

ARCH PROUDLY PRESENTS

AN INTERVIEW WITH  
CROSSBOUNDARY  
ENERGY'S HEAD OF  
ESG, IFEOMA DIKE

# ESG & IMPACT INSIGHTS

January 2025

### CrossBoundary Energy Overview

CrossBoundary Energy (CBE) is Africa's leading renewable utility for commercial and industrial (C&I) entities. The company's business model involves the sale of power under long term contracts to businesses, whereby CBE assumes responsibility for funding and operating renewable energy stations that serve the electricity needs of their customers. CBE services mostly the mining, telecommunications and other industrial sectors currently.

The value proposition for CBE clients is that there are zero upfront capital expenditures, and the client only pays for the power that is produced (at a cost which is typically lower than what they are currently paying). CBE saves the business money and, at the same time, lowers their carbon footprint by eliminating or reducing reliance on captive (largely liquid fossil fuel) emergency generation.

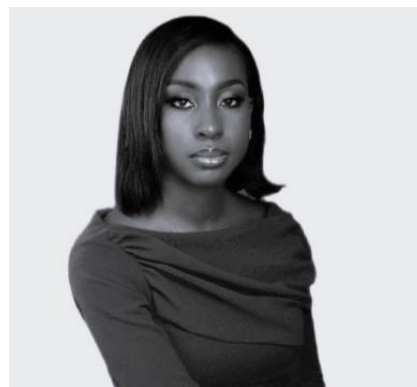
In 2020, ARCH Emerging Markets Partners Ltd (ARCH)'s Africa Renewable Power Fund (ARPF) closed its investment in CBE, committing US\$40 million.

### The Interview

Melanie Mann, ARCH's Head of Environment, Social and Governance (ESG), interviewed Ifeoma Dike, CBE's Head of ESG at the end of 2024. Melanie said, *"Having been involved in recruiting Ifeoma to CBE back in 2022 and having worked closely over the last two years, it was great to have a quiet moment to reflect on her and her ESG team's incredible achievements, growth and exciting aspirations for CBE's ESG approach and positive impact."*



**Melanie Mann**, Head of ESG, ARCH



**Ifeoma Dike**, Head of ESG, CBE

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**Q Melanie:** How long have you been working as an ESG professional, and why and how did you get into it?

**A Ifeoma:** I've been an ESG professional for over 14 years, and the journey has been nothing short of transformative. I stumbled into ESG serendipitously, but it has turned out to be the perfect intersection of my passion for creating value and driving sustainable growth in developing countries.

My academic background laid the foundation for this career. I earned a BSc in Environmental Science from the University of Nottingham and an MSc in Environmental Technology from Imperial College London. These programs equipped me with a solid understanding of ESG principles and exposed me to the many ways they can be implemented effectively.

My professional journey began with a UK-based

water infrastructure firm, where I developed a flood risk assessment tool that prioritized vulnerable assets. The tool enabled proactive interventions to prevent flooding, safeguard communities, and optimize decision-making—resulting in annual savings of over £600,000. Witnessing firsthand how integrating environmental and social factors could drive tangible outcomes for businesses and communities solidified my passion for embedding sustainability concepts and its transformative potential.

Since then, I've taken on diverse ESG roles, consulting for DFIs like the World Bank on public sector infrastructure projects, advising private equity firms on ESG strategies across Africa, and now leading ESG efforts at CBE, a distributed energy resources firm that services C&I customers. Each role has been unique, highlighting the ever-evolving nature of ESG and the breadth of its impact. For someone who thrives on tackling challenges, this career has been a dynamic and fulfilling path, constantly pushing me to innovate and make a difference.



**Q Melanie:** You joined CBE in December 2022 as Head of ESG. What attracted you to the role?

**A Ifeoma:** Knowing I was ready to take a more active role in implementing ESG principles within a business motivated me to join CBE. After years of advising lenders and portfolio companies, I wanted to transition to a role where I could directly influence day-to-day operations and embed ESG into business strategies and processes.

CBE presented the perfect opportunity. The company's mission to unlock capital for financing renewable energy solutions for C&I businesses across Africa deeply resonated with me. Beyond the mission, the chance to contribute to the decarbonization of some of the most polluting industries was particularly compelling.

The role also stood out due to its emphasis on creating tangible, scalable impact through a holistic ESG approach, particularly in advancing the global energy transition. This alignment made the decision to join an easy one.

