

GLID WIND FARMS TOPCO LIMITED

2022 Sustainability Report

June 2023



**Green
Investment
Group**

BLACKROCK®

GLID Wind Farms TopCo Limited ("GLID") is a UK Green Investment Group / BlackRock Joint Venture

GLID WIND FARMS TOPCO LIMITED

Contents

1.	Who are GLID?	3
2.	Key Performance Indicators Summary	3
3.	Materiality Assessment	4
4.	Global Real Estate Sustainability Benchmark (GRESB)	5
5.	Action Planning	6
6.	Maintain and Enhance	6
7.	Improve.....	8
8.	Supply Chain Project	10

1. Who are GLID?

GLID Wind Farms TopCo Ltd consists of two offshore wind farms, Lynn and Inner Dowsing (LID), that each comprise of 27 x 3.6-107 Siemens wind turbine generators (WTGs). The wind farms neighbour each other and are located approximately 5km off the coast of Skegness, England. The assets have a total operating capacity of 194.4MW. The wind farm is operated from the Grimsby Renewables Operations Base (GROB) located in Grimsby, North-East Lincolnshire and is connected at 33kV at the onshore Middlemarsh substation located East of Skegness. As an asset, LID is mature in comparison to most other offshore sites, as it approaches its 15th year of operation in 2023.

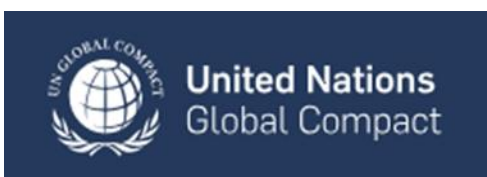
GLID has no employees and consists of only board members who represent the interests of the ultimate owners, it is managed by an asset management organisation to oversee and closely manage the asset at ground level. Since the purchase of LID in 2017, XceCo have performed as the asset manager for GLID by representing and acting on behalf of the owners throughout the day-to-day operations, undertaking tactical decision making and managing the business activities within a board defined remit. The team has significant experience in the power industry and has historically worked on and very closely with the LID asset whilst it was previously owned and operated by Centrica Energy. Siemens Gamesa Renewable Energy (SGRE) are contracted to complete all regular service and maintenance of the assets. Operating and sailing out of the Grimsby Renewables Operations Base (GROB) and its quayside within the

GFDE docks. Siemens Energy (SE) are responsible for all high voltage (HV) elements of the asset, including Middlemarsh substation. XceCo maintain a very close relationship with both organisations, collectively working out of and sharing an open office space at GROB.

2. Key Performance Indicators Summary

In January 2015, the '2030 Agenda for Sustainable Development' was introduced by the United Nations (UN) with 17 Sustainable Development Goals (SDGs) at its centre. The 17 goals are:

1. No Poverty,
2. Zero Hunger,
3. Good health and well-being,
4. Quality education,
5. Gender equality,
6. Clean water and sanitation,
7. Affordable and clean energy,
8. Decent work and economic growth,
9. Industry, innovation, and infrastructure,
10. Reduced inequalities,
11. Sustainable cities and communities,
12. Responsible consumption and production,
13. Climate action,
14. Life below water,
15. Life on land,
16. Peace, justice, and strong institutions,
17. Partnerships for the goals.



All 193 Member States agreed to adopt the SDGs in a bid to improve people's quality of life and that of the environment to ensure a better future for all – "leaving no one behind".

The UN provides clear guidance on how businesses can contribute to achieving the SDGs by 2030; to which GLID closely aligns itself. Before directly addressing the SDGs, the UN suggests that organisations should first 'Act Responsibly' by adhering to the 'Ten Principles of the UN Global Compact':

Human Rights

Principle 1: Business should support and respect the protection of international proclaimed human right; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Business should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

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

These principles are embedded in the operations at GLID, enabling responsible and ethical business and decision making. These changes are the drivers behind the paradigm shift required to resolve the issues raised within the SDG's. Whilst each unique goal represents its own topic of responsibility, they are not typically isolated from one another, in that sustainable development within an organisation will often align with several goals. For example, as a renewable energy generator, the end goal of GLID's operations is to provide 'Affordable and Clean Energy' to the grid which aligns with goal 7, this in turn provides one of the elements required to develop 'Sustainable Cities and Communities', goal 11.

