

AFRICA50

2023 SUSTAINABILITY REPORT

The Power to Transform







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Africa50

A strategic partner in catalyzing infrastructure development for a sustainable future



There has been tremendous progress over the last 15 years, but there is still much to do to close Africa's infrastructure gap and ensure the continent realizes its true potential. Access to affordable, reliable, and sustainable energy is a significant constraint to economic and social development for too many. According to the AfDB, close to US\$50bn of investment is required annually to improve transportation links and between US\$4bn to US\$7bn each year to increase internet penetration and deliver cheaper data.

The achievement and implementation of the UN Sustainable Development Goals by 2030 has seen mixed results across the continent owing to multiple factors including, political instability, global pandemics and a generally challenging macroeconomic environment. As Africa50, we have committed to being a part of the solution in delivering on specific SDGs for the benefit of the African continent as we deliver on our mandate of bridging the infrastructure gap.

There is significant capital available both globally and on the continent to bring about the required transformation, but a woeful amount is directed to infrastructure. In Africa alone, the African Development Bank estimates that there is US\$2.3 trillion of assets under management by pension funds, asset managers and insurance companies, however a negligible amount is directed towards infrastructure. The IEA has estimated that only 2% of clean energy financing is directed to Africa although it has 20% of the world's population and 60% of

the world's renewable energy resources. Several factors are attributed to the limited investment in infrastructure, including perception of risk, regulatory environment, protracted licensing requirements and limited funding and skills directed to project development. We believe this is where Africa50 can make the greatest impact, bringing together the requisite resources and skills to drive the development of projects to bankability.

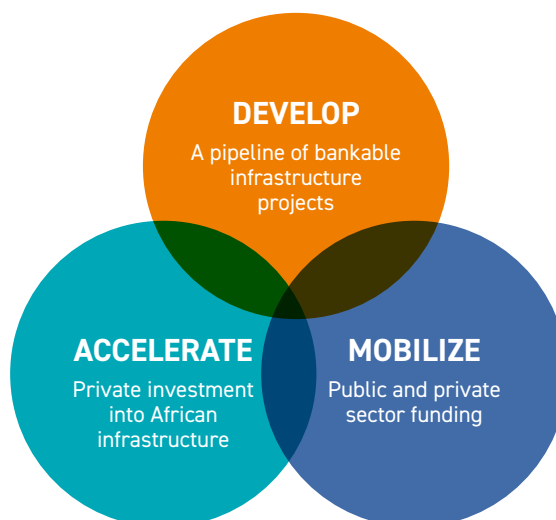
Africa50 was established by African governments and the African Development Bank to help bridge Africa's infrastructure funding gap by facilitating project development and mobilizing public and private sector finance to invest in infrastructure across the continent. We focus on medium to large scale projects, typically with a project value of over US\$100 million, that have a significant development impact, can be delivered sustainably, and provide the risk adjusted returns investors expect.

With our shareholders we work to accelerate the delivery of critical infrastructure projects by championing Public Private Partnerships. Our vision is to be the partner of choice for governments and private investors looking to reshape the continent and to positively impact the lives of millions of Africans. This report explains our approach to establishing and measuring that impact, our approach to sustainability and the integration of ESG throughout our business and our operations. Importantly, it demonstrates the success we have achieved as an organization together with our stakeholders.



The funds are available and the appetite to invest is there, but obstacles remain. We believe this is where Africa50 can make the greatest impact.

Our strategic pillars



Opposite: Women supported through Nachtigal's CSR program





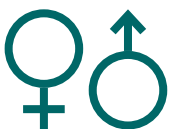
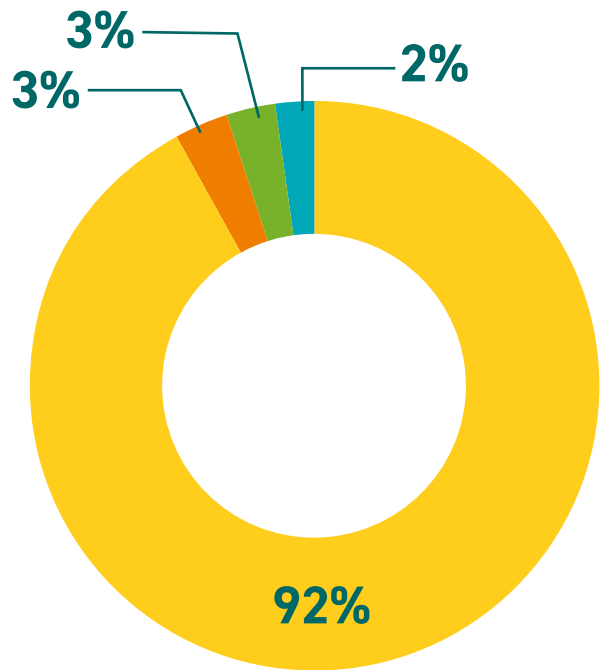
Our people are at the heart of executing on our mandate



OUR PEOPLE

As an African organization, we are proud to employ mostly young African professionals.

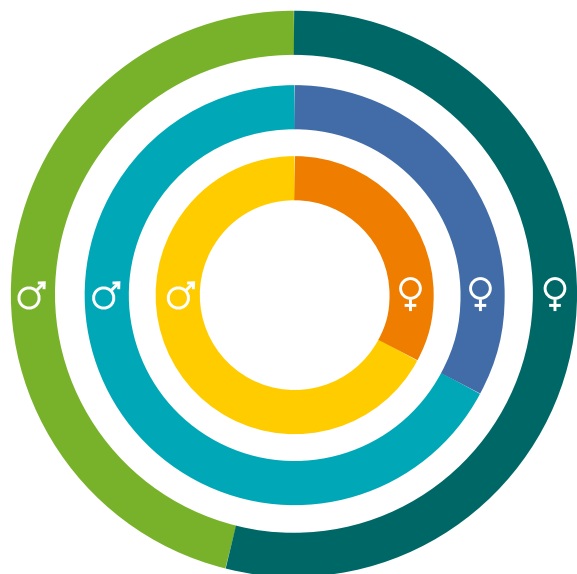
- Africa
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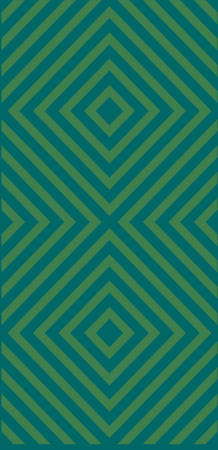
GENDER

We are committed to promoting gender equality across all levels of our organization.

- | FEMALE | MALE | |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 53% | 47% | Gender across organization |
| 33% | 67% | Gender in management |
| 33% | 67% | Gender at board level |



Opposite: Africa50 team member during an offsite



Through our projects, we are realizing real impact across the continent



- **ZEEPAY** Provider of digital remittance termination and ancillary mobile financial services, Ghana
- **AFRICA HEALTHCARE NETWORK** Provider of care for those with chronic kidney disease across East Africa (Tanzania, Kenya, Rwanda)
- **EAST2WEST** Mix of greenfield and brownfield terrestrial fibre optic cables across several African countries
- **SENEGAMBIA BRIDGE** A 942 m long road connecting The Gambia to Senegal
- **NACHTIGAL** 420MW hydroelectric plant in under construction in Cameroon*
- **KIGALI INNOVATION CITY** ICT Technopark in Rwanda*
- **HOLGED** K-12 (kindergarten, primary and secondary) education platform that caters to several market segments in Morocco / Tunisia
- **SCANNING SYSTEMS** Company specializing in the design, financing and implementation of One-Stop Joint Boarder Posts in Ivory Coast
- **PAIX** A regional platform of modern co- location data centers in Kenya and Ghana
- **POA! INTERNET** Internet service provider targeting widespread deployment of affordable, unlimited high speed broadband connection in Kenya
- **VOLOBE** 120MW greenfield hydroelectric plant under development in Madagascar
- **AZURA EDO** 461MW thermal power generation plant in Nigeria
- **BENBAN** 400MW DC from 6 greenfield solar power plants in Egypt
- **TWO CONGO BRIDGE** bridge linking the two capital cities of Brazzaville and Kinshasa*
- **BOUTILIMIT HIGHWAY PROJECT** in Mauritania
- **ROOM2RUN** Credit risk transfer of a Pan- African portfolio of AfDB infrastructure and other private sector loans
- **TWO TRANSMISSION LINE PPPS** in Kenya, totaling approximately 230 kilometers*
- **MPG (MELEC POWERGEN)** 115MW Combined-cycle HFO power plant convertible to gas in Senegal
- **MALICOUNDA** 120MW thermal power plant conversion from HFO to gas in Senegal*
- **CENTRAL TÉRMICA DE RESSANO GARCIA (CTRG)** 175MW gas-fired power plant in Mozambique
- **TAQA** platform for gas transport and distribution across Africa – partnership signed around the Dar-es-Salam gas distribution network project and a mini-LNG distribution project in Tanzania



PORTFOLIO ADDITIONS IN 2023



OUR INVESTMENTS BEFORE 2023



Zeepay Service Point, Accra, Ghana

Zeepay is a fast-growing payment infrastructure company with a footprint in more than 20 countries globally. Since its inception in 2014, Zeepay has specialized in facilitating the instant settlement of remittances into mobile money wallets in Africa and the Caribbean on behalf of leading international money transfer organizations (MTOs). Last year, the company settled over 10 million remittance transactions worth over US\$3 billion in value.



Zeepay provide a local, affordable, secure, and convenient money transfer solution for the industrious African diaspora. Africa50 is delighted to be partnering with Zeepay to support its leading role in the digital payments infrastructure space on the African continent and beyond.

Raza Hasnani, Managing Director and Head of Infrastructure Investments, Africa50

Our impact at a glance

OUR ACTIVITIES

25 African countries where our projects are active

34 shareholders

US\$7.9bn

total project value across portfolio (including exits)



TRANSFORMING THE DIGITAL ECONOMY

39,100 customers connected to the internet

0.8MW data storage capacity



TRANSFORMING ENERGY ACCESS

1,671MW total energy generation capacity installed

15% clean energy generated

30.5m people provided with electricity



TRANSFORMING ACCESS TO AFFORDABLE, HIGH QUALITY HEALTHCARE

45 dialysis clinics across 3 countries

+ 150,000 treatment sessions administered



TRANSFORMING ACCESS TO EDUCATION

17,176 students

19 schools

PROJECT DEVELOPMENT

237km of transmission lines under development

138.5km of road infrastructure under development

120MW of renewable energy projects under development

16,582km of terrestrial fibre under development

TRANSFORMING MOBILITY OF PEOPLE, GOODS AND SERVICES

463,760 people completed border formalities

310,000 vehicles completed border formalities

3 hrs average processing time



EMPLOYMENT ACROSS PORTFOLIO

5,081 jobs supported

93% local

26% female

A message from the CEO





Alain Ebobissé
CEO of Africa50

The past year for Africa50 was one of growth amid volatility. Despite the political instability in some of our countries of operation and the challenging macro-economic environment triggered by currency volatility and heightened inflation, we continued to deliver on our core mandate as a leading African infrastructure investor whose purpose includes driving transformational impact to help achieve the African Union Agenda 2063 and United Nations Sustainable Development Goals.

As an organization, the past year saw us deepen our focus on implementing innovative financing solutions for our shareholders, diversifying our sector exposure into healthcare and education, and partner with management teams to deliver value addition strategies for our portfolio companies in order to achieve our double bottom line goal of impact and returns.

We began 2023 with His Excellency President Macky Sall of Senegal inaugurating the 120MW HFO convertible to gas power plant in Malicounda. For Africa50, Malicounda exemplifies the full capabilities and agility of our organization. Africa50 was there from inception to completion, bringing together strategic partners from the public and private sectors to develop, fund and deliver a landmark project that has increased Senegal’s electricity generation capacity by 8% while substantially reducing generation costs and supporting Senegal’s energy transition towards cleaner, low emission power.

Still on powering the continent, the Nachtigal Hydropower plant in Cameroon achieved significant milestones in 2023. Almost all of the construction work, along with the transmission line to transport the energy to be generated was completed and the dam reservoir was filled with water and tested.

Opposite: Engineer at Nachtigal Hydropower Plant

Also early in 2023, we concluded the fundraising for Holged, Holding Générale d’Education, an education group, providing K – 12 education for children in Morocco and Tunisia. Holged has built a reputation for excellence, with high-quality teaching for more than 16,000 primary and secondary school students across 19 campuses. Africa50 was pleased to take an equity stake in Holged helping to finance the company’s growth plans to boost educational access across Africa, a critical need for our continent which has the youngest population in the world.

Continuing on the theme of social infrastructure, we made our first investment into healthcare. Whilst the healthcare



In a historic first for Africa, December 29th saw the culmination of an “Africa first strategy” which brought the participation of 16 African institutional investors into a new Africa50 vehicle to finance African infrastructure.



landscape in Africa has been improving, there is still much to be done to ensure everyone has access to the affordable care they need. New technologies and innovation bring new hope, and a good example of this is Africa Healthcare Network. Working in partnership with hospitals across East Africa, Africa Healthcare Network builds and operates world class kidney care and dialysis clinics. Africa50 led an equity fundraising round of US\$20m for the company, which will help it more than double the number of centres (from 45 to 100) it operates and provide additional capital to expand into new geographies.

At Africa50, we bring more than capital. We catalyze transformative projects, at speed and at scale. We innovate and deliver tailored and sustainable solutions to address the significant continental infrastructure needs. We uniquely bring together project development and financing under one platform, and partner with diverse African and international institutional investors, Governments and technical partners to work together to find solutions to Africa's sustainable development needs.

In a historic first for Africa, December 29th saw the culmination of an "Africa first strategy" which brought the participation of 16 African institutional investors, including sovereign wealth funds, pension funds, social security funds, insurance companies, banks, and Development Finance Institutions (DFIs) into a new Africa50 vehicle to finance African infrastructure. The Africa50 Infrastructure Acceleration Fund reached its first close, securing US\$222.5 million in commitments.

