

Section 172 statement and stakeholder relationships

The Directors consider that in conducting the business of Waldorf Energy Partners Limited and its subsidiaries (the **Group**) over the course of the year they have complied with Section 172(1) of the Companies Act 2006 (the **Act**) by fulfilling their duty to promote the success of the Group and act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole.

Issues, factors and stakeholders

The Board has direct engagement with the Group's shareholders (90% of which are represented on the board / management) and seeks a rounded and balanced understanding of the broader impact of its decisions through regular engagement with all its stakeholders (detailed below) to understand their views. Stakeholder engagement also ensures the Board is kept aware of any significant changes in the market, including the identification of emerging trends and risks, which in turn can be factored into its strategy discussions.

i. Likely consequences of any decisions in the long term

The business model and strategy of the Group is set out within the Strategic Report. Any deviation from or amendment to that strategy is subject to Board and shareholder approval.

At least annually, the Board considers a budget for the delivery of its strategic objective, based on a three-year forecast model. The management team also reports non-financial and financial key performance indicators to the Board monthly, which are used to assess the outcome of the decisions made.

The Board's commitment to keeping in mind the long-term consequences of its decision underlies its focus on risk, including risks to the long-term success of the business. The Board gains an understanding of the views of the Group's key stakeholders from regular meetings with the management team and considers those stakeholders' interests and view in board discussions and long-term decision making.

ii. The interests of the Group's employees

The Board highly values the contribution of the Group's employees and appreciates the importance of having an appropriate framework in place to support the organisation as it grows. In 2022, the Company updated the Employee Handbook, implemented a new performance management process and established an in-house HR function. The management team engages regularly with staff through townhalls and other meetings to share information and ideas.

iii. The need to foster the Group's business relationships with suppliers, customers, and others

The management team is tasked with maintaining appropriate business relationships with suppliers, customers and other counterparties. Given Waldorf's non-operated business model, we have limited day-to-day interaction with suppliers at our assets. Instead, our key counterparties are the operating partners at these assets. Our operations team has held longstanding relationships with their counterparts at all the field partners. Elsewhere, other counterparts including off-takers, onshore contractors, accountants etc also have well-established relationships with the management team. Where material counterparties are new to the business, checks including anti money laundering etc are conducted to ensure that no reputational or legal issues would arise from engaging with them.

iv. The impact of the Group's operations on the community and the environment

The Board recognises the importance of supporting local communities where the Group's operations are located. Management have long-standing relationships in relevant industry organisations and local forums, with a view to understand stakeholder concerns. Whilst most of our operations and assets are offshore, the Board remains focused on implementing environmental, social and corporate governance ("ESG") best practices with respect to host communities where relevant.

The Group is committed to preventing bribery, money laundering, slavery, and human trafficking, in line with its regulatory obligations, and appropriate policies are in place to ensure this.

v. The desirability of the Group maintaining a reputation for high standards of business conduct

The Board believes that the ability of the Group to conduct its business and deliver on its “Buy and Build” strategy depends in part on the reputation of the Board and Management team. The Group constantly strives to maintain high standards of professional business conduct in its interactions with partners, relevant authorities, and other stakeholders. The risk of falling short of the high standards expected and thereby risking its business reputation will form part of the Board’s annual risk evaluation and mitigation process.

vi. The need to act fairly as between members of the Group

With >90% of our stakeholders (shareholders) represented via the Board and Management team, the Board believes its decisions reflect all key stakeholder views. Elsewhere, other existing investors not on the board are engaged on an ad-hoc basis by the management team throughout the year, including where prompted by material announcements. We regularly engage with bond investors with, at least, quarterly meetings and presentations, to ensure we are fully aligned and delivering to expectations. The Group has a single class of share in issue with all members of the Group having equal rights.

There is nothing further to report in respect to Section 172.