**Q Melanie:** Is the role what you expected?

**A Ifeoma:** The role has been both challenging and rewarding, offering experiences far beyond what I initially anticipated. Over the past two years, I've navigated ESG challenges at a dynamic pace unlike anything I've encountered before.

A standout example is our Madagascar project, which involves a mining client and our first wind energy project. The combination of a new client sector, project type, and operating environment added layers of complexity. I've had to adapt significantly—unlearning some traditional ESG

concepts, immersing myself in technical and operational details, and relearning more context-specific, practical approaches to success. This steep learning curve has not only broadened my perspective but also strengthened my problem-solving skills.

That said, the role has fully met my expectations in terms of impact. Witnessing the tangible results of our work—whether through the development of renewable energy assets like solar and wind plants or by shaping strategies in some of the most remote and unique project settings—is incredibly fulfilling.

Moreover, CBE's collaborative and purpose-driven culture has been a significant highlight.



**Q Melanie:** The ESG team at CBE has grown significantly since ARCH's ARPF invested in it back in early 2020, from none to now a team of four. Why has that happened?

**A Ifeoma:** The growth of CBE's ESG team has been driven by strategic operational shifts and the increasing complexity of its project portfolio, as well as investor requirements, including those of ARCH, to achieve international best practice ESG standards. Having in place dedicated and

experienced internal ESG resources was a condition of ARCH ARPF's investment as it was considered essential to achieve those standards.

Since 2020, CBE's project portfolio has not only grown in size but also in scope. The company now handles larger, more intricate projects, requiring extensive ESG oversight. In addition, CBE has entered high-risk and nascent sectors, including mining and telecommunications, which demand thorough ESG scrutiny to mitigate reputational and operational risks. These ventures necessitate a more robust team to oversee implementation and compliance across diverse project sites.



In 2022, the ESG team consisted of just two members – Maureen Kinuthia and me. However, as the demands of managing ESG risks across sectors and sites grew, so did the need for specialization within the team. In 2023, we expanded the team strategically:

- **Chioma Ehimare** joined as a Senior ESG Officer, later promoted to ESG Manager. She has been instrumental in refining our ESG policies, procedures and particularly enhancing our approach in the telecommunications sector.
- **Daniel Mbithi** came on board as a Senior Health, Safety, Environment, and Community (HSEC) Officer, bringing vital expertise to oversee health, safety and environment (HSE) compliance across construction and operational sites.

This expanded structure enabled Maureen, our Senior ESG Manager, to focus on broader strategic

initiatives like pipeline screening, investor engagement, and Environmental and Social Management System (ESMS) integration.

I'm incredibly proud of how far we've come and even more proud of my hard-working team. Their dedication and synergy have been critical in delivering ESG excellence across projects.

**Q Melanie:** The ESMS that was established at CBE at the start of ARCH ARPF's investment has evolved significantly over the last few years. Can you talk about how it has evolved and why?

**A Ifeoma:** ARCH has played a pivotal role in shaping CBE's ESMS, driving its initial development and then subsequent evolution from a foundational framework to a sophisticated tool tailored for diverse and complex projects.

When we launched the first version of the ESMS, it primarily supported smaller rooftop solar projects. However, as CBE's portfolio expanded in scale and complexity – including large-scale ground-mounted solar and wind projects—the ESMS had to grow in sophistication. This evolution reflects not only the heightened ESG risks associated with these new focus areas but also our commitment to sustainability and meeting investor expectations.

Today, our ESMS now encompasses a suite of detailed policies and procedures guiding how CBE's addresses a wider range of potential ESG risks across our investment and project implementation process. Some of the notable inclusions are:





- Environmental and Social Due Diligence (ESDD) procedures
- ESG legal protections in all our contracts
- Supplier policy and code of conduct
- Gender-Based Violence and Harassment guidelines
- Land acquisition procedures
- Climate Change Risk Assessment
- E-waste management procedures
- Grievance Redress Mechanisms at the project level
- EHS guidance for Engineering, Procurement and Construction (EPC) contractors

One transformative change has been our shift from desk-based ESDD to comprehensive site visits and interviews, particularly for mining offtakers. We now partner with reputable third-party consultants to conduct in-depth risk evaluations. This hands-on approach provides a deeper understanding of ESG risks associated with our projects and/or offtakers, helps us build trust with our clients, and pre-empts compliance gaps—mitigating potential delays and protecting our assets.