This feat underlines the commitment of African institutional investors to drive the transformative change needed to unleash the potential of the African continent. It was a very proud moment for our team to reach this milestone and demonstrates how Africa50's role and impact continues to deepen.

Sadly, 2023 will also be remembered by loss and destruction. On September 8th, 2023, a strong 6.8 magnitude earthquake struck Morocco 70 km southwest of Marrakech. The quake devastated numerous small villages in the region with Marrakech bearing the brunt of the impact, affecting its population of 840,000. Tremors also affected other Moroccan cities as far away as Casablanca, Agadir, Essaouira, and Rabat.

Since our inception almost seven years ago, Africa50 has been headquartered in Casablanca. Members of our



At Africa50, helping our African countries address the devastating effects of climate change is a key impact measure, and we progressed a number of initiatives in 2023 to support that goal, especially as the need to take urgent action becomes ever more apparent.

team visited some of the areas affected by the quake and worked with the Mohammed V Foundation for Solidarity to ensure a coordinated response to the disaster. Our people worked to provide blankets, bedding and solar lighting for the temporary shelters that were established for those displaced from their homes.

At Africa50, helping our African countries address the devastating effects of climate change is a key impact measure, and we progressed a number of initiatives in 2023 to support that goal, especially as the need to take urgent action becomes ever more apparent.

Ahead of COP28, we saw the first Global stocktake to see how the world had responded to the challenge set by the Paris Agreement in 2015. Unsurprisingly, the conclusion was that more needed to be done to keep the increase in global temperatures to below 1.5°C.

In preparation for COP28 – His Excellency President Ruto hosted the inaugural Africa Climate Summit (ACS) in Nairobi which enabled the continent to come together and

speak with one voice to articulate the twin imperatives Africa faces of accelerating its own economic development whilst meeting the goal of reducing emissions.

It was at the ACS that Africa50 was selected as a strategic partner for the United Arab Emirate (UAE) US\$4.5 billion Africa Green Investment initiative. This initiative aims to help accelerate and scale green projects across the continent, promoting climate mitigation and adaptation, while catalyzing economic growth in Africa.

As COP28 unfolded, African and global institutions, together with the governments of Germany, France and Japan, DFIs and philanthropies pledged over US\$175 million to the Alliance for Green Infrastructure in Africa (AGIA) of which Africa50 is proud to be a founding member together with the African Development Bank and the African Union Commission. This landmark initial pledge will help to rapidly scale up financing for transformative climate-aligned infrastructure projects across the continent. Specifically, it will position Africa50 as a leading climate investor and project developer through the US\$400m AGIA project development fund it will manage, which seeks to unlock US\$10bn of green and transformative infrastructure projects.

COP28 also saw Africa50 sign two Memorandums of Understanding (MOU) to support the financing of solar

power plants in six African nations. One of these MOUs sets out a project development and financing framework between Africa50 and the Electricidade de Moçambique (EDM), the Mozambican State utility, to develop three solar plants, including the first floating solar PV plant on the continent, as well as a Public Private Partnership to deliver 400km of new transmission lines and associated infrastructure.

Finally, sustainability best practice requires the alignment of an organization's interests with those of its stakeholders. Africa50 is unique in terms of its alignment between our African country shareholders and the African people who benefit from the impact our investments deliver. This alignment continues to expand across the continent, and in 2023 we were pleased to welcome the United Republic of Tanzania as our 34th shareholder. We look forward to more African nations joining us in the future.

As we continue to build on the milestones of 2023, we will continue to strengthen our reputation as a leading investor and developer of infrastructure in Africa. I extend my deep-felt gratitude to our staff, board members, shareholders and partners for joining us on this transformative journey, enabling our continent to realize its immense potential.



Africa50 team

Our theory of change










Theory of Change





1 Africa50 convenes strategic partnerships, and together with capital and technical know-how...

ACTIVITIES
Innovative deal structuring
Private capital mobilization
Leveraging of local knowledge and networks
Setting sustainability standards
Partnerships with private and public stakeholders
Development of a pipeline of bankable infrastructure projects





2 ...to deliver critical infrastructure...

OUTPUTS			
 Energy	 Mainstream gas	 ICT	
 Transport	 Education	 Fintech	 Health

3 ...that meets essential needs...

SECTOR-SPECIFIC OUTCOMES
 Access to Energy: Increased access to affordable and reliable energy
 Digitization of the economy: Increased access to affordable mobile and internet connection
 Mobility of people, goods, and services: Increased access to resilient, reliant and affordable transport
 Social infrastructure: Increased access to quality education, affordable health and inclusive finance

4 ...and contributes to the sustainable growth of African economies...

DIRECT OUTCOMES	
 Increased GDP	 Contribution to government revenue
 Job creation	 Reduction of GHG emissions

5 ...for a stronger and more resilient African continent...

BROADER IMPACTS	
Improve livelihoods	Facilitate economic growth
Promote regional integration	Contribute to climate action

...while contributing to several Sustainable Development Goals.



Opposite: A nurse and doctor at AHN clinic in Dar Es Salaam, Tanzania

At Africa50 our Theory of Change is our roadmap to guide us as we seek to bring about the sustainable impact we exist to make. It defines the outcomes we seek to achieve, the activities we will engage in, the value we bring, and above all how we can measure and evidence the positive changes we have made in the communities where we invest.

As with any Theory of Change, we recognise there are internal and external enablers that need to be in place. These can be found in our policies around how we integrate our Development Impact Strategy into our activities and our operations, and how we ensure the opportunities and risks of ESG are effectively realised and managed.

Finally, our governance structure is integral to ensuring that our Theory of Change approach delivers value for our stakeholders. It provides the framework for transparent decision-making, risk management, long-term value creation, stakeholder engagement, and reputation building.



What is the impact we seek to deliver?

At Africa50 we focus on infrastructure, which we believe is the foundation for economic development, social advancement, and the climate transition. Our positioning enables us to unlock public and private sector capital and invest in African economies to drive transformational impact whilst delivering risk-adjusted financial returns to our investors, which in turn encourages further investment.

When we look at the outcomes we seek to bring about and the impact we intend to make, we have as our starting point seven of the nineteen UN Sustainable Development Goals:

SDG 3 – Good Health and Well-Being

SDG 4 – Quality Education

SDG 7 – Affordable and Clean Energy

SDG 8 – Decent Work and Economic Growth

SDG 9 – Industry, Innovation, and Infrastructure

SDG10 – Reduced Inequalities

SDG11 – Sustainable Cities and Communities

SDG13 – Climate Action

SDG 17 – Partnership for the Goals



Opposite: Aerial view of Nachtigal Hydropower plant, Cameroon

The SDGs have been selected as the cornerstone of Africa50's Development Impact Strategy due to their wide adoption by a range of stakeholders. These stakeholders include national and international Development Finance Institutions (DFIs), Finance Corporations, Impact Investors, Private Equity firms, Asset Managers, Banks, and Non-Profit Organisations, amongst others. The fact that the SDGs are not sector or geography specific makes them the ideal metric for articulating our purpose and goals.

They are a rallying call around which we, and our stakeholders, can organise to bring about real, long-lasting, and sustainable change.

Typically, the contribution Africa50 makes to the achievement of the SDGs includes a combination of economic, socio-cultural, institutional, environmental, technological, and other types of meaningful and measurable positive impacts.

Our activities in catalysing investment into critical infrastructure contribute to job creation and economic growth, bring about valuable opportunities for skills development and capacity building and afford people access to products and services which would not previously have been available to them, thereby improving their overall quality of life.

In the African context, the expansion of relevant, high quality, core infrastructure enables the building of strong national and regional economies and societies, boosts economic integration, improves livelihoods, and should enable African economies to be globally competitive, all being outcomes that Africa50 intends to play an integral role in achieving.

When Africa50 invests in a project, we aim to generate positive effects on the local economy over and above the sector-specific outcomes of the individual project. As a result, all our projects contribute to our goal of supporting the sustainable growth of African economies through job creation, contribution to government revenue, and combating climate change.



JOB CREATION

Africa50 seeks to invest in projects that provide productive jobs with the opportunity to develop new skills and a healthy working environment. We play a further part in bringing about our job creation outcome by prioritising engaging local suppliers and businesses, as well as employing a local workforce in the projects we develop and invest in.

5,081
jobs supported

92%
local

26%
female



CONTRIBUTION TO LOCAL ECONOMIES

Investments in infrastructure act as a catalyst for economic growth and development.

Energy infrastructure, in particular, is critical for economic growth, and investing in green energy generation ensures that growth is sustainable.

Investments in transportation projects encourage economic development whilst investments in IT enable companies to reach new markets and entrepreneurs to start new businesses and create jobs. Financing new social infrastructure projects in education and health boosts the development of a skilled and healthy workforce as well as increasing social mobility and tackling economic inequalities.

In all of these ways, the infrastructure investments Africa50 helps to bring about has the outcome of not just higher GDP in local economies, but also more equal societies, more sustainable growth, and higher levels of well-being.

US \$510.4
MILLION
spent on suppliers

95% spent on local suppliers



CONTRIBUTION TO GOVERNMENT REVENUE

Strong and stable governments underpin economic and social development. Most infrastructure projects require the involvement of government, and many of the projects we support come about as part of African governments' infrastructure development plans for economic growth.

More than 30 African countries are Africa50 shareholders which demonstrates the commitment of these countries to working in partnership with finance providers such as Africa50, to deliver on the plans and commitments they have made to improve the lives of their people. In turn, we look to promote the outcome of contributing towards increasing government revenue using the measurement of tax payments from our projects.

US \$78 MILLION

in government taxes paid



REDUCTION OF GHG EMISSIONS

Nearly all African countries have committed to enhancing climate action through reducing their greenhouse gas emissions and building climate resilience, as detailed in their Nationally Determined Contributions (NDCs), which are at the centre of the Paris Agreement. Africa50 is committed to helping meet these commitments via our investments in climate resilient and sustainable infrastructure.

Our renewable energy projects constitute a growing segment of our power generation portfolio in terms of megawatts. At the same time, we believe that the use of natural gas, as a baseload and transitional energy solution, alongside renewable energy, is critical for the development and industrialization of African economies, and is a cleaner alternative to sources of energy such as coal, oil, or firewood.

We operate an exclusion policy prohibiting any investment in coal-fired power plants, including dual-power plants, any refurbishment or rehabilitation of existing coal power facilities and coal prospection, exploration, mining,

processing, and trading. Any investments we have in heavy fuel oil plants (HFO) are only made when there are plans to convert these facilities to gas as soon as possible, such as in Senegal.

We recognize the significant and urgent development needs of the continent as well as the need to transition towards Net Zero in a just manner which is why we work closely with our country shareholders to contribute to a suitably balanced energy mix to reach their climate targets and transition towards Net Zero.

0.5m tCO₂ AVOIDED

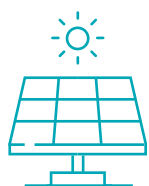
equivalent to equivalent to the total GHG emissions of 108,000 cars annually

What are the outcomes?

To achieve the impact we work for, we have targeted a number of specific sectors where we believe there is potential to bring about sustainable change and obtain the returns our investors and shareholders expect.

We keep our targeted impact areas under review and at present have them as access to energy; the digitization of the economy; the mobility of people, goods and services; and social infrastructure.





THE POWER TO TRANSFORM

Energy access in Africa

Access to energy in Africa remains a significant challenge, with 600 million people¹ lacking access to reliable, affordable, and sustainable electricity. Much of our continent lacks the necessary infrastructure for generating, transmitting, and distributing electricity efficiently. This situation is particularly challenging in rural areas with limited grid connectivity.

In the absence of modern energy sources, many people rely on traditional biomass such as wood, charcoal, and animal dung for cooking and heating. This not only contributes to deforestation and environmental degradation, but also poses health risks due to indoor air pollution.

Energy is the foundation on which economic development is built. An intermittent energy supply means firms struggle to operate at full capacity and are often forced to use expensive and dirtier forms of power such as diesel generators.

At Africa50 we prioritise investing in affordable, reliable, and cleaner energy such as our investment in the 420 MW hydropower plant on the Sanaga River, 65 km from Yaoundé, the capital of Cameroon.

We have a dual mandate to address the urgent development needs of the continent while supporting the transition to a greener economy.

¹ International Energy Agency

² International Energy Agency

NACHTIGAL

Powering Cameroon with clean energy

7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



17 PARTNERSHIPS FOR THE GOALS



Ensuring energy access, affordability and sustainability across Africa is one of the biggest challenges facing the continent, but also an opportunity for institutions such as Africa50. It has been estimated that for African nations to simultaneously meet their Nationally Determined Contributions (NDCs) to combat climate change and achieve their energy-related development goals, it will require a doubling of investment to over USD 200 billion per year by 2030.²

Supporting this energy transition is a key goal for Africa50 and our involvement with the Nachtigal hydropower plant in Cameroon is a great example of the positive impact that can be delivered.

HELPING TO SOLVE CAMEROON'S ENERGY CHALLENGE

Around 74%³ of Cameroon's energy comes from hydropower and although total installed power capacity has been growing, the country still suffers from frequent

³ World Bank Document

power outages, especially when there is a low density of rainfall. Intermittent power means interrupted production for industry. It presents challenges for other sectors such as health and education. It forces families to fall back on kerosene and other forms of power which are expensive, and damaging to the environment.

Nachtigal, the new hydropower plant on the Sanaga River which Africa50 has helped to develop and finance, will make a significant difference. Located just 65km from Cameroon's capital of Yaoundé, Nachtigal will be the largest electricity generating facility in Cameroon, increasing the country's energy generation capacity by more than 25% and improving access to electricity to consumers and businesses. Once operational, the plant will generate 420 MW of energy which will be transmitted via a 50km transmission line to Nyom.

This project – one of the most important Public Private Partnerships currently underway in Africa in the power sector – will boost the financial sustainability of the energy sector in Cameroon, reducing the cost of electricity and potentially saving consumers around US\$100 million over seven years.

