behavioral issues, the audit compliance score was 58% – far below our internal target of 75%.

82%

2017 H&S audit score,
75% minimum pass

Significantly improving Health and Safety at Vorotan, Armenia
continued

IN JULY 2017, THE ENTIRE VOROTAN COMPLEX WAS RE-AUDITED FOR HEALTH AND SAFETY, WITH OUTSTANDING RESULTS.

Taking the necessary steps to remediate

A score below target of this scale reflected a lack of active management and signaled a substandard Health and Safety culture that was largely unchanged from when we acquired the plant. This required our management team to transparently face the failures and develop a corrective plan that ensured non-recurrence. The plan involved taking an approach centered on the ContourGlobal values and principles, the 3Cs (Communication, Collaboration and Coordination) and 2Ts (Timeliness and Transparency), and relating them to every aspect of running the business. Hard decisions were made to replace key management staff, with key positions replaced by promotion from within, or hired from within the country.

About 15 key people from the local team were identified to become the leadership team of an organizational and behavioral change program. Individual development plans and language skill training were set up and a chain of promotions into new roles and responsibilities aimed to engage the local management, have them lead their own transformation and be accountable for the result.

Working intensely at the local level

The Power for HSE Excellence Program was implemented in parallel, as well as our Basic Health and Safety strategy. This required an intensive effort locally as well as frequent site visits and support from senior leaders.

Achieving outstanding results

In July 2017, the entire Vorotan complex was re-audited for Health and Safety, with outstanding results, achieving a 82% average score. The Tatev plant achieved a score of 85%, with Shamb and Spandaryan also achieving scores of 80%. This was a remarkable turnaround within half a year in terms of compliance to the stringent standards we set, and a testament to the resilience of the people involved. But there were even bigger changes noted in the attitudes and development of a compliance culture within the organization. And the lack of notable hazardous conditions demonstrated the behavioral changes, hard work and dedication of every member of the team.

A total turnaround

We are proud of the work and impressive degree of improvement this team accomplished. To recognize this, the team at Vorotan was awarded the 2017 “Best Turnaround Performance”, with a special plaque developed to honor the commitment to the ContourGlobal values and principles of operation.



85%

audit score from the Tatev plant

80%

audit score from the Shamb and Spandaryan plants

82%

combined score



Operate safely and efficiently and minimize environmental impacts introduction



“WE ARE VERY ACTIVE IN THE WAY WE MANAGE SAFETY AND EFFICIENCY AND ENVIRONMENTAL IMPACT, INCLUDING IDENTIFYING POSSIBLE PROBLEMS BEFORE THEY HAPPEN. BUSINESS AS USUAL IS ONE OF OUR BIGGEST RISKS. WE ARE CONTINUOUSLY LOOKING TO IMPROVE.”

Karl Schnadt, Executive Vice President and Chief Operating Officer, ContourGlobal

We are always looking to set the bar ever higher when it comes to operating safely and efficiently and minimizing environmental impacts.

Safety is our Number 1 priority. Our commitment to it is absolute. Nothing comes ahead of it. This is underlined by our global Target Zero program – zero harm; zero injuries.

Increasing efficiency is also a key day-to-day focus for us across the business. We rigorously manage the performance and costs of our power plants, monitoring efficiency non-stop against set targets. This is facilitated by close communication across teams and short reporting lines.

We have the same ongoing high-performance dedication to minimizing our environmental impact as much as possible at all our sites. This ranges from complying with all standards to dealing quickly and effectively with any incidents.

Our global commitment to this principle is all the more important given that we often operate in parts of the world where such high standards are not always widely established but much needed.

As we continue to grow it is important that we not only maintain our high standards of safety, operational and environmental performance but also keep driving forward. For example, integrating more and more businesses into our way of ensuring Health and Safety is a challenge, but one that we rise to meet. One of the key ways we do so is by combining high global standards with an explicit emphasis on managing and taking responsibility at the local level. This is where the best results can be achieved. Thus, our plant managers take real ownership of performance and improvement. They and their teams are the critical ones helping us all get ever better.

Our key commitments

To operate safely and efficiently and minimize environmental impacts, we:

- Provide a safe and healthy workplace that improves continuously through a rigorous program of learning and auditing.
- Minimize our environmental impacts by complying with global best practices and maximize innovation to decrease our local footprint.
- Operate efficiently and reliably to meet availability targets.
- Develop and train operational teams, including thorough ongoing knowledge-sharing.

Health and Safety

We are committed to setting and meeting the same industry-leading standards across all our operations wherever they may be, and we measure our performance including not only our own employees' statistics but also contractors and anyone working at or visiting our sites. To this end we have a global Target Zero program – zero harm; zero injuries.



2017-2018 highlights

All

Our operating sites achieved their targets for leading indicators

-50%

From 2016, achieving our lowest LTIR two years in a row

-6%

Reduction in total recordable incident rate since 2016

10

11

Internal Health & Safety Audits

2

3

Safety interventions carried out

All

sites implemented the Power for HSE Excellence program. As a result, more robust procedures and policies are in place across the Company

Apps

We rolled out mobile versions of our Incident and Hazard reporting process, for iOS and Android devices

Implementing our Health and Safety Strategy

Our Occupational Health and Safety Strategy aims to provide a Zero Harm Safety Culture, where “everyone goes home safe, every day, everywhere”.

Targeting zero incidents

Our commitment is Target Zero – a workplace in which our employees are free of Lost Time Incidents (LTI). To this end we focus on risk reduction and awareness. In 2017 and 2018, we achieved our best-ever results, although we ultimately missed our Target Zero.

The single LTI that occurred in 2017, a vehicle incident in Armenia, was entirely preventable. Through our system of continuous improvement, we have implemented changes in our corporate guidance to increase control of hazardous activities. The aftermath of the incident initiated a period of deep reflection on our guidance and our training, with a renewed commitment to making the changes necessary to drive our culture towards zero injuries.

In 2018, our one LTI occurred at one of our new businesses, our CSP facilities in Spain. A speck of airborne grit, floating through the air and into one of our employee’s eyes resulting in a corneal abrasion. Although the injury did not result in permanent damage, we learned valuable lessons around contractor management and integration of new assets that will be implemented going forward.

Taking the lead in reducing risks and mitigating hazards

In 2017 and 2018, we launched two initiatives in our health and safety management program. We established a safety intervention program that is implemented when a business’ risk factors increase. Additionally, we added new KPI reporting to include process safety, equipment performance, and behavioral attributes. We believe such improvements will continue to drive us toward target zero. We are bringing it to everybody’s attention and avoiding the idea that business as usual is enough.

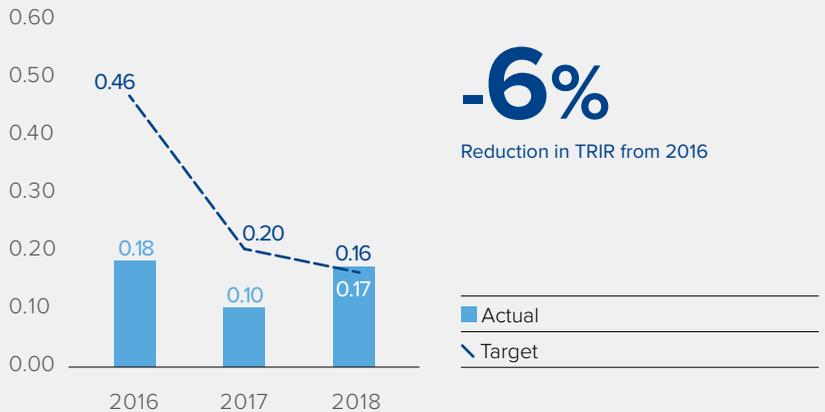
In 2018, we added new KPIs to our H&S reporting, focusing on process safety, equipment performance, and behavioral attributes. We believe these additions will continue to drive us toward target zero.

¹ The recordable incidents category gathers the following Health & Safety incidents – Medical Treatment Incidents, Restricted Workday Case Incidents and Lost Time Incidents.

Lost Time Incident Rate



Total Recordable Incident Rate¹



Health and Safety KPIs

In 2017, we met or exceeded all our Health and Safety KPIs:

Safety inspections per working hours



+8% **+4%**

We increased our safety inspections rate by 4% in 2017 and by another 4% in 2018.

Corrective and preventive actions



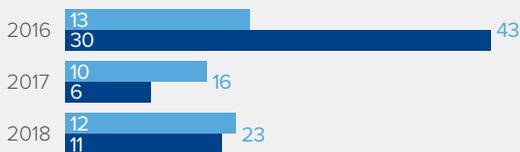
■ CAPA closed ■ CAPA opened

+6% **+23%**

in closed actions

In addition to identifying hazards and determining corrective and preventative actions, closing them is key to improving our health and safety performance. In 2017 our closure rate was approximately 95%, our highest since 2015. In 2018 we had a closure rate of 93% against our target of 80%.

Total near misses



■ ContourGlobal near miss ■ Contractor near miss

We use the OSHA definition of a near miss, an incident in which no property was damaged and no personal injury was sustained, but where, given a slight shift in time or position, damage or injury easily could have occurred. We are pleased to report a significant drop in near misses both for ContourGlobal and our contractors in 2017.

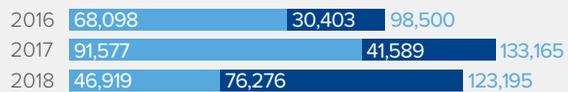
Hazard identification



+16% **+45%**

In 2017, we far exceeded our Hazard Identification Rate target of 30% and also achieved a 45% improvement when compared to 2016. The hazard identification rate is calculated as a ratio between the numbers of hazards identified per Level 2 inspections performed. In 2018, we achieved a Hazard Identification Rate of 74%, far exceeding the target of 30%.

Training hours



■ ContourGlobal ■ Contractor

-7% **+35%**

in total OHS training hours

In 2017, we increased by 35% the number of hours our employees and contractors dedicate to health and safety training. In 2018, although our total OHS training hours decreased compared to 2017, our training hours rate of 2.8% significantly exceeded our target of 2%.

Training

The training rate target is set to ensure that our employees are aware of the hazards they may face. By providing a minimum standard of training hours, set to a percentage of the total hours worked, we provide a consistent knowledge base for our employees. We target to invest at least 1.5% of our total working hours in training. In 2017 we achieved a training hours rate of 2.9% and in 2018 we achieved a training hours rate of 2.8%, exceeding our target for both years.

We also plan, organize and conduct multiple environmental and social training sessions at the corporate and plant levels. For example, environmental training topics include incident management and reporting, ambient noise, waste management, hazardous substances management, Environmental Management System (ISO 14001), avian and bat mortality operational control, environmental awareness training sessions (water and energy consumption, for example), and others.

Social responsibility training topics include social impacts and risks, stakeholder engagement plans, grievance mechanisms and social incident management and reporting.

Hazard identification

The Hazard Identification Rate tracks how many safety hazards are recorded in our online safety management system, Intelx. Our goal is to achieve a 30% ratio between the number of hazards recorded and the total number of inspections for all sites. This system records all hazards identified at each site and also provides a list of possible safety hazards to those conducting inspections.

Corrective and preventive actions

Our leading indicator, CAPA (Corrective And Preventive Actions) closure rate, ensures that each site is committed to the process of not only recognizing hazards but also correcting them to remove the risk. In 2017, over 9,000 hazards were identified by our operating sites, and 94% were closed within one

month of being recorded. In 2018, we identified 10,900 hazards and had a CAPA closure rate of 93%.

We are continuously improving our focus on safety through inspections, hazard identification, and corrective and preventions closure rate targets. By eliminating hazards, we will reduce the risk a safety incident and drive our safety performance.

WE ACHIEVED A 64% HAZARD IDENTIFICATION RATE IN 2017 AND A 74% RATE IN 2018, A 45% AND 68% INCREASE COMPARED TO 2016 RESPECTIVELY

Corrective and preventive actions

93%
94%

CAPA Closure Rate

2.8%
2.9%

ContourGlobal working hours dedicated to Health and Safety training

74%
64%

Hazards identification rate

>10,900
>9,000

Hazards identified



Implementing the same high standards around the world

We implement a comprehensive and robust system of policies and procedures at each operating site so that work takes place in the safest possible environment. This includes stringent compliance with work permit procedures. The work permit procedures ensure that workers thoroughly examine the work site and the activities to be performed for threats that might impact the safe accomplishment of tasks. Each site has specific procedures in place, in the local language so that tasks are carried out only after the proper risk assessment has been conducted, the correct Personal Protective Equipment (PPE) is used, employees are properly trained for the task, and hazardous energy sources and chemicals are properly managed. Our staff and contractors are permitted to perform their daily tasks only after all the identified hazards have been carefully considered and the risk mitigation measures have been implemented.

Global standards

Our H&S standards apply at all ContourGlobal businesses, whether in developed or developing markets. Our standards are based on relevant OSHAS and ISO standards and are designed to ensure the safest practices are adopted globally.

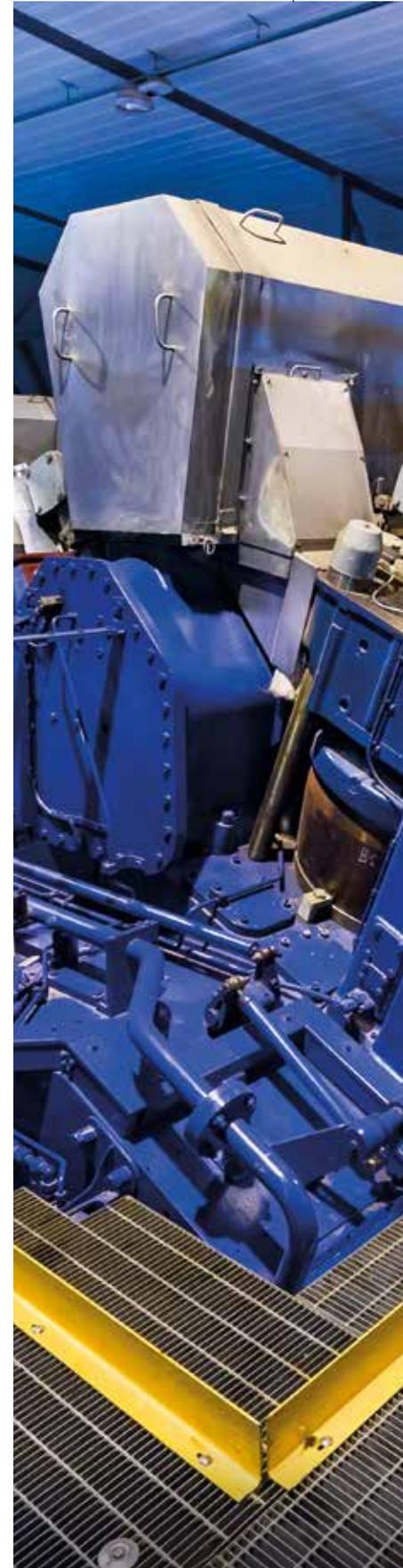


Integrating acquisitions

In 2017 and 2018, we focused on integrating our new acquisitions in Brazil, Italy and Spain into our way of H&S excellence. It can be challenging to bring new operating sites into our portfolio, particularly when the businesses do not have such exacting standards. But we have an excellent track record of rapidly integrating acquisitions. We develop a risk matrix and tailor our transition plan to address any deficiencies identified in the existing structure within 12 weeks from the date we closed the assets acquisition. Additionally, we implement our Power for HSE Excellence program at the outset of takeover.

We are not always perfect and our 2018 LTI in our newly integrated Spain CSP business is a stark reminder of this. However, we will learn from this and continue to improve based on this difficult experience.

WE HAVE AN EXCELLENT TRACK RECORD OF RAPIDLY INTEGRATING NEW ACQUISITIONS INTO OUR STANDARDS, CULTURE AND WORKING PRACTICES.





Learning and improving



Spotlight on Cap des Biches, Senegal

At our Cap des Biches plant our approach to embracing learning from failures helped us transform our Health and Safety performance.

In October 2016, we performed a Health and Safety (H&S) audit at the plant to benchmark it against ContourGlobal standards at the start of its operations. This was a natural step for us to take as part of our global commitment to constantly assessing our performance, learning and improving. The audit highlighted several hazards and risks that needed to be corrected to bring the plant in line with our guidelines and procedures. An action plan was developed to identify and remediate these hazards and risks, and several checks were performed, including visits by senior management.

As part of their site visits, senior management reinforced how H&S standards are a fundamental part of the Company's core values and that they must be the first priority of every ContourGlobal employee. As a result of the leadership campaign, the plant transformed its H&S performance – successfully undergoing an audit in July 2017 with an audit score of 85%.