In 2021, the COP26 international climate conference in Glasgow raised the growing climate change emergency, with which society has a limited time frame to mitigate and prevent irreversible environmental global catastrophes. Four key objectives came out of the conference: Secure global net zero by 2050 and keep 1.5°C within reach, adapt to protect communities and natural habitats, mobilise at least \$100bn in climate finance per year and to work together to deliver and finalise the Paris Rulebook and to increase the rate of action in tackling the climate crisis.

To tackle the far-reaching problems raised within the SDGs, it is the responsibility of businesses, financial institutions, and governing bodies to implement governance that will guide to a more sustainable future. Ultimately, the responsibility falls on us all as individuals to make the conscious decisions that make a small difference. Collectively, we can choose to conduct business in such a way that considers the wellbeing of all people and the environment.

3. *Materiality Assessment*

At GLID, we understand that for sustainable development to take place, we first need to fully understand the ways in which our operations have an impact on society and the environment, and how our governance practices can be improved to mitigate negative impacts or further improve the positives. The expansive guidance and its differences across various sources can make it particularly tricky to ensure that the correct areas are being focussed on, especially considering the distinct lack of sector specific

guidance. To overcome this problem, XceCo on behalf of GLID, adopted the use of a Materiality Assessment to determine the material topics in which GLID has an impact.

There are various reported methods to completing a materiality assessment, in this instance, the Global Reporting Initiative (GRI) was adopted. GRI is a globally recognised independent organisation that aids businesses in taking responsibility for their sustainability impacts. They provide a broad suite of standards by which organisations can report on sustainability using a common language to ensure detail, transparency, and consistency. The 'GRI 103 Material Topics 2021' provides a step-by-step process that when followed, advises an organisation on what their impacts entail. The process has four stages, as can be seen in Figure 1.

Following the completion of the materiality assessment, GLID were left with 11 material topics that the organisation has a significant impact in some way, these are:

- **Operational GHG emissions** – GHG emission from operating activities,
- **Supply Chain** – ESG impacts in the supply chain, including on human rights,
- **Health and Safety** – of all personnel and the public,
- **Biodiversity** – impacts including spills and discharges,
- **Resource Use and Circularity** – use of resources, waste, and circularity,
- **Energy Efficiency** – efficient use of energy resources,
- **Cyber Security** – management of cyber security risks and threats,
- **Ethics and Anti-corruption** – ethical business behaviour,
- **Industry Collaboration** – collaboration to achieve more sustainable outcomes,
- **Local Community Impacts** – impacts of operations on the local community,
- **Employee Wellbeing** – Wellness, training & development, and diversity, equality & inclusion.

Following this materiality assessment, the business will mature, develop, and implement real changes to the existing topics, to mitigate or remove their negative impacts; it is after this has taken place that a further materiality assessment will be conducted. Over this period, it would be sensible to assume that, with any material changes within the operations of the business and as sustainability reporting guidance and requirements change and grow, that our perspectives and that of our stakeholders will change. As such, each concurrent annual sustainability report will demonstrate improvements at GLID based on the material topics, with a potentially renewed perspective on priorities with each coming materiality assessment.

4. Global Real Estate Sustainability Benchmark (GRESB)

The Global Real Estate Sustainability Benchmark (GRESB) is an assessment that scores organisations on their recording and reporting performance on ESG matters. It is available on an annual basis and is heavily informed by its audience across a large range of sectors and the current sustainability standard frameworks.