As well as bringing about better energy access and affordability, the Nachtigal hydropower plant supports Cameroon's climate transition plans. The new plant will help raise the share of renewables in Cameroon's energy mix to 75% by 2024 and avoid the emission of one million tons of CO2 annually.

There are also important and notable social and developmental impacts for the local community. During its peak construction phase, Nachtigal employed 2,599 people, of which over 90% were from Cameroon.

THE ADDED VALUE AFRICA50 BRINGS TO INFRASTRUCTURE PROJECTS

Nachtigal illustrates the value Africa50 brings, over and above being an investor. With total project costs expected to be around EUR1.2 billion, projects such as Nachtigal are complex from a financial as well as a construction point of view, coupled with the need to bring together and manage multiple stakeholders.

Institutional investors are increasingly looking for asset classes which can deliver steady, inflation-adjusted income

Nachtigal will be the most powerful electricity generating facility in Cameroon, increasing the country's energy generation capacity by more than 25% and improving access to electricity to consumers and businesses.



streams. Clean energy projects such as Nachtigal can deliver the sustainable and risk adjusted returns investors are seeking. Nachtigal is supported by a long-term Power Purchase Agreement that provides the type of predictable cash flow investors are seeking.

Together with Africa50, and the Government of Cameroon, a large number of Development Finance Institutions (DFIs) were involved in the funding as well as local banks such as the Standard Chartered Bank of Cameroon. Africa50 acquired its stake from the Government of Cameroon so helping free-up public funds for other pressing development needs. Africa50's reputation as a credible and expert investor in these types of projects, provided the suitable reassurance.

2023 was an important milestone year for Nachtigal. Almost all of the construction work was completed and in July the impoundment of the plant took place. The impoundment is when the hydropower reservoir is filled with water and tested. The transmission line that will take the energy generated by the plant to where it is needed,

Opposite: Nachtigal Hydroelectric Power Station, Cameroon





Water flows from the conduit canal of the retention dam to the water intake dam



Site offices

was also completed in 2023. The project is now on course to be fully operational by December 2024. The 1st turbine (60MW) has been successfully tested on May 10, 2024 and will be commissioned on June 14, 2024.

EMBEDDING GOOD ESG PRACTICES

A massive construction project such as Nachtigal brings many ESG challenges, as there will be an inevitable impact on local flora and fauna as well as to livelihoods, as in the case of the local fisherman.

The involvement of Africa50 and other experienced DFIs ensured an ESG mitigation plan was put in place in line with international standards, to reduce any negative impact. This included the incorporation of an Environmental Social Management Plan to cover each phase of the project, with identified mitigation measures. There is an ongoing process in place to ensure the project continues to meet the plan, which will continue post-construction and into the day-to-day operations of the plant.

Construction projects also bring safety risks. Sadly, during the filling of the reservoir a boat carrying workers from a project contractor suffered an engine failure and two workers lost their lives. Support was provided to the families who suffered as a result of this terrible accident including provision of medical and psychological support as well financial support to cover funeral expenses. Other compensation procedures via the insurer and the national

The involvement of Africa50 and other experienced development finance institutions ensured an ESG mitigation plan was put in place in line with international standards, to reduce any negative impacts.

pension fund are also being actively monitored. Africa50 extends its sincere condolences to the families impacted.



Catherine Minya
Environment and Social Director
for Nachtigal

Catherine Minya is the Environment and Social Director for Nachtigal. With Africa50 as one of its financial backers, the plant will be fully operational by the end of 2024. Once operational it will generate 420 megawatts of power, supplying over 25% of Cameroon's energy capacity.

Catherine tells us about how the environmental and social risks in constructing such a huge and significant plant were assessed. "Before work began on Nachtigal, a comprehensive Environment Social Impact Assessment (ESIA) was carried out. The Assessment was in conformity with international standards, such as the International Finance Corporation performance standards. From the ESIA, an Environmental and Social Management Plan was established.

Our aim was to identify every single impact – positive and negative – that Nachtigal would have on the local environment and local community following which we put in place plans to mitigate any negative impacts and to ensure as many positive opportunities were realised as possible."

"One of the key deliverables for the ESIA was a livelihood restoration plan for anyone whose work would be impacted. Two main types of workers were at risk - local fisherman and artisanal sand miners, the latter being small-scale, informal miners which is a particularly dangerous type of work.



One of the key deliverables for the ESIA was a livelihood restoration plan for anyone whose work would be impacted.

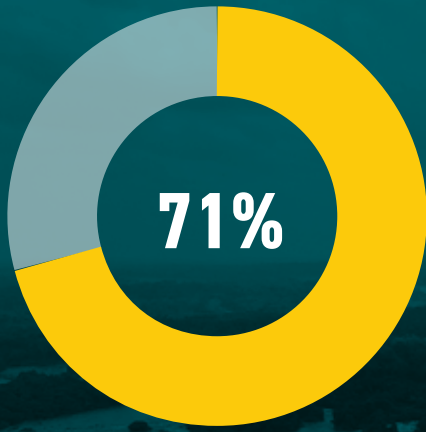
Any workers affected by the construction of the new plant were not just offered compensation, but we also partnered with local bodies who could help these workers, if they wished, to set up their own businesses. One of the local artisanal miners is now a successful local entrepreneur employing his own staff.

For the fishermen, a fishery management plan was put in place helping them identify where they can safely fish in a sustainable way. Experts helped the fishermen identify where the local fish spawn is so they can avoid those areas so they don't interrupt the natural cycles of the fish. This guidance forms part of a fishery management plan to help them fish more sustainably after the reservoir is opened. We also helped the fishermen and the local fishmongers set up a co-operative to better market and sell their fish. Once the plant reservoir is properly constituted, the fishermen will be able to return to fish there as they once did."

Planning has also gone into what is called the "demobilisation" phase of the project, when the number of employees constructing the plant begins to wind down ahead of the operational phase. Catherine notes that: "At the peak of the construction phase Nachtigal was employing around 3,500 people. Far less will be needed to operate the plant when it opens later this year (2024). We have been working again with local bodies and the construction contractor to help these employees find new positions, or if they prefer, to retrain into new professions such as in the agricultural sector."

Nachtigal Hydropower

IMPACT SCORE



53%

CONFIDENCE



90%

IMPACT

70%

MAGNITUDE

IMPACT SCORE DRIVERS



Catalysing funding



Probability of impact materializing



Economic development growth



Improved livelihoods

LEGEND

- Low impact
- Medium impact
- High impact

IMPACT METRICS



25%

increase in Cameroon power generation capacity



93%

local employees



75%

Project to increase share of renewables in energy mix by 75%



1 million tCO₂

to be avoided annually





THE POWER TO TRANSFORM

The digital economy

Along with energy, internet connectivity is becoming a key component in the development of successful, thriving economies. Good internet connectivity is also vital for the advancement of education, healthcare and in enabling social and financial inclusion.

Almost two thirds of the African population lack broadband internet access, according to the World Bank. According to Poa! Internet, an Africa50 ICT investment in Kenya, the average Kenyan with access to the internet uses 200 megabytes of internet per month– the equivalent of about 20 minutes of YouTube.

Our investments in ICT seek to bring about a positive impact at both ends of the spectrum. Financing the development of large-scale data storage that will boost economic productivity, such as our investment in Paix data centres, and investing in smaller scale, local projects such as Poa! Internet that seek to end the digital divide by providing access to data which is 90% cheaper than other competitor providers

Kigali Innovation City, which is currently in development, will act as a technology innovation hub helping to ensure Africa as with the rest of the world benefits from the digital revolution.

KIGALI INNOVATION CITY

A flagship African smart city

- 8 DECENT WORK AND ECONOMIC GROWTH
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 17 PARTNERSHIPS FOR THE GOALS

Rwanda has a very clear aspiration to acquire Middle Income Country (MIC) status by 2035 and High-Income Country status by 2050. An MIC is defined by the World Bank as having a per capita gross national income of US\$1,136 to US\$13,845.

Rwanda plans to achieve its middle-income goal through a series of seven-year National Strategies for Transformation (NST1), underpinned by sectoral strategies focused on meeting the UN's SDGs. The



KIC Masterplan

development of Kigali Innovation City (KIC) is a flagship project and is central to the Rwandan government's plan for its country.

Dubbed the "Digital Heart of Africa", it is expected that KIC's influence will in fact stretch far beyond Rwanda. It is designed to accelerate digital transformation across the African continent by creating an innovation hub.

A FLAGSHIP PROJECT FOR AFRICA

KIC is a flagship, pan-African project. It will house international universities, technology companies, biotech firms, and commercial and retail real estate in an area of 61.2 hectares. As a key component of the Rwandan government's Vision 2020 development program, KIC aims to attract technology companies from all over the world to Rwanda to create a technology ecosystem and further a knowledge-based economy.

KIC is expected to create over 50,000 jobs and generate up to US\$150 million in exports annually, as well as attracting over US\$300 million in foreign direct investment. Over 2600 students are expected to graduate annually from its universities, adding to Rwanda's and Africa's pool of tech-savvy entrepreneurs.

AFRICA50 PROVIDING MORE THAN FINANCE

Through a public-private partnership, Africa50 was appointed co-sponsor and partner of the project through its equity investment. We are applying our project development, financial structuring, and infrastructure development expertise, working alongside the Rwanda Development Board and other partners during the development phase.

We will also help select additional partners, including other Development Finance Institutions, strategic industry partners and private sector lenders, for the construction.

Alain Ebobissé, CEO of Africa50, said that the project: "has significant socio-economic impact and aligns well with our vision of promoting innovation and ICT development in Africa. KIC is an example of how we can partner with one of our shareholder governments to provide project development expertise leveraging their outstanding track record in enabling business to mobilize capital for a farsighted, innovative project of global reach."



Kigali Innovation City will be an Africa-focused innovation hub and a holistic ecosystem of technology clusters. This innovative effort is the first of its kind in the continent.

Rt. Honorable Edouard Ngirente,
Prime Minister of the Republic of Rwanda

2023 THE YEAR OF DELIVERY

A major milestone for the project was reached in 2023 when the Government of Rwanda completed its procurement process, for the appointment of the contractor who will construct the masterplan infrastructure for the first two phases of the project. There are five phases in total. Work has now begun on the ground, and this will attract other organisations who may want to become involved with the project by giving them confidence that work is on track.

KIC currently has existing tenants, including Carnegie Mellon University Africa, the University of Rwanda, and African Leadership University, which are already operating on site with the building for the African Institute of Mathematical Science and two other commercial buildings about to start construction.

The Rt. Honorable Edouard Ngirente, Prime Minister of the Republic of Rwanda, said: "Kigali Innovation City will be an Africa-focused innovation hub and a holistic ecosystem of technology clusters. This innovative effort is the first of its kind in the continent. It will have Pan-African development impact both in terms of economy

and human capital. A considerable amount of work has been done in collaboration with Rwanda Development Board, Africa50 and other partners. The full success of this project requires concerted efforts to mobilize more private investors."

A FLAGSHIP GREEN DEVELOPMENT

When a project is created from scratch such as KIC there is plenty of scope to incorporate sustainability principles. In fact, the KIC master plan is being developed based on three main principles: to be green, compact, and connected.

Detailed in the master plan are strategies for intelligent facility management and environmentally conscious approaches to transportation, architecture, construction, and administration. Moreover, the ecosystem will feature ample green areas and open spaces conducive to fostering collaboration and facilitating the exchange of ideas.

50% of the area will be allocated to open space, incorporating features such as an urban forest, rainwater harvesting systems, and various other eco-friendly initiatives. Non-motorised transport will be supported and there will be e-buses to move people to where they need to be. At Africa50, we are aiming for KIC to meet IFC Performance Standards and sustainable building certification including Gold level compliance to the LEED (Leadership in Energy and Environmental Design) which provides a framework for healthy, highly efficient, and cost-saving green buildings.

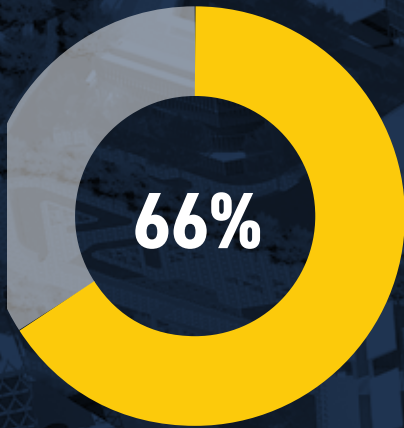
PROJECT

KIGALI INNOVATION CITY



RWANDA

IMPACT SCORE



46%

CONFIDENCE



IMPACT SCORE DRIVERS



Probability of impact materializing



Improved livelihoods



Economic development growth

LEGEND

- Low impact
- Medium impact
- High impact

IMPACT METRICS



50,000

jobs to be created



61.2

hectares



US\$150m

projected exports annually

PAIX DATA CENTRES

Unleashing the digital transformation for Africa

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

The graphic features a blue background with white text and icons. At the bottom, there is a decorative pattern of white chevrons on a blue background.

Connection to the internet, just like power, needs to be accessible, reliable, and affordable. The internet requires new infrastructure to be taken to where it is needed, and the data generated needs to be safely stored and easily accessed. This is where Africa50’s investment in PAIX comes in.

PAIX is a pan-African provider of colocation data centres that houses and protects business customers’ data and data applications. The company has established a local cloud computing centre, where cloud service providers can host on high-quality local storage infrastructure. By doing so, it is helping to unleash the full potential of the digital transformation for African countries.

The African data centre colocation market is still significantly underpenetrated for a continent with a population of over 1.3 billion. Total data centre capacity is only about 300 MW, which is approximately equivalent in capacity to a single European internet hub such as Paris.

DATA CENTRES BRING AGILITY AND BOOST COMPETITIVENESS

Access to cloud computing enables local African companies to be more agile and innovative. Businesses can easily scale up the IT support they need to develop

new products, services and applications without having to invest in more physical IT infrastructure and staff themselves. Providing African businesses with access to services such as those provided by PAIX puts them on a more equal footing with their competitors in the developed world.