85%

2017 H&S audit score

Auditing Health and Safety at our sites

In 2016, an internal team of cross-functional professionals began to conduct Health and Safety audits at our operating sites, supplementing our rigorous external audit program in place since 2010.

We continued this process in 2017 by conducting 11 site audits and in 2018 we conducted another 10 site audits. These audits assessed how well the sites comply with our OHS standards. The comprehensive assessment consists of both a detailed procedural review and a hazard analysis. The final result is tabulated and scored so we can compare our sites and track the results.

Our internal audit team scores each plant based on a protocol developed from our OHS standards. The minimum passing score is 75% and findings are categorized according to severity. All audited sites but one scored acceptably in 2017, with corrections defined for each plant. All sites scored acceptably in 2018. In 2017, our Togo plant did not achieve a passing score but in 2018 the site had fully recovered. As can be seen from the chart below, the findings are skewed slightly towards the lower end of the severity scale, with few critical issues identified. This reflects our high state of preparedness at the plants and indicates a realistic picture of the safe conditions and procedural compliance.

Safety inspections

Safety inspections and audits are a pillar of safety management program. We define a target number of "level 2" inspections each site must perform and measure our business' performance against that target. In 2018, we met our safety inspection target at 100% of our sites. Additionally, all ContourGlobal managers conduct a "level 1" inspection during site visits and visitors to our site also provide feedback for our site management.

Recognizing excellence

We are committed to recognizing the achievements of our operating sites. In 2011, we introduced our annual Health and Safety award, using the Olympic theme of award, Gold, Silver and Bronze. In 2015, we updated our award achievement guidelines, and renamed them Everest, Denali, and Mont Blanc.

The safety awards are progressive, with each site able to earn the next higher award only if they achieve higher standards each year. The award for the first year of injury-free performance, combined with an achievement in leading indicators, is the Mont Blanc. The second consecutive year award is the Denali, and the highest award we have is the Everest, with achievements sustained at a higher level and for three years of injury-free performance. Once a site has achieved the Everest they

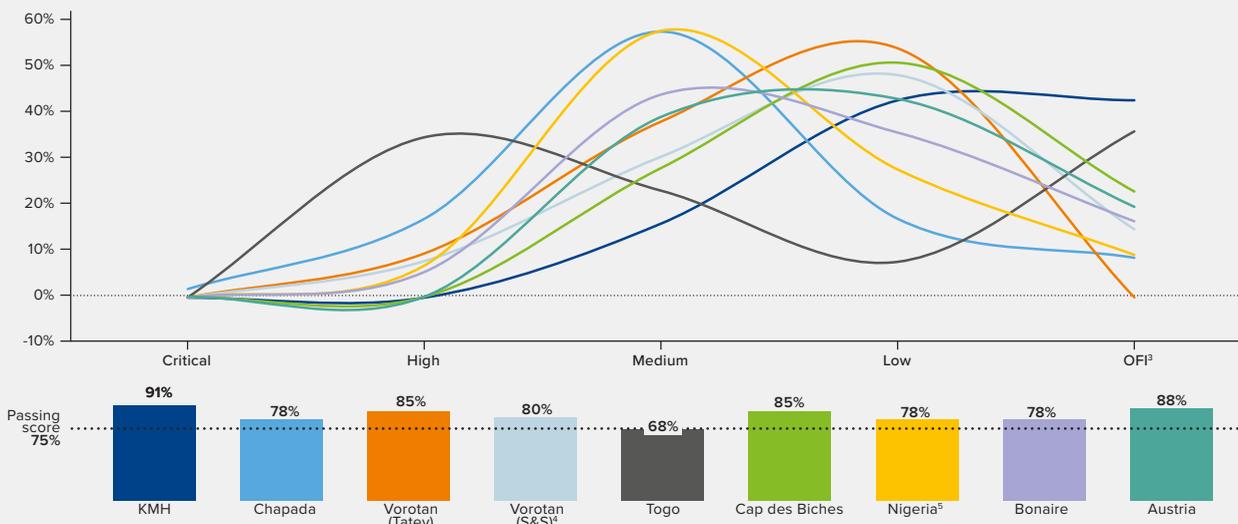
can earn it in successive years, but only if the highest standards are achieved.

In 2017, a record number of our sites achieved Health and Safety awards. This impressive result underlines our promise to all our employees and to their families that we take Health and Safety very seriously.

Here are the sites that performed outstandingly in 2017 and 2018:

SITE	AWARD 2017	AWARD 2018
Bahia PCH	–	MONT BLANC
Brahma Rio	–	MONT BLANC
Capuava	–	MONT BLANC
Goias Sul	–	MONT BLANC
Galheiros & SD II	NO AWARD	MONT BLANC
Guadeloupe (*)	NO AWARD	MONT BLANC
Maritsa	NO AWARD	MONT BLANC
Termoemcali(*)	NO AWARD	MONT BLANC
Vorotan	NO AWARD	MONT BLANC
Arrubal	MONT BLANC	DENALI
Benin	MONT BLANC	DENALI
Cap des Biches	MONT BLANC	DENALI
Ikeja	MONT BLANC	DENALI
St Martin (*)	MONT BLANC	DENALI
Kivuwatt	DENALI	EVEREST

Audit findings²



1 Level 1 inspections are those safety inspections conducted by visiting managers to a working site.
 2 The 11th site was Termoemcali, but as the audit was performed under a different protocol, it has not been included in this chart.
 3 Opportunity for improvement.
 4 Shamb and Spandaryan.
 5 2 sites.

Availability

We strive to maximize availability across our portfolio of thermal and renewable assets.

Maintaining consistent thermal availability

The technical availability of our thermal cluster in 2017 was good and in line with the budgeted targets for the year. In 2017, we faced a technical issue with a connecting rod failure at Unit 4 of the EA-Guadeloupe power plant, with the preliminary root cause being a manufacturing defect. As a preventive measure, the connection rods of the other engines were replaced with a new design to prevent future failure. The event has not had any financial impact for the business.

In 2018 the thermal fleet availability decreased below our target level. This was due to technical issues at our CCGT facility in Spain which was 5.1% below budget (although without accompanying financial consequences). Overall, our thermal availability is very consistent.

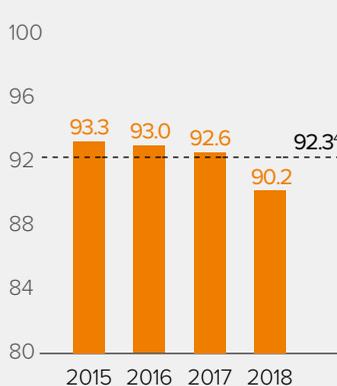
Improving renewable availability

In 2017, we improved the availability of our renewable assets to 97.6% from our 2016 rate of 97.0%. These improvements were largely due to increased availability at our wind farms in Brazil where we launched an improvement plan focusing on implementing technology improvements. This, coupled with a strong focus on continuous improvement and data driven decision-making, is critical in ensuring that our renewable power plants operate as a well-integrated platform and create a strong foundation enabling us to scale effectively and efficiently when we grow.

In 2018, our renewable portfolio availability factor was 96.8%, reflecting the impact of our new Spanish CSP business. Overall, however, our Renewable division performed in line with operational targets and successfully deployed a number of planned initiatives on performance improvement. In 2018, we introduced a number of systems-based technology solutions that enabled us to apply in-depth analytics in both strategic management and day-to-day operational decisions, closely monitor performance, and manage operations projects effectively.

The technical issues arising at one of the CSP plants in 2018 enabled us to take preventive action at the rest of the plants, and we also learned valuable lessons about integration best practices that will be applied to future projects.

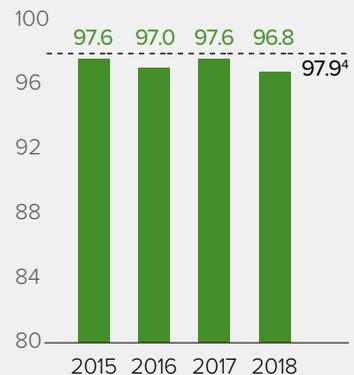
Thermal Fleet availability factor³ (%)



90.2%⁵

Against a benchmark of 92.3%⁴

Renewable Fleet availability factor³ (%)



96.8%⁵

Against a benchmark of 97.9%⁴

³ Sources for benchmarking: Navigant Consulting (Thermal), MAKE, AWST, DNV GL (Renewable).

⁴ Benchmark is top decile of peers.

⁵ Although the Thermal fleet availability was impacted by an outage at a CCGT facility in Spain, there was no financial impact. Renewable fleet availability was impacted by the integration of new assets and technology as a result of the Spanish CSP acquisition as well as an integration and maintenance program.



Improving the way we respond to problems using regulating devices at plants



Spotlight on
Bulgaria

What happened

At our Maritsa East 3 plant in Bulgaria, there was a breakdown in the regulating device in Coal Mill 1 of Unit 3, in January 2017. This resulted in a reduction in the size of the pulverized fuel (PF) particles supplied for combustion, an increase in the intensity of the burning and in turn, an increase in the temperature of the front wall. Despite the defect being identified, the operation team continued running Unit 3.

The increase of the temperature on the front wall led to the accumulation of hard slag that ultimately prevented the screw conveyor to carry out its function. Although the safe operation of the plant never was at risk, Unit 3 could not continue operating when the conveyor performance was not properly functioning. As a result the unit was shut down for longer than if the failure had been repaired immediately.

We applied our 5Whys process to get to the heart of the problem, learn from it and improve.

How we have improved

Whenever a defect is found on the PF system the following immediate measures will now be taken:

- The PF system where the problem is found is to be taken out of operation
- The defect is to be entered in a special Computerized Maintenance Management System with status "Emergency" to alert the maintenance team to immediately prioritize it
- The PF system is not to be brought back into operation until the problem has been repaired

We implemented a procedure for undertaking immediate activities and repair works when breakdowns on PF systems are identified.

Environment

As with all our core activities, we aim for excellence in minimizing our impact on the environment. Generating electricity has many environmental impacts: on the air we breathe, the water we share, and the flora and fauna that exist on our planet. We seek to minimize negative environmental impacts and, where possible, repair or reverse existing degradation.

2017-2018 highlights

CO₂ intensity

-10%

-6%

reduction in CO₂ intensity

Water withdrawn

-1%

-19%

reduction in water withdrawn

Waste recycled

+3.1%

+4.7%

increase in waste recycled

Our environmental strategy

Our environmental strategy is to minimize environmental impacts through planning and innovation.

We do this by:

- Complying with all environmental regulations and global best practices.
- Maintaining or decreasing our carbon air and waste footprint.
- Training and developing our workforce to understand our environmental and social procedures.
- Launching targeted social investments aligned with our core business.

\$145m

\$48m

CO₂ allowances

\$7.7m

\$10m

Environmental expenditure



Managing our environmental impact

Our Policy on Social Responsibility and Environmental Sustainability provides the framework under which we work responsibly, both environmentally and socially. Our policy is aligned with the International Finance Corporation (IFC) Performance Standards and promotes environmental stewardship, including pollution prevention and abatement, biodiversity conservation and sustainable natural resource responsible management.

Day-to-day responsibilities

Our environmental activities are the overall responsibility of our divisional COOs, with Environmental and Social Responsibility Managers assuming the day-to-day responsibility. We have regional environmental managers that provide technical support to our plant personnel, consolidate and review environmental reporting, and interface with stakeholders as needed.

Each business has also identified an environmental sponsor to represent the business on environmental issues within the organization. The sponsor is responsible for sharing all key environmental initiatives with the wider plant population at his or her business location. The sponsor also shares information related to environmental issues at his or her business within the environmental sponsor group to promote knowledge sharing.

OUR ENVIRONMENTAL ACTIVITIES ARE UNDER THE OVERALL RESPONSIBILITY OF OUR DIVISIONAL COOs, WITH ENVIRONMENTAL AND SOCIAL RESPONSIBILITY MANAGERS ASSUMING THE DAY-TO-DAY RESPONSIBILITY. IN 2017 AND 2018 WE COMPLIED WITH OVER 250 ENVIRONMENTAL PERMITS.





Investing in biodiversity and environmental improvement



Spotlight on
Brazil

At our Goiandira and Nova Aurora power plants in Brazil we have been investing for a number of years in preserving and improving the local environment.

Construction of the Goiandira and Nova Aurora small hydro power plants (SHPs) began in 2007 and finished in 2011. The plants are located on the Veríssimo river, approximately 10km apart from each other. Each one has a reservoir of approximately 6.5km² and 600 hectares of preservation area. The plants are responsible for the recovery of their permanent preservation areas, in line with Brazilian legislation and the conditions of environmental licenses.

A large number of these areas had to be recovered over the years. To this end, native seedlings have been planted since 2011. Initially,

less than 50 hectares were planted per year. Currently the average annual planting is 100 hectares per year.

In 2017, in an area of 103 hectares, approximately 144,000 native seedlings were planted. This will contribute significantly to maintaining the region's biodiversity. In 2018, another 165,000 seedlings were planted, further improving the environment where our power plants are located.

As this case study shows, we are deeply committed to improving the quality of the environment where we operate as well as complying with legal requirements. This is vital to our business.

Carbon footprint

Our approach

We believe that the global challenge of climate change requires action that takes into consideration the production capability and resources of the world's nation states.

When considering new investments, we evaluate the carbon footprint of a project, alternative technologies to reduce it, and whether installing a new fossil fuel burning power plant may actually reduce emissions while improving outcomes – principles that are central to our sustainability strategy. For example, at many of our Solutions facilities, we have installed systems to capture our CO₂ emissions for use in the beverage production process.

We are intent on reducing or maintaining our carbon intensity – the total carbon emissions divided by total production – through various innovative solutions.

Our total CO₂ emissions fluctuate depending on our customers as they can demand our fossil fuel plants to run at higher capacity factors depending on their energy needs. In 2017, we saw a significant decrease in our carbon intensity and, in 2018, our carbon intensity was at its lowest level since our baseline year of 2011.

Carbon pricing

Carbon pricing can be an effective way to improve the global carbon footprint, and we adhere to the requirements of climate and energy regulatory frameworks around the world, including the European Union Emissions Trading Scheme. When our allocations are insufficient to offset our carbon emissions, we purchase additional allowances through trading processes.¹

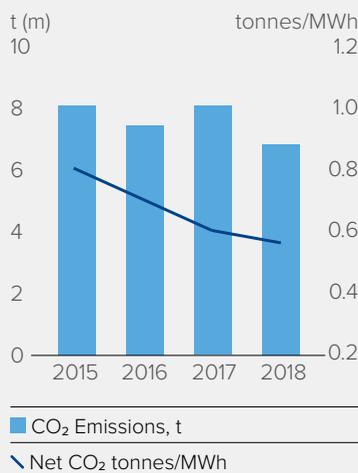
¹ In 2016, our businesses received 1,086,381 European Union Allowances from the EUETS. Additionally, the Clean Development Mechanism (CDM), defined in the Kyoto Protocol, provides Certified Emission Reduction units (CERs) for emissions-reduction projects in developing countries. Our accredited carbon offset projects have received 1,141 CERs and these allowances may also be traded. Some businesses have also generated Emission Reduction Units (ERUs). ERUs are project-based tradable credits generated from activities to reduce greenhouse emissions.

Reducing greenhouse gases

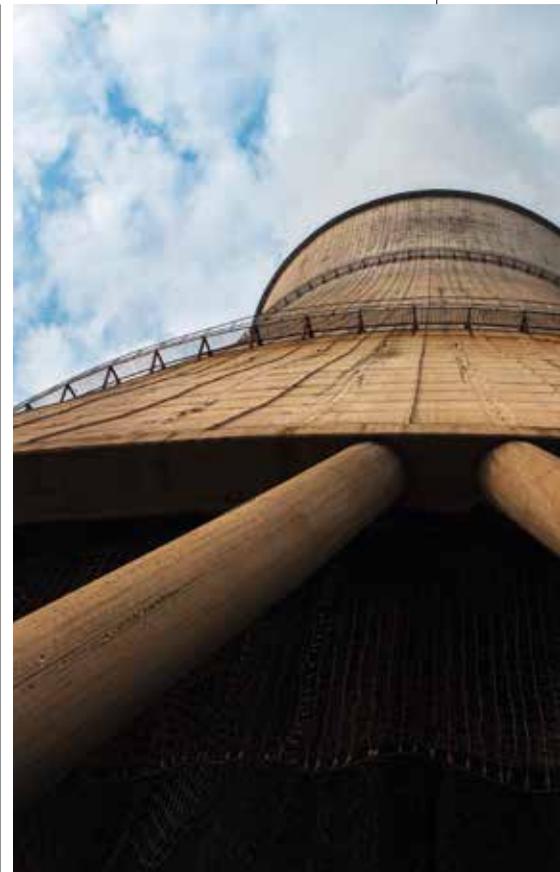
The CO₂ emissions ratio shows a continuously improving trend of reducing the greenhouse gases (GHGs) produced by the Company (improved CO₂ tonnes per MWh). Despite the thermal fleet production being driven by the client's dispatch patterns, we make all efforts to maintain a downward trend, in particular, through diversifying the portfolio and fuel mix composition.