To further embed ESG into our operations seamlessly, we've introduced a detailed onboarding process for EPC contractors and developers. We intimate them on our ESG expectations and provide guidelines and templates for reference and adoption. Additionally, supplementing with tools such as SafetyCulture – a user-friendly HSE management tool – has reinforced a strong safety ethos across our 25 operating assets and sites under construction.

Recognizing the increasing importance of managing supply chain risks, we developed a Supply Chain Policy and a Supplier Code of Conduct. This standardized framework enables the identification, assessment, mitigation, and monitoring of ESG risks across our supply chains.

To date, CBE has conducted over 30 desk-based supplier assessments, leading to the creation of a preferred supplier list for projects.

Looking ahead, our ESMS will continue to adapt to the complexity of our growing portfolio. Its evolution is a testament to the dedication of our team and ARCH's unwavering support, guidance and collaboration ensuring we remain at the forefront of ESG excellence.

**Q Melanie:** How do you see it further evolving over the next few years?

**A Ifeoma:** Our ESMS is a living document, and I expect it to evolve over the next few years in response to new trends, investor expectations and the growing complexity of our portfolio. I anticipate advancements in the following key areas:

**AI and Automated Risk Management:** With a secured portfolio exceeding US\$600 million, automation will be essential to managing our ESG risks at scale. Tools like SafetyCulture have already improved our HSE data collection efficiency. We plan to adopt similar solutions to improve our screening by leveraging advanced analytics and machine learning for real-time risk identification and mitigation.

- **Enhanced Community Engagement Through Local Teams:** Dedicated CBE personnel at project sites have proven invaluable, as evidenced by our project with QIT Madagascar Minerals (16MW wind, 14MW solar photovoltaics, and 8MW Battery Energy Storage Systems), an ilmenite mine in southern Madagascar. The introduction of a Community Liaison Officer (CLO) in 2023 ensured swift and effective responses to

community concerns, including resolving critical cultural heritage issues. To enhance the implementation of our ESMS, we plan to formalize the CLO strategy, replicate it across other sensitive projects, and expand on-site EHS hires, where feasible.

- Climate and Supply Chain Risk Assessments**  
While our climate and supply chain risk management systems are robust for our current operations, we aim to enhance it further in the short-term to meet growing demands for transparency and accountability. This will involve incorporating project-level climate physical risk findings into our technical designs to strengthen asset resilience and refining supplier risk assessments to align with global best practices on product traceability. ARCH has been pivotal in drawing CBE's attention to these climate risks and laying the foundations of a best practice approach to assessing, managing and monitoring them.
- Impact Framework and Metrics:** Given the 10-20-year horizon of our projects, creating sustainable impact opportunities is important to us. We plan to formalize impact programs across our projects where feasible, focusing on addressing prevalent challenges in project communities. Our enhanced impact measurement framework will introduce more comprehensive metrics to effectively capture social and environmental outcomes. This will ensure accountability and demonstrate the long-term value we create for communities and stakeholders.



Followed by consistent monitoring of ESG and HSE performance.

Beyond risk management, "Value Enhancement" involves seeking opportunities to create shared benefits for all stakeholders through our projects. These efforts often become a natural by-product of robust risk mitigation. Our initiatives include generating employment and supporting local businesses. To strengthen this approach, we are formalizing our impact management process and developing metrics to measure and maximize outcomes comprehensively.

Successfully balancing ESG risks and opportunities demands cross-disciplinary collaboration at CBE. This agility enables us to adapt to evolving conditions and stakeholder expectations. At its core, our approach is about being proactive—de-risking investments while maximizing the positive impact of our projects for clients, communities and stakeholders alike.

**Q Melanie:** How do you balance managing both ESG risks and positive impact outcomes within CrossBoundary Energy?

**A Ifeoma:** Balancing ESG risks and impact outcomes is central to our business model and critical for sustained success. This balance is achieved through our ESMS, which emphasizes two core pillars: value protection (de-risking) and value enhancement (impact).

In terms of "Value Protection", our ESG framework proactively identifies and mitigates risks that could affect the value of our energy assets throughout the investment period. This begins with comprehensive due diligence, where we assess risks and opportunities, develop mitigation plans, and collaborate with clients, contractors, and suppliers to ensure effective implementation.

**Q Melanie:** What is your greatest achievement so far?

**A Ifeoma:** It's challenging to pinpoint just one achievement because, for me, each milestone that integrates ESG principles into a project or closes a deal aligned with our sustainability goals feels like a significant win.

However, if I were to highlight something truly impactful, it would be the team I've had the privilege of building and leading. None of the ESG wins we've recorded so far would have been possible without their commitment.