As building and maintaining IT infrastructure is expensive many businesses in the developed world choose to outsource this type of expenditure, but without a supplier such as PAIX, the outsourcing option for local companies has meant sending data outside the continent of Africa.

But when data can be stored locally, such as with PAIX, businesses can access it much more quickly. Storing data locally is also cheaper than exporting it, thereby reducing the costs of doing business for African companies.

There are also issues around security. Cybersecurity and the safe storage of data is a big concern for businesses and their customers. Keeping up to speed with the latest developments in this area is costly and challenging for many businesses. Dedicated data centres such as those built and operated by PAIX give businesses peace of mind.



With the support of Africa50, we will be able to grow and expand our activities by rolling out our data centre services across the continent and by providing a one-stop service to our local and international customers in all key locations across the African continent.

Wouter van Hulten, CEO Paix



Paix facilities, Accra, Ghana

PAIX's CEO, Wouter van Hulst, commented; "PAIX Data Centres is leading the development and operation of world class cloud-and-carrier-neutral data centres in Africa. PAIX's interconnection hubs are the heart of Africa's digital economy and key to its further development. Our colocation services provide our clients choice of connectivity providers, high security, and continuous uptime. Our teams consist of both local and international industry professionals, and we are proud of the multi-national makeup of our company, reflecting the diversity of the continent. With the support of Africa50, we will be able to grow and expand our activities by rolling out our data centre services across the continent and by providing a one-stop service to our local and international customers in all key locations across the African continent."

AFRICA50 WAS THE FIRST INSTITUTIONAL INVESTOR

Africa50 first met PAIX in 2019. In 2020, PAIX launched a fundraising process. Africa50 was keen to become involved. In fact, Africa50 became

the lead investor and the first institutional investor when it took a 51% stake in the business. The funding formed the first tranche of PAIX's Series B and was earmarked to fund the company's data centre capacity expansion and growth plans into new African data centre markets.

The equity financing secured from Africa50 was a significant milestone for the company to pursue its growth opportunities across Africa and in line with Africa50's commitment to invest in businesses and ecosystems that support Africa's digital transformation.

"We are very pleased to partner with PAIX in its mission to build up Africa's data centre and internet exchange infrastructure", said Raza Hasnani, Managing Director and Head of Infrastructure Investments at Africa50. "PAIX's current and future data centres will have a strong multiplier effect on many African economies as they drive increased access to information, innovation and knowledge, at reduced data costs which will in turn, facilitate new economic opportunities and higher productivity".

Africa50's involvement funded the development of data centres in Ghana and Kenya. In 2023 the Ghana facility began to expand, and additional data centre developments are progressing in Senegal, Côte d'Ivoire and Rwanda.



PAIX Kenya team

CHAMPIONING ESG PRACTICES

Bringing cloud computing for multiple businesses together in one place is much more energy efficient than requiring each company to consume the energy needed to maintain the optimal conditions required for the servers and the hardware they house. Temperature and humidity need to be carefully controlled. Within the African context, colocation data centres such as PAIX are energy efficient, reliable and cost effective.

Africa50 with PAIX, as with all its investees, seeks to be a catalyst and a champion for sustainability. We are working with PAIX towards the implementation of an ESAP, Environmental and Social Action Plan, starting with the implementation of an Environmental, Social and Governance Management System which is a set of processes and practices that enables an organization to reduce its environmental impact and increase operating efficiency.

A key pillar of PAIX's sustainability plan is to transition its energy usage mix more towards renewable sources of energy. The data centres are being built to incorporate rooftop solar panels and a project is also in place to identify the company's emissions footprint and how it can be improved.



PAIX's current and future data centres will have a strong multiplier effect on many African economies as they drive increased access to information, innovation and knowledge, at reduced data costs which will in turn, facilitate new economic opportunities and higher productivity.

Raza Hasnani, Managing Director and Head of Infrastructure Investments at Africa50

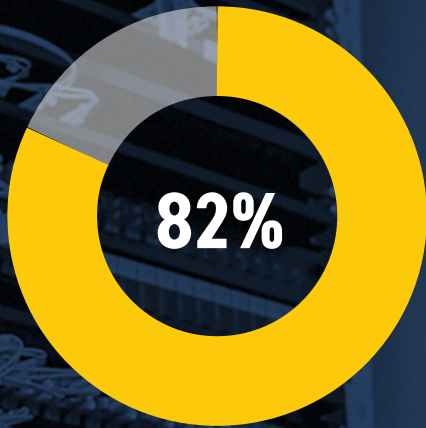
PROJECT

PAIX DATA CENTRES



GHANA AND KENYA

IMPACT SCORE



70%

CONFIDENCE



90%

IMPACT

90%

MAGNITUDE

IMPACT SCORE DRIVERS



Catalysing funding



Improved livelihoods



Economic development growth



Regional integration

LEGEND

○ Low impact

● Medium impact

● High impact

IMPACT METRICS



0.8MW

data storage capacity



THE POWER TO TRANSFORM

Mobility of people, goods, and services

Successful economies require people, goods, and services to be in the right place at the right time. Whilst this may sound obvious, the challenges facing Africa in terms of poor transport infrastructure, including poorly maintained or non-existent roads, railways, bridges, ports, and airports, is a major block on economic development.

These inefficiencies increase the cost of transportation in Africa which in turn makes goods more expensive for consumers and reduces the competitiveness of African businesses in global markets. Improving transportation infrastructure will help individual countries meet their development aspirations and in addition, by linking countries with each other there is a further benefit of unleashing greater competitiveness by bringing about better integration across the whole African continent. The rail-road bridge linking the two capital cities of Kinshasa in the Democratic Republic of Congo and Brazzaville in the Republic of Congo which we are currently developing is a good representation of the impact we can have in this area.

Lengthy and inefficient border procedures, including customs checks and paperwork can delay and make trade needed to bring about economic growth and development inefficient and expensive. Our investment in Scanning Systems, a company specializing in the design, financing, and implementation of one stop border posts in the West Africa region brings about real impact in this important area.

Our growing transport portfolio focuses on providing reliable infrastructure to support the implementation of the African Continental Free Trade Area (AfCFTA), intended to benefit economies by reducing transport costs, increasing trade, and boosting economic growth.

Opposite: An electric vehicle for personnel traffic at Laleraba JBP

SCANNING SYSTEMS

Boosting trade and regional integration

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



17 PARTNERSHIPS FOR THE GOALS



An essential step towards economic development on the continent of Africa is the facilitation of cross-border intra-African trade.

Greater trade between African nations would help to achieve economies of scale and build the supply chain capacity and competitiveness of African economies. It would enhance food security by facilitating greater intra-African trade in food products and support the development of international production chains and greater value addition in Africa.

There is a vast difference between the levels of trade within the continent and trade with the rest of the world. Despite significant growth in overall trade and a tripling of intra-African trade in terms of GDP over the last half-century, trade flows between African economies still only

SCANNING
SYSTEMS



account for approximately 13% of total trade, compared to other markets such as Europe at 60%, ASEAN at 30% and North America at 40%.

For Africa50, our investment in Scanning Systems is a contribution towards solving the intra-African trade challenge.

BOOSTING TRADE FLOW

Scanning Systems is a company specialising in innovative infrastructure projects in the transportation and logistics sector. Based in Côte d'Ivoire, Scanning Systems works to build joint border posts (JBPs) in Africa. These JBPs are designed to digitalise as much as possible the processes involved in moving goods and services across borders. Each facility is designed to cut transit time and improve the overall flow of people and goods. Key facility features include administration buildings, immigration building for passengers, hangars, an axle weighing room, X-ray scanner facility, guard boxes, vehicle specific parking areas, rest areas, watch towers, and health facilities.

And it's not just about paperwork. Without the type of JBPs Scanning Systems builds, trucks crossing borders would need to be stopped and manually searched by custom agents. Queues build up and costs rise. With Scanning Systems trucks, go through a specialised scanner considerably cutting the time spent delivering goods. Two days of waiting at a border can be cut to just three hours. At present, the paperwork required is often repeated by both border countries, but Scanning Systems intends to facilitate doing this only once.

As well as significantly reducing transit time and enhancing security, having more efficient border posts brings benefits to countries from increased tax and customs revenue collection, and supporting national and local economies.

Scanning Systems is playing a part in making a reality the aims of the AfCFTA which has the potential of creating the largest free trade area in the world measured by the number of countries participating. The pact connects 1.3 billion people across 54 countries with a combined gross domestic product (GDP) valued at US\$3.4 trillion.

AfCFTA has the potential to lift 30 million people out of extreme poverty. Achieving this goal however is



This partnership is critical in supporting the development of the right infrastructure to support intra-African trade and the AfCFTA's objectives of creating a unified market to spur economic development for the continent.

Mory Diané, CEO of Scanning Systems

heavily dependent not only on policy reforms but also the development of supportive trade infrastructure such roads, railway bridges and the use of requisite information technology systems.

Over the past years, Scanning Systems has become the preferred partner of the West African Economic and Monetary Union (WAEMU) for the implementation of JBPs among its Member States. The company has been successfully operating the Cinkansé JBP between Burkina Faso and Togo for more than 10 years and is constructing an additional JBP in Zégoua (Côte d'Ivoire-Mali border).

2023 was an important year for Scanning Systems as it marked the completion of the company's second border post at Laléraba crossing between the Burkina Faso-Côte d'Ivoire border.

Opposite: A truck carrying goods crossing the border at Laleraba JBP



XF

0258 G3 03

AFRICA50 PLAYS ITS PART

Africa50's investment has enabled Scanning Systems to continue to deliver against its corporate strategy and we have also provided structuring, legal and financing expertise to accelerate the roll out of the company's JBPs. The relationships we have with Governments and organisations such as the WAEMU have been instrumental in supporting the company.

We have also helped Scanning Systems embed its existing Environmental and Social Management Plan (ESMP) and its health and safety plan. Africa50 is working towards assessing and strengthening the existing framework for Scanning Systems' management, development, and implementation of an Environmental and Social Management System (ESMS.)

Mory Diané, CEO of Scanning Systems commented, "This is the right time to welcome Africa50 as a strategic partner to support Scanning Systems' ambitious

development plan for One-Stop Joint Border Posts (JBP) in West Africa. This partnership is critical in supporting the development of the right infrastructure to help enhance intra-African trade and the AfCFTA's objectives of creating a unified market to spur economic development for the continent. Africa50's reputation, substantial financial resources and extensive network make them ideal partners and I am confident that our combined leadership will drive the development of infrastructure and systems that will scale the movement of goods and services across African borders".

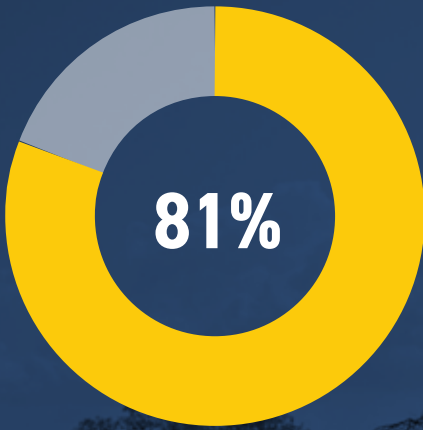
Below: Sayere Marie, IT Manager at Laleraba JBP testing vehicle scanner



Scanning Systems



IMPACT SCORE



67%

CONFIDENCE



90%

MAGNITUDE

IMPACT SCORE DRIVERS



Catalysing funding



Improved livelihoods



Economic development growth



Probability of impact materialising



Regional integration

LEGEND



Low impact



Medium impact



High impact

IMPACT METRICS



310,000

vehicles processed at JBPs in 2023



463,760

people processed at JBPs in 2023



3 hours

on average to complete border crossing formalities



THE POWER TO TRANSFORM

Access to quality education, affordable healthcare and inclusive finance

Social infrastructure under-pins and supports economic development.

An educated workforce is essential for a country's productivity and competitiveness. But despite global aspirations, more than 20% of African children aged 6 to 11 remain out of school, and almost 60% of youths aged 15 to 17 are not currently attending. There is also a gender gap with 9 million girls aged 6 to 11 in Africa never accessing education, outnumbering boys by 3 million.

Similarly, a healthy population is essential for economic development and for the well-being of society. However, lack of funding means good quality healthcare is far from universal on the continent. It has been estimated that in per capita terms, the rest of the world spends 10 times more on healthcare than Africa.

Finally, an area that holds back people participating in the economy is the lack of access to financial services. Whilst the number of Africans with a bank account has been increasing, it is still the case that around a third of population are unbanked. The rise of new technologies in the banking sector, such as fintech, offers hope for the future and is an area where Africa50 believes it can make a positive impact.

Lack of funding means good quality healthcare is far from universal on the continent.

Ci-contre : Un élève d'une école Yassamine lors d'un cours de lecture en anglais

HOLGED

Powering social mobility through education in Africa

4 QUALITY EDUCATION



Ensuring universal access to primary and secondary education remains a pivotal Sustainable Development Goal. The African Union has made 2024 the "Year of Education" and although much progress has been made, even more is required if Africa is to leverage the "youth demographic dividend".

According to UNESCO, between 2000 and 2022, primary school completion rates across in Africa rose from 52% to 67%. There has been a deceleration in high school dropout rates, with 50% of students now completing lower secondary education, compared to 35% previously, and 33% completing upper secondary education, up from 23%.





Education is not a way to escape poverty, it is a way of fighting it.

Mwalimu Julius Nyerere (Founding President of the United Republic of Tanzania).

Despite this progress, too many children are still being left behind. One in five primary school age children in Africa are not in the classroom, and almost six in ten adolescents are out of school. Furthermore, the challenge to provide quality education is struggling to keep pace with population growth. Today, 40% of all Africans are under the age of 15, with another 100 million to be born by 2050. Over the next 30 years, most of the world's workforce will likely come from Africa.⁴

For all these reasons, Africa50 believes it has a pivotal role to play in funding institutions that are developing leading edge education facilities across Africa. An investment in education is not only an opportunity to contribute to the economic development of the continent, but an imperative to ensure that we can lift and empower a generation to get it out of poverty and reduce inequality, in addition to contributing to creating a workforce of the future while delivering returns. Our investment in Holged, a leading K-12 education group, is our first transaction in this critical sector.