IN 2018, OUR CARBON INTENSITY WAS AT ITS LOWEST LEVEL SINCE OUR BASELINE YEAR OF 2011.

2015-18 GHGs emissions summary²



² Emissions covers combustion of fuel, purchase of electricity, heat, steam or cooling of all power plants and for its own use.



Air emissions

Our approach

While carbon emissions are the main source of a power plant's direct emissions, other atmospheric emissions, such as nitrogen oxide (NO_x), sulfur oxide (SO_x), and particulate matter (PM), also require careful management to reduce health risks and environmental impacts.

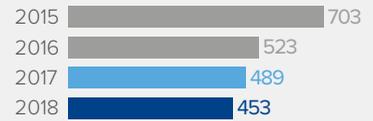
Like carbon, our portfolio's air emissions are reduced by increasing the generation mix in favor of renewable energy or by selecting advanced thermal power technologies, investing in power plant improvement such as combustion control systems and using higher quality fossil fuels.

Across our portfolio we have installed control technologies at various plants to minimize air emissions and continue to improve performance. For example, our Maritsa plant in Bulgaria has installed a Flue Gas Desulfurization (FGD), a control system that removes sulfur dioxide from exhaust gases.

Across our portfolio we have control technologies installed at various plants to minimize air emissions and continue to improve performance.



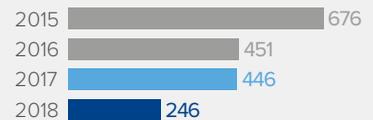
NO_x emissions (Mg/Nm³)



-13%

Decrease from 2016

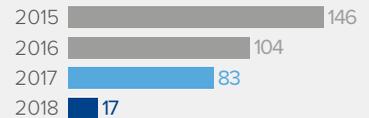
SO₂ emissions (Mg/Nm³)



-45%

Decrease from 2016

Particulate Matter (PM) emissions (Mg/Nm³)



-84%

Decrease from 2016

ACROSS OUR PORTFOLIO WE HAVE INSTALLED CONTROL TECHNOLOGIES AT VARIOUS PLANTS TO MINIMIZE AIR EMISSIONS AND CONTINUE TO IMPROVE PERFORMANCE.

Water

Our approach

Water is essential to our power plants, either as a primary fuel source for hydroelectric generation or as a required ingredient in thermal operational processes.

Hydroelectric plants

Our Brazilian hydropower projects are “run-of-river”, using the river’s natural flow to collect water in low-impact reservoirs to drive electricity-generating turbines.

Where we have dams, they are managed in size and impact. Our Vorotan complex in Armenia uses water from the Vorotan River to generate electricity at three power stations with an installed capacity of 404 MW. The Vorotan complex has significant dams as well as four reservoirs and one daily regulation reservoir. Water flows downstream through pressure and gravity fed tunnels and penstocks to be used at the power stations.

We manage a variety of environmental impacts at our hydroelectric facilities, such as the ecological flow of rivers (the minimum water needed to maintain the ecosystems), sedimentation, vegetation, drainage and biodiversity impacts.

Thermal plants

Our thermal plants use water from varying sources including rivers, lakes, wells, reservoirs, and at some businesses we also purchase water from municipalities. Our businesses undertake extensive monitoring and risk mitigation activities related to water withdrawal, use and discharge.

Our KivuWatt team, for example, carefully manages its impacts on Lake Kivu through its Lake Kivu Monitoring Program. All our other thermal facilities also manage water consumption, water treatment and the quality of water used in our systems and discharged.

Water (m³, million)

Purchased



Reused



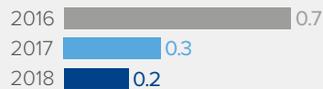
Surface



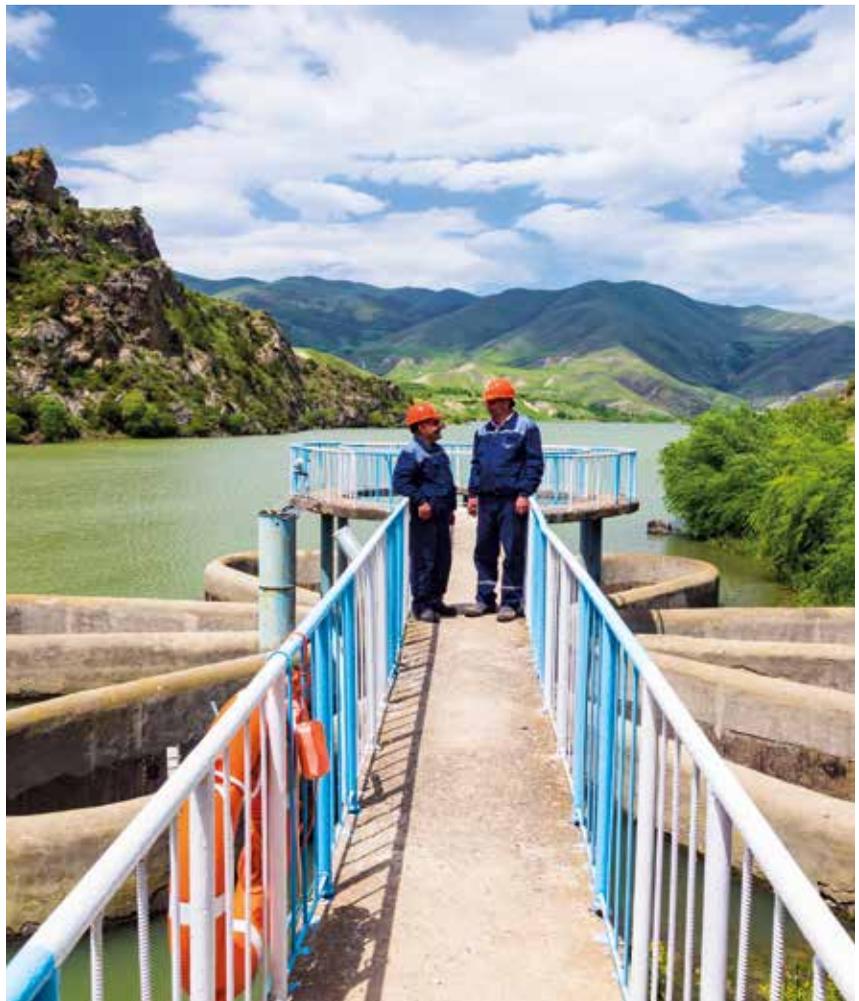
Discharged



Ground



Evaporated



Waste



Our approach

Our waste management plans emphasize cost effective reuse and recycling. Our Maritsa plant in Bulgaria, for example, sells its gypsum by-product to third parties where it is used in drywall manufacturing. Our KivuWatt plant in Rwanda couples its recycling of non-hazardous solid waste with social good by donating excess materials such as wood and cardboard to a nearby refugee camp, reducing the camp's need to purchase materials. Our planning also emphasizes reduction of waste altogether. In 2015, we launched a three-year waste reduction program targeting a 5% decrease in total waste across the organization.

During power plant construction and operations some amount of waste production is unavoidable. Our waste management plans therefore emphasize proper handling and treatment of waste, particularly hazardous waste. We sort and track our waste categories, follow the laws of the countries where we operate, comply with lender and investor requirements and best practices and contract with reputable waste collectors to ensure the waste is properly treated throughout its lifecycle.

Our hazardous waste recycling increased from 49% in 2016 to over 80% in 2017 and 2018. Our non-hazardous waste recycling increased from 8.8% in 2016 to 11.1% in 2017 and 16.6% in 2018.

IN 2015, WE LAUNCHED A THREE-YEAR WASTE REDUCTION PROGRAM TARGETING A 5% DECREASE IN TOTAL WASTE ACROSS THE ORGANIZATION.

Total waste

'000 KGs	Hazardous	Non-hazardous
2016	1.2	1,804
2017	2.1	2,055
2018	3.3	1,768

Recycled waste

'000 KGs	Hazardous	Non-hazardous
2016	0.6	159
2017	1.7	227
2018	2.7	293

Biodiversity

Our approach

To manage our impact on biodiversity, we adopt biodiversity plans after consultation with stakeholders, including governments, non-governmental organizations and communities.

Our plans seek to protect ecosystems from unwanted impacts, but where we cannot achieve that objective entirely, we seek to rehabilitate, restore and offset.

Our biodiversity impacts vary significantly among our businesses, so it is essential that we identify all impacts before making site location decisions, equipment selection and operational management. For example, a thermal facility is often developed on a brownfield site, an industrial location that has already been developed, while a wind farm is generally

constructed on a greenfield site that we must clear for construction. In the latter, our biodiversity planning and management is much more extensive as each step of the construction process impacts biodiversity.

At our Chapada wind farm complex, for example, which we constructed in 2014-2015, we undertook extensive monitoring to assess all impacts on biodiversity resulting from our construction activities. This included assessing the impacts of vehicles and machinery on vegetation as well as impacts on archaeological artifacts found on the site.

Our biodiversity management during operations includes assessing our impacts on flora and fauna and undertaking campaigns to regularly

monitor such things as avian mortality, behavior of bats and the effects of our operations and mitigation programs on other species. In 2016, our Galheiros and São Domingos II hydro facilities experienced positive and unexpected results when we discovered that not only were endemic species thriving but two new species were found to be inhabiting the area surrounding the reservoir.

Where our businesses may impact biodiversity over the long term, we seek to restore the ecosystem or implement an offset program. Some of our restoration initiatives include reforestation programs and relocating impacted flora or fauna. We have also shared our monitoring results with NGOs and universities for research and study.

WHERE OUR BUSINESSES MAY IMPACT BIODIVERSITY OVER THE LONG TERM, WE SEEK TO RESTORE THE ECOSYSTEM AND IMPLEMENT OFFSETTING PROGRAMS.



1. Increase allows for the impact of the acquisition of Gama businesses in Brazil.

Biodiversity

Water	Size km ²	Attribute	Protected area
2016	0.6	Fresh Water	Yes
2017	0.6	Fresh Water	Yes
2018	0.6	Fresh Water	Yes
Land	Size km ²	Attribute	Protected area
2016	110.8	Terrestrial	Yes
2017	133.3 ¹	Terrestrial	Yes
2018	75.82	Terrestrial	Yes

Spills and grievances

Our approach

We take preventive actions and ensure awareness of environmental risks to minimize incidents such as spills and environmental grievances. While we aim to prevent an incident or grievance, we also want to be fully prepared to deal with emergencies, unexpected environmental impacts and complaints from our stakeholders.

All businesses have adopted emergency response plans and our Power for HSE Excellence program provides a road map for our businesses to adopt procedures to minimize incidents and grievances. Our businesses have also adopted Stakeholder Engagement Plans (SEPs) that provide guidance on how to respond to all grievances, including those related to the environment.

Environmental incidents are reported in our global tracking system and, as in other areas of operations, we conduct a full root cause analysis on each incident to learn from our mistakes. Grievances are reported in the monthly management reports and action plans are developed to address them.

We had no sanctions in 2017. When sanctions are imposed due to an environmental incident, we ensure we make full restitution for our failure.

In 2017, we have seen an increase in spills and contamination due to the addition of the hydro and cogeneration assets in Brazil, where we added 11 new businesses to our portfolio, and additional corrective maintenance works at Asa Branca.

In 2017 and 2018, we continued to focus on environmental awareness at all of our businesses and conducted environmental training on a monthly basis, recording nearly 6,625 environmental training hours in 2017 and 5,135 environmental training hours in 2018. These training programs are critical to minimizing our incidents, grievances, and sanctions.

As with Health and Safety, our target for environmental incidents is zero, and we will continue to increase the



One Zero

sanctions

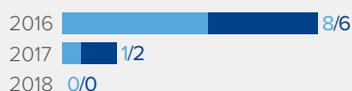
IN 2017, WE CONDUCTED ENVIRONMENTAL TRAINING ON A MONTHLY BASIS, RECORDING OVER 6,600 ENVIRONMENTAL TRAINING HOURS. IN 2018 WE RECORDED 5,135 HOURS.

Spills and contamination



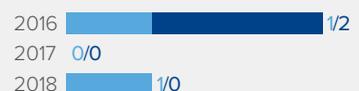
In 2018 the 161 spills recorded were related to minor grease leakages at our Chapada facility in Brazil. The grease leakages did not result in any contamination, however, they are reported according to our internal procedures.

Environmental grievances



■ Reported
■ Resolved

Environmental sanctions



■ Monetary
■ Non-monetary

2

Principle

Grow well

Relevant SDGs



Spotlight on
Kosovo



Creating a better energy solution for Kosovo

On 20th December 2017, we signed commercial agreements with the Government of Kosovo to build a modern 500 MW lignite power plant that will help fuel the growth of the country and significantly reduce various emissions.

A game changer

The expected €1.3bn investment will be at the heart of Kosovo's developing economy. Planned to start operating in 2023, Kosovo e Re will replace the existing inefficient and heavily polluting Kosovo A Plant – bringing enough affordable, reliable electricity to power 1.5 million Kosovar homes and businesses. It is a game changer for Kosovo as the country seeks to modernize and grow.

Boosting economic development

The project will help boost and sustain the economic development of Kosovo and thus contribute to alleviating poverty in the poorest country in Europe.

Improving health

The new power plant will contribute to improving the health of people living and working in the region. It will replace the existing old Kosovo A plant, the most polluting power plant in Europe. As a result, air quality will be greatly improved by significantly reducing specific emissions – reducing mg/kWh of Dust by 93%, SO_x by 84%, NO_x by 93% and CO₂ by 37%.

Using less water and improving sanitation

The new plant's water consumption (m³/MWh) will be 45% lower compared to Kosovo A. Approximately five million cubic meters of water a year will be saved or used for different needs such as irrigation. A closed cooling cycle will reduce the use of fresh water.

The water discharged from the cooling cycle and the water treatment plant will be reused in desulfurization and for transportation of the slag/ash. Any polluted water that cannot be used in the plant will be treated in a modern waste water treatment plant. Sewage water from the plant will also be treated before discharge. Everything will be done according to the highest EU, World Bank and IFC standards.

Providing reliable, affordable energy

The core purpose of the new plant is to supply reliable base and intermediate load to meet Kosovo's national electricity demand, using the most modern technology and abundant domestic fuel sources.

Promoting sustainable growth and employment

The new plant will be a catalyst for economic growth in Kosovo, contributing to alleviating poverty. The project will directly and indirectly provide many opportunities for employment in line with World Bank and IFC standards.

Creating a better energy solution for Kosovo *continued*

Building resilient infrastructure

The new plant will become a core foundation of Kosovo's improved infrastructure – one of the world's most modern coal-fired power plants integrated into the country's energy grid.

Supporting responsible consumption and production

We will be reducing the consumption of lignite by 37% compared to the Kosovo A plant. Moreover, our modern plant will enable by-products of the process to be put to use rather than discarded as waste – gypsum for the construction industry and fly ash to refill the mines.

Assessing and building with great care

We will carry out rigorous and comprehensive environmental and social assessments in line with World Bank and IFC standards. We will also carry out a full environmental site remediation of the brownfield site focused on reducing the negative impact on the soil, surface and ground water from previous pollutions.

500MW

Installed capacity of new plant in Kosovo



Meeting Kosovo's energy needs



Spotlight on
Kosovo

Our state-of-the-art coal-fired power plant is designed to meet Kosovo's urgent need for reliable energy to help the country modernize and grow. This need cannot currently be met by renewable sources.