GRESB scores organisations against how well they can readily provide recorded sustainability information for the previous calendar year. Whilst this provides insights into gaps in information, the assessment does not score an organisation on performance, only its ability to provide and often evidence data and documentation. Despite this, the feedback from the GRESB assessment paired with the materiality assessment results has provided GLID with a well-rounded picture on the sustainability impacts of GLID's operations.

To date, GLID has completed the assessment in 2021 and 2022 and envisages to do so each year moving forwards. We made a number of improvements based on the 2021 results, such as further policy development, data recording and sustainability

reporting. In the 2022 assessment, we were proud to score 81%, securing 75% of the available score within the management component and 85% of the performance component. Since, we have made improvements to prepare for the 2023 assessment.

5. *Action Planning*

The current performance of each of the Materiality Assessment topics was analysed to determine our current position. To make future improvements manageable, the topics were assigned one of three buckets:

- **Maintain and Enhance** – topics which we presently have an overall positive performance,
- **Improve** – short and long-term improvements to determine a sense of prioritisation,
- **Project** – topics that will require a broad scope of work to further understand impacts and mitigate.

The following sections of this report cover which topics are included within each of these three buckets, our historic and current performance, and some information on the actions we envisage to undertake in 2023.

6. *Maintain and Enhance*

Social

Health and Safety

At GLID, it is our top priority to create an environment, which at the core of our operating model, is to be an incident free workplace. We are proud of our safety record and work closely with our contract partners to ensure that we promote a safety culture which empowers individuals to challenge unsafe practices.

The Lost Time Incident Rate (LTIR) and Total Reportable Injury Rate (TRIR) at the end of 2022 was zero with GLID surpassing two years LTI free in November 2022. The HSE observation rate for the full year was 5.71 per 1,000 hrs. Our target is to achieve an observation rate of 4 per 1,000 hrs with emphasis on quality reporting of both unsafe and positive conditions to drive a positive safety culture. Regular safety stand-down days take place to refresh safety training and harness the One Team approach to safety.

The COVID - 19 pandemic had a profound impact on all people and organisations, reversing sustainable development that has taken place in recent years and limiting future progress. At GLID, the risks were stringently managed to ensure that all people remained safe. This included adapting to a new work paradigm in which most office-based staff worked from home and offshore personnel manning was planned to ensure minimal mixing and adequate separation across vessels. By the latter part of 2022, most office staff returned to the 'normal' routine of working in the office and risk mitigations are consistently being reviewed to ensure the safety of all personnel working at site.

Employee Wellbeing

We strongly believe that stress, fatigue, and poor mental health can lead to unsafe practices in the workplace, as well as low motivation. Employee wellbeing is therefore paramount to our safety culture with various initiatives taking place throughout the year to optimise employee wellbeing.

Health is promoted via participation in the local North-East Lincolnshire (NELC) initiative, 'Love to Ride', which promotes cycling for commuting and leisure purposes to drive sustainable forms of transport and improve overall health. During 2022, personnel at the site participated in the 'Ride Anywhere' week in March, 'Bike Month Challenge' in May, 'Cycle September', and 'Winter Wheelers' in December.

Mental health champions have been appointed in addition to mental health first aiders who meet regularly to discuss mental health initiatives. Mental health support is available for all staff via the Employee Assistance Programme (SGRE), We Care



Programme (XceCo), and Peninsula (Bellrock). Line managers also hold regular conversations with team members to check in on any mental health concerns.



SGRE conducted a Hearts & Minds safety culture survey in 2022, developed by the Energy Institute, with a focus on mental health followed up with open communication with staff. SGRE also conduct an annual Employee Engagement survey to understand any areas of improvement. To support the One Team safety culture at site as well as promoting employee wellbeing, several social events are planned throughout the year, including regular team lunches with a quiz. In previous years, events have included go-karting, axe throwing, team

building challenges, and bowling to name a few. In 2022, staff enjoyed an evening with a hypnotherapist, Robert Temple, which provided some light-hearted entertainment at the end of a very busy season. Awards were also presented to individuals in recognition of their efforts throughout the year.