EXPANDING HIGH QUALITY EDUCATION IN AFRICA

Holged, Holding Générale d'Education, has built a reputation for excellence, with high-quality teaching and

servicing more than 17,000 primary and secondary school students in its 19 campuses across Morocco and Tunisia. Since commencing operations in 1986, Holged has been very successful in providing access to quality primary and secondary education that caters to several market segments through its various groups of schools, Ecoles Yassamine, Jouri, Al Jabr in Morocco and ISC in Tunisia.

With its original home in Morocco, Holged has always taken as its base the French education system, and the accreditation its students work towards is from the French education authorities. Today, it is seeking to build on that base to further internationalise its offering, so that now up to 40% of the teaching in its schools is in English to supplement the current French and Arabic.

THE IMPACT BROUGHT ABOUT THROUGH AFRICA50

Africa50's involvement with Holged began with a round of fundraising in 2022 that closed in January 2023. The fundraising was aimed at supporting Holged to continue to expand and develop its offering in North Africa and look to expand across the continent. Africa50 took an equity stake in the company and very shortly afterwards, the education group began to deliver on its expansion plans.

In June 2023, Holged acquired Al Massalik, a school in Casablanca, Morocco so extending its four decades of experience in the education sector to a new cohort of students. For Holged, this acquisition is an opportunity to enrich its educational offering in Morocco by integrating a highly reputable institution alongside its existing brands such as Al Jabr International School, Yassamine International School and Ecole International Française.

The acquisition provides choice to students by offering the opportunity for them to obtain numerous language certifications in addition to the school's standard curriculum such as the French national diplomas, the Diplôme National du Brevet (DNB), the General Baccalaureate and the International French Baccalaureate (BFI).

An aggressive expansion into other regions on the continent and gaining a further foothold in North Africa's largest economy, Egypt, is now being planned.

⁴ Brookings 2022

Opposite: students during a robotics class



Ahmed Benyahia, CEO of Holged, commented “We are very proud to have Africa50 among our shareholders and strategic partners. This partnership will undoubtedly allow us to accelerate our development in the region, to consolidate our leadership and maintain a dynamic movement in the service of our ecosystem, alongside a leading continental investment platform”.

We know that paying school fees is a big concern for African parents. It is a barrier to the aspirations so many have for their children. A part of Holged’s strategy is fostering social mobility through its Jouri brand, through which Holged provides access to quality education to the mass market at relatively affordable tuition.

The impact of Africa50’s investment in education will help bridge the supply gap for quality education, thereby freeing up government resources for other social sectors. Since 2020, education budgets in nearly half of low-income countries have diminished by an average of 14%.⁵ At the same time, more than 20% of total spending has gone to servicing debt.⁶

HOLGED AS AN AFRICAN CHAMPION

2023 also saw Holged take its expertise outside the African continent, when it was awarded the contract to operate the French International School of Sharjah, located less than 30 minutes from Dubai. This development provides Holged with a foothold in the Middle East, a significant milestone and growth opportunity that positions it as an African champion in terms of exporting its expertise and innovation to markets outside the continent.

CHAMPIONING ESG IN THE EDUCATION SECTOR

Africa50 has worked with Holged to create and start implementing an Environmental Social Action Plan (ESAP). An ESAP is a required output from the due diligence we carry out in advance of any transaction. Since that time, Holged has recruited an ESG Manager to lead the implementation of the ESAP.

A part of Holged’s strategy is fostering social mobility through its Jouri brand, through which Holged provides access to quality education to the mass market at relatively affordable tuition.

A stakeholder engagement plan is also being developed to ensure a robust engagement programme with the company’s various stakeholders and improving working conditions such as aligning employee contracts with relevant regulations.

A range of initiatives have now been taken in Holged schools to promote good environmental practices amongst students and staff. Daily onsite meal preparation is based on the exact number of students each day to avoid wastage. The schools also prioritize healthy menus and sourcing local ingredients for meals prepared.

To reduce paper waste, the school encourages students to use handwritten notes on white boards and to reuse printed materials.

Holged’s Blue Brigade scheme ensures each student has been tasked as an energy conservation advocate, monitoring electricity usage across the campuses and notifying when lights need to be turned off. During extracurricular activities such as surfing and golf, the students clean the beach (after surf) and use recycled water to water the lawn (for golf). In all these ways, sustainability has been embedded and continues to be embedded into the Holged school ethos.

5 World Bank 2021

6 UNICEF 2022

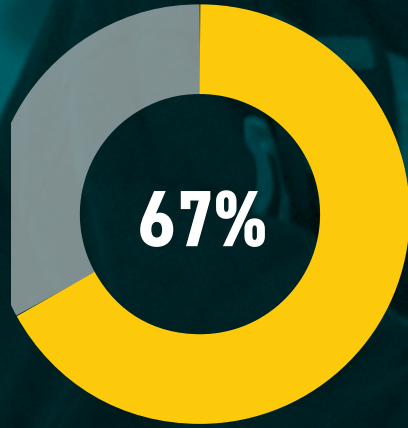
PROJECT

Holged



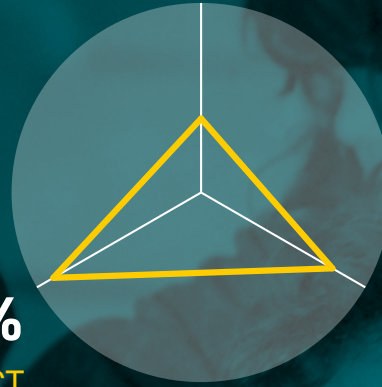
MOROCCO AND TUNISIA

IMPACT SCORE



39%

CONFIDENCE



IMPACT SCORE DRIVERS



Catalysing funding



Probability of impact materialising



Economic development growth



Improved livelihoods

LEGEND



Low impact



Medium impact



High impact

IMPACT METRICS



17,176

students



736

graduating students in 2023



19

schools

AFRICA HEALTHCARE NETWORK

Transforming the
healthcare sector in Africa

3 GOOD HEALTH
AND WELL-BEING



The health landscape in Africa is changing. While diseases such as malaria still present an ongoing challenge, there is a rising burden of non-communicable diseases such as cardiovascular disease, diabetes, cancer, kidney, and respiratory diseases. These developments reflect increased urbanisation, changing lifestyles, and ageing populations with Africa beginning to reflect healthcare needs that traditionally associated with the West.

What has not changed fast enough to meet the evolving needs is access to adequate healthcare infrastructure in many countries. Healthcare facilities, medical supplies, and trained healthcare professionals, especially in rural areas, are lacking. Countries with competing demands for funding struggle to allocate sufficient resources to healthcare, creating wide disparities and health inequalities. The COVID pandemic magnified the gross needs of the continent even further, demonstrating that the current infrastructure across the continent is inadequate and significantly more investment was needed.

Not unlike other industries, there is a growing recognition of the potential for technology and innovation to transform healthcare delivery in Africa. For Africa50, the need for and the opportunity to make a positive impact in

healthcare, encouraged us to include this sector in our investment mandate. Africa Healthcare Network (AHN) is a demonstration of what can be achieved.

HOW AFRICA HEALTHCARE NETWORK IS CHANGING CARE FOR THOSE WITH CHRONIC KIDNEY DISEASE

AHN's business model has been to partner with hospitals to establish on-premises clinics across East Africa, currently in Tanzania, Kenya and Rwanda. In addition to providing dialysis services, AHN is focused on prevention and delaying the onset of chronic kidney disease (CKD), with industry leading programmes in place which are continuously being improved. Their hemodialysis kidney treatment provides patients suffering from CKD weekly treatment of three 4-hour sessions a week until end of life (~5 years for elderly patients).

AHN's business is addressing a significant market need in Africa; there are over 2 million patients⁷ with chronic kidney disease – either acute kidney injury or end-stage kidney disease - in Africa, requiring renal replacement therapy. With less than 100,000 patients currently receiving dialysis care in Africa,⁸ the continent requires over 20 times the current number of centres to meet demand.

In addition to providing greater access to kidney-related care, AHN is able to offer that care at a much lower cost by controlling its own supply chain. The company has developed a vertically integrated supply chain in each country of operation. It has its own distribution warehouses for key equipment and its own fleet of trucks. The dialysis machines are however imported.

HOW AFRICA50 SUPPORTED AFRICA HEALTHCARE NETWORK

As with many of the investments Africa50 supports, our involvement with AHN came from the relationships we cultivate across our shareholder countries and our very

Opposite: AHN Nurse at Shree Hindu Mandal specialized polyclinic checking on patient treatment

7 BMJ Journals

8 National Library of Medicine



strong and focused origination strategies. Over the years, we had been closely following AHN's growth and achievements.

In 2022 we invited the company's leadership team – which is led by two nephrologists specialising in kidney disease – to present to AHN's strategy to the Africa50 Project Finance team at an offsite meeting. The team outlined the growth the company had achieved, and the plans they had to take AHN to the next level. Through a focused and targeted strategy, in a very short period of time, AHN had become the largest operator of dialysis clinics in East Africa.

The Series B funding round required to assist AHN in achieving its next stage of growth began in 2023. Africa50 was delighted to be on board from the start, leading on the equity funding and taking the largest equity stake. The debt component of the fundraising was provided by AfricInvest, a regional investment fund targeting medium-sized enterprises located in Northern and Sub-Saharan Africa. US\$20 million of capital was raised in total.

Africa50 also led on the due diligence work that is a crucial aspect of any investment process in de-risking investments. Once again, Africa50's participation in this financing, as with so many others, provided comfort to fellow investors.

MAJOR EXPANSION PLANNED FOR AFRICA HEALTHCARE NETWORK

Africa Healthcare Network has grown rapidly and is now a leading dialysis provider in Africa, bringing much needed access to quality healthcare for patients with kidney disease. AHN operates a network of dialysis centres across East Africa and growing, offering world-class treatment in state-of-the-art facilities.

The recent Series B funding will allow it to expand still further, taking the total from 45 to 100 centres and moving into other African countries. It will also accelerate the company's technological capabilities, including early identification and management of kidney disease.

Raza Hasnani, Managing Director and Head of Infrastructure Investments at Africa50, remarked, "We are excited to be partnering with AHN to further their mission of improving access to quality kidney care across

Africa. The AHN team has already achieved significant milestones, and we look forward to being part of the journey to impact more lives. This partnership is aligned with Africa50's strategic focus on healthcare, a sector which can deliver both positive impact and attractive investment returns".

AHN will further invest in training and development programmes for its existing 500 plus employees, continuing to elevate the standard of care. Going forward, the new funds will contribute to the training of more nurses specialising in kidney care and help to ensure local doctors are kept up to speed with developments in this fast-paced sector of healthcare.



With the support of Africa50 and AfricInvest, we are well-positioned to make a dramatic impact in the fight against kidney disease and improve the overall healthcare landscape in Africa.

Matt Williams, CEO of AHN

COMMITMENT TO ESG

AHN adheres to the highest standards in their operations and aspires to be a role model in healthcare and a force for good in its local communities, raising the bar across the sector in training healthcare professionals.

The due diligence work undertaken by Africa50 in structuring the deal, led to the creation of an ESG action plan, along with a dedicated ESG manager who joined the AHN team in January 2024. In line with their ESG commitments to reduce their environmental impact, some centres recycle the water used in the reverse osmosis (RO) process for treatment of patients. Other centres channel RO wastewater to water gardens.

Opposite: AHN Nurse at Shree Hindu Mandal specialized polyclinic logging patient data



Excellent patient care is the hallmark of AHN and to continuously monitor and improve their performance, they have developed a centre-based rating system to assess their role in improving the clinical outcomes of patients. It conducts clinical audits on a quarterly basis and monitors patient care experience through an annual patient satisfaction survey. The quality of service provided is also assessed via their Dialysis Quality Index which tracks metrics such as albumin, hemoglobin, admissions, mortality, data entry etc. by centre.

Consumables such as saline, face masks and syringes are sourced locally where possible. Uninsured patients i.e. patients who pay cash for dialysis services, are offered a discount of 25% and where more than the standard 12 treatment sessions per month are needed, the extra sessions are provided for free. Iron sucrose which is a much-needed supplement for dialysis patients is provided to all AHN patients at no cost.

The company has been intentional on driving gender equity and local employment. 65% of the company's staff members are female, including 3 out of 5 members of the senior leadership team. 99% of the company's 400 employees are local.



The AHN team has already achieved significant milestones, and we look forward to being part of the journey to impact more lives.

Raza Hasnani, Managing Director and Head of Infrastructure Investments at Africa50

AHN clinics are part of a hospital campus but there is still a role for the organisation to champion issues such as environmentally friendly waste management, emissions reduction and a greener energy mix. In this way, AHN can be a catalyst for change in the broader healthcare sector.

Below: Biomedical engineer at AHN clinic

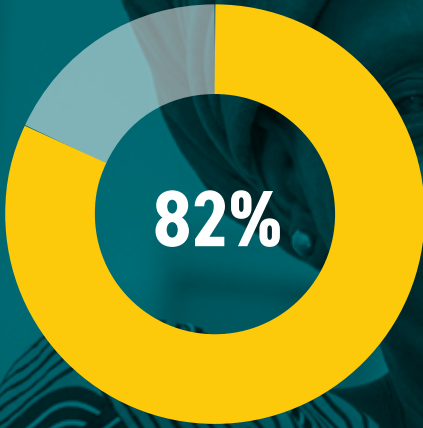


PROJECT

Africa Healthcare Network

TANZANIA, KENYA,
RWANDA

IMPACT SCORE



64%
CONFIDENCE



100%
IMPACT

80%
MAGNITUDE

IMPACT SCORE DRIVERS



Improved livelihoods



Probability of impact materialising



Economic development growth



Catalysing funding

LEGEND

- Low impact
- Medium impact
- High impact

IMPACT METRICS



45
dialysis clinics



25%
discount offered to uninsured patients



+150,000
treatment session administered in 2023



Dr Jane Manyahi

Principal Medical Officer, Cardinal Rugambwa Hospital, Dar es Salaam

Dr Jane Manyahi is the Principal Medical Officer at Cardinal Rugambwa Hospital in Dar es Salaam in Tanzania. She speaks here about the difference having an African Healthcare Clinic at her hospital has made to her patients and to her own family:

“We have a lot of patients here with chronic diseases like hypertension, diabetes, and end stage kidney disease. Before we had our own dialysis centre here, we had to refer to patients to other regions which took a long time and was very disruptive for patients. Some patients had to travel 20 or 30 km for treatment. Some travelled much further.