ContourGlobal engaged Poyry Management Consulting to perform a market and option study to evaluate different options for the future of power in Kosovo. The four options assessed, evaluated and modeled in detail were renewables, imported fuel (gas), domestic energy sources (lignite) and low progression (no capacity increase required). Additional hydro potential is almost negligible. Wind power potential is low in the small, landlocked country. Photovoltaic is also no real alternative due to its low capacity factor and the still too expensive grid tie-in and storage solutions. The imported fuel scenario is also not an option yet, as a pipeline to supply a gas-fired power plant is not yet available and an intermediate solution of gasoil is very expensive. The Poyry study shows that the Levelized Cost of Electricity (LCOE) for the coal-fired power plant on

super-critical technology has the lowest required costs per MWh of produced electricity. The macroeconomic modeling suggests that the domestic fuel scenario (coal-fired power plant) will produce better results for Kosovo's economic development and employment compared to the other scenarios. Kosovo's energy strategy also clearly defines the requirement of a new, highly efficient coal-fired unit as a reliable base load capacity, which will be increasingly supplemented or reduced by renewables as the country grows. This strategy is supported by the flexibility of our plant, where the load can be adjusted between 40% and 100% in response to changing demand. Furthermore, our facility will be ready for carbon capture storage, once that technology has been sufficiently developed.

The power plant is ready to extract steam for district heating which would further improve its efficiency including emission reduction coming from firing coal in houses.

Introduction



“WE STRIVE NOT JUST TO GROW BUT TO GROW WELL.”

Alessandra Marinheiro, Business Development Executive Vice President for Latin America ContourGlobal

We are committed to increasing and building on our growth around the world.

This core principle is about the extent and pace of our growth: increasing the reach of ContourGlobal's positive impact across more stakeholders. At ContourGlobal, we are helping to bring reliable energy to more and more people for the first time in more and more parts of the world. We are also helping to provide energy in better ways to people who already have access to it.

It is also about the way we grow – from our highly disciplined approach to developing, acquiring and operating power generation assets through to our focus on growing the skills and capabilities of our people.

This is the good growth that comes from our distinctive approach and continued success in developing, acquiring, owning and operating wholesale power generation assets around the world.

Key commitments

To grow well, we:

- **Develop sustainable businesses that utilize our resources efficiently to expand access to affordable energy in underserved markets.**
- **Expand our portfolio by advancing “next generation” renewable and thermal technologies and deploying innovative methods for energy efficiency.**



Increasing access and reliability

We want to make electricity increasingly available, and to make it cleaner, more reliable and efficient.

Meeting growing demand

In emerging markets we are meeting the substantial growth in demand for electricity. In countries where both total demand and per capita demand is growing, we play a fundamental role in generating the power needed for them to advance.

In Africa for example, we are significantly increasing access to reliable, affordable electricity in Senegal, Rwanda and Togo.

In Kosovo, we are building a modern 500 MW lignite power plant that will provide much needed reliable and affordable energy to fuel the growth of the country while significantly reducing emissions.

Increasing efficiency

In mature markets we focus on increasing the reliability, efficiency and overall performance of our facilities. In Austria for example, we completed the development of two repowering projects in 2017. Replacing old wind turbines with new ones will result in much higher efficiency and about 80% additional production without increasing the impact on noise. We were the first company that successfully developed repowering projects in Austria.

Disciplined approach

We have a very disciplined approach to growth – developing and acquiring projects in our own tried and tested way rooted in our values and principles. This ensures we grow well in terms of risk-adjusted return. We never compromise on this. We developed a very formal due diligence methodology on any development or M&A process. We identify red flags and senior management is involved in the evaluation and mitigation plan for the due diligence findings. If a red flag risk cannot be mitigated on any aspect it is completely impossible to move forward.

When we acquire a new plant for example, we always implement our own high Health and Safety standards. So when we do our due diligence on a potential acquisition, we need to be comfortable that we will be able to restructure the business and implement our operational standards. If not, we do not proceed with the acquisition even if the economics are promising.

Strengthening our investment process

In 2017 and 2018, we further strengthened our investment process by introducing a challenge team. It independently looks at each project and challenges it in terms of our grow well principle – adding a valuable extra layer of assessment to ensure we make good investments.

Investing in renewables

We continue investing in renewables and our share of renewables is constantly increasing. In Italy for example, our Solar Rollup strategy is proving a highly effective route for us to grow and consolidate our portfolio of photovoltaic assets.

In Brazil we added another seven hydro power plants in 2017 with 130 MW installed capacity to our hydro portfolio increasing our hydro presence to 167 MW. We also added four high efficiency cogeneration plants providing reliable and efficient power and steam to our industrial clients.

In 2018, we added 250 MW of Concentrated Solar Power capacity, producing clean energy equivalent to the electricity demand of around 161,000 homes.



IN AUSTRIA WE WERE THE FIRST COMPANY REPOWERING OUR WIND FARMS INCREASING THE SHARE OF RENEWABLE ENERGY IN OUR PORTFOLIO.



Integrating diverse assets in Brazil



Spotlight on
Brazil

In 2017, we successfully integrated a portfolio of assets in Brazil acquired from Neoenergia consisting of seven hydro plants totaling 130 MW installed capacity and four cogeneration plants with 76 MW installed capacity. The acquisition was part of our growth strategy in Brazil and increased our hydro presence in the country to 167 MW and created a platform for our Solutions business growth in the region.

We have successfully integrated the assets into our operating portfolio, obtaining targeted operational synergies and facilitating internal talent development and promotions to operate the portfolio. It was a challenging process. Our success was due to a number of factors, including a dedicated project team with a clear understanding of roles and priorities.

Our main focus pre-acquisition was to make sure the teams in the acquired plants received proper communication about

ContourGlobal, our culture, values and principles; to reassure them about their importance in our operating strategy for the country; and to ensure early implementation of ContourGlobal procedures and policies. This started with Health and Safety (H&S), compliance and internal control. It also focused on reporting practices, continuous improvement techniques and transferring the monitoring and control of the newly acquired hydro plants to our centralized control room.

In parallel to implementing our operations and maintenance (O&M) practices, we applied our improvement plan, which focused on managing water through automation for the hydro plants. This led to more efficient use of water, thus increasing performance. At the thermal cogeneration plants, we focused on efficiency and availability improvement – reducing costs and increasing reliability for our industrial partners.

Improving and innovating in Italy

Italy for us is a great growth story. We have been acquiring and integrating solar photovoltaic assets in our own highly effective and innovative way to decrease costs and increase availability, and ultimately have an increasing positive impact across the country.



“WE HAVE A PROVEN GROWTH STRATEGY WHERE WE TAKE AN INDUSTRIAL APPROACH TO M&A TO IMPROVE ACROSS EVERY ASPECT OF THE NEW BUSINESSES WE ACQUIRE.”

Massimo Maroni, VP and COO Italy Solar/Solutions/Biogas

A unique approach

Our unique Solar Rollup strategy has four key elements:

- Adopt an industrialized approach to M&A to acquire new assets
- Look to mid-size transactions (10 to 30 MW)
- Implement a quick integration plan for new plants
- Insource all the O&M activities within the first few months from acquisition

Going for growth

In 2014, we took the strategic decision to grow our 13 MW solar photovoltaic portfolio in Italy. Our innovative Solar Rollup growth strategy was born. Since then, we have built a highly scalable modular solar photovoltaic O&M platform, with an agile M&A process. This allows us to add on new mid-sized portfolios where operational synergies can be gained. It's a great way to grow well in a highly competitive market.

A tried and tested approach

Our strategy is anchored in operational excellence. It involves an intense period of integration, so that each new asset becomes part of our family as quickly and effectively as possible. We fully insource the O&M and asset management, which enables us to drive down costs and increase efficiency while increasing availability and, in turn, power generation.

The level of attention and commitment to excellence is the same for every plant in the ContourGlobal portfolio. From the biggest, our nearly 1 GW Maritsa plant in Bulgaria, through to the smallest plant in Italy, Benevento, which has 132 KW of installed capacity.

A step change

In 2017, we achieved a step change in growth, increasing the capacity of our solar photovoltaic portfolio in Italy by over 61%, from 31 MW to 65 MW, with the acquisition of a 34 MW portfolio. The new plants are located close to our existing Italian solar photovoltaic portfolio.

There is a significant opportunity to create value by enhancing operational performance, achieving fixed cost savings and optimizing the capital structure. The integration process and business plan implementation has been successfully completed, including insourcing all O&M activities, implementing our performance monitoring system and refinancing the portfolio.

All together in Italy

In 2017, we also undertook a major reorganization in Italy, bringing all our assets together under one corporate entity. This enables us to further increase synergies and efficiencies and create an even firmer foundation for future growth. In 2018, we opened a new office in Milan and added new resources to drive our future growth.

Developing our people

In Italy as elsewhere we are constantly developing our people. It is a key aspect of how we grow well. We support our Italy team with training and an open, high performance work environment where people are encouraged and expected to contribute a great deal and go far.

Contributing to communities

In Italy we have been going beyond the confines of our power plants to make lasting positive contributions to the communities we live and work in. We have a program of educating local people on green technologies and energy efficiency. This includes site visits from local schools to our plants.

We also have a sustainability program, which includes building and maintaining small photovoltaic plants in schools. In addition, we are investing in improving energy efficiency and accessibility in schools.

OUR SOLAR ROLLUP GROWTH STRATEGY IS ANCHORED IN OUR OPERATIONAL EXCELLENCE INVOLVING AN INTENSE PERIOD OF INTEGRATION, SO THAT EACH NEW ASSET BECOMES PART OF OUR FAMILY AS QUICKLY AND EFFECTIVELY AS POSSIBLE.



Strengthening our investment decision process



Spotlight on Brazil



The acquisition of the 206 MWs hydro and cogeneration portfolio acquired in Brazil provided an opportunity to learn and further strengthen our investment decision process.

We assigned a challenge team to the project as part of the approval process and a systematic approach to failure was rigorously implemented.

What happened

We constantly applied the 5Whys methodology to learn from failures and continuously improve our investment decision process. The lessons and 5Whys were shared widely across the organization, spreading knowledge.

As a result, we upgraded our processes to ensure sound decisions are made to provide the best result to our investors and stakeholders.

How we have improved

- In 2017 we implemented an additional feature to the investment decision process; a challenge team is organized to scrutinize and provide an opposite view to every investment we discuss strengthening the investment case.
- In 2018, we continued the use of our challenge team and expanded our improvement initiatives to include: amending our financial modeling guidelines document to include the best practices identified at the 5Whys sessions; carrying out deep dives of financial models to reconfirm assumptions and check model consistency.



3

Principle

Manage our business responsibly

Relevant SDGs



Spotlight on
Worldwide



**Communication,
collaboration and
coordination**

To help us work effectively and without boundaries as a multinational, integrated team we have developed a number of dedicated online platforms.

Communication, collaboration, coordination – the 3C's as we call them are a core tenet of our culture. It can be a challenge to maintain them effectively over three continents, 19 countries, and 84 assets. To help, we deploy technology creatively and are frequently an early adopter of new communication tools.

We have platforms dedicated to monitoring our compliance with debt covenants and legal/tax statutory requirements; conducting compliance due diligence on third parties; contract management, review, and approval; internal controls documentation and assessments; purchase-to-pay; continuous improvement process (5Whys); how to manage people – to name but a few.

The 3c's
continued

Performance Appraisal system

One particularly useful platform is our Performance Appraisal system, which we developed internally. It allows us to align our performance process precisely to our vision, culture, and corporate strategy and objectives. We developed it to be completed quickly, foster collaboration and incentivize efficient communication and continuous improvement. Implemented three years ago, the system has enabled us to run global, well-organized, timely mid-year and year-end performance cycles.

Another interface developed on SharePoint is the Project Management Office Dashboard. It provides a host of tools for anyone in the Company, in any function, to organize and manage a project.

Many of these tools systematize workflows and send out automatic notifications to participants, minimizing the risk of a critical process or step being overlooked. What is more, we strive to ensure that these tools work equally well on desktop computers and mobile devices wherever we do business. Thus, for example, employees will find that our tools work as well in the middle of Lake Kivu in Rwanda, as they do in central London.

2017 highlights

6,673

Documentation control forms created

5,977

Legal document reviews processed

201

5Whys created

2018 highlights

+50%

Increase in 5Whys analysis

1,901

Employees who re-certified to our compliance policies

3,087

Number of third parties submitted to compliance for due diligence in 2018

Up-to-date repository

Aside from online platforms, we ask our employees to store all Company documents on Sharepoint to maintain a comprehensive and up-to-date repository of information accessible globally and at any time. Of course, we have also implemented strict security protocols around all of our systems to ensure that anyone who should have access to information can do so easily and on multiple devices, but anyone who should not, cannot.

As part of our continuous improvement, we are constantly developing new platforms and tools, while tweaking the old. We believe that only by the creative use of technology can we maintain the 3Cs and efficient business practices as we continue to grow.



WE BELIEVE THAT ONLY BY THE CREATIVE USE OF TECHNOLOGY WE CAN MAINTAIN THE 3CS AND EFFICIENT BUSINESS PRACTICES AS WE CONTINUE TO GROW.

Introduction



“OPERATING WITH THE HIGHEST LEVELS OF INTEGRITY IS FUNDAMENTALLY A PART OF WHO WE ARE. WE ARE DEEPLY COMMITTED TO BEING A POSITIVE FORCE IN THE COMMUNITIES AND COUNTRIES IN WHICH WE OPERATE.”

Amanda Schreiber, Executive Vice President, General Counsel & Chief Compliance Officer ContourGlobal

From our earliest days, we have been committed to managing our businesses responsibly.

We have always sought to set and live up to the highest standards of corporate governance and business ethics. This is a fundamental part of our commitment to pioneering sustainable power generation around the world, particularly in developing markets. One of our first initiatives, for example, was to put in place company-wide anti-corruption policies and we've been rigorous training all our employees on them.

So managing our business responsibly is a natural principle for us to follow, and we continue to evolve and improve the ways we do. We are, for example, benchmarking our performance against other companies, so that we can be clear on how well we are doing and where best to focus our efforts going forward.

It is a dynamic process. When, for example, we carry out on-site compliance training at different plants we always learn new things on the ground and feed that back into our global view and standards.

As the Company continues to grow, with the acquisition of new people and businesses, we will continue to manage our business responsibly. It is a commitment that runs through ContourGlobal. Everyone understands it is existential – critical to our survival and success.

Key commitments

To manage our business responsibly, we:

- Adhere to the highest standards of corporate governance and business ethics.
- Uphold human rights and labor principles throughout our value chain. Engage with communities where we work through social initiatives and ensure that the voices of all stakeholders are recognized.

Operating responsibly

We operate responsibly throughout ContourGlobal, adhering to the highest standards of business ethics and governance.

Governance as a publicly traded company

Our policy is to comply with current best practice in UK corporate governance. ContourGlobal listed its ordinary shares of the premium segment of the Main Market of the London Stock Exchange on 14th November 2017. The Listing Rules of the Financial Conduct Authority, including the UK Corporate Governance Code, have therefore applied to the Company since that date.

Individual responsibility

We expect every ContourGlobal employee to follow our ethical guidelines. This includes being truthful about our individual performance, even when we fail. Transparency leads to trust, trust leads to relationships and relationships drive performance. Acting with moral integrity and being transparent is core to success.

Open, timely communication

We seek to communicate honestly, without exception, both within the Company and with our stakeholders. This includes raising issues and concerns in a timely way, a principle we call "Timeliness and Transparency". Communicating openly within the organization develops trust but also fosters innovation and encourages

teamwork. Sharing information about our successes and failures outside of the organization holds us accountable and allows us to gain feedback on our business practices so that we may continuously improve.

Our communication ranges from formal (for example, press releases) to informal (for example, posts on internal social media or chat messages). In all our communication we emphasize truthfulness and accuracy.

WE SEEK TO COMMUNICATE HONESTLY, BOTH WITHIN THE COMPANY AND WITH OUR STAKEHOLDERS.

2017 and 2018 highlights

100%
100%

Businesses analyzed for corruption risk

Zero
Zero

Human rights violations for the past year



Our way of governing

Through our rigorous structured approach we ensure strong governance throughout ContourGlobal.



Complying with the UK Corporate Governance Code

We adopted the UK Corporate Governance Code on 14th November 2017 on admission of the Company's shares to the UKLA's Official List and listing on the Main Market of the London Stock Exchange.

Since that date, we have applied all of the main principles of the Code and have complied with all the relevant provisions of the Code except for the following were in place by year end:

- A.3.1 The Chairman was not independent on appointment
- A.4.2 The Senior Independent Director has not met with the other Non-Executive Directors to appraise the Chairman
- B.6.1 The Board has not carried out a performance evaluation
- B.6.3 The Non-Executive Directors have not formally evaluated the Chairman's performance

Board governance structure

The Company's governance structure is designed so that the Board provides overall leadership to the Company and sets the Company's values and standards. The Board also approves the Company's strategic plan, monitors performance and ensures that appropriate financial and human resources are in place for the Company to meet its objectives. The Board is also responsible for ensuring that appropriate systems, procedures and controls are in place to support the effective assessment and management of risk and the safeguarding of shareholder interests.