Governance

Cyber Security

At GLID, we always aim to conform with the latest guidance from the National Cyber Security Centre (NCSC). Every year, GLID undertakes tests to comply with the Cyber Essentials Plus Certification. All issues are addressed immediately and options for improved cyber security are explored. SGRE also undertake routine checks and penetration testing to ensure the robustness of their systems. We remain confident that the provisions for protecting data and preserving technology infrastructure are sufficiently robust.

Ethics and Anti-corruption

At GLID, business is always conducted in an ethical and honest manner, with zero-tolerance for bribery and corruption. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever we operate. Additionally, we have a zero-tolerance approach to forced labour, slavery, and human trafficking in any form, in any part of our business or supply chain.

Financial Controls policies, incorporating the Criminal Finances Act 2017, are in place in addition to processes and procedures on the Delegation of Authority (DoA) and segregation of duties. Our annual statutory accounts undergo an external financial audit. Our robust vendor pack, as well as Supplier Code of Conduct, places emphasis on ensuring that new suppliers conform to GLID's ethical standards. A Modern Slavery statement is produced annually, which is published on our website.

In 2022, further policies were developed to include Anti-bribery and Anti-corruption, a Whistleblower policy, and Anti-money Laundering (AML). Training was provided to the XceCo team on AML, bribery and corruption, modern slavery, and human trafficking.

Regulation and Reporting Requirements

Sustainability regulations are continually evolving, as such we aim to proactively prepare for future sustainable requirements. We comply with the Streamlined Energy and Carbon Reporting (SECR) regulations and looking ahead to be compliant with the Energy Savings Opportunity Scheme (ESOS) by undertaking an energy audit in 2023.

7. *Improve*

Environment.

Operational GHG Emissions

Sustainability has always been at the core of our strategy. Following the materiality assessment, it was recognised that reducing operational greenhouse gas (GHG) emissions, in particular Scope 1 and 2 where we have more control, was a key priority. For improvements to be made, it is first necessary to understand the baseline, therefore a GHG inventory was collated with the baseline set at 2019. The rationale behind this was due to the COVID-19 pandemic which unusually affected operations throughout 2020, followed by a second national lockdown and then subsequent 'catch-up' in 2021 therefore impacting operational GHG emissions. Operation and maintenance activities were largely unaffected by the pandemic during 2022.

Our GHG inventory for 2021 and 2022 was externally verified and assured by Cameron-Cole LLC using the World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004 revised edition) (GHG Protocol).

Following the baseline assessment, we set a target of achieving zero GHG emissions for Scope 1 and Scope 2 (market-based) emissions by 2025 and net zero for all scopes by 2040; 10 years ahead of the deadline to achieve the goals of the Paris Agreement.

Work took place to improve energy efficiency at the base with the installation of LED lighting and solar panels in 2021. During 2022, green tariffs were set up for the import of electricity by Lynn and Inner Dowsing wind farms. An energy audit will be done in 2023 to explore further energy efficiency improvements.

In 2023, the heating, ventilation and air-conditioning (HVAC) system is being changed out, which will entirely remove the use of LPG at GROB; thus, reducing Scope 1 emissions to zero. A zero-emissions electricity import tariff is implemented at GROB, this reduces all Scope 2 market-based emissions to zero – successfully accomplishing the interim 2025 target two years ahead of plan.

The marine fuel usage at site is not owned or controlled by GLID, it is instead managed by contract partners and is therefore recorded under Scope 3. In addition to marine fuel use from crew transfer vessels (CTV's) for regular operations and maintenance activities, marine fuel use from service operation vessels (SOV's) and jack-up vessels (JUV's) used for jack-up campaigns is also recorded. Due to the age of the asset, some major components are naturally experiencing a greater rate of failure, this creates an increase associated marine fuel use. CTV emissions are a significant contributor to GLID's Scope 3 GHG emissions, therefore talks have taken place with the contract owners to ensure that emissions are a key consideration when completing a new vessel tender.