Fortunately, we met with AHN and we were able to form this partnership. It works very well for us as



Before we had our own dialysis centre here, we had to refer to patients to other regions which took a long time and was very disruptive for patients.

we desperately needed the dialysis unit. Currently we have 45 dialysis patients coming here on a regular basis. The hospital would not have been able to afford to build the centre without AHN. It costs millions to buy and install dialysis machines.

So, this clinic saves people time and money. This service is therefore vital for the community.”

Dr Manyahi added: “On a more personal level, my father-in-law became unwell and needed dialysis. I was able to bring him to this clinic when he needed treatment. It was a huge relief that we didn’t have to travel too far.”



Reverse osmosis system at an AHN Clinic in Tanzania



AHN Chief Operating Officer with clinical team at CRH Center



Pastor Simon Peter Deke

patient at the Msasani Peninsular Hospital Dar es Salaam

Pastor, Simon Peter Deke, is a patient at the Msasani Peninsular Hospital also in Dar es Salaam where he is receiving treatment for kidney disease in an Africa Healthcare Network facility. Here he talks about the impact having this treatment has meant to him:

"I am feeling a lot better after having my treatment. The facilities and service offered here is very good. The treatment is very good. I am offered good advice from the doctors here, they instruct me on what I should eat, and what I should and shouldn't do to look after my body. Before I started treatment here, I was not well. I had pain in my joints and had difficulty walking. But after the treatment here, I feel much better and am able to walk well."

Pastor Deke's wife, Anna, said: "My husband is receiving excellent treatment at Msasani. When he first came here, he was in a bad state. The pain was so severe that he would not eat. He was always so tired. But since starting dialysis he has improved a lot. His pain and fatigue have decreased.

Within our community there were many people advising us to use alternative medicine. But I didn't listen to those people. I trusted the hospital and the treatment is working well. I have told people that my husband is improving because of the dialysis here at the hospital.



The treatment he has received here has given him his life back and he is able to do things by himself again.

Before my husband started his treatment, he was unable to do his job as a pastor. I had to preach instead. But now he can stand at the altar by himself. My husband preaches and prays for the sick, where once he was sick. The treatment he has received here has given him his life back and he is able to do things by himself again."



Pastor Simon Peter Deke, after receiving treatment at the Msasani Peninsular hospital, with his wife Anna

How do our activities bring about impact

There is no shortage of infrastructure projects in Africa that require funding. And whilst infrastructure investment in Africa has been increasing in recent years – and there is renewed appetite amongst investors to do more – a report from consultants McKinsey found that Africa’s track record in moving projects to financial close is poor. 80 percent of African infrastructure projects are said to fail at the feasibility and business-plan stage.

Bringing African infrastructure projects to financial closure is a complex process. One challenging area is around risk. Investors often can perceive risk in African markets as being greater and there is also concern about ESG risks such as the need to build more resilient infrastructure to withstand climate change, and for infrastructure projects themselves to meet international sustainability standards.

Identifying each and every risk and making sure mitigation is in place can take time and high levels of expertise. It requires partnership between lenders, investors, and governments.

Africa50 has a proven track record in these areas. We are an experienced and credible investment and implementation partner for stakeholders in both the public and private sectors. By bringing project development and project financing together under one platform, Africa50 is able to provide support at each stage of the project life cycle.

We bring the technical expertise to assess, structure and manage complex infrastructure projects giving reassurance to investors that risks and rewards are properly balanced. We provide risk and growth equity to accelerate infrastructure development and ensure a pipeline of bankable infrastructure projects. Our local knowledge and broad and deep networks ensure we are able to mobilize capital from local and institutional investors to accelerate further investment into infrastructure to benefit the African continent and bring about sustainable, positive impact.



Identifying each and every risk and making sure mitigation is in place can take time and high levels of expertise. It requires partnership between lenders, investors, and governments.

Opposite: Solar panels being cleaned at Benban Solar, Egypt



How do we measure impact?

We have developed our bespoke Impact Scoring Tool to guide us in the investment decisions we make and in measuring the impact the projects we develop and fund will have on individual African nations and the continent as a whole.

Africa50 also commits to carrying out periodic independent reviews of our development impact performance to assess the degree to which objectives are being achieved, and to identify barriers to and enablers for the achievement of this Impact.

We have established four strategic impact drivers against which to measure the positive contribution we make to each of the seven Sustainable Development Goals that are the cornerstone of our Development Impact Strategy.

CATALYSING INVESTMENT

To be a trusted investment and implementation partner to stakeholders in the public and private sectors; to use innovative deal structuring and financial appraisal models to de-risk investments for investors who would not previously

have been attracted to the investment in question, thereby bringing new funding into African infrastructure; and to improve the capital efficiency of investor funds.

REGIONAL INTEGRATION

To leverage physical and ICT infrastructure in a way that encourages and facilitates social and economic integration between countries and communities in Africa.

FUELLING ECONOMIC DEVELOPMENT

To invest in infrastructure that serves as a foundation for economic activity, supporting the growth of inclusive economies and the creation of sustainable development; to increase the financial stability of African governments by supporting growth of the tax base and improvement of the trade balance.

IMPROVING LIVELIHOODS

To make affordable, reliable, sustainable energy accessible to more people; to drive positive social outcomes (such as health, education, and financial inclusion) through the type of infrastructure that Africa50



invests in; to afford people access to products and services that would not have been available to them in the absence of Africa50 investments.

The contribution of a project to these identified drivers is assessed on a sliding scale of 1 to 3. This process also assesses the probabilities of the impact materializing in full and the risks that may affect realizable impact.

The impact drivers are assessed as follows:

- **HIGH IMPACT**
- **MEDIUM IMPACT**
- **LOW IMPACT** (or no impact / not influenced by Africa50)

We then score the potential development impact of a project against three dimensions: impact, magnitude, and confidence.

IMPACT

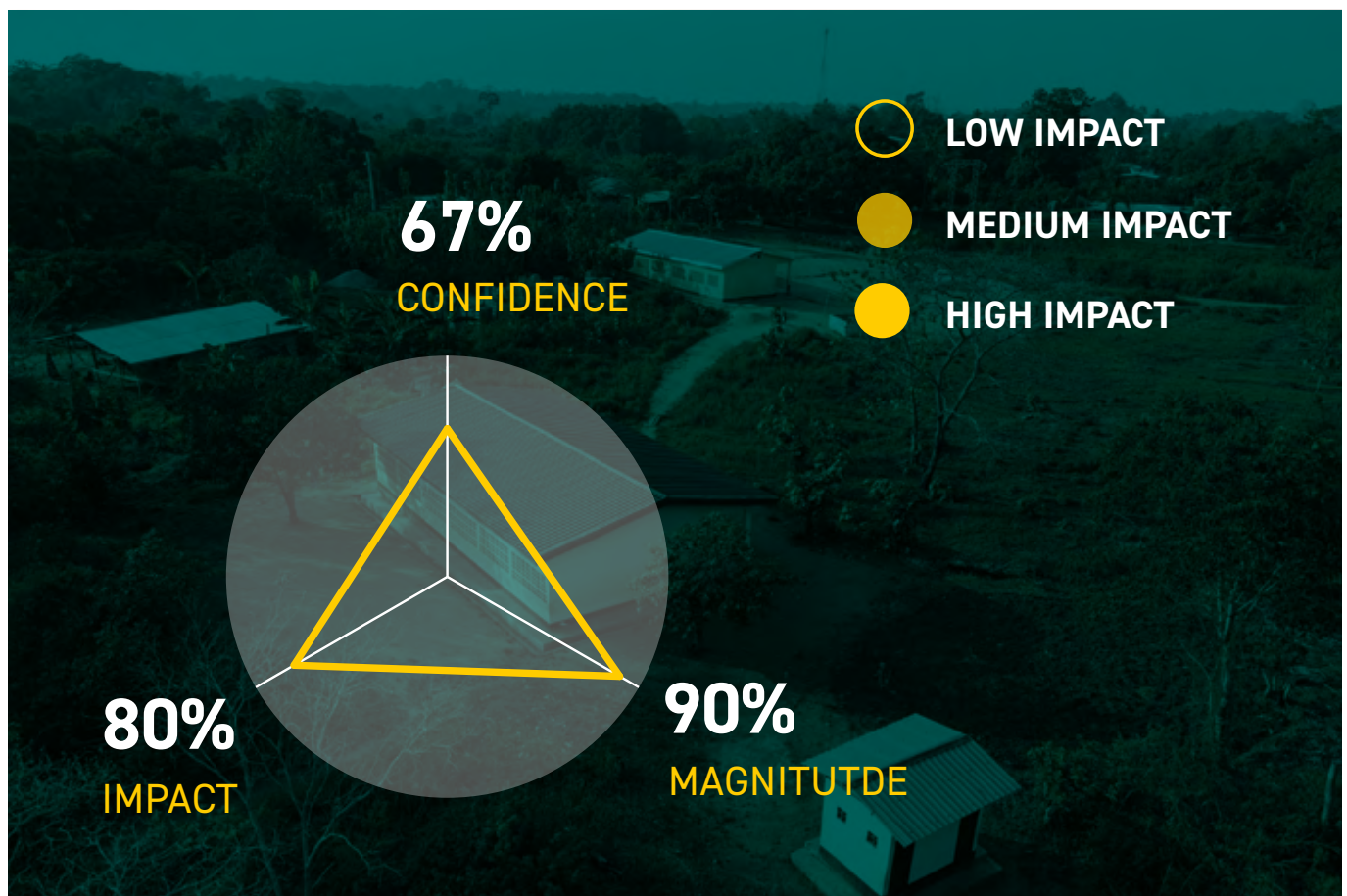
Assesses the investment's potential performance against relevant industry impact indicators.

MAGNITUDE

Measures the scale of the investment's impact, including the geographic reach of the economic impact and depth of impact on local livelihoods.

CONFIDENCE

Evaluates the potential risks and factors that may prevent the expected impact from materializing, including the measurability and probability of achieving the impact as well as Africa50's influence over project outcomes.



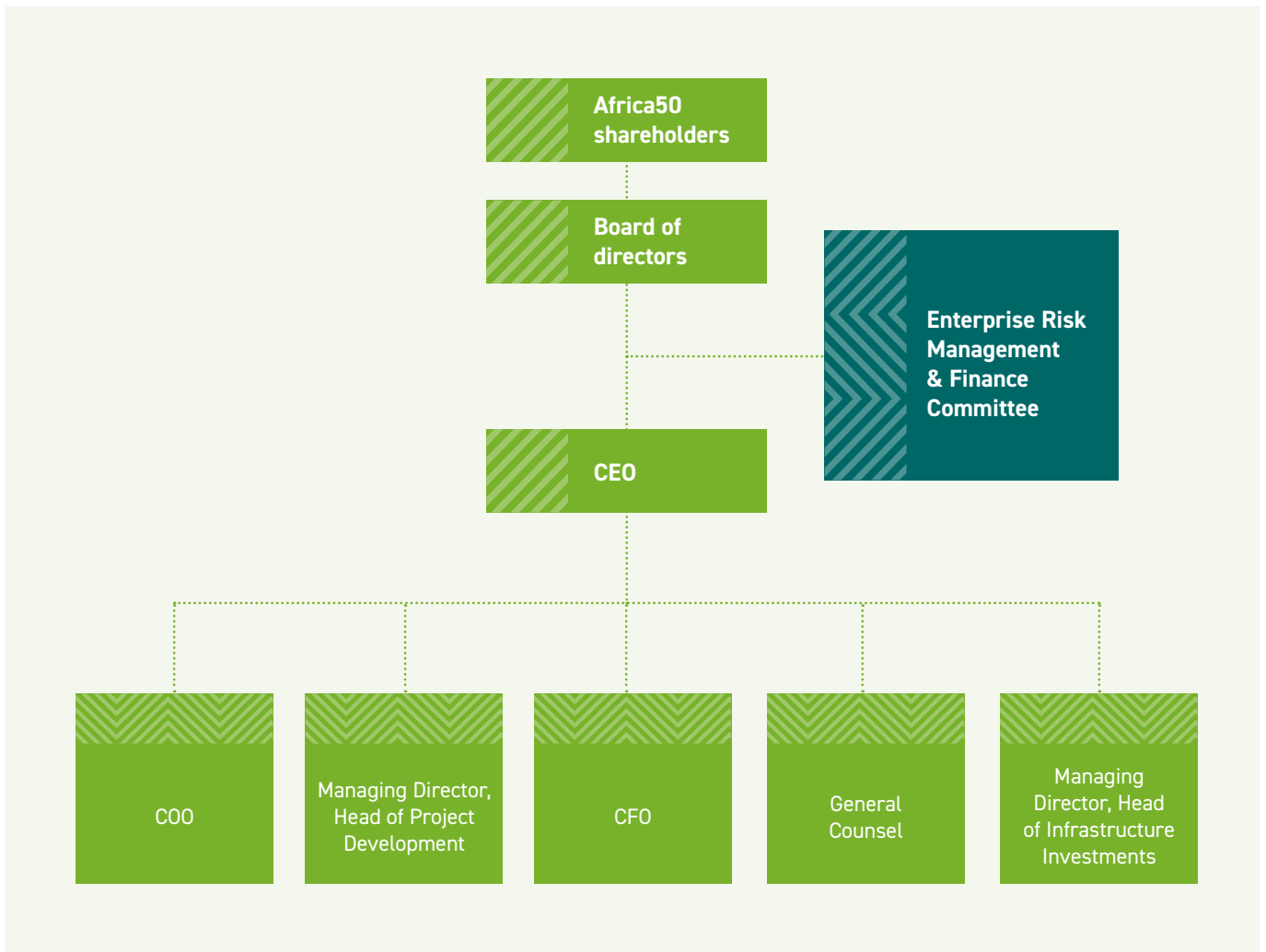
Our approach to governance and risk management

The way we operate our business and manage risk, including ESG risk, is designed to bring about the synergy we believe exists between financial returns that are attractive to investors, and societal benefits that will bring about positive impact in individual countries and the African continent.