Key matters for the Board

Certain matters are specifically reserved for decision by the Board and documented in a written schedule which is reviewed annually. The Schedule of Matters Reserved for the Board includes:

Strategic issues

- Leadership of the Company, setting values and standards
- Approving the strategic plan

- Review of the performance of the Group in the light of strategic aims, objectives, business plans and budget

Structure and capital

- Changes and recommendations of changes to capital structure and objectives
- Changes to corporate structure

Financial

- Approval of annual and half-year Financial Statements
- Approval of dividend policy
- Approval of the annual budget
- Approval of treasury policies

Risk and internal controls

- Ensuring maintenance of a sound internal control and risk management systems
- Approving Group risk appetite statements
- Reviewing the effectiveness of risk management and internal control
- Assessing the principal risks facing the Group

Board membership

- Changes to the structure, size and composition of the Board
- Ensuring adequate succession planning
- Appointments to the Board including the roles of Chairman, CEO, SID and Company Secretary

Remuneration

- Determining the remuneration policy for the Directors and Executive Directors
- Determining Non-Executive Director fees

Corporate governance

- Reviewing the Group's overall governance arrangements
- Reviewing its own performance
- Determining the independence of Directors
- Considering the balance of interests between shareholders, employees, customers and the community
- Considering the views of shareholders
- Authorizing any conflicts of interest

Other

- Approving litigations over certain thresholds
- Approving material changes to the Group's pension scheme
- Approving of overall level of insurance for the Group
- Reviewing the Schedule of Matters annually

Key committees

Board committees

The Board operates in accordance with the Company's Articles of Association and has established certain committees to assist it in discharging its responsibilities, including the Nomination Committee, the Audit and Risk Committee and the Remuneration Committee. Each committee has its own written terms of reference (available on the Company's website), which will be reviewed annually.

Senior management committees

We have several core committees composed of senior management from across regions and functions. They report regularly to the Executive team and the Board.

Senior Executive Committee

This committee, chaired by our President and Chief Executive Officer, is responsible for reviewing and managing overall business performance, including implementation of strategic initiatives.

Development and Investment Committees

These committees, chaired by our senior Vice President for Business Development, are responsible for coordinating between executives involved in and communicating about origination, development and acquisition activities, as well as approving transactions to be sent to senior management.

Corporate Sustainability Committee

This committee, chaired by an Executive Vice President, is responsible for overseeing the implementation of, and compliance with, the Social Investment Framework.

Health and Safety Committee

This committee, chaired by our Chief Operating Officer, is responsible for reviewing Health and Safety performance, audit plans, H&S policy, interventions and initiatives.

Financial Disclosure Committee

This committee, chaired by our Chief Financial Officer, is responsible for assisting the Board in fulfilling their responsibility for oversight of the accuracy and timeliness of ContourGlobal's disclosures.

Continuous Improvement Committee

This committee, chaired by our Chief Information Officer, is responsible for reviewing operational aspects of our global Continuous Improvement program and developing strategy to further the culture of learning from failure across our organization.



Improving payment processes



Spotlight on
Worldwide



5Whys

What happened

In 2017, an original invoice for an advance payment was paid, after the proforma invoice had already been paid, so the same amount was paid twice.

The first payment was made to the correct bank account of the vendor (the one specified in the contract), while the second payment was made to the other vendor account (no longer actively used by the vendor) in the vendor master data, which appeared as ranked no.1.

How we have improved

We have implemented a number of improvements, including fixing technical issues with the payment process and automating the upload of bank statements. In addition we added one step to our procurement process where the vendor is checked and the master file data is validated after every contract is signed to verify whether the details are correct.

Ethical conduct

We are deeply committed to acting with integrity throughout our business.

This is not only the right thing to do, it is also a key part of our advantage across all of our operations – from ensuring Health and Safety to building a culture of compliance that protects our investments and corporate reputation. To this end, we set and follow the highest standards of ethical conduct.

Detecting and preventing corruption and other unethical or illegal conduct

Much like our Health and Safety Program, our Anti-Corruption Compliance Program is designed to ensure our workers and employees do the right thing and are a positive influence in the place we operate. It is designed to detect and prevent corruption and other unethical or illegal conduct in our Company – upholding the tenth principle of the United Nations Global Compact, to which we are signatories: “Businesses should work against corruption in all its forms, including extortion and bribery.”

Our anti-corruption commitment begins with the tone-at-the-top. In town-hall meetings and in-person trainings, our senior management regularly reinforce the message to our employees and third parties that corruption or other unethical conduct will not be tolerated, even where it could be helpful to the Company’s immediate business objectives.

The Board and Audit and Risk Committee oversee the Compliance Program through quarterly reporting on the program, key performance indicators, initiatives, and developments in the field by the Executive Vice President, General Counsel & Chief Compliance Officer. We cascade the Program throughout ContourGlobal by delivering training on our values, policies and procedures to our offices, plants and functions.

In 2017, we provided 25 in-person training sessions, including for new assets, in addition to targeted training for key new joiners. These sessions were supplemented by an online anti-corruption course that employees are required to take upon joining ContourGlobal and periodically thereafter. Translated into the ContourGlobal languages, it provides practical examples and vignettes so everyone can really understand how we expect them to behave.



OUR ANTI-CORRUPTION POLICY AND ITS ACCOMPANYING ANTI-CORRUPTION COMPLIANCE GUIDE ARE THE CORNERSTONES OF OUR PROGRAM.

In 2018, 1,091 employees recertified to our compliance policies with 1,016 employees completing online anti-corruption training.

Our Anti-Corruption Policy and its accompanying Anti-Corruption Compliance Guide are the cornerstones of our program. The Guide is a 60-page booklet distributed to all employees in all 16 ContourGlobal languages. It provides an overview of the Compliance Program, applicable laws, our expectations and employees’ responsibilities. Employees are required to sign the Guide soon after they join us and periodically thereafter, acknowledging that they have read, understood and agree to abide by it.

Moreover, we distribute the Guide to targeted third parties and require that they too sign it as part of our risk-based due diligence process. This ensures that our business partners understand our

expectations and that working with us means working according to our values.

Focusing on third parties

Managing third-party risks is a key element of our program. We do so according to our Policy for Engaging Suppliers and Third-Party Service Providers, which requires that all third parties, with the exception of certain low-risk suppliers, receive risk-based due diligence through the web-based Compliance Third-Party Intake Portal. Third parties must first be approved by Compliance before being engaged by ContourGlobal. In 2017, we analyzed over 2,600 third parties for corruption risk and this number increased to 3,087 in 2018.

Using the Portal, our Compliance team can conduct routine auditing, monitor third-party engagements and update due diligence when required. In 2017, we re-reviewed and conducted refreshed due diligence on legacy third parties engaged by the Company.

Preventing conflicts of interest

As part of our ongoing focus on ethical business, in 2017 and 2018, we looked at potential conflicts of interest between employees and service providers that we might engage. We are in the process of implementing additional controls to prevent conflicts, for example, bringing in independent assessors to make sure the best provider gets the work.

BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.

Reporting misconduct

We maintain a web and telephone-based reporting hotline that allows employees and third parties to report potential violations of Company policy or the law, including related to matters of financial reporting or controls. The reporting policy applies to all ContourGlobal employees and provides anonymous reporting, where permitted by local law.

The Audit and Risk Committee is responsible for monitoring any reports of misconduct, whether raised through the hotline, or to management, and how they are addressed through quarterly reporting by the General Counsel & Chief Compliance Officer. The Company's reporting policy is reviewed periodically by the Board. The Audit and Risk Committee believes that the policy and its oversight are effective, facilitate the proportionate and independent investigation of reported matters, and allow appropriate remedial measures to be taken.

Company-wide commitment

In line with our Company-wide commitment, we analyze social responsibility projects, acquisitions, joint ventures and new developments for corruption risk. We make sure appropriate due diligence is conducted before proceeding. For any transactions or joint ventures, we ensure new business is integrated into our Compliance Program and our controls are applied within an appropriate amount of time.

2017/2018 Anti-corruption

100%

Social responsibility projects analyzed for corruption risks

100%

Acquisitions, joint ventures, or new developments analyzed for corruption risks

100%

Suppliers who have signed the supplier code of conduct

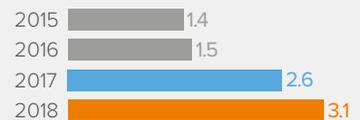
16

Languages the anti-corruption Compliance Guide has been translated into

2/2

Compliance audits performed

Third parties analyzed for corruption risks ('000)



In-person, anti-corruption training conducted



Human rights

We believe upholding human rights is not only fundamental to managing our business responsibly – it is also simply the right thing to do.

Our commitment

We are committed to upholding our responsibilities to people and the planet, and we support and respect the protection of internationally proclaimed human rights. Our commitment to human rights extends to all ContourGlobal employees and people working on our sites, as well as indigenous and non-indigenous peoples in our communities.

Our approach

We adhere to international standards in all places where we operate, including the principles contained within the United Nations Universal Declaration of Human Rights, the UNGC, and the United Nations Guiding Principles on Business and Human Rights.

Our commitment requires that we assess human rights risks at all our businesses and in our social investments, taking into consideration gender equality, repressive regimes, corruption and bribery, child labor, forced labor, indigenous peoples, non-discrimination, land management, Health and Safety, trade unions and working conditions.

We have carried out human rights training for leaders and are looking to broaden this training for the whole organization as part of our ongoing commitment to Company-wide learning and development.

Managing risks responsibly

Although the human rights risk profile is high for some countries where we operate, we manage these risks responsibly through our adoption of global standards, rigorous training, careful supplier selection, and contractual protection in service agreements.

Stakeholder engagement

Our Stakeholder Engagement Plans (SEPs) provide a framework for our businesses to engage and consult meaningfully with stakeholders. These plans help our businesses honor our commitments to stakeholders as well as gauge and mitigate risks.

The SEP identifies key stakeholders for our businesses and sets out commitments on engagement.

Additionally, the SEP identifies who is responsible for managing stakeholder relationships, including resolving issues raised by our stakeholders. Our businesses report on targets set in the SEP on a monthly basis and are held accountable for failures.

Where we identify issues or concerns, our commitment is to resolve them quickly and positively. Our grievance mechanism included in the SEP is broadly applied to all types of concerns including environmental, social, or labor. In 2017, we achieved our target of 100% of our businesses adopting an SEP, compared to 85% in 2016 and this % was maintained in 2018.

Commitment to communities

Communities are one of our key stakeholders and we seek to forge good relationships with them. We want to understand their needs, contribute positively and make sure communities can raise issues and concerns easily. To this end, we have a range of formal and informal ways to share information and engage with communities. In addition, our leaders are trained and expected to maintain community relations as part of their individual objectives.

Our commitment to our communities resulted in significant engagement and education hours logged by our businesses. We invested over 18,000 and 19,000 hours in community engagement activities in 2017 and 2018, respectively. In 2017, we spent over 10,000 hours educating our communities in topics such as Health and Safety, environmental impacts, and power plant operations. We increased this number in 2018 to 16,600 hours.

WE SPENT OVER 10,000 HOURS EDUCATING OUR COMMUNITIES IN TOPICS SUCH AS HEALTH AND SAFETY, ENVIRONMENTAL IMPACTS, AND POWER PLANT OPERATIONS.

Community education and engagement hours

Engagement (hours)

2015	8,800
2016	14,000
2017	18,000
2018	19,100

Education (hours)

2015	10,000
2016	12,000
2017	10,100
2018	16,600

Social grievances

We report all social incidents and grievances to our incident reporting system and they are shared with management on a monthly basis. In 2015, we had major construction activities in our wind farms in Brazil which impacted the communities living close to these sites leading to a higher number of grievances. We worked to address the communities' concerns and currently in Brazil the number of grievances reduced significantly. In 2017 we reported one social grievance, an 85% reduction on 2016.

	Reported	Resolved
2015	42	36
2016	7	7
2017	1	1
2018	4	4

Procurement and supply chain

We work closely with our suppliers to ensure that they meet our high standards and contribute to our sustainable business.



Our commitment

We are committed to honoring our contractual obligations with our suppliers and contractors, not just paying for goods and services that we receive. But as with all key areas of our business, we want to go further – sharing our best practices to promote responsible business activities throughout our supply chain. We believe this shared commitment to our business principles will build a greater positive impact and create value for our suppliers and contractors.

Managing our supply chain

Our suppliers and contractors sign our Supplier Code of Conduct, agreeing to adhere to our business standards and principles. Additionally, they receive a copy of our Supplier Guide to the United Nations Global Compact (UNGC). In the Guide, we provide a list of tools and resources to help our suppliers and contractors improve their own businesses, and we provide our internal policies upon request.

We make it clear that while we do not expect everyone we work with to have already implemented all the best practices related to the UNGC principles, we do require them to adhere to fundamental standards in our Supplier Code of Conduct.

Our engagement with suppliers and contractors begins with diligence and screening, including reference and reputational checks and acknowledgment of our Supplier Code of Conduct, before contract negotiations.

Engaging with suppliers

During a construction project, our engagement includes regular face-to-face meetings to assess the project schedule and budget and coordinate details of procurement and site management. One of the most important aspects of our engagement during this phase involves health, safety and the environment. It includes daily meetings with our contractors on Health and Safety procedures for planned activities and training on environmental issues. Once a power plant is operational, we continue to carefully assess the performance of our suppliers.

Encouraging local sourcing

Our suppliers play a critical role in our business and supporting local organizations promotes positive local economic impacts. We therefore encourage local sourcing as much as possible, measuring our progress in this initiative. By using key indicators for each business, such as the total amount of spending within its home location and the proportion of local spend compared with spend outside the local country, we can compare our year-on-year progress towards our goal.

Validating vendors

In 2017, we revalidated over 550 vendors and took over 2,600 suppliers through our due diligence process. This number increased to 3,087 in 2018.

Ever better across the supply chain

Looking forward, we are working on increasing our assessment of suppliers, with new and different KPIs for the supply chain. This is an area where we feel we can still add a lot of new value to the communities where we work, by helping other companies have higher standards. We are starting to roll out this phase two of our supply chain initiative, to build on what we already have and make it better. It will include more training for suppliers and more detailed assessments to help them identify where they can get better.

OUR SUPPLIERS PLAY A CRITICAL ROLE IN OUR BUSINESS AND SUPPORTING LOCAL ORGANIZATIONS PROMOTES POSITIVE LOCAL ECONOMIC IMPACTS.

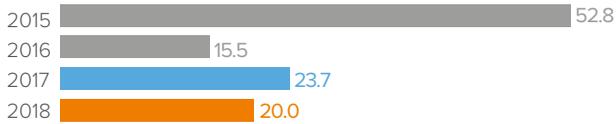
Global commitment; local spend

Below summarizes the extent of our local spend around the world:

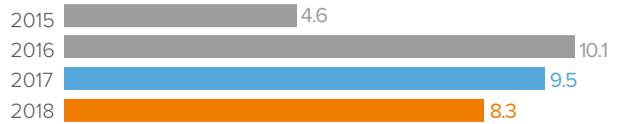
% spend on local suppliers as % of total global spend



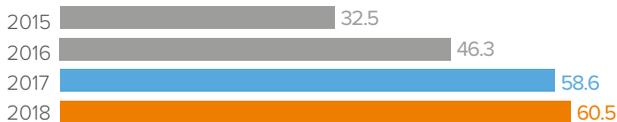
Latin America



Africa



Europe



Data for North America excluded as considered immaterial.

Our people

We have an incredibly talented and diverse group of people around the world who are committed to helping us grow and go far.

Our commitment

We place great emphasis on recruiting and retaining great people and developing their skills and capabilities around the world. We want everyone at ContourGlobal to excel and go far, so they can realize their own individual goals and also achieve more as part of a close-knit multinational team. To this end we focus on cultivating a very open and transparent work environment across ContourGlobal.

Working together to excel

Working hard without boundaries is a key ingredient of our culture and an essential element of our success. We adopt a team-oriented approach when working on projects, resolving issues, or generating new business ideas, and we recognize that although our colleagues might work in a different country, or a different time zone, seamless integration is critical.

Respecting and rewarding our people

We respect and reward our people for the great work they do and the difference they make. We are committed to establishing constructive relationships between employees and managers, viewing these relationships as a key component of our success. In our business with unions and collective bargaining, we value our relationships with worker representatives. We embrace fair hiring, employee rights, training, development and retention and a positive corporate culture, while adhering to all international labor standards and local labor laws.

OVER 95% AND 98% OF OUR EMPLOYEES PARTICIPATED IN OUR YEAR-END PERFORMANCE REVIEW IN 2017 AND 2018, RESPECTIVELY.