Scope 3 emissions include upstream and downstream activities throughout the supply chain, therefore there is work to be done to expand the GHG inventory in this area. We are working with our stakeholders, starting with the closest in the supply chain, to expand our reporting throughout Scope 3, such as employee commuting and business travel. To support the transition to a low-carbon and climate-resilient economy, 12 car charging points were installed in the car park at GROB in 2020 so that cars may be charged whilst attending the office. Many of GLID's contractors' vehicles are company cars, the introduction of the electric vehicle (EV) chargers at site has removed any potential barriers that would have historically made EV options unfeasible for both personal and commercial vehicles.

Resource Use and Circularity

We are proud to state that none of the waste generated at GLID in 2022 was incinerated or sent to landfill. No hazardous waste is produced at the site, instead our waste streams include items such as Waste Electrical Equipment (WEEE), liquids including bilge waste, oil, and coolants, metal waste, plastics, oil contaminated waste, batteries, dry-mixed recycling (DMR), and general waste. Of all the waste disposed of at site in 2022, 30% was re-used, 28% was recycled and 42% was sent to a waste-to-energy plant located approximately 5 miles from the operational base.

XceCo and SGRE have been and are continuing to work with Renewable Parts Ltd, who provide repaired and refurbished parts, consumables, and components to the wind industry; this helps drive resource efficiency and the circular economy. Further work will be undertaken in this area in 2023.

Biodiversity and Habitat

Biodiversity is essential for the processes that support all life on Earth. At GLID, we aim to protect the areas in which our operations take place, but also enhance it where possible. The potential impacts our processes and actions have on the environment, are always a top consideration. The painting of the WTG towers takes place with techniques agreed with the Marine Management Organisation (MMO) to ensure there is limited impact on the environment. Algal growth on the WTG ladders is routinely removed by the vessel crew, using jet washing to preserve algae. All Jack-up activities and the size of their contact on the seabed is recorded to ensure the site remains with the controls of the MMO and the O&M license. Additionally, seabed surveys are undertaken every year to monitor the full cable array, export cables, WTG scour, and No Cable Zones. There were no oil spills, dropped objects into the sea or wildlife fatalities were recorded in 2022.

We understand there are inherent potential ecological risks to marine ecosystems from offshore electricity production and therefore adopts management measures that minimise impacts. Research into the environmental sustainability of the offshore wind energy sector is ongoing and GLID is continually conversing with professionals in this field to determine if marine biodiversity can be improved. Many of the projects with the goal of developing biodiversity in the North Sea are in their infancy with trials taking place at various sites. We will continue to work collaboratively with organisations in this area where opportunities arise.

In terms of onshore biodiversity, beach profiling takes place quarterly at the Middlemarsh substation, Skegness, to look for signs of exposed cable ducts or vents across the beach. Throughout all the managed onshore GLID locations, the hedges and grounds are kept in good condition and are maintained outside of breeding season to protect the local wildlife and to ensure we are conforming with the latest legal guidance. At GROB, flower beds are maintained, and further plans are in place to further develop the outdoor space in 2023, to further promote biodiversity. Opportunities are being researched to support local onshore biodiversity projects with the Lincolnshire Wildlife Trust and the RSPB, such as river cleaning, litter picking, and planting wild seeds.

Social

Playing our part in aiding the development of the local area in which we operate is of importance to the business. We are committed to investing in the local community through fundraising and donations to local charities, sponsorship of various events, or by volunteering time and experience to help local businesses and schools. Whilst many causes and events were supported throughout 2022, we recognise that there is always room for improvement; as such, we are consistently exploring new options to not only aid existing and established projects and charities, but also how we may support some of the smaller and less well funded projects. There are plans to do more in 2023 to positively contribute to the local community as well as raising awareness around Diversity, Equality, and Inclusion (DEI).