Corporate governance at Africa50 generally follows private sector practice but what sets it apart is that the African countries themselves are shareholders, which

means Africa50 is a stakeholder-owned organisation. The interests of shareholders and beneficiaries are therefore perfectly aligned.

The Board of Directors is collectively responsible for ensuring leadership through effective oversight and review, including the organisation's approach to ESG risk and development impact. The Board sets the strategic direction with the goal of delivering sustainable stakeholder value over the longer term.



The Enterprise Risk Management and Finance Committee of the Board is responsible for overseeing the management of risks, including ESG-related risks. The Enterprise Risk Management and Finance Committee is also responsible for overseeing the implementation of anti-money laundering, know your customer, and countering the financing of terrorism policies to ensure compliance with legal and regulatory requirements and best practice.

Africa50's Chief Operating Officer appoints an ESG Officer to oversee the day-to-day implementation and management of ESG policies and strategy. The ESG Officer holds a senior position in the business and has access to necessary resources, whether budgetary or allocation of staff time, to ensure that the required

capacity (internal staff or external expertise) is available to effectively oversee and implement the requirements of the ESG across Africa50. The ESG Officer is also responsible for communicating issues to the Senior Leadership Team and relevant board committees in accordance with the requirements of ESG-related policies.

Our commitment to development impact and to the management of ESG opportunities and risk is guided by key internationally and nationally accepted principles, guidelines, and good practice standards which we refer to as our Reference Framework. Africa50, the lead sponsors that Africa50 works with, and any underlying portfolio companies, are encouraged to act in accordance with the Reference Framework made up of the following standards, principles, and guidelines:



In addition to the above standards, we commit to the following set of guiding principles:

- To support a precautionary approach to environmental challenges
- Inspire the efficient use of energy and natural resources to reduce the impact on climate change, and to contribute towards the sustainable use of depleting resources including forests and water
- Encourage the reduction of greenhouse gas emissions, which contribute to climate change, in its operations
- Avoid, and, if not possible, minimise, adverse impacts on human health and the environment
- Support and respect the protection of internationally proclaimed human rights
- Support and respect fair labour and working conditions

- Protect the health and safety of workers, surrounding communities and customers
- Adopt high standards of professional conduct and excellence
- Exhibit honesty, integrity, fairness, and respect in all its dealings
- Enhance the good reputation of Africa50

Our approach to managing impact and ESG is embedded in all stages of an investment's life cycle. Prospective deals that Africa50 - Project Development or Africa50 - Project Finance wish to pursue, are presented by the relevant investment teams, under the leadership of their respective Managing Directors, to the Investment Committee for approval.

The Investment Committee is made up of Africa50's CEO (who chairs the committee) and external independent experts (two of whom are Africa50 Board members) with

extensive investment expertise in the priority sectors of Africa50. The Investment Committee members are recruited globally. The Chair of the Investment Committee provides reports to the Board on the committee's activities.

Where Investment Committee approval is obtained at concept stage, the teams carry out detailed analysis, consultations, due diligence missions, and deal structuring, before final approval to invest can be obtained. Identifying and mitigating ESG risk is part of this due diligence process as well as at the concept stage through an ESG screening. Risks identified must have mitigations set against them which are monitored throughout the life cycle of the investment.

Africa50 works with its investee companies to support them in having robust and market standard ESG procedures and policies that meet international standards. We support these companies in establishing an Environmental, Social and Governance Management Systems (ESMS) and reporting on ESG and impact data.

Risks identified must have mitigations set against them which are monitored throughout the life cycle of the investment.

SCREENING	DUE DILIGENCE	INVESTMENT APPLICATION & STRUCTURING	DEAL APPROVAL & EXECUTION	MONITORING & REPORTING
<ul style="list-style-type: none"> Assess alignment with impact goals and objectives Identify potential opportunities to drive specific impact initiatives 	<ul style="list-style-type: none"> Interrogate alignment with impact goals and objectives Identify potential barriers and enablers for the achievement of impact Analysis and mitigation of ESG-related risks 	<ul style="list-style-type: none"> Review investment proposal 	<ul style="list-style-type: none"> Incorporate technical assistance agreements and monitoring requirements into deal documentation Analysis and mitigation of ESG-related risks 	<ul style="list-style-type: none"> Monitoring of development impact against indicators in the impact measurement and management framework Analysis and mitigation of ESG-related risks

Our ESG performance

0

Major environmental,
governance incidents

3

Social incidents

22

Lost-time injuries

3

Fatalities

17

Africa50 board seats

22%

Female board
representation across
portfolio

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a critical tool to facilitate the integration of ESG throughout Africa50 and to ensure continuous improvement, increased alignment between Africa50 and its stakeholders, and transparency and accountability throughout the organisation.

Within an ESG management context, stakeholder engagement for us means proactive ongoing dialogue, information sharing and interactions between Africa50 and its stakeholders. This targeted engagement seeks to understand from those stakeholders what is working, and where additional attention may be required to improve ESG performance. Gathering of this information feeds into and improves decision-making around Africa50's investment activities, product offerings and refinement of our ESG strategy. Frequent, open communication and responsiveness with stakeholders can also strengthen the organisation's social license to operate, by demonstrating accountability and building trust in the Africa50 brand.

As part of ensuring effective engagement, an Africa50 grievance mechanism for ESG matters shall be developed and shall be communicated, implemented, and monitored. The purpose of this grievance mechanism is to ensure that complaints or feedback received from internal or external stakeholders are recorded and reported to senior management and are handled appropriately.

Women building African infrastructure

5 GENDER
EQUALITY



The position of women in African society has improved on several fronts. Just over 24% of African company Board seats are now held by women. Almost one in four companies in Africa are Chaired by a woman and this is ahead of the global average.

Africa is a prominent force too when it comes to having women in public leadership roles, with five African nations ranking among the top 20 for women's parliamentary representation. Additionally, four African countries boast over 45 percent female representation in cabinets, placing them among the top 20 globally.

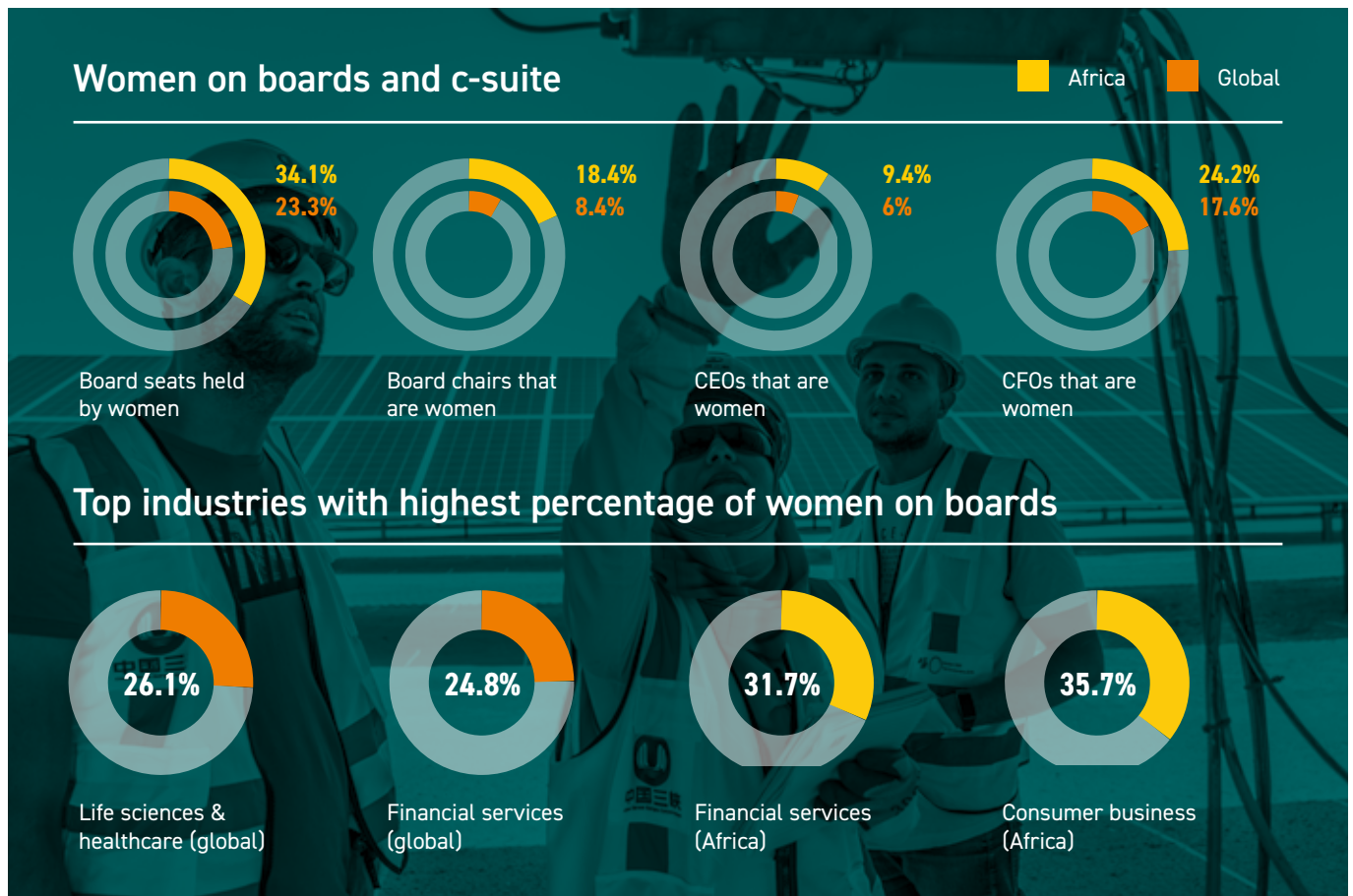
Beyond national boundaries, African women are increasingly taking on leadership roles in international bodies such as the World Trade Organization, African Union, and the United Nations. Their influence extends far beyond formal institutions as they actively engage in regional and global initiatives tackling critical issues like

peace and security, gender equality, climate change, and technological and economic development across Africa.

In all these ways, women are delivering against the Sustainable Development Goals (SDGs) and making an impact in their communities.

While the SDGs exist to benefit all members of society, there are many occasions when the challenges they are set up to tackle have a particular impact on women and children.

One often overlooked issue that continues to limit the ability of millions of women to thrive, is lack of access to affordable, clean energy for cooking. In Africa, women and children account for 60% of early deaths related to smoke inhalation and indoor air pollution, primarily the result of basic cooking practices that lead to respiratory complications and cardiovascular diseases.



Opposite: Mingue Suzanne Flore, an engineer at the Nachtigal hydroelectric power station, Cameroon

Source: Deloitte 2023. Women in the boardroom: A global perspective

Households without clean cooking spend an average of five hours per day collecting fuel and cooking. It is usually women and girls that are charged with finding cooking fuel, effectively keeping them from higher-value, income-generating activities and from the opportunities offered by education. Lack of access to affordable and reliable energy perpetuates gender inequality, economic poverty, and suppresses opportunities for women.

At Africa50 we are proud to play our part in supporting the role of women in shaping our continent. We celebrate the fact that a third of our Board positions are occupied by women and 30% of all senior leadership positions. Our overall workforce is 52% female.

We believe our commitment to advancing women in our own organisation and in the companies we invest in, helps us keep a focus on the needs of all sections of African society.

In this chapter we hear from some of the women who are working with Africa50 to finance and build new African infrastructure.



A third of our senior leadership roles are held by women. We seek to drive that intention in our portfolio companies also.



Tshepidi Moremong, COO, Africa50

Tshepidi Moremong is Chief Operating Officer at Africa50. "My background is in private equity and investment banking. What drew me to Africa50 is our double bottom line - we are delivering attractive returns to shareholders, and we are also having a very real positive impact on the African continent."

For Tshepidi Africa50's work has other attractions too: "Infrastructure projects are very tangible. When the President of Senegal turned to Africa50 and asked for our help building a power plant we had a blank sheet of

paper. Now when I stand next to the Malicounda plant I get goosebumps because I can see the very real impact we have had."

Africa50 has championed the position of women in the workplace. "I am proud to work for an organisation with such a high percentage of women in senior leadership roles – a third of our senior leadership roles are held by women. We seek to drive that intention in our portfolio companies also. We do this by initiating conversations with the companies we invest in. We ask them about their gender, diversity and inclusion policies. Sometimes it isn't something they have thought about before. We believe where there is female representation at senior levels, there is better risk management and better financial returns.



There are four women in my team. It was so exciting to prove to people that women can do this kind of work.



Huruma Makibole, biomedical engineer, Africa Healthcare Network

Huruma Makibole is one of Africa Healthcare Network's female biomedical engineers. "I am the senior biomedical engineer at Africa Healthcare Network in Tanzania. I've been working with AHN since December 2018. When I started working at AHN, there were only two centres operating, but now there are 17 centres in Tanzania and we're continuing to grow.

"I've had an exciting career journey at AHN. The role I play in keeping the dialysis machines working is key for the patients who are treated here. I deal with the installation of all the machines, as well as their maintenance. I also fix any issues that may arise with the machines, and work with the clinical team to assist them if there are any concerns. My work comes down to patient care so it's an important job.