ContourGlobal entities covered by collective bargaining agreements

	2016	2017	2018
Yes	55%	55%	53%
No	45%	45%	47%

We have adopted policies and procedures, including our Code of Conduct and Business Ethics, to ensure employee rights are respected and these are aligned with our commitments to the UN Global Compact. In 2017 and 2018 respectively, we had 550 and 1,005 employees participating in collective bargaining agreements and we fully support our employees' right to do so.

Assessing performance

We assess the performance of our employees regularly, to both receive and provide feedback. This is especially crucial in a multinational workplace where integration is a priority and the global workforce must consistently adhere to our standards. Our performance review process helps us establish development objectives for our people and identify emerging leaders in the organization.

Our people review process has two phases – a mid-year and year-end review. The mid-year phase gives managers and employees opportunities to discuss progress toward annual goals and exchange views on performance. The year-end review is more structured and includes a review of annual objectives and a review of whether employees embrace ContourGlobal values and principles. The manager and employee also set objectives for the upcoming year, including performance development opportunities. Over 95% and 98% of employees participated in the performance appraisal processes in 2017 and 2018, respectively.



Our people *continued*

Employees by age range, gender and region

2017	Total		Africa		Americas		Europe	
	M	F	M	F	M	F	M	F
Under 30	167	63	25	10	32	19	110	34
30-50	890	262	165	16	114	38	611	208
Over 50	426	105	22	0	41	5	363	100
Total	1,483	430	212	26	187	62	1,084	342

2018	Total		Africa		Americas		Europe	
	M	F	M	F	M	F	M	F
Under 30	127	58	11	11	32	21	84	26
30-50	850	209	166	17	142	50	542	142
Over 50	282	31	20	0	43	6	219	25
Total	1,259	298	197	28	217	77	845	193

Joiners and leavers

We are reporting joiners and leavers in a new format in the table below. The table reflects employees joining and leaving as a result of acquisition and disposal of businesses.

	2016	2017	2018
Joiners	247	303	320
Leavers	188	247	676

Our diverse workforce

We have a very diverse group of people, representing 41 countries. It's one of our great strengths – the positive energy and fresh thinking that comes from different people all working together for the same shared end.

We hire people that possess strong technical skills but also fit in the organization culturally. While we emphasize hiring locally at our power plants and often implement robust training initiatives so that we can hire within a country rather than employ an expatriate, many of our offices are populated with many different nationalities intentionally to better serve the regional businesses. In the Vienna office for example, we have 15 different nationalities.

In 2017 and 2018, women represented 22.5% and 19.4% of our employees globally, respectively. The majority of our employees are aged 30-50.

Dealing with concerns

Our employees are encouraged to raise any labor concerns during the course of day-to-day conversations or during more formal processes such as performance reviews. However, employees can also use our formal grievance mechanism in the Stakeholder Engagement Plan, report concerns through our compliance hotline or employ legal remedies. In practice, most labor grievances with our employees are resolved through constructive dialogue.

Our managers and employees are trained to be aware of situations where work undertaken by us or our supply chain does not comply with our policies. Where labor practice issues in the supply chain are identified, our legal and human resources teams actively work with our contract managers to remedy the situation.

Diversity and equal opportunities

We are committed to building on our diverse workforce, ensuring equal opportunities for all and encouraging the close collaboration and appreciation of all.

Our multicultural workforce Employees by region

	2016	2017	2018
Africa	218	238	225
Americas	171	249	294
Europe	1,367	1,426	1,038

Board and senior management diversity

2017	Male	Female	Total
Board of Directors	6	1	7
Senior management	3	2	5
Total Company	1,483	430	1,913

2018	Male	Female	Total
Board of Directors	7	1	8
Senior management	4	5	9
Total Company	1,200	289	1,489





Learning and improving together

We are keen to encourage personal development, close collaboration and continuous improvement throughout ContourGlobal. One of the ways we do this is by enabling our people to participate in intercultural and cross-country exchanges, so they can broaden their experience and share best practices with colleagues around the world.

Exchanging skills and know-how

Through our Worker Exchange Program (WEP) for example, our people undertake limited duration assignments at another ContourGlobal site. Launched in 2012, the WEP enables participants to transfer their knowledge and provide expert support on a particular activity or a project under development. It is a great way to boost learning and cross-fertilize ideas for improvement.

The Program participants are required to follow and complete a pre-defined agenda, which is validated by both their direct manager and their tutor on the host site, with regular status follow-ups ensured by local HR representatives. On returning to their home country, participants usually become the best ambassadors of this unique exchange experience, sharing their experiences locally with their colleagues as well as providing constructive feedback to help us further improve the Program.

In 2017, 26 participants engaged in assignments in ten different countries. With a total duration of 487 working days spent outside of their normal function and usual location, each of the 26 participants dedicated on average 19 working days to exchange activities. In 2018, 14 exchanges were conducted with 466 working days.

We cannot expect our multinational teams to be fully integrated without a

comparable level of knowledge and information throughout the organization.

Careful recruiting

Our workplace is demanding and requires people that are involved, motivated, self-starters with a strong will to learn and develop. We seek out people who are experts in their function and have the capability to collaborate fluidly with other functions, other languages and other time zones. People with the right skills and potential who are also a good cultural fit. So we are particularly vigilant in the recruiting process to make certain we attract employees that are able to succeed in our fast-paced environment.

Rigorous onboarding

We also place great emphasis on integrating new employees into the ContourGlobal way of doing things. This is increasingly important as we continue to grow and take on more people. We have a comprehensive onboarding program, including giving new hires significant exposure to other employees throughout the organization and training that includes topics on anti-corruption and human rights. In 2017, we conducted onboarding training for 303 new employees.

We further strengthened our onboarding program in 2017 and the new approach will roll out in 2018. It has become longer and deeper, taking months rather than weeks and involving an extended group of people including new-hire sponsors to mentor recruits through the critical early days with ContourGlobal. We are a unique company and are committed to ensuring that everyone who joins us has the best start, so they are set well on their way to

WE ASSESS THE PERFORMANCE OF OUR EMPLOYEES REGULARLY, TO BOTH RECEIVE AND PROVIDE FEEDBACK.

making great contributions and having great success.

Ongoing training and development

We provide a broad range of training courses and development opportunities. Through 2017 and 2018, we carried out leadership and technical training for all our plant managers. We also undertook environmental training programs together with ongoing Health and Safety training.

In 2017, our managers and non-manager employees received an average of 19 hours of training per person and over 36,400 hours of training were recorded within our Learning Management System, Cornerstone. Some of our training programs addressed key compliance areas such as Health and Safety, anti-corruption, environmental protection, and other business subjects.

Total training hours per year

	Number of hours ('000)	Average training hours all employees
2017		
Manager	6.4	23.8
Non-managers	30.0	18.2
Total	36.4	19.0

	Number of hours ('000)	Average training hours all employees
2018		
Manager	4.9	63.3
Non-managers	79.2	190.5
Total	84.1	253.8



4

Principle

Enhance our operating environment

Relevant SDGs



Spotlight on
Worldwide



Ensuring safe driving

Following a number of incidents, we applied our 5Whys root cause analysis to learn and develop more stringent road safety policies and training.

It is a priority for us to ensure that any of our employees who drive either their own or Company vehicle are trained and drive safely. Over the last few years we have had a number of traffic incidents where fortunately the employees involved did not suffer major injuries.

These incidents were an alert that an improvement of our practices was needed. We performed root cause analysis for all of them, using the 5Whys methodology to learn and implement improvements going forward. As a result, our policies are more stringent and our employees receive frequent defensive drive training.

Our concern with safe driving goes beyond our own employees. In some communities where we operate, drivers do not always follow the traffic laws, putting themselves and others at risk. In our Chapada wind farm, for example, there are dirt roads crossing our site with local traffic. In 2016, one of our Chapada drivers collided with a fence when making a hard turn to avoid crashing into a motorcycle with two local teenagers that came from a dirt road at high speed and crossed his path.

Even before this incident, we had performed several awareness campaigns to improve the driving practices of local communities. Following the incident, our 5Whys analysis concluded that we needed to reinforce the campaigns.

We also carried out an educative blitz with the local authorities, stopping ContourGlobal drivers, contractors and residents to deliver educational materials and have quick talks about safe driving.

SINCE 2014, WE HAVE BEEN CONTINUOUSLY TRAINING OUR EMPLOYEES AND PROMOTING SAFE AWARENESS INITIATIVES FOR THE LOCAL COMMUNITIES. WE HAVE ON AVERAGE TWO INITIATIVES PER BUSINESS PER YEAR.

Introduction



“WE WANT TO MAKE THE ENVIRONMENTS WHERE WE OPERATE BETTER THAN WHEN WE STARTED. SO THAT WHEREVER WE ARE IN THE WORLD, PEOPLE, BUSINESSES AND COMMUNITIES GAIN FROM US BEING THERE.”

Quinto Di Ferdinando, Chief Operating Officer, Thermal Division

As well as operating our businesses to the highest standards, we also want to improve the regulatory, commercial and social environment we are in.

This is key to us having a positive impact in the communities and in the sites where we operate.

This core principle is essentially about looking beyond our immediate operations to the broader commercial world and the communities we live and work in. So, for example, we don't stop at developing, applying and improving on Health and Safety best practice within the confines of our plants. On the contrary, we actively look for ways to share this best practice with communities, regions and countries.

A great deal of openness and collaboration goes into living up to this principle. It is about working together to drive positive change. It involves strengthening institutions and the private sector, partnering with NGOs to provide

awareness on best practices, sharing our expertise and know-how with governments, associations and other interested parties where we do business.

Our approach is focused on long-term sustainable success. In Kosovo for example, we are set to undertake a massive investment with the government to build the reliable, affordable power plant the country needs to modernize and grow. This next generation source of power will also help create the foundation that will attract more inward investment, further fueling Kosovo's progress and success.

From Kosovo to Togo – we are proud to play such an active role in modernizing infrastructure, building capacity and increasing efficiency.

We support growth and pave the way for others to come and invest.

In more mature markets, such as Italy and Spain, we have the same commitment to enhancing our operating environment.

Key commitments

To enhance our operating environment, we:

- Promote sector development and laudable business practices by interacting with governments and civil societies where we do business.
- Advocate for transparent business practices and good governance.
- Work with government officials and their ministries to build a better electricity sector that serves society's needs.
- Build capability in emerging countries by providing specialized technical training.
- Educate our communities about energy efficiency and power safety.
- Establish strategic partnerships with governments, development organizations, and NGOs.

Enhancing our operating environment

We believe our role is broader than just electricity generation – we want to enhance and improve the sector.

Our commitment

We are committed to helping governments develop policy frameworks that will improve their generation profile, supporting communities where we work and sharing knowledge with others in the industry to change the sector for the better.

Specifically, we undertake initiatives to improve community Health and Safety, promote transparency and build capacity in the sector, particularly in the area of energy technology and efficiency.

Our commitment to enhance and improve the sector drives our performance so that we can be a model international investor when entering new markets. Our commitment also encourages us to form partnerships with governments, development organizations and NGOs to advance our principles.

Partnering around the world

In 2017 and 2018, we partnered with local schools and universities at many of our businesses to share information about power generation and its many emerging technologies. At Arrubal in Spain, our partnership with the La Rioja University extends to providing scholarships and externships for five engineering students, and at São Domingos and Galheiros in Brazil, we host students for an annual Environmental Week, providing workshops on environmental protection, giving youth the opportunity to learn about local vegetation, and plant seedlings at our plant site.

At our Chapada wind farm complex in Brazil, we partnered with our suppliers to host training for the local population to increase traffic safety awareness. We also provided safe driving training to our people, our contractors and subcontractors. Additionally, we provided workshops to local landowners on subjects of interest to them, including legal processes for land ownership and respecting environmental protection areas in the region.

Focusing on Africa

We focus a lot of attention on enhancing the operating environment in Africa and have successfully engaged with the government and private sector organizations to improve the electricity sector. In 2017 and 2018, we hosted workshops in Togo to share best practices and we are also working with other companies to partner in sustainability and social investment initiatives. We have also engaged in training initiatives in Senegal.

2017 and 2018 highlights

+19,000
+18,000

hours spent engaging the community

+US\$2.4m
+US\$1m

invested in social projects



Improving the local environment in a big way



Spotlight on
Peru

In Talara, Peru, we have been working with our partners to restore the ecosystem of the dry forest and promote human development – achieving big improvements over the years.

From 2014 to 2018 we have worked on a project to restore the ecosystem of the dry forest and promote human development in Talara, Peru. This project is the result of a partnership between ContourGlobal, NGO A Rocha Peru, and eight neighborhood councils of Ciudad Satélite de Talara.

The project has significantly improved the local environment, allowing the natural regeneration of the reforestation area and helping to recover the habitats of endangered species. Reflecting the success of the natural regeneration, over 300 different native flora have spontaneously grown. The population of birds and the presence of active nests have also increased.

We have also invested in environmental education. Our manual Children to the Rescue of the Dry Forest, for example, is being used by other environmental groups such as EcoSwell, a non-profit association that has an environmental project with children in Lobitos.

In 2017, the reforestation continued with the maintenance and irrigation of an area of 12 hectares including a mixed plantation of over 2,700 seedlings: 1,350 carob trees, 1,222 sapotes and 194 native plants.

Work included maintaining the irrigation system and continuous control of pests and diseases. We also continued research, including a number of bird-monitoring projects.

Our environmental education in 2017 included 90 talks or workshops equivalent to 195 hours, reaching 162 people. Three campaigns were also carried out. Other environmental

events benefited the students of two educational institutions, the I.E Felipe Santiago Salaverry and the I.E. Colonel Víctor Maldonado Begazo.

Training also included two experience exchange trips to private dry forest conservation areas: Cañoncillo in Pacasmayo, La Libertad and Chaparrí in Lambayeque. In addition, training was offered to 50 people on the use and management of products from the dry forest.

Building on our investment in communicating to increase awareness, we produced and distributed the fourth video of the project, called Harvesting Hope: Third Year.

Two regional events were held: an environmental forum in the civic center of Talara in June and a Regional Forestry Congress – I COREFOR, at the National University of Piura, in November. In addition, we participated in a national event at the SEL University in Lima in June.

Spotlight on avifauna

In the monitoring carried out in the reforestation area, 11 orders were registered, 20 families and 32 species. The gradual increase of the birds indicates the recovery of the ecosystem as a habitat for important avifauna. This year has seen an increase in both the population and reproduction of birds (presence of nests).

Spotlight on native and ornamental saplings

In the year, there have been 500 saplings of carob, 300 sapotes, 150 fruit trees and 300 ornamental plants.

Spotlight on natural regeneration in the reforestation area

We have registered 304 native plants that were born and grew spontaneously.

>2,700

seedlings planted in an area of 12 hectares





4

Working with governments

We believe our role is broader than just electricity generation – we want to enhance and improve the sector.

Innovative partnership

We are working in partnership with the Brazilian Development Bank (BNDES) and the United Nations Development Programme (UNDP) to promote dialogue, policy strengthening and alignment of strategies to achieve the UN Sustainable Development Goals (SDGs) in the State of Piauí, Brazil – home to the Chapada do Piauí wind complex.

The partnership aims to support the State of Piauí in its efforts to integrate the SDGs into state and municipal policies and initiatives and thus accelerate the achievement of these targets. The project is one of the first of its kind and will be a reference for similar initiatives in the future. The estimated investment is US\$780,000. In all, the Chapada do Piauí wind complex will invest more than US\$2.8m over the next two years in social projects in its neighboring communities.

Key objectives

The project seeks to achieve the following key results:

- Strengthen the sustainable development of the territories based on local priorities in line with the SDGs
- Consolidate the capacity of citizens to choose the direction of the development of their respective territories
- Foster sustainable territorial development projects based on the reach of SDGs
- Strengthen municipal management to leverage the development of the territory

Great opportunity

It is a great opportunity for us to help the State of Piauí to grow economically and socially while protecting the environment. We intend to make the most of our experience and learning in territorial development, social participation, sustainability and institutional capacity building to implement innovative processes for improving the outcomes of the project.

Collaborating to share and increase value

We generally sell electricity under long-term contracts to a single customer or a national grid and the electricity industry as a whole is highly regulated. As a result, we make commitments to governments, regulatory authorities and customers, including energy ministries, environmental authorities, Health and Safety agencies, governmental labor bodies, and key government officials.

The types of engagement we have with the public sector range from participating in senior level energy policy dialogue with presidents and ministers to discussing with local officials our performance and compliance with existing rules and regulations. We engage with our customers regularly about dispatch of our plants, supply and demand of electricity, pricing, and many other issues.