Local Community Impacts

The offshore wind industry is growing at an ever-increasing rate in the North-East Lincolnshire region, particularly within Grimsby. As such, we feel it is important to engage with local students to spark their interest in the industry and to aid them in developing the necessary skills and achieving relevant qualifications so that they may become valuable in the industry; this also helps ensure that there is not a skills deficit in the area.

During 2022, XceCo took part in science, technology, engineering, and mathematics (STEM) workshops at a local sixth form college with an open evening and careers fair in the evening. This event was aimed at Year 10 pupils to give them an insight into possible careers and different routes into the renewables industry. Another event saw XceCo staff attend a local secondary for their 'Aspire Day', delivering engaging workshops with groups of students. Similarly, a local Primary School was attended to support their multi-academy careers fair. Other events have included the support and unveiling of various large recycling bins designed as a giant

globe, bucket and spade, and a giant fish; one at a local primary school and others along the promenade in the neighbouring town of Cleethorpes.

On the very wet Jubilee Bank holiday Sunday in 2022, Karen, Simon, and Helen from XceCo took part in the Grimsby 10km run, raising money in aid of Horizon Youth Zone (HYZ). HYZ is a brand-new charity in the heart of Grimsby, with the objective of creating a safe space for young people, opening in 2024. It will be an inspiring place for young people aged 8-19 and up to 25 for those with additional needs. The Youth Zone is based upon the successful OnSide Youth Zones model, where young people will have access to state-of-the-art facilities, with the choice of over 20 fun and engaging activities every day including sports, arts, music, media, dance, drama, cooking, employability, and enterprise workshops. This is to be coupled with extensive support from highly skilled youth workers and volunteers who truly believe in young people.

Every year, personnel at the site are invited to nominate their preferred charity to support throughout the calendar year. In 2022, the Grimsby Food Kitchen (GFK), who provide hot meals and support to those battling addiction and homelessness, were chosen to be the charity of the year. Throughout the year at team lunches, sweepstakes, and other events, donations were taken to support the GFK. The site also supported the '1st Healing Scout Group', whose hut floor had become rotten and unsafe. With a new floor, the group are now able to offer a safe place for young people in the local area to get together and develop their life skills.

Each Easter, staff at site donate Easter Eggs to the NELC Childrens integrated Front Door service, who assist children and their families where a child has a disability or is at risk of harm. A MacMillan coffee morning was also held with a bake sale to raise funds to support people living with cancer.

With the support of contractors at site, we held a Family Day in the summer of 2022 offering staff and their families the opportunity to have a tour of the office, control room and the Grimsby Docks on a CTV. STEM activities were available in the office, such as building your own wind turbine and electrical circuits, as well as a VR headset that would allow the wearer to experience what it is like atop a WTG and to transit and transfer. An entertainer was also present to create balloon models with the children and rose to the challenge of making a WTG balloon. Due to the huge success of the event, we are planning to repeat this event on an annual basis; for the 2023 event, the local Sea Cadets are being invited to widen our audience.

Many events have been sponsored throughout 2022, including the e-factor business Great Big Small awards and the Heart of the Community award. XceCo also provided further sponsorship for the RNLI and the Teenage Cancer Trust.

8. Supply Chain Project

With a review of the material topics completed, it was apparent that there is a requirement for a significant project that will focus on the supply chain. This will involve tackling the challenges around Scope 3 greenhouse gas emissions by expanding the GHG inventory to enable large-scale emitters to be identified and determining how these impacts may be mitigated. This is a key step for GLID in achieving the 2040 Net Zero target in all scopes. The project will also investigate the ethics of processes and the wellbeing of people involved in the supply chain to ensure that GLID, as a consumer, is making the right decisions in determining suppliers. This may also include undertaking checks to ensure that all legally required statements/documentations are in place, e.g., Modern Slavery Statement. Additionally, our waste streams will be reviewed to ensure that the best practices are being adopted to mitigate any potential environmental or social impacts, and an analysis of whether the current waste management process is the most cost effective or whether investment will be required to make material improvements.

This project will begin in 2023.