Huruma Makibole monitors dialysis machines in Tanzania



My colleagues were not sure that a woman from Cameroon would get a global position for such a large company, but I believed I had the requisite skills and competencies required so I went for it. I have never looked back.

Catherine Minya, Environment and Social Director, NHPC

“There are four women in my team. It was so exciting to prove to people that women can do this kind of work. My advice to young people is that you can do anything you want to do. Don’t let anything stop you, just go for it.”

Huruma’s sentiments are echoed by **Catherine Minya**, the Environment and Social Director at Cameroon’s biggest hydro power plant, part developed and financed by Africa50. “My advice to girls is to dream big. I remember when I applied for a global position in the corporate team of Globeleq, my colleagues working locally with me in Cameroon were surprised.”

Catherine began her career working for the local national power utility in Cameroon and along the way, developed her expertise in ESG. Despite her experience, moving to doing this type of role at a global level was seen as quite a leap. “My colleagues were not sure that a woman from Cameroon would get a global position for such a large company, but I believed I had the requisite skills and competencies required so I went for it. I have never looked back.”

Below: Catherine Minya, Environment and Social Director, NHPC





Often, we are involved in the hiring process for senior leadership roles, and this is where we remind companies of the advantages in having a more diverse leadership team.

Yousra Khayati, Investment Director, Africa50



Working for Africa50 and being able to make a positive impact on the continent's development is also what attracted Africa50's Investment Director, **Yousra Khayati**, to her role. She believes Africa50's projects have had a positive impact especially on African women. "Internet connectivity is very important to all of us. But for girls in Africa, access to the internet gives them the opportunity to gain access to education and information if they are not able to attend school," said Yousra. "The same goes for providing energy. Girls can carry on with their studies at home after school, and in that way, improve their prospects to get a good education and build a career."

"Better transport links, if it cuts the time it takes to get to school, gives extra time back to all children to study. It will again have a particular impact on girls who are often expected to help with household tasks as well as attend school, often travelling long distances to do so."

Yousra champions the position of women in the companies she leads the investment on. "The situation is improving. We find ourselves along with other lenders working to improve the gender equity situation. Often, we are involved in the hiring process for senior leadership roles, and this is where we remind companies of the advantages in having a more diverse leadership team. The best way forward is to strive for that balance at all levels of the organisation. In this way you can support women to actively develop their careers."

Nonye Obibuaku is a great example of a woman who has made a successful career in a sector where you may not have expected to find many like her at senior levels. Nonye is the Chief Financial Officer for the project company that runs the Azura-Edo power plant in Southern Nigeria. The plant, invested in by Africa50, has been

in operation since May 2018 and has a capacity of 461 megawatts, enough to produce electricity for around 15 million people and accounts for around 8% of Nigeria's total power supply.

"For Nigeria this plant is hugely strategic. We were the first large privately financed power company in the country, which was designed to be a template for future projects. As Chief Financial Officer, I am responsible for all the accounting and finance functions within the company. Azura-Edo is a complex project and part of my role is working with 16 different lenders to the project, 15 of which are international finance organisations.



We have had the benefit of a strong female component within the project since we became operational I would say around 20-30% of our workforce are women, which given the technical aspects of operating a power plant, is probably a little unusual.



Nonye Obibuaku, CFO, Azura-Edo power plant

“A part of my role that I particularly enjoy is being a mentor to the team. I like to make sure everyone has the opportunity to gain something and learn something new, to become a better, stronger individual. There are around 150 people working for the power plant on a day-to-day basis. We have had the benefit of a strong female component within the project since we became operational I would say around 20- 30% of our workforce are women, which given the technical aspects of operating a power plant, is probably a little unusual.”

This female representation was intentional on the part of Azura-Edo. “We made a concerted effort with the operator of the plant to make sure the workforce represented the national characteristics as much as possible. We wanted diversity in terms of different ethnicities, religion and of course gender. Our first priority is to find people who can do the job, but within that, there is lots that can be done to promote diversity.

“One initiative we have been involved in is looking to universities where students major in engineering to identify future talent. We also have an internship programme with seven or eight university interns currently working at the plant, three of them women. My advice to women looking to make a successful career is to look for an organisation that shares your values. When I joined Azura-Edo in 2014, my son was eight years old. I appreciated working for an organisation that allowed me the flexibility to be there to see my son perform in his school play. This flexibility is why I believe women stay here at Azura. We work hard but we are also able to prioritise our families.”

Another of Nonye's responsibilities is to Chair and to report to the Board on Azura-Edo's “Power to Change” CSR programme. “One of our CSR initiatives is to provide solar electrification into schools in Nigeria. We are also looking at similar projects in Nigerian universities. The solar power we have provided has been enabling students to return to their universities and study at night.

“Yes, we are generating electricity, but the point of our business is to change people's lives. Our CSR programme helps us build good community relations and have an impact beyond the power we supply.”

Another woman working in what is still a male-dominated world is **Rofayda Mostafa**. Rofayda is the only female engineer of a team of 20 working in a maintenance role at

the Scatec solar power plant in Benban in Egypt. Africa50 contributed 25% of the equity required to fund the construction of the plant which was completed in 2019.

Rofayda studied engineering at university but there are still few women actually working in the field. “I have faced challenges in my role, but I believe inspiring women can achieve something different.

“The work on site is very difficult and physically tasking. There are also night shifts which is also difficult for women. But my company has helped by providing special facilities for women which should encourage more women to work with us. My advice to young girls is to be ambitious, prove your competence and challenge wrong ideas that hold us back.”



I have faced challenges in my role, but I believe inspiring women can achieve

something different ... my advice to girls is to be ambitious, prove your competence and challenge wrong ideas that hold us back.



Rofayda Mostafa, O&M Engineer, Benban Solar

Opposite: Mingue Suzanne Flore, engineer at the Nachtigal Hydropower Plant



Our people giving back: CSR initiatives



GIVING BACK TO OUR COMMUNITIES: CSR INITIATIVES

Ever since our inception CSR initiatives have been important to Africa50.

We believe our people being involved in CSR activities benefiting Africa supports this alignment still further. Our people can feel they are having an impact in their local communities above and beyond the business impact they bring about as employees of Africa50.

HOW WE MANAGE CSR

Governance of CSR initiatives is important and Africa50 has a CSR committee made up of representatives from across the business. The committee makes recommendations as to where funds should be allocated. Our Chief Operating Officer and Chief Executive Officer also become involved in those decisions.

But ideas as to where we feel we can make the most impact come ultimately from our people and then flow upwards. Often these ideas come from wanting to support initiatives that the businesses we fund are already championing, such as bringing the internet to underserved areas and supporting local education projects. In the same way, we have supported local projects looking to encourage entrepreneurs, especially female entrepreneurs, working in the clean energy sector.

2023 for us was however a little different.

SOLIDARITY WITH OUR LOCAL COMMUNITY

On the night of September 8th, 2023, Morocco was struck by a powerful magnitude 6.8 earthquake, occurring just after 11pm, local time. The quake, originating 11.5 miles beneath the surface, centred 44 miles Southwest of Marrakech, near the town of Adassil in the High Atlas Mountains of the Al Haouz province. This region is home to numerous pretty but very small villages, many of which suffered extensive devastation.

Opposite: Africa50 team refurbishing a local school in Morocco



Humanitarian agencies had been providing tents and other shelters so we decided we would supply solar powered lights.

Marrakech, well-known around the world for its historical significance, bore the brunt of the earthquake, impacting a population of 840,000. The tremors reverberated across several other Moroccan cities, including Casablanca, Agadir, Essaouira, and Rabat. Approximately, 380,000 people were severely affected and the disaster displaced at least 500,000 individuals.

Africa50's headquarters is in Casablanca. Understandably our people were keen to help.

The Moroccan government appealed for a coordinated approach to the humanitarian effort. Africa50 worked through the auspices of the Mohammed V Foundation for Solidarity which was established and inaugurated by His Majesty, Mohammed VI, King of Morocco in 1999 when he was prince.

Food aid had been pouring in. Africa50 decided to concentrate on providing blankets and bedding for those displaced. The nights can be cold, especially in those more rural communities in the mountains.

We also wanted to provide aid that reflected our infrastructure funding mandate. Humanitarian agencies had been providing tents and other shelters so we decided we would supply solar powered lights. This was especially important given the disruption to local power supplies caused by the earthquake.

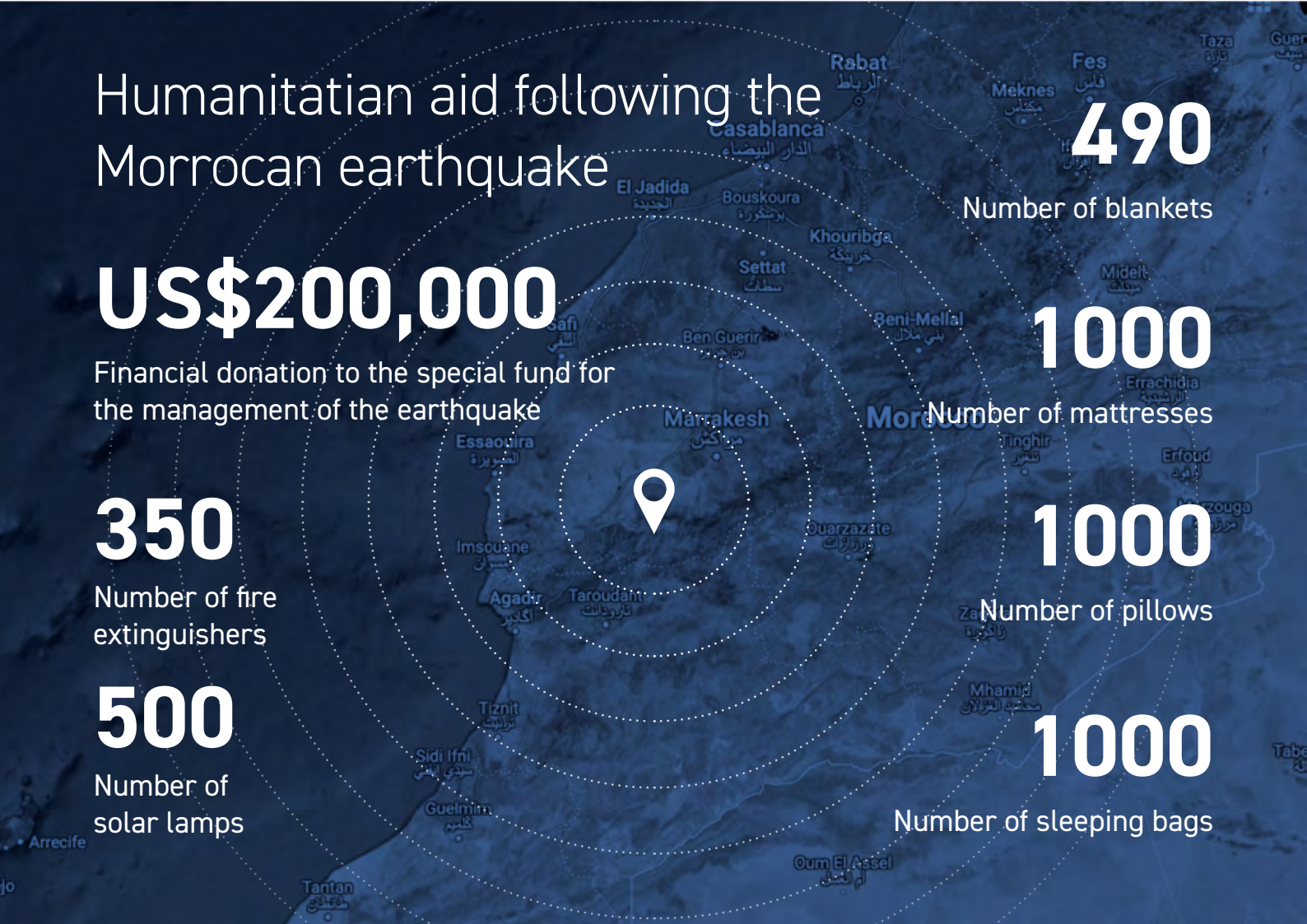
Members of our team travelled to some of the areas

impacted by the earthquake to see for ourselves how aid was being distributed and how else we could help. A fundraising campaign was organised so our people could also donate their own money to the relief effort.

In addition to the below cash and in-kind donation, Africa50 provided a one-year scholarship to ten academically exceptional students who were impacted by the earthquake. These students tragically lost their families and homes. Through Africa50's financial support, they will receive a monthly stipend, psychological counselling and mentoring, providing them the enabling environment to pursue their studies.

Food aid had been pouring in. Africa50 decided to concentrate on providing blankets and bedding for those displaced. The nights can be cold, especially in those more rural communities in the mountains.

Opposite: Africa50 team planting trees with AESVT during green week 2023



Humanitarian aid following the Moroccan earthquake

US\$200,000

Financial donation to the special fund for the management of the earthquake

350

Number of fire extinguishers

500

Number of solar lamps

490

Number of blankets

1000

Number of mattresses

1000

Number of pillows

1000

Number of sleeping bags



About this report

Welcome to Africa50's 2023 Sustainability Report. This report has been published in line with Africa50's commitment to report to and inform stakeholders about the Environmental, Social and Governance (ESG) and Development Impact performance of the Africa50 infrastructure investment platform.

SCOPE AND BOUNDARY OF THIS REPORT

The report covers the ESG and Development Impact performance and achievements of Africa50. This includes both its legal operating entities, namely Africa50 - Project Development and Africa50 - Project Finance, and their portfolio investments. Unless indicated otherwise, this report refers to both entities collectively as "Africa50". The report is aimed at providing an overview of our sustainability strategy, progress to date, and future plans, and should be read in conjunction with the 2023 Africa50 Annual Report, which together outline our business strategy and performance.

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Except where otherwise indicated herein, the information provided herein is based on matters as they exist as of December 2023 and not as of any future date and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after the date hereof.

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