We recognize that in many of our communities, individuals and businesses pay a very high price for electricity. So we work with regulators, utilities and customers to provide lower cost and reliable electricity. In many cases, we have successfully negotiated with suppliers to pass on benefits to our customers to reduce their electricity costs. We also try to provide flexible pricing based on efficiency and dependability. This type of value sharing incentivizes both provider and purchaser to build sustainable power projects.

Participating in associations

We actively participate in several industry associations around the world.

Key memberships

We are members of a number of key organizations:

- ABEEólica (Brazilian Association of Wind Power)
- Abragel (Brazilian Association of Clean Energy)
- Apine (Brazilian Association of IPPs)
- Andeg (Asociacion Nacional de Empresas Generadoras)
- Andesco (Asociacion Nacional de Empresas de Servicios Publicos Y Comunicaciones)
- Association des Grandes Entreprises du Togo (AGET)
- American Chamber of Commerce in Bulgaria
- Austrian Wind Association (IG Windkraft)
- American Chamber of Commerce in Armenia (AmCham)
- Association of Ukrainian CHP plants)
- American Chamber of Commerce
- Armenian Committee of the World Energy Council (WEC)
- Bulgarian Network of UN Global Compact (BN UNGC)
- Bulgarian Donation Forum
- Bulgarian Association for People Management
- Bulgarian Branch Chamber of the Energetics
- Bulgarian Energy Chamber
- Commission to monitor the development (CAE)
- Corporate Council on Africa
- Caribbean Electric Utility Services Corporation (Carilec)
- COGEN – Brazilian Association of Energy Cogeneration Industry
- Comunidad Campesina Paján and Comunidad Campesina San Pedro Llorc Juntas Vecinales
- Slovakian Photovoltaic Association (AVES)
- Slovakian Photovoltaic Association (SAPI)
- US-Ukraine Business Council
- Ukrainian Energy Assembly
- United Nations Development Program (UNDP BR)
- United Nations Global Compact
- United States Energy Association
- West African Power Pool (WAPP)
- Wholesale Energy Market of Ukraine

WE SIT ON THE BOARD OF ABEEOLICA, THE WIND ASSOCIATION OF BRAZIL, WORKING TO PROMOTE IMPROVEMENTS TO THE ENERGY SECTOR REGULATIONS IN BRAZIL.



Responding to hurricanes in the Caribbean



Spotlight on Caribbean

When hurricane Irma struck Saint Martin in 2017 we were quick to restore vital power to the island and to help residents and businesses recover from the devastation.

Bringing energy back on line

On 6th September 2017, our Energies Saint Martin power plant was shut down due to hurricane Irma. The hurricane significantly damaged the island of Saint Martin including most of the electrical transmission lines, causing a general blackout. The grid was partially restored by 11th September. After tests performed on all the plant's engines, engines 2 and 3 were available from 11th September while engine 1 needed air compressor maintenance works and was available from 15th September. Our team concentrated on ensuring that the engines could support the energy needs of the island as soon as part of the grid was back available and connected to the plant.

Providing initial assistance

Just a few days after the hurricane struck, we were able to provide initial assistance – taking people and materials by boat from Guadeloupe to Saint Martin. The obstacles were tremendous, as the airport and shipping port were closed to commercial freight and the social situation was not easy. Back in Guadeloupe, we assisted the Red Cross in setting up a camp at the airport and providing food and supplies to refugees from Saint Martin.

Clearing and rebuilding

Three months later and Saint Martin was still slowly working to get back on its feet. The daunting task of clearing debris and rebuilding what was lost will likely take a long time to complete. We stepped in to help wherever we were needed most.

This included filling a 20-foot shipping container with water, non-perishable food, diapers, tarpaulins, holiday gifts for the kids and many other essential items. Thanks to the tireless work of the Caribbean team, everything came together flawlessly, on-schedule and on-budget! Help also came from Paris and Luxembourg, where our teams collected and wrapped children's gifts.

Clearing hurricane debris in the Réserve Naturelle

On 7th December, the ContourGlobal team met at Gallion Beach, a part of Saint Martin's Natural

Reserve. Approximately 15 volunteers, including three staff members from the reserve, helped to clear the beach, removing eight large truck loads of debris using tools purchased by ContourGlobal, and we were able to return a portion of the beach to its beautiful, natural state.

Distributing much-needed supplies

On 8th December, we supported a long-time partner, the local community organization, Watt de 9, in distributing supplies sent in our container. Together with the organization's leader Yeba Oyeniran and her team, we identified the residents most in need of food, water and basic supplies. We made several trips, packing cars full of goods and traveling to different neighborhoods to deliver essential items to thankful residents. We were able to distribute 2,500 bottles of water, 4,600 containers of food, 1,000 toiletry items, 140 packages of baby food and diapers and 240 boxes of mosquito repellent and many other goods.

2,500

water bottles distributed

4,600

food containers distributed

Investing in our communities

We are dedicated to making a positive impact for people, businesses and communities around the world.

Our commitment

We strive to contribute through our day-to-day operations and also through the social investment and support we provide to the communities we live and work in.

As good corporate citizens we engage both formally and informally with local communities, for example through public meetings and site visits. We expect all of our businesses to do some form of social investment or volunteering – a minimum of two projects a year. We are very proud of our social investment program. Our social projects are very well governed. They go through very strict reviews, including compliance and sustainability. The same rigor applies as a business investment.

In 2017 and 2018, we utilized our custom-designed Social Tracker, a tool on SharePoint that supports our Sustainability Committee's review and approval of our social projects and spend. Using the Social Tracker, social sponsors from our power plants submit social projects for approval. The Committee's assessment of the project (Approved, Rejected or Pending Information) is uploaded and the sponsor is automatically informed. During implementation, sponsors upload monthly progress information and reports automatically go through to the Sustainability Committee. In 2017, 96 projects were reviewed using the Social Tracker tool. In 2017, 93 social investment projects were reviewed in the Project Tracker and in 2018 this increased to 134 projects.

2017/2018 highlights

- Total of 84/120 social investment projects planned and completed
- 117/283 ContourGlobal employees dedicated to developing and executing social investment projects
- Total of over 475,000 beneficiaries
- Total investment exceeding \$1m/\$2.4m in social projects
- More than 100 different stakeholders engaged in all of our businesses locations
- Over 12,100/20,559 hours dedicated to social investment projects
- Over 2,300/2,800 hours dedicated to volunteering activities directed towards social causes

Our social investment strategy

Through our Social Investment Strategy, we invest in local communities for maximum impact. This is a fundamental part of living up to our ongoing drive not only to provide reliable and accessible electricity but also to promote economic growth and social well-being and to make the communities where we work better.

We focus our investment around five main themes: education, health and safety, environment, human rights and anti-corruption. This global strategy enables our businesses to select, implement and track specific projects that make a real difference locally while making the best use of our resources globally.

Rigorous social investment



IN 2017 AND 2018 WE INVESTED OVER \$3.3M IN SOCIAL PROJECTS.

 Social investment projects by region see page 34 of AR



Investing in the communities where we operate



Spotlight on
Worldwide

Helping hospitals in the Ukraine

In Kramatorsk, Ukraine, we have invested \$26,000 in donating much-needed medical equipment for two hospitals.

The Primary Health Care center will be able to ensure high quality sterilizing procedures for 37,000 patients annually. The City Hospital will be able to provide timely help to nearly 5,000 patients in surgical and maternity departments.

Investing in Health and Safety and education in Togo

In Togo we have undertaken a number of projects to help with Health and Safety and education.

We have, for example, supplied \$10,000 of medical material and laboratory equipment for Kanyicopé Health Center. This is helping to ensure the Center runs effective health care in the community for around 25,000 inhabitants.

We are also upgrading the teaching level and improving the learning conditions of around 6,000 students in the local communities of Nagbeni, Kanyicopé, Adamavo and Djata-Copé. This \$9,000 investment includes supplying school furniture and accessories.

In addition, we invested \$40,000 in constructing a school building at the Kanyicopé high school comprising two classrooms and a science practical laboratory room.

We also constructed an \$18,000 science practical laboratory room for Nagbeni high school – upgrading facilities for 1,600 students and 20 teachers.

Furthermore, we supplied \$33,000 of practical equipment and material to equip the new laboratories of the Kanyicopé and Nagbeni high schools with hands-on tools – essential to help improve learning for the students.

Further information

Materiality

Our 2017/2018 Annual Corporate Sustainability Report is our eighth report and highlights our sustainability initiatives for the 2017 and 2018 calendar years.

Our last report, issued in 2017 for the 2016 calendar year, presented our performance using the Global Reporting Initiative's (GRI) sustainability reporting guidelines including the GRI guidance on Defining Report Content. In this report, we have updated to the latest GRI guidelines to ensure transparency in reporting and consistency with other international organizations. We believe our report meets the Guidelines at the Core "In Accordance" level. Our GRI Content Index can be found at the end of this report. In this report we have continued to report aligned to the United Nations Sustainable Development Goals ("SDGs"). Our activities can be directly linked to most of the 17 SDGs (see page 13).

We did not seek external verification of our report for this reporting period as our 2014 report was externally verified and the key reporting procedures were followed to prepare this and our historic reports. We intend to seek external verification of future reports, particularly if our business changes or we modify reporting procedures. We report only on information controlled and collected by us, including information of ContourGlobal plc and its subsidiaries that are managed and controlled by ContourGlobal.¹ Where we do not control an entity, information is only reported when it is obtained through formal channels such as board reports and public information.

Our report includes information for all business operations unless otherwise noted in the report. ContourGlobal completed an IPO and listed on the London Stock Exchange in November 2017. We released our Annual Report and Accounts in April 2017 and 2018. The financial data presented in this report is based on our audited annual accounts, and our environmental data is a consolidation of our business level reporting, much of which is reported externally to environmental agencies. ContourGlobal does not report on the impacts of heat and electricity once these have been distributed. Our business level information, including energy and environmental data, is collected based on Company definitions and, where required, has been adjusted locally to ensure consistency.

During 2017 and 2018, we placed newly constructed businesses into operation. Our production data for these businesses is reported for the part of the year the assets were included in our portfolio. Environmental data for acquired businesses is reported for the full year as required by the Greenhouse Gas Protocol that stipulates that data should be updated retroactively. Businesses that have not reached commercial operations are reported separately and footnotes provide additional explanations. Our reported CO₂ emissions are based on fuel consumption. It should be noted that calculation methods differ from country to country and are stipulated by national legislation. Where calculations are not required, we have included estimates to ensure consistency, and we have included footnotes to explain the estimation methodology. The number of digits displayed in numbers reflects the accuracy of the data and rounding differences. All data was prepared consistently with 2016 and prior years, except where noted otherwise.

We welcome and encourage feedback about our report, which can be submitted to SustainabilityFeedback@ContourGlobal.com or by writing or visiting one of our offices, the locations of which can be found on our website at www.contourglobal.com.

Defining report content and aspect boundaries

Consistent with our commitments to transparency and integrity, our report covers all aspects of our performance, whether they are positive or negative. Specifically, we have included information on the following economic, environmental, and social aspects in our report:

Economic:

- Economic Performance
- Indirect Economic Impacts
- Procurement Practices

Environmental:

- Energy
- Water
- Biodiversity
- Emissions
- Effluents and Waste
- Compliance
- Supplier Assessment
- Environmental Grievance Mechanisms

Labor:

- Employment
- Labor/Management Relations
- Occupational Health and Safety
- Training and Education
- Diversity and Equal Opportunity
- Equal Remuneration for Women and Men
- Supplier Assessment for Labor Practices
- Labor Practices Grievance Mechanisms

Human rights:

- Investment
- Non-discrimination
- Freedoms of Association and Collective Bargaining
- Child Labor
- Forced or Compulsory Labor
- Security Practices
- Indigenous Rights Assessment
- Supplier Human Rights Assessment
- Human Rights Grievance Mechanism

¹ Prior to November 2017, we reported on information controlled and collected by ContourGlobal L.P. (Cayman Islands), ContourGlobal Management Inc. (Delaware), and subsidiaries managed and controlled by ContourGlobal.

Materiality
continued

Society:

- Local Communities
- Anti-Corruption
- Compliance
- Supplier Assessment for Impacts on Society
- Grievance Mechanisms for Impacts on Society

Additionally, we identified the following sector disclosures as material to our business:

- Installed capacity
- Net energy output
- Number of residential, industrial, institutional and commercial customer accounts
- Allocation of CO₂ emissions allowances, broken down by carbon trading framework
- Management approach to ensure short- and long-term electricity availability and reliability
- Policies and requirements regarding Health and Safety of employees and employees of contractors and subcontractors

- Approach to managing the impacts of displacement
- Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans
- Efficiency of thermal plants
- Health and Safety training
- Plant availability and power outage frequency and duration

In defining our report content, we conducted a materiality assessment of our issues, and selected information to include in the report based on this assessment.

We believe the information contained here openly shares our sustainability challenges, our opportunities, our results, and our hopes for the type of company we will be in the future.

We prioritized our reporting around these risks based on importance to our stakeholders and the significance of potential impacts. Using a rating system of high, medium and low, we identified the areas of coverage within the report, ensuring full coverage for issues that

are highly important to stakeholders or that might have a high impact on our economics, the environment, or society, considering both the likelihood and severity of the impact. We considered all possible reporting topics within the GRI Guidelines, sought external views, and reviewed reporting practices of other companies.

In light of our assessment, we have provided additional information on how we manage our sustainability issues and more clarity about how we are implementing our sustainability strategy in our 2017/2018 report.

Our impact boundaries mainly occur outside of our organization and impact the stakeholders identified in the Principles and Progress section of our report. Certain impacts such as Health and Safety, labor, anti-corruption and human rights occur both within and outside the organization.

Details of our aspect boundaries are included in the table of Specific Standard Disclosures on page 83 of the report.

Significance of impacts/importance of stakeholders

Significance of impact	High		Procurement Practices Water and Waste Training and Education Freedom of Association and Collective Bargaining	Health and Safety Capacity, Reliability and Efficiency Emissions and Biodiversity Compliance and Anti-Corruption
	Medium	Transport Product Responsibility Research and Development	Equal Remuneration Labor/Management Relations Skilled workforce Local Communities	Economic Performance Grievance mechanisms Labor & Human Rights
	Low	Market Presence Workforce Retirement Anti-competitive Behavior		
		Low	Medium	High
		Likelihood of impact		

GRI table

We reference both our 2017 and 2018 Annual Report (AR) and 2017/2018 Corporate Sustainability Report (CSR) in the GRI disclosure.

GRI Standard	Disclosure	Reference	Omissions/comments
GRI 101: Foundation 2016			
General Disclosures			
GRI 102:			
Organizational profile			
General Disclosures 2016	102-1 Name of the organization	CSR Introduction p1	–
	102-2 Activities, brands, products, and services	CSR Our business at a glance p2-9	–
	102-3 Location of headquarters	AR Financial statements p96 and 122	Whilst the business is domiciled in the UK and listed in London, there is no single headquarter. There are administrative offices spread out in different localities
	102-4 Location of operations	CSR Our business at a glance p2-5 CSR Our portfolio & assets p8-9	–
	102-5 Ownership and legal form	AR Corporate Governance Report p54, 56, 57, 80, 81 and 72-77 AR Financial statements p96, 98, 122 and 125-126	–
	102-6 Markets served	AR CEO's review p10-13 and 10-15 AR A strategy for growth p18-19 and 30-33 CSR business highlights p22-23 and 24-25	–
	102-7 Scale of the organization	CSR At a Glance p2-3	–
	102-8 Information on employees and other workers	CSR Our people p69-71	–
	102-9 Supply chain	CSR Procurement and supply chain p67-68	–
	102-10 Significant changes to the organization and its supply chain	AR Focusing on our operations p29-31 and 42-53 CSR Business Highlights p22-23 and 24-25 CSR Grow well p48-55	–
	102-11 Precautionary Principle or approach	AR Principal risks p40-47 and 60-67 CSR Further information p82-90	–
	102-12 External initiatives	CSR Supporting the sustainable development goals p15 CSR Managing our environmental impact p40 CSR Procurement and supply chain p67 CSR Enhancing our operating environment p72-81	–
	102-13 Membership of associations	CSR Participating in associations p78	–
Strategy			
102-14 Statement from senior decision-maker	CSR Letter from our CEO p16-21	–	
102-15 Key impacts, risks, and opportunities	AR Principal risks p40-47 and 60-67 CSR Meeting the need for reliable energy around the world p12-13 CSR Supporting the UN Sustainable Development Goals p15	–	
Ethics and integrity			
102-16 Values, principles, standards, and norms of behavior	CSR Our values and principles p10-11	–	
102-17 Mechanisms for advice and concerns about ethics	AR Principal risks p45 and 66 CSR Operating responsibly p50 CSR Ethical conduct p64-65	–	
Governance			
102-18 Governance structure	AR Governance p50-83 and 70-107 CSR Our way of governing p62-63	–	
102-19 Delegating authority	AR Key Board roles and responsibilities p56 and 74-75 CSR Our way of governing p62-63	–	
102-20 Executive-level responsibility for economic, environmental topics	AR Key committees and Board committees p54-55 and 73	We have executives who have responsibility for economic, environmental and social topics and they are held accountable by the Board	
102-21 Consulting stakeholders on economic, environmental, and social topics	CSR Human rights p66	–	
102-22 Composition of the highest governance body and its committees	AR Governance p50-83 and 70-107 CSR Our way of governing p62-63	–	
102-23 Chair of the highest governance body	AR Governance p50-59 and 70-77 AR Chairman's statement p8-9 and 8-9	–	
102-24 Nominating and selecting the highest governance body	AR Governance p50-59 and 70-77	–	
102-25 Conflicts of interest	AR Conflicts of interest p58 and 76 CSR Preventing conflicts of interest p65	–	
102-26 Role of highest governance body in setting purpose, values and strategy	AR Governance p55 and 73-74	–	
102-27 Collective knowledge of highest governance body	AR Corporate Governance Report p56, 58 and 75-76	–	
102-28 Evaluating the highest governance body's performance	AR Evaluation and effectiveness p58 and 76	–	
102-29 Identifying and managing economic, environmental and social impacts	CSR Stakeholder engagement p66 CSR Materiality p83-84	–	
102-30 Effectiveness of risk management processes	AR Principal risks p40-47 and 60-67	–	
102-31 Review of economic, environmental, and social topics	AR Board process p58 and 75	–	

GRI table
continued

GRI Standard	Disclosure	Reference	Omissions/comments
	102-32 Highest governance body's role in sustainability reporting	CSR Our way of governing p62-63	–
	102-33 Communicating critical concerns	AR Board process and Information and support p58 and 77	–
	102-34 Nature and total number of critical concerns	–	We do not disclose the number or nature of our critical concerns at this time
	102-35 Remuneration policies	AR Annual statement from the Chair of the Remuneration committee p65-73 and 86-87 AR Annual report on remuneration p74-78 and 88-103	–
	102-36 Process for determining remuneration	AR Annual statement from the Chair of the Remuneration committee p65-73, 88 and 100-103 AR Annual report on remuneration p74-78 and 90-99	–
	102-37 Stakeholders' involvement in remuneration	AR Annual statement from the Chair of the Remuneration committee p65-73 and 86-87 AR Annual report on remuneration p74-78 and 90-99	–
	102-38 Annual total compensation ratio	AR single total figures of remuneration p91	We do not publicly disclose our total compensation ratio
	102-39 Percentage increase in annual total compensation ratio	AR single total figures of remuneration p91	We do not publicly disclose our total compensation ratio
	Stakeholder engagement		
	102-40 List of stakeholder groups	AR Business model p17 and 24-25	–
	102-41 Collective bargaining agreements	CSR Our people p69-71	–
	102-42 Identifying and selecting stakeholders	CSR Human rights p66	–
	102-43 Approach to stakeholder engagement	CSR Human rights p66	–
	102-44 Key topics and concerns raised	CSR Human rights p66	–
	Reporting practice		
	102-45 Entities included in the consolidated financial statements	AR Group undertakings p129-134 and 166-171	–
	102-46 Defining report content and topic Boundaries	CSR Further information p83-84	–
	102-47 List of material topics	CSR Materiality p83-84	–
	102-48 Restatements of information	–	All restatements of prior year data are disclosed in footnotes
	102-49 Changes in reporting	–	We are not reporting any significant changes in the scope and boundaries of the report
	102-50 Reporting period	1 January 2017 to 31 December 2018	–
	102-51 Date of most recent report	CSR Further information p83	–
	102-52 Reporting cycle	CSR Further information p83	–
	102-53 Contact point for questions regarding the report	CSR Contact details p83	–
	102-54 Claims of reporting in accordance with the GRI Standards	CSR GRI Table p85-90	–
	102-55 GRI content index	CSR Materiality p83-84	–
	102-56 External assurance	CSR Further information p83	–
	Material topic: Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Operate safely and efficiently p26-36	–
	103-2 The management approach and its components	CSR Operate safely and efficiently p26-36	–
	103-3 Evaluation of the management approach	AR Principal risks p44, 60 and 65 CSR Operate safely and efficiently p26-36	–
GRI 403: Occupational Health and Safety	403-1 Occupational Health and Safety management system	AR Ensuring Health and Safety p23-28 AR Improving Health and Safety p38-39 CSR Operate safely and efficiently p26-36	–
	403-2 Hazard identification, risk assessment, and incident investigation	AR Ensuring Health and Safety p23-28 AR Improving Health and Safety p38-39 CSR Operate safely and efficiently p26-36	–
	403-3 Occupational health services	AR Ensuring Health and Safety p23-28 AR Improving Health and Safety p38-39 AR Principal risks p41, 44, 61 and 65 CSR Operate safely and efficiently p26-36 CSR Our way of governing p62-63 CSR Our people p69-71	–
	403-4 Worker participation, consultation, and communication on occupational Health and Safety	AR Principal risks p44 and 65 CSR Operate safely and efficiently p26-36	–
	403-5 Worker training on occupational Health and Safety	AR Training p24, 36 and 65 CSR Training p33	–
	403-6 Promotion of worker health	–	We do not currently disclose information on the promotion of worker health
	403-7 Prevention and mitigation of occupational Health and Safety impacts directly linked by business relationships	AR Principal risks p44 and 65 CSR Operate safely and efficiently p26-36	–

GRI Standard	Disclosure	Reference	Omissions/comments
	403-8 Workers covered by an occupational Health and Safety management system	–	We do not publish statistics on the percentage of employees covered by a H&S system, but our AR Principal risk section on p44 does discuss the alignment of our system to international standards
	403-9 Work-related injuries	CSR Health and safety p30-36	–
	403-10 Work-related ill health	AR Health and Safety p24-27 and 38-39 CSR Health and safety p30-36	–
Material topic: Capacity, Reliability, and Efficiency			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Grow well p48-55	–
	103-2 The management approach and its components	CSR Grow well p48-55	–
	103-3 Evaluation of the management approach	AR Principal risks p40-46 and 60-67 CSR Grow well p48-55	–
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	AR Financial and operating highlights p1 and 1 AR KPIs p20 and 36-37 AR Financial review p36-39 and 56-59 AR Financial statements p86-145 and 110-179	–
	201-2 Financial implications and other risks and opportunities due to climate change	–	Whilst we recognize the impact climate change will have on the business we do not currently disclose information on the financial implications on our business
	201-3 Defined benefit plan obligations and other retirement plans	AR Financial statements p72, 92, 108, 112, 88, 118, 141-142 and 145	–
	201-4 Financial assistance received from government	AR Financial statements p95, 102, 106, 116, 126, 145, 121, 124, 127, 151 and 161	–
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	AR Strategy for growth p18-19 and 30-33 AR Focusing on operations p29-31 and 42-53 CSR Grow well p48-55	–
	203-2 Significant indirect economic impacts	CSR Key sustainability trends p12-13	Whilst we recognize that we have an indirect economic impact we do not disclose this at this time. As we develop our reporting aligned to no SOGs we will disclose our impact in more detail
Material topic: Emissions and Biodiversity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Environment p39-47	–
	103-2 The management approach and its components	CSR Environment p39-47	–
	103-3 Evaluation of the management approach	AR Principal risks p44 and 65 CSR Environment p39-47	–
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	–	We do not collate this information centrally and therefore cannot disclose it at this time
	304-2 Significant impacts of activities, products, and services on biodiversity	CSR Biodiversity p46	Each business has its programs and manages its biodiversity according to the characteristics of each environment where it operates.
	304-3 Habitats protected or restored	CSR Biodiversity p46	–
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	–	We do not collate this information centrally and therefore cannot disclose it at this time
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	CSR Carbon footprint p42	–
	305-2 Energy indirect (Scope 2) GHG emissions	CSR Carbon footprint p42	–
	305-3 Other indirect (Scope 3) GHG emissions	–	We do not currently collate this information
	305-4 GHG emissions intensity	CSR Carbon footprint p42	–
	305-5 Reduction of GHG emissions	CSR Carbon footprint p42	–
	305-6 Emissions of ozone-depleting substances (ODS)	–	We do not currently collate this information
	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	CSR Air emissions p43	–
Material topic: Compliance and Anti-Corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	AR Acting with integrity p59, 60 and 77 CSR Ethical conduct p64-65	–
	103-2 The management approach and its components	AR Acting with integrity p59, 60 and 77 CSR Ethical conduct p64-65	–
	103-3 Evaluation of the management approach	AR Acting with integrity p59, 60 and 77 AR Principal risks p45 and 66 CSR Ethical conduct p64-65	–

GRI table
continued

GRI Standard	Disclosure	Reference	Omissions/comments
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	AR Acting with integrity p59, 60 and 77 AR Principal risks p45 and 66 CSR Ethical conduct p64-65	–
	205-2 Communication and training about anti-corruption policies and procedures	AR Acting with integrity p59, 60 and 77 AR Principal risks p45 and 66 CSR Ethical conduct p64-65	–
	205-3 Confirmed incidents of corruption and actions taken	–	We have had no confirmed incidents of corruption and therefore have also not reported actions taken
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	–	We have had no legal actions in 2017
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	CSR Managing our environmental impact p32 CSR Spills and grievances p47	–
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	–	We have had no non-compliance issues in 2017
Material topic: Procurement Practices			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Procurement and supply chain p67-68	–
	103-2 The management approach and its components	CSR Procurement and supply chain p67-68	–
	103-3 Evaluation of the management approach	AR Principal risks p45 and 66 CSR Procurement and supply chain p67-68	–
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	CSR Procurement and supply chain p67-68	–
Material topic: Water and Waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Water p44 CSR Waste p45	–
	103-2 The management approach and its components	CSR Water p44 CSR Waste p45	–
	103-3 Evaluation of the management approach	AR Principal risks p44 and 65 CSR Water p44 CSR Waste p45	–
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	CSR Our environmental strategy p31-32 CSR Water p44	–
	303-2 Management of water discharge-related impacts	CSR Water p44	–
	303-3 Water withdrawal	CSR Environment p31 CSR Water p44	–
	303-4 Water discharge	CSR Water p44	We do not disclose quality of final water of whether it was reused by other organizations
	303-5 Water consumption	CSR Water p44	–
GRI 306: Effluents and Waste	306-1 Water discharge by quality and destination	CSR Water p44	–
	306-2 Waste by type and disposal method	CSR Water p44 CSR Waste p45	–
	306-3 Significant spills	CSR Spills and grievances p47	We disclose number of spills but not volume, site or material of spill
	306-4 Transport of hazardous waste	–	We do not disclose transport of waste
	306-5 Water bodies affected by water discharges and/or runoff	–	No information available in the report, but possible to be found in the environmental management documents of each business
Material topic: Training and Education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Our people p69-71	–
	103-2 The management approach and its components	CSR Our people p69-71	–
	103-3 Evaluation of the management approach	AR Principal risks p46 and 67 CSR Our people p69-71	–
GRI 404: Training and Education	404-1 Average hours of training per year per employee	CSR Our people p70	–
	404-2 Programs for upgrading employee skills and transition assistance programs	CSR Learning and improving together p70 CSR Ongoing training and development p70	–
	404-3 Percentage of employees receiving regular performance and career development reviews	CSR Assessing performance p69	–
Material topic: Freedom of Association and Collective Bargaining			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Our people p69 CSR Materiality p83-84	–
	103-2 The management approach and its components	CSR Our people p69 CSR Materiality p83-84	–
	103-3 Evaluation of the management approach	AR Principal risks p45 and 66 CSR Our people p69	–

GRI Standard	Disclosure	Reference	Omissions/comments
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	–	Where we consider the right to freedom of association and collective bargaining to be at risk we work with our employees to ensure other methods are in place for them to manage the risk
Material topic: Economic Performance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	AR Financial review p36-39 and 56-59	–
	103-2 The management approach and its components	AR Financial review p36-39 and 56-59	–
	103-3 Evaluation of the management approach	AR Audit and risk committee p61-64 and 80-85	–
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	AR Financial review p36-39 and 56-59 AR Financial statements p86-145 and 110-179	–
	201-2 Financial implications and other risks and opportunities due to climate change	–	We do not currently collate this information
	201-3 Defined benefit plan obligations and other retirement plans	AR Financial statements p72, 92, 108, 112, 88, 118, 141-142 and 145	–
	201-4 Financial assistance received from government	AR Financial statements p95, 102, 106, 116, 126, 145, 121, 124, 127, 151 and 161	–
Material topic: Grievance Mechanisms			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Ethical conduct p64-65 CSR Human Rights p66	–
	103-2 The management approach and its components	CSR Ethical conduct p64-65 CSR Human Rights p66	–
	103-3 Evaluation of the management approach	AR Principal risks p45 and 66 CSR Ethical conduct p64-65 CSR Human Rights p66	–
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	CSR Spills and grievances p47 CSR Human rights p66	–
Material topic: Labor and Human Rights			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	AR Our people p33 AR Our business model p24 and Being responsible p54 CSR Human rights p66 CSR Our people p69-71	–
	103-2 The management approach and its components	AR Our people p33 AR Our business model p24 and Being responsible p54 CSR Human rights p66 CSR Our people p69-71	–
	103-3 Evaluation of the management approach	AR Our people p33 AR Principal risks p46 and 67 CSR Human rights p66 CSR Our people p69-71	–
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	–	We do not collate this information centrally and therefore cannot disclose it at this time
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	–	We do not disclose the number of assessments that we undertake at this time
	412-2 Employee training on human rights policies or procedures	CSR Human rights p66 CSR Our people p69-71	–
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	–	Information not available at this level of detail
Material topic: Equal Remuneration			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	AR Nomination Committee p58 and 78-79 CSR Our people p69-71	–
	103-2 The management approach and its components	CSR Our people p69-71	–
	103-3 Evaluation of the management approach	AR Principal risks p46 and 67 CSR Our people p69-71	–
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	AR Developing our people p33 AR Nomination Committee p79 AR Report of the nomination committee p58 and 78-79 CSR Our people p70	–
	405-2 Ratio of basic salary and remuneration of women to men	–	We do not calculate the ratio at this time
Material topic: Labor/Management Relations			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	CSR Human rights p66 CSR Procurement and supply chain p67-69	–
	103-2 The management approach and its components	AR Principal risks p40-47 and 60-67 CSR Human rights p66 CSR Procurement and supply chain p67-69	–
	103-3 Evaluation of the management approach	AR Principal risks p40-47 and 60-67 CSR Human rights p66	–

GRI table
continued

GRI Standard	Disclosure	Reference	Omissions/comments
GRI 402: Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	–	We do not currently publicly disclose this information
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	–	We do not currently publicly disclose this information
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	–	We do not currently publicly disclose this information
Material topic: Skilled Workforce			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	AR Our people p33 AR Principal risk p46 and 67 CSR Our People p69-71	–
	103-2 The management approach and its components	AR Our people p33 AR Principal risk p46 and 67 CSR Our People p69-71	–
	103-3 Evaluation of the management approach	AR Our people p33 AR Principal risk p46 and 67 CSR Our People p69-71	–
GRI 404: Training and Education	404-1 Average hours of training per year per employee	AR Business review p24 and 37 CSR Ongoing training and development p71	–
	404-2 Programs for upgrading employee skills and transition assistance programs	CSR Ongoing training and development p71	–
	404-3 Percentage of employees receiving regular performance and career development reviews	CSR Assessing performance p69	–
Material topic: Local Communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	AR Supporting local communities p34-35 AR Enhancing our operating environment p22-23 CSR Human rights p66 CSR Investing in our communities p80-81	–
	103-2 The management approach and its components	AR Supporting local communities p34-35 AR Enhancing our operating environment p22-23 CSR Human rights p66 CSR Investing in our communities p80-81	–
	103-3 Evaluation of the management approach	AR Supporting local communities p34-35 AR Enhancing our operating environment p22-23 CSR Human rights p66 CSR Investing in our communities p80-81	–
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	CSR Ethical conduct p64-65 CSR Human Rights p66 CSR Investing in our communities p80-81	–
	413-2 Operations with significant actual and potential negative impacts on local communities	–